

## Virginia Retirement System 2011 Fiscal Impact Statement

1. **Bill Number:** HB1745

<b>House of Origin</b>	X	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
<b>Second House</b>	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. **Patron:** Ingram

3. **Committee:** Appropriations

4. **Title:** Virginia Retirement System; purchase of additional prior service credit by school division superintendents.

5. **Summary:** Virginia Retirement System; purchase of additional prior service credit by school division superintendents. Provides that the reduction in the number of years of certain prior creditable service purchased by a school division superintendent that occurs if the superintendent does not remain in his position for at least the number of years purchased does not apply if the superintendent's termination is due to death, disability, or involuntary separation.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** The fiscal impact will be minimal.

8. **Fiscal Implications:**

9. **Specific Agency or Political Subdivisions Affected:** VRS and Local School Boards, Local School Superintendents

10. **Technical Amendment Necessary:** No

11. **Other Comments:** Section 51.1-155.1 governs severance benefits for school division superintendents who are involuntarily separated from their position. The benefit provision allows a superintendent who has at least 20 years of service and has attained the age of 50 an unreduced retirement benefit based on the service earned or purchased at the time of separation. This bill would provide a second form of severance benefit for school superintendents who would otherwise be forced to forfeit service previously purchased on their behalf due to their shortened tenure with the school board.

**Date:** 01.21.2011

**Document:** HB1745