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SENATE BILL NO. 89

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance
on February 4, 2014)

(Patron Prior to Substitute—Senator Newman)

A BILL to amend and reenact § 51.1-1153 of the Code of Virginia, relating to Virginia Retirement System; disability program for hybrid retirement plan participants.

Be it enacted by the General Assembly of Virginia:

1. That § 51.1-1153 of the Code of Virginia is amended and reenacted as follows:

§ 51.1-1153. Participation in the program.

A. All eligible employees shall become participants in this program, provided, however, that the governing body of an employer may adopt a resolution on or before January 1, 2014, which shall be submitted to the Board, requesting that its eligible employees not participate in the program because the employer has or will establish, and continue to maintain, comparable disability coverage for such eligible employees. *A program that, in lieu of the short-term disability benefits described in §§ 51.1-1155, 51.1-1156, 51.1-1163, and 51.1-1164, provides income protection of at least 60 percent through the use of paid leave or a disability program for a period of at least 125 work days shall be deemed comparable disability coverage, provided that all other provisions of this chapter shall apply to such comparable disability coverage.* The election by the governing body of an employer not to participate in this program shall be irrevocable. The employer need not consider the provisions of § 51.1-1178 when determining the comparability of its disability coverage to this program.

B. The effective date of participation in the program for participating employees shall be their first day of employment or the effective date of their participation in the hybrid retirement program described in § 51.1-169 as applicable.

C. Notwithstanding any provision to the contrary, no participating employee shall receive benefits under Article 2 (§ 51.1-1154 et seq.) until the participating employee completes one year of continuous participation in the program.

D. Eligibility for participation in the program shall terminate upon the earliest to occur of an employee's (i) termination of employment or (ii) death. Eligibility for participation in the program shall be suspended during periods that an employee is placed on nonpay status, including leave without pay, if such nonpay status is due to suspension pending investigation or outcome of employment-related court or disciplinary action.