

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to require the Virginia Retirement System to adopt stress testing and reporting policies.*

3 [H 1768]

4 Approved

5 **Be it enacted by the General Assembly of Virginia:**6 1. § 1. *The Virginia Retirement System (VRS) shall adopt a formal policy to:*7 1. *Develop and regularly report sensitivity and stress test analyses. Such analyses and reporting*
8 *shall include projections of benefit levels, pension costs, liabilities, and debt reduction under various*
9 *economic and investment scenarios;*10 2. *Improve investment transparency and reporting policy by (i) providing a clear and detailed online*
11 *statement of investment policy; (ii) including one-year, three-year, five-year, and 10-year investment*
12 *performance data in quarterly investment reports; (iii) including 20-year and 25-year investment*
13 *performance data in annual investment reports; (iv) reporting net investment returns on a quarterly*
14 *basis; and (v) reporting gross investment returns and returns by asset class on an annual basis; and*15 3. *Regularly report investment performance and expenses such as external manager fees, carried*
16 *interest fees, and investment department expenses for all asset classes, including private equity, public*
17 *equity, fixed income, credit strategies, real assets, strategic opportunities, and other investments.*