

## Virginia Retirement System 2009 Fiscal Impact Statement

**1. Bill Number:** SB814

House of Origin      X      Introduced                  Substitute                  Engrossed

Second House                  In Committee              Substitute                  Enrolled

**2. Patron:**        Locke

**3. Committee:** Finance

**4. Title:**        **Retirement System; changes formula for purchase of service by school division superintendents.**

**5. Summary:** Retirement System; purchase of service by school division superintendents. Changes the formula for the additional service required of school division superintendents in order to fully earn credit for retirement service that has been purchased by the superintendent or by the local school board on his behalf. This bill would only apply to the additional 10 years of retirement service that may be purchased by school division superintendents under § 51.1-142.3 of the Code of Virginia.

**6. Fiscal Impact Estimates:** There is no fiscal impact.

**7. Budget Amendment Necessary:** No

**8. Fiscal Implications:** None

**9. Specific Agency or Political Subdivisions Affected:** VRS and local school boards

**10. Technical Amendment Necessary:** No

**11. Other Comments:** Under current statute a superintendent with at least 5 years of service may purchase up to 10 additional years of service earned in this state or another or with a political subdivision. However, such service may not be purchased if the member is vested to a benefit from this service. The superintendent must remain in the position for the number of years that have been purchased or there is a reduction in the retirement benefit or a forfeiture of funds by the school division. This bill provides that the superintendant must remain in his or her position with the local school board for at least the number of years purchased or five years, whichever is the lesser.

**Date:** 1/23/2009    pas

**Document:** SB814.DOC