

# Virginia Retirement System 2010 Fiscal Impact Statement

**1. Bill Number:** SB92

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

**2. Patron:**        Quayle

**3. Committee:** Finance

**4. Title:**         **Virginia Law Officers' Retirement System.**

**5. Summary:** Provides that the supplemental allowance currently paid to members upon retirement until age 65 would instead be paid until Social Security Retirement Age.

**6. Fiscal Impact Estimates:**

**6a. Expenditure Impact:**

	FY 11	FY 12	FY 13	FY 14	FY 15
State- GF					
SPORS-GF					
VaLORS -GF	\$2,351,000	\$2,351,000	\$2,422,000	\$2,495,000	\$2,570,000
JRS -GF					
Teacher-GF					
Total GF	<u>\$2,351,000</u>	<u>\$2,351,000</u>	<u>\$2,422,000</u>	<u>\$2,495,000</u>	<u>\$2,570,000</u>
State- NGF					
SPORS-NGF					
VaLORS -NGF	\$190,000	\$190,000	\$196,000	\$202,000	\$208,000
Total NGF	<u>\$190,000</u>	<u>\$190,000</u>	<u>\$196,000</u>	<u>\$202,000</u>	<u>\$208,000</u>
Teacher-Local					
Local Aggregate					
Total Local	<u>                  </u>	<u>                  </u>	<u>                  </u>	<u>                  </u>	<u>                  </u>
Grand Total	<u>\$2,541,000</u>	<u>\$2,541,000</u>	<u>\$2,618,000</u>	<u>\$2,697,000</u>	<u>\$2,778,000</u>

**7. Budget Amendment Necessary:** Yes. The cost of this legislation will be reflected in increased employer contribution rates for FY11. This measure would also increase the unfunded liability by \$29,567,000 and decrease the funded ratio of VaLORS. As of June 30, 2009, the funded ratio of the VaLORS plan stood at 64.7%.

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

**9. Specific Agency or Political Subdivisions Affected:** VRS and state agencies with employees who are members in the Virginia Law Officers' Retirement System.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** HB 1219 and SB1156 from the 2007 General Assembly session were referred to JLARC for inclusion into the 2008 Review of State Employee Total Compensation Study. JLARC examined the issue, but did not issue a formal recommendation.

**Date:** 01/22/2010 pas

**Document:** SB92.DOC