Virginia Retirement System
2012 Fiscal Impact Statement

1. **Bill Number:** HB163

   House of Origin X Introduced ☐ Substitute ☐ Engrossed

   Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Hope

3. **Committee: Courts of Justice**

4. **Title: Judicial retirement; mandatory retirement.**

5. **Summary:** Increases the mandatory retirement age under the Judicial Retirement System from 70 years of age to 73 years of age.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:**

   7a. Expenditure Impact:

	FY13 Cost	FY14 Cost	FY15 Cost	FY16 Cost	FY17 Cost	FY18 Cost
Payroll Growth Assumption (includes promotion, COLA, etc.):		0.00%	0.00%	0.00%	0.00%	0.00%
State - General Fund	$ -	$ -	$ -	$ -	$ -	$ -
SPORS - General Fund	-	-	-	-	-	-
VALORS - General Fund	-	-	-	-	-	-
JRS - General Fund	(1,242,000)	(1,242,000)	(1,242,000)	(1,242,000)	(1,242,000)	(1,242,000)
Teacher - General Fund	-	-	-	-	-	-
TOTAL General Fund	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)
State - Non-General Funds	$ -	$ -	$ -	$ -	$ -	$ -
SPORS - Non-General Funds	-	-	-	-	-	-
VALORS - Non-General Funds	-	-	-	-	-	-
TOTAL - Non-General Funds	$ -	$ -	$ -	$ -	$ -	$ -
Teacher - Local Funds	$ -	$ -	$ -	$ -	$ -	$ -
Political Subs - Schools	-	-	-	-	-	-
Political Subs - Non School	-	-	-	-	-	-
TOTAL Local Funds	$ -	$ -	$ -	$ -	$ -	$ -
Grand Totals	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)	$ (1,242,000)

8. **Fiscal Implications:** Included in Fiscal Impact estimate. Currently, the judicial plan provides for the mandatory retirement of judges once they attain age 70. The proposed bill would extend the mandatory retirement age to 73. The data in Item 7 includes the reduction in costs for the retiree health insurance credit program and group life insurance as well.

9. **Specific Agency or Political Subdivisions Affected:** VRS, JRS and agencies employing judges.

10. **Technical Amendment Necessary:** No

11. Other Comments: The current retirement rates were extended beyond age 70 to allow analysis on this proposed change. However, it is important to keep in mind that it is not possible to predict how many members will continue to work beyond age 70. The actual impact will depend on how many judges elect to retire after age 70. If only a few judges work past age 70, the savings may be minimal.

Date: 01.18.2012
Document: HB163.DOC