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HOUSE BILL NO. 162
Offered January 10, 2024
Prefiled January 2, 2024

A *BILL to amend and reenact § 51.1-1003 of the Code of Virginia, relating to financial reports by retirement systems; annual disclosures.*

Patron—Reid

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That § 51.1-1003 of the Code of Virginia is amended and reenacted as follows:

§ 51.1-1003. Financial reports by retirement systems; auditor to promulgate standards; disclosure of third-party service providers.

A. Every retirement system shall publish an annual report, which shall contain statements prepared in conformance with the standards for public employee retirement systems issued by the Governmental Accounting Standards Board (*GASB*). Such annual report need not contain the disclosure document reporting soft dollar transactions as provided in subdivision 3 of § 51.1-1000, which may be provided as a separate annual supplemental document, but the annual report shall include a certification that such system is in compliance with criterion (i) of subsection A of § 51.1-800. Every retirement system shall transmit its annual report to the Virginia Retirement System at the same time such report is made available to members and beneficiaries.

B. The Auditor of Public Accounts shall incorporate GASB standards for financial reporting by public employee retirement systems into the Uniform Financial Reporting Manual and such incorporation of standards shall be implemented on or before July 1, 1991. All retirement systems' annual reports for retirement system plan years beginning on and after January 1, 1992, shall comply with the Auditor's Uniform Financial Reporting Manual. As GASB standards are modified or changed, the Auditor and the retirement systems shall update their standards and reports as may be necessary to ensure accurate and complete disclosure to members and beneficiaries.

C. *Each annual report required by this section shall include information describing the selection of third-party fund managers, advisers, or consultants and other persons providing services to the retirement system. Such document shall (i) disclose the identity of such persons and (ii) explain the criteria and process used by the retirement system for selecting such persons.*

INTRODUCED

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