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**HOUSE BILL NO. 1739**

Offered January 10, 2001

Prefiled December 20, 2000

*A BILL to amend and reenact § 51.1-500 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 51.1-505.01, relating to additional accidental death and dismemberment benefits purchased by the Board of Trustees of the Virginia Retirement System.*

Patrons—Tata, Armstrong, Bloxom, Bryant, Callahan, Christian, Clement, Council, Dickinson, Grayson, Hall, Hamilton, Ingram, Jackson, May, Morgan, Putney, Rhodes and Van Landingham; Senator: Ruff

Referred to Committee on Appropriations

**Be it enacted by the General Assembly of Virginia:**

**1. That § 51.1-500 of the Code of Virginia is amended and reenacted, and that the Code of Virginia is amended by adding a section numbered 51.1-505.01 as follows:**

§ 51.1-500. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Accident" means an accident covered under the group insurance coverage purchased by the Board.

"Board" means the Board of Trustees of the Virginia Retirement System.

"Company" means insurance company.

"Contributor" means the same as that term is defined in § 23-38.75.

"Dependent child" means (i) the insured employee's unmarried natural or legally adopted children who are not self-supporting; (ii) the insured employee's unmarried stepchildren living full time with the insured employee in a parent-child relationship and who can be claimed as a dependent on the insured employee's federal income tax return; (iii) any other children if they are in the insured employee's court-ordered custody; or (iv) other dependent children of the employee's family who are eligible for coverage under the family membership program offered under policies and procedures of the Department of Human Resource Management governing health insurance plans administered pursuant to § 2.1-20.1 or § 2.1-20.1:02.

"Dismemberment" means a dismemberment covered under the group insurance coverage purchased by the Board.

"Felony assault" means a physical assault (i) by another person resulting in bodily harm to an insured employee; (ii) that takes place while such employee is performing his customary duties at the employer's normal place of business or at other places the employer's business requires him to travel; (iii) that involves the use of force or violence with the intent to cause harm; and (iv) that is a felony or misdemeanor under applicable law.

"Group insurance program" or "insurance program" means the plan covered under the policy purchased by the Board which provides group life, accidental death, and dismemberment insurance coverage for employees.

"Immediate family member" means the insured employee's spouse, children, parents, grandparents, grandchildren, brothers and sisters and their spouses.

"Qualifying child" means a dependent child less than eighteen years of age, or if eighteen years of age or older a dependent child enrolled in high school.

"Retirement System" means the Virginia Retirement System.

"Safety restraint system" means a properly installed seatbelt, lap and shoulder restraint or other restraint approved by the National Highway Traffic Safety Administration or any successor governmental agency. The term excludes an air bag safety system.

In addition to the definitions listed above, the definitions listed in § 51.1-124.3 shall apply to this chapter except as otherwise provided.

§ 51.1-505.01. Additional accidental death and dismemberment benefits.

The group life, accidental death, and dismemberment insurance coverage purchased by the Board shall include, but not be limited to, the following benefits:

A. If, as a result of an accident, an insured employee dies at least seventy-five miles from his principle residence, an additional accidental death benefit shall be paid for the preparation and transportation of the employee to a mortuary. The additional benefit shall be the lesser of the actual cost for such preparation and transportation or \$5,000;

B. If an insured employee dies or suffers a dismemberment as a result of an accident that occurs while the employee is driving or riding in a private passenger vehicle, an additional accidental death or dismemberment benefit shall be paid, provided that (i) the private passenger vehicle is equipped with a

INTRODUCED

HB1739

58 safety restraint system; (ii) such safety restraint system was being used properly by the insured employee  
59 at the time of the accident, as certified in the official accident report or by the official investigating  
60 officer; and (iii) at the time of the accident, the driver of the private passenger vehicle held a current  
61 license to operate a private passenger vehicle and was not intoxicated, driving while impaired or under  
62 the influence of alcohol or drugs, as is defined or determined under applicable law.

63 The additional benefit shall be the lesser of ten percent of the amount otherwise payable due to such  
64 accidental death or dismemberment or \$50,000.

65 C. Death or dismemberment from a felonious assault.

66 1. If an insured employee dies or suffers a dismemberment as a result of an accident caused by a  
67 felonious assault committed by other than an immediate family member, there shall be paid an  
68 additional accidental death or dismemberment benefit equal to the lesser of twenty-five percent of the  
69 amount otherwise payable due to such accidental death or dismemberment or \$50,000.

70 2. In addition, if (i) an insured employee dies as a result of an accident caused by a felonious  
71 assault committed by other than an immediate family member, and (ii) such insured employee has a  
72 qualifying child at the time of such accident, a savings trust account shall be opened for each qualifying  
73 child pursuant to the Virginia College Savings Plan (§ 23-38.75 et seq.). The Retirement System shall  
74 contribute into the account of each such qualifying child an amount approximately equal to the current  
75 cost of purchasing in full a prepaid tuition contract for tuition and mandatory fees at a four-year public  
76 institution of higher education in the Commonwealth, as determined under § 23-38.75 et seq. The  
77 Retirement System shall be the contributor for each savings trust account, and the qualified beneficiary,  
78 as defined in § 23-38.75, shall be the qualifying child on whose behalf such account was opened.  
79 Specific benefits of the savings trust account shall be as defined by the Virginia College Savings Plan.

80 Funds in a savings trust account opened on behalf of a qualifying child shall be used for qualified  
81 higher education expenses at eligible institutions, both as defined in § 529 of the Internal Revenue Code  
82 of 1986, as amended, or other applicable federal law, as determined by the Board of the Virginia  
83 College Savings Plan. Savings trust account funds shall not be disbursed prior to a qualifying child  
84 being admitted and enrolled at an eligible institution. Any funds in a savings trust account that are not  
85 used by a qualifying child before the expiration of the time period for the use of such funds, as  
86 determined by the Virginia College Savings Plan, shall be paid to the Retirement System promptly after  
87 the expiration of such period.

88 The Retirement System's status as a contributor of a savings trust account shall not be considered in  
89 determining whether a qualifying child is eligible for in-state tuition. The provisions of § 23-38.86 shall  
90 apply to this section mutatis mutandis.

91 2. That the additional benefits provided under this act shall apply to such deaths and  
92 dismemberments occurring on or after July 1, 2001.