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## HOUSE JOINT RESOLUTION NO. 649

Offered January 12, 2011

Prefiled January 12, 2011

*Directing the Joint Legislative Audit and Review Commission to study the Virginia Retirement System.  
Report.*

Patrons—Plum and Torian

Referred to Committee on Rules

WHEREAS, Section 11 of Article X of the Constitution of Virginia states that "retirement system [VRS] benefits shall be funded using methods which are consistent with generally accepted actuarial principles"; and

WHEREAS, in 2007, the Pew Charitable Trusts noted that, "Virginia's [retirement] funds aren't in as healthy shape as they used to be, and the state has stumbled a bit in making its full annual contributions toward its long-term obligation. The funding ratio of Virginia's pension plans dropped fairly substantially between 2001 and 2005, and in the last 10 years, the Commonwealth has frequently made less than the annual required contribution, as set by its own actuaries"; and

WHEREAS, the funding level of the teacher's retirement funds has fallen from 106.2 percent in 2001 to 67.2 percent in 2010; and

WHEREAS, since 2001 in both prosperous and dire economic times, the General Assembly has underfunded the Virginia Retirement System (VRS); and

WHEREAS, the VRS Board of Trustees certified a contribution rate of 12.91 percent for the teacher's retirement fund for the fiscal year ending June 30, 2011, and the Appropriations Act funded a contribution rate of 3.93 percent; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study the Virginia Retirement System.

In conducting its study, the Joint Legislative Audit and Review Commission (JLARC) shall determine whether the General Assembly is complying with its Constitutional obligation of funding the Virginia Retirement System using methods that are consistent with generally accepted actuarial principles and shall provide a methodology for ensuring adherence to this Constitutional obligation.

All agencies of the Commonwealth shall provide assistance to JLARC for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings by November 30, 2011, and the Chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2012 Regular Session of the General Assembly. The executive summary shall state whether JLARC intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

INTRODUCED

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