

Virginia Retirement System 2003 Fiscal Impact Statement

1. **Bill Number** HB2122

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. **Patron** Reid

3. **Committee** Finance

4. **Title** Virginia Retirement System; purchase of prior service credit.

5. **Summary/Purpose:**

Virginia Retirement System; purchase of prior service credit. Increases from 4 years to 14 years the maximum years of retirement service credit that may be purchased by a school division superintendent for prior service for the Commonwealth or another state. This substitute requires the cost to purchase the service to be the actuarial equivalent service and provides that the employer may not purchase the service for the member.

6. There is no actuarial cost associated with the substitute for this bill.

7. **Budget amendment necessary:** No

8. **Fiscal implications:** This bill provides a special benefit to a small group of members. VRS is concerned that approval of this bill could set a precedent for allowing other groups to request the same or similar treatment.

9. **Specific agency or political subdivisions affected:** VRS and public school divisions.

10. **Technical amendment necessary:** No

11. **Other comments:** None

Date: 02/13/03/wgh

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