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**SENATE BILL NO. 646**

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the Senate Committee on Commerce and Labor  
on January 30, 2012)

(Patron Prior to Substitute—Senator McEachin)

*A BILL to amend and reenact § 38.2-102 of the Code of Virginia, relating to life insurance benefits.*

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

**1. That § 38.2-102 of the Code of Virginia is amended and reenacted as follows:**

§ 38.2-102. Life.

A. "Life insurance" means insurance upon the lives of human beings. "Life insurance" includes policies that also provide (i) endowment benefits; (ii) additional benefits *incidental to a loss* in the event of death, dismemberment, or loss of sight by accident or accidental means; (iii) additional benefits to safeguard the contract from lapse or to provide a special surrender value, a special benefit or an annuity, in the event of total and permanent disability of the insured; and (iv) optional modes of settlement of proceeds. As used in this title, unless the context requires otherwise, "life insurance" shall be deemed to include "credit life insurance," "industrial life insurance," "variable life insurance" and "modified guaranteed life insurance."

B. "Life insurance" also includes additional benefits to provide for educational loans, subject to the provisions of § 38.2-3113.3.

C. "Life insurance" also includes additional benefits providing specified disease coverage or limited benefit health coverage, subject to compliance with the minimum standards established by the Commission for such benefits pursuant to § 38.2-3519. Such additional benefits may be combined in an individual policy, or added as a rider to the policy, provided that the insurer offering such additional benefits is licensed to transact the business of accident and sickness insurance and complies with the rate and form filing requirements of the Commission's rules governing the filing of rates for individual and certain group accident and sickness insurance policy forms (14 VAC 5-130-10 et seq.), as amended.