

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 30, 2007**

**TO:** Honorable Vicki Truitt, Chair, House Committee on Pensions & Investments

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2664** by Truitt (Relating to audits of public retirement system actuarial valuations, studies, and reports.), **Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Chapter 802, Government Code by adding a section requiring that the actuarial valuation, study and report of each public retirement system be audited once every five years by a qualified independent actuary and require the Pension Review Board to adopt any rules necessary to implement this section. The Employees Retirement System, Teacher Retirement System, Texas County and District Retirement System, and Texas Municipal Retirement System would be exempt from the requirements of the bill.

The bill requires the independent actuary to submit a copy of the final audit report to the retirement system and the State Pension Review Board no later than the 30th day after the date the final audit report is accepted by the governmental entity.

It is estimated that the individual public retirement systems would absorb the costs associated with the reporting requirements of the bill by utilizing existing resources. Therefore, no significant fiscal impact to the state is anticipated.

The bill takes effect September 1, 2007.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 338 Pension Review Board

**LBB Staff:** JOB, KJG, JW