

# Virginia Retirement System 2008 Fiscal Impact Statement

**1. Bill Number:** HB78

House of Origin      X   Introduced               Substitute               Engrossed  
Second House               In Committee           Substitute               Enrolled

**2. Patron:**        Abbitt

**3. Committee:** Appropriations

**4. Title:**        **Health insurance; credits for certain retired public officers and employees.**

**5. Summary:** Health insurance credits; certain retired public officers and employees. House Bill 78 increases the monthly health insurance credit funded by the state from \$1.50 to \$4.00 for each full year of creditable service for retired constitutional officers, employees of constitutional officers, general registrars, employees of general registrars, and local social service employees. The maximum monthly health care credit benefit is capped at \$120. House Bill 78 would also eliminate the additional health insurance credit of \$1 per month for each year of service that localities currently have the option to provide retirees.

**6. Fiscal Impact Estimates:**

**6a. Expenditure Impact:**

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
State-G F	\$3,337,000	\$3,471,000	\$3,610,000	\$3,755,000	\$3,905,000	\$4,061,000
S P O R S - G F						
V a L O R S - G F						
J R S - G F						
Teacher-G F						
Total G F	<u>\$3,337,000</u>	<u>\$3,471,000</u>	<u>\$3,610,000</u>	<u>\$3,755,000</u>	<u>\$3,905,000</u>	<u>\$4,061,000</u>
State-N G F	\$429,000	\$446,000	\$464,000	\$482,000	\$501,000	\$521,000
S P O R S - N G F						
V a L O R S - N G F						
Total N G F	<u>\$429,000</u>	<u>\$446,000</u>	<u>\$464,000</u>	<u>\$482,000</u>	<u>\$501,000</u>	<u>\$521,000</u>
Teacher-Local						
Local Aggregate						
Total Local						
Grand Total	<u>\$3,766,000</u>	<u>\$3,917,000</u>	<u>\$4,074,000</u>	<u>\$4,237,000</u>	<u>\$4,406,000</u>	<u>\$4,582,000</u>

**7. Budget Amendment Necessary:** Yes. The cost of this legislation will be reflected in increased employer contribution rate for FY09.

**8. Fiscal Implications:** See Expenditure Impact.

**9. Specific Agency or Political Subdivisions Affected:** VRS and the State Department of Social Services, State Compensation Board, and the State Board of Elections and any VRS

participating locality that provides the optional \$1 retiree health care credit to eligible retirees.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None

**Date:** 1/21/2008 pas

**Document:** HB78.DOC