

Virginia Retirement System 2010 Fiscal Impact Statement

1. Bill Number: HB 289

House of Origin X Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Griffith

3. Committee: Appropriations

4. Title: Retirement System; authority to manage and invest certain funds for postemployment benefits.

5. Summary: Authorizes the Virginia Retirement System to manage and invest funds in a trust, or equivalent arrangement, established by a local government or other local entity to fund certain postemployment benefits. The bill provides that the Commonwealth would not be liable for any losses suffered by a local entity, or a trust or equivalent arrangement established by the local entity, on investments of such funds made by the Virginia Retirement System. In addition, no officer, director, or member of the Board of the Virginia Retirement System or of any advisory committee thereof, or any subsidiary corporation of the Virginia Retirement System whose actions are within the standard of care of a prudent person acting in a like capacity, would be liable for any investment losses.

6. Fiscal Impact Estimates: There is a minimal fiscal impact. The bill provides that the VRS may recover its costs by assessing a reasonable administrative fee to participating localities.

7. Budget Amendment Necessary: Yes. The VRS will require one (1) FTE for reporting responsibilities required by this legislation. The cost for this position (\$40,000 wage/taxes) will be covered through the administrative fees.

8. Fiscal Implications: None

9. Specific Agency or Political Subdivisions Affected: VRS and participating political subdivisions

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/25/2010 pas

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