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**HOUSE BILL NO. 536**

Offered January 8, 2020

Prefiled January 5, 2020

*A BILL to amend and reenact §§ 51.1-500 and 51.1-505.01 of the Code of Virginia, relating to Virginia Retirement System; additional accidental death and dismemberment benefits; definitions.*

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 Referred to Committee on Appropriations
 

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

- 1. That §§ 51.1-500 and 51.1-505.01 of the Code of Virginia are amended and reenacted 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.

"College savings trust account" means the same as that term is defined in § 23.1-700.

"Company" means insurance company.

"Contributor" means the same as that term is defined in § 23.1-700.

"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 § 2.2-1204 or § 2.2-2818.

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

"Eligible educational institution" has the same meaning as that term is defined in § 529 of the Internal Revenue Code.

"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.

"Qualified higher education expenses" has the same meaning as that term is defined in § 529 of the Internal Revenue Code.

"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 75 miles from his principal 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

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59 while the employee is driving or riding in a private passenger vehicle, an additional accidental death or  
60 dismemberment benefit shall be paid, provided that (i) the private passenger vehicle is equipped with a  
61 safety restraint system; (ii) such safety restraint system was being used properly by the insured employee  
62 at the time of the accident, as certified in the official accident report or by the official investigating  
63 officer; and (iii) at the time of the accident, the driver of the private passenger vehicle held a current  
64 license to operate a private passenger vehicle and was not intoxicated, driving while impaired or under  
65 the influence of alcohol or drugs, as is defined or determined under applicable law.

66 The additional benefit shall be the lesser of 10 percent of the amount otherwise payable due to such  
67 accidental death or dismemberment or \$50,000.

68 C. Death or dismemberment from a felonious assault.

69 1. If an insured employee dies or suffers a dismemberment as a result of an accident caused by a  
70 felonious assault committed by other than an immediate family member, there shall be paid an  
71 additional accidental death or dismemberment benefit equal to the lesser of 25 percent of the amount  
72 otherwise payable due to such accidental death or dismemberment or \$50,000.

73 2. In addition, if (i) an insured employee dies as a result of an accident caused by a felonious assault  
74 committed by other than an immediate family member, and (ii) such insured employee has a qualifying  
75 child at the time of such accident, a college savings trust account ~~shall be opened for each qualifying~~  
76 ~~child pursuant to~~ under the Virginia College Savings Plan (§ 23.1-700 et seq.) ~~shall be opened for each~~  
77 ~~qualifying child.~~ The Retirement System shall *be the contributor of any such account and shall*  
78 *contribute into the account of each such qualifying child an amount approximately equal to the current*  
79 *average cost, as published by the State Council of Higher Education for Virginia, of purchasing in full a*  
80 *prepaid tuition contract for four years of tuition and mandatory fees at a baccalaureate public institution*  
81 *institutions of higher education in the Commonwealth, as determined under the Virginia College Savings*  
82 *Plan.* The qualified beneficiary, as defined in § 23.1-700, shall be the qualifying child on whose behalf  
83 such account was opened. Specific benefits of the college savings trust account shall be as defined by  
84 the Virginia College Savings Plan.

85 ~~Funds in a Disbursements from a college savings trust account opened on behalf of a qualifying~~  
86 ~~child shall be used for qualified higher education expenses at eligible institutions, both as defined under~~  
87 ~~this section shall be governed by procedures adopted by the Board of Trustees of the Virginia~~  
88 ~~Retirement System in accordance with § 529 of the Internal Revenue Code of 1986, as amended, or~~  
89 ~~other applicable federal law, and any other additional procedures as determined by the Board of the~~  
90 ~~Virginia College Savings Plan. Savings College savings trust account funds shall not be disbursed prior~~  
91 ~~to a qualifying child being admitted and enrolled at an eligible institution be payable only for qualified~~  
92 ~~higher education expenses to a post-secondary eligible educational institution.~~ Any funds in a college  
93 savings trust account that are not used by a qualifying child before the expiration of the time period for  
94 the use of such funds, as determined by the Virginia College Savings Plan, shall be paid to the  
95 Retirement System promptly after the expiration of such period.