

Virginia Retirement System 2008 Fiscal Impact Statement

1. Bill Number: HB960

House of Origin X Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Shannon

3. Committee: Appropriations

4. Title: **Virginia Retirement System; optional increase for political subdivisions.**

5. Summary: Virginia Retirement System; optional increase for political subdivisions. The proposed legislation would permit, but not require, any county, city, or town that participates in the Virginia Retirement System to increase the benefit multiplier for its employees. If a locality chooses to provide the enhanced multiplier, the benefit multiplier would increase from 1.70 percent of their average final compensation multiplied by the amount of their creditable service to 1.85 percent of their average final compensation.

6. Fiscal Impact Estimates:

6a. Expenditure Impact: The fiscal impact is unknown as the proposed legislation is permissive in nature. Any additional costs would be borne by the city, county, or town electing to provide the enhanced benefit.

7. Budget Amendment Necessary: No

8. Fiscal Implications: See Expenditure Impact

9. Specific Agency or Political Subdivisions Affected: VRS and any city, county, or town that elects to provide the higher benefit multiplier.

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 01/22/2008 pas

Document: HB960.DOC