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SENATE BILL NO. 303

Offered January 20, 1998

A *BILL to amend the Code of Virginia by adding in Chapter 2 of Title 2.1 a section numbered 2.1-20.1:5, relating to health insurance premiums of retired state employees.*

Patrons—Reasor; Delegates: Stump and Tate

Referred to the Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 2 of Title 2.1 a section numbered 2.1-20.1:5 as follows:

§ 2.1-20.1:5. Application of sick and annual leave balances to retiree health insurance premiums.

A. Any state employee retiring from service pursuant to subsections A, B or D of § 51.1-153, § 51.1-156, subsections A, B or D of § 51.1-205, or subsections A, B or B1 of § 51.1-305 on or after July 1, 1998, who participates in the state health insurance plan, shall have the option to require that his accrued sick leave and annual leave balances be applied to his monthly health insurance premiums under such plan as provided in this section. Such option shall be irrevocably exercised on or before the employee's last day of service.

B. The accrued sick leave and annual leave balances of a retiring employee who makes the election pursuant to subsection A shall be credited toward one-half of the premium cost of his participation in the state health insurance plan for:

1. Retiree-only health insurance coverage, one month for every two days of annual leave or sick leave, or both, which the employee had accrued as of his last day of service; or

2. Family health insurance coverage, one month for every three days of annual leave or sick leave, or both, which the employee had accrued as of his last day of service.

C. The balance of the premium cost shall be paid by the health insurance credit provided pursuant to § 2.1-20.1:2; however, if the health insurance credit is not sufficient to fully offset the balance of the monthly health insurance premiums, the remaining premium cost shall be deducted from the employee's retirement allowance.

INTRODUCED

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