

26108037D

SENATE BILL NO. 2
FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Senator McDougle
on February 16, 2026)

(Patron Prior to Substitute—Senator Boysko)

A *BILL to amend and reenact §§ 2.2-1210, 38.2-107.2, 38.2-135, 38.2-316, 38.2-1800, and 51.1-1110 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 38.2-107.3 and by adding in Title 60.2 a chapter numbered 8, consisting of sections numbered 60.2-800 through 60.2-821, relating to paid family and medical leave insurance program; notice requirements; civil action.*

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-107.2, 38.2-135, 38.2-316, and 38.2-1800 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 38.2-107.3 and by adding in Title 60.2 a chapter numbered 8, consisting of sections numbered 60.2-800 through 60.2-821, as follows:

§ 38.2-107.2. Private family leave insurance.

"~~Family~~ *Private family leave insurance*" means an insurance policy issued to an employer related to a benefit program provided to an employee to pay for a percentage or portion of the employee's income loss due to (i) the birth of a child or adoption of a child by the employee; (ii) placement of a child with the employee for foster care; (iii) care of a family member of the employee who has a serious health condition; or (iv) circumstances arising out of the fact that the employee's family member who is a service member is on active duty or has been notified of an impending call or order to active duty. ~~Family~~ *Private family leave insurance* may be written as an amendment or rider to a group disability income policy, included in a group disability income policy, or written as a separate group insurance policy purchased by an employer.

§ 38.2-107.3. Paid family and medical leave insurance.

"*Paid family and medical leave insurance*" means an insurance policy issued to an employer that meets the minimum requirements necessary for approval pursuant to § 60.2-816 to qualify as a private plan through which such employer may fulfill its obligations under the paid family and medical leave insurance program (§ 60.2-800 et seq.), as determined by the Virginia Employment Commission.

§ 38.2-135. Classes of insurance companies may be licensed to write.

Except as otherwise provided in this title and subject to any conditions and restrictions imposed therein, any insurer licensed to transact the business of insurance in the Commonwealth, other than life insurers and title insurers, may be licensed to write one or more of the classes of insurance enumerated in Article 2 (§ 38.2-101 et seq.) of this chapter that it is authorized under its charter to write, except life insurance, industrial life insurance, credit life insurance, variable life insurance, modified guaranteed life insurance, annuities, variable annuities, modified guaranteed annuities, and title insurance. An insurer licensed to write life insurance shall not be licensed to write any additional class of insurance except modified guaranteed life insurance, variable life insurance, annuities, modified guaranteed annuities, variable annuities, credit life insurance, credit accident and sickness insurance, accident and sickness insurance, industrial life insurance, ~~and private family leave insurance, and paid family and medical leave insurance.~~ An insurer licensed to write title insurance shall not be licensed to write any additional class of insurance. However, any life insurer that has been licensed to write and has been actively engaged in writing life insurance and any additional class of insurance set out in Article 2 (§ 38.2-101 et seq.) of this chapter continuously during a period of 20 years immediately preceding July 1, 1952, may continue to be licensed to write those classes of insurance. No company shall write any class of insurance unless it has a current annual license from the Commission to do so.

§ 38.2-316. Policy forms to be filed with Commission; notice of approval or disapproval; exceptions.

A. No policy of life insurance, industrial life insurance, variable life insurance, modified guaranteed life insurance, group life insurance, *private family leave insurance, paid family and medical leave insurance, accident and sickness insurance, or group accident and sickness insurance; no annuity, modified guaranteed annuity, pure endowment, variable annuity, group annuity, group modified guaranteed annuity, or group variable annuity contract; no health services plan, legal services plan, dental or optometric services plan, or health maintenance organization contract; no dental plan organization dental benefit contract; and no fraternal benefit certificate nor any certificate or evidence of coverage issued in connection with such policy, contract, or plan issued or issued for delivery in Virginia shall be delivered or issued for delivery in the Commonwealth unless a copy of the form has been filed with the Commission. In addition to the above requirement, no policy of accident and sickness insurance ~~or~~, *private family leave insurance, or paid family and medical leave insurance* shall be delivered or issued for delivery in the Commonwealth unless the rate manual showing rates, rules, and classification of risks applicable thereto has been filed with the Commission.*

SENATE SUBSTITUTE

SB253

60 B. Except as provided in this section, no application form shall be used with the policy or contract and no
61 rider or endorsement shall be attached to or printed or stamped upon the policy or contract unless the form of
62 such application, rider or endorsement has been filed with the Commission. No individual certificate and no
63 enrollment form shall be used in connection with any group life insurance policy, group accident and sickness
64 insurance policy, group annuity contract, group variable annuity contract, *group private family leave*
65 *insurance policy*, or group *paid family and medical leave insurance policy* unless the form for the certificate
66 and enrollment form have been filed with the Commission.

67 C. 1. None of the policies, contracts, and certificates specified in subsection A shall be delivered or issued
68 for delivery in the Commonwealth and no applications, enrollment forms, riders, and endorsements shall be
69 used in connection with the policies, contracts, and certificates unless the forms thereof have been approved
70 in writing by the Commission as conforming to the requirements of this title and not inconsistent with law.

71 2. In addition to the above requirement, no premium rate change applicable to individual accident and
72 sickness insurance policies, subscriber contracts of health services plans, dental or optometric services plans,
73 or fraternal benefit contracts providing individual accident and sickness coverage as authorized in
74 § 38.2-4116 shall be used unless the premium rate change has been approved in writing by the Commission.
75 No premium rate change applicable to individual or group Medicare supplement policies shall be used unless
76 the premium rate change has been approved in writing by the Commission.

77 D. The Commission may disapprove or withdraw approval of the form of any policy, contract or
78 certificate specified in subsection A, or of any application, enrollment form, rider or endorsement, if the
79 form:

80 1. Does not comply with the laws of the Commonwealth;

81 2. Has any title, heading, backing or other indication of the contents of any or all of its provisions that is
82 likely to mislead the policyholder, contract holder or certificate holder; or

83 3. Contains any provisions that encourage misrepresentation or are misleading, deceptive or contrary to
84 the public policy of the Commonwealth.

85 E. Within 30 days after the filing of any form requiring approval, the Commission shall notify the
86 organization filing the form of its approval or disapproval of the form which has been filed, and, in the event
87 of disapproval, its reason therefor. The Commission, at its discretion, may extend for up to an additional 30
88 days the period within which it shall approve or disapprove the form. Any form received but neither approved
89 nor disapproved by the Commission shall be deemed approved at the expiration of the 30 days if the period is
90 not extended, or at the expiration of the extended period, if any; however, no organization shall use a form
91 deemed approved under the provisions of this section until the organization has filed with the Commission a
92 written notice of its intent to use the form together with a copy of the form and the original transmittal letter
93 thereof. The notice shall be filed in the offices of the Commission at least 10 days prior to the organization's
94 use of the form.

95 F. If the Commission proposes to withdraw approval previously given or deemed given to the form of any
96 policy, contract or certificate, or of any application, rider or endorsement, it shall notify the insurer in writing
97 at least 15 days prior to the proposed effective date of withdrawal giving its reasons for withdrawal.

98 G. Any insurer or fraternal benefit society aggrieved by the disapproval or withdrawal of approval of any
99 form may proceed as indicated in § 38.2-1926.

100 H. This section shall not apply to any special rider or endorsement on any policy, except an accident and
101 sickness insurance policy that relates only to the manner of distribution of benefits or to the reservation of
102 rights and benefits under such policy, and that is used at the request of the individual policyholder, contract
103 holder or certificate holder.

104 I. The Commission may exempt any categories of such policies, contracts, and certificates and any
105 applicable rate manuals from (i) the filing requirements, (ii) the approval requirements of this section, or (iii)
106 both such requirements. The Commission may modify such requirements, subject to such limitations and
107 conditions which the Commission finds appropriate. In promulgating an exemption, the Commission may
108 consider the nature of the coverage, the person or persons to be insured or covered, the competence of the
109 buyer or other parties to the contract, and other criteria the Commission considers relevant.

110 J. In lieu of complying with the requirements of subsections A, B, and C, any legal services organization
111 operating, conducting, or administering a legal services plan may provide the Commission with an
112 informational filing regarding a subscription contract, enrollment form, rider, or endorsement used by the
113 legal services organization in connection with a legal services plan offered in the Commonwealth together
114 with written notice of its intent to use the form. Upon providing such informational filing and notice, the legal
115 services organization may use the subscription contract, enrollment form, rider, or endorsement without its
116 prior approval by the Commission. This subsection shall not limit the authority of the Commission to review
117 a legal services plan and any subscription contract, enrollment form, rider, or endorsement used in connection
118 therewith and to disapprove the use of such form for any of the grounds set forth in subsection D.

119 K. Pursuant to the authority granted by § 38.2-223, the Commission may promulgate such rules and
120 regulations as it may deem necessary to set standards for policy and other form submissions required by this
121 section or § 38.2-3501.

122 **§ 38.2-1800. Definitions.**

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

124 "Agent," "insurance agent," "producer," or "insurance producer," when used without qualification, means
125 an individual or business entity that sells, solicits, or negotiates contracts of insurance or annuity in the
126 Commonwealth.

127 "Appointed agent," "appointed insurance agent," "appointed producer," or "appointed insurance
128 producer," when used without qualification, means an individual or business entity licensed in the
129 Commonwealth to sell, solicit, or negotiate contracts of insurance or annuity of the classes authorized within
130 the scope of such license and who is appointed by a company licensed in the Commonwealth to sell, solicit,
131 or negotiate on its behalf contracts of insurance of the classes authorized within the scope of such license and,
132 if authorized by the company, may collect premiums on those contracts.

133 "Business entity" means a partnership, limited partnership, limited liability company, corporation, or other
134 legal entity other than a sole proprietorship.

135 "Dental plan organization authority" means the authority in the Commonwealth to sell, solicit, or
136 negotiate dental benefit contracts on behalf of dental plan organizations licensed under Chapter 61
137 (§ 38.2-6100 et seq.).

138 "Dental services authority" means the authority in the Commonwealth to sell, solicit, or negotiate dental
139 services plan contracts on behalf of dental services plans licensed under Chapter 45 (§ 38.2-4500 et seq.).

140 "Filed" means received by the Commission.

141 "Health agent" means an agent licensed in the Commonwealth to sell, solicit, or negotiate insurance as
142 defined in §§ 38.2-107.2; ~~38.2-108;~~ and through 38.2-109, and including contracts issued by insurers, health
143 services plans, health maintenance organizations, dental services plans, optometric services plans, and dental
144 plan organizations licensed in the Commonwealth.

145 "Home protection insurance authority" means the authority in the Commonwealth to sell, solicit, or
146 negotiate home protection insurance as defined in § 38.2-129 on behalf of insurers licensed in the
147 Commonwealth.

148 "Home state" means the District of Columbia and any state or territory of the United States, except
149 Virginia, or any province of Canada, in which an insurance producer maintains such person's principal place
150 of residence or principal place of business and is licensed by that jurisdiction to act as a resident insurance
151 producer.

152 "Legal services insurance authority" means the authority in the Commonwealth to sell, solicit, or negotiate
153 legal services insurance as defined in § 38.2-127 on behalf of insurers licensed in the Commonwealth.

154 "License" means a document issued by the Commission authorizing an individual or business entity to act
155 as an insurance producer for the lines of authority specified in the document. Except as provided in
156 § 38.2-1833, the license itself does not create any authority, actual, apparent or inherent, in the licensee to
157 represent, commit, or bind an insurer.

158 "Licensed agent," "licensed insurance agent," "licensed producer," or "licensed insurance producer," when
159 used without qualification, means an individual or business entity licensed in the Commonwealth to sell,
160 solicit, or negotiate contracts of insurance or annuity of the classes authorized within the scope of such
161 license.

162 "Life and annuities insurance agent" means an agent licensed in the Commonwealth to sell, solicit, or
163 negotiate life insurance and annuity contracts as defined in §§ 38.2-102, 38.2-103, 38.2-104, 38.2-105.1,
164 38.2-106, and 38.2-107.1, respectively, ~~and~~ private family leave insurance as defined in § 38.2-107.2, *and*
165 *paid family and medical leave insurance as defined in § 38.2-107.3* on behalf of insurers licensed in the
166 Commonwealth.

167 "Limited burial insurance authority" means the authority in the Commonwealth to sell, solicit, or negotiate
168 burial insurance society membership where the certificates of membership are used solely to fund preneed
169 funeral contracts on any individual, on behalf of insurers licensed under Chapter 40 (§ 38.2-4000 et seq.); or
170 to represent an association referred to in § 38.2-3318.1, limited to soliciting members of that association for
171 association group life insurance certificates where the funds are used solely to fund preneed funeral contracts.

172 "Limited lines credit insurance agent" means an agent licensed in the Commonwealth whose authority is
173 restricted to selling, soliciting, or negotiating, on behalf of insurers licensed in the Commonwealth, one or
174 more of the following coverages to individuals through a master, corporate, group or individual policy: (i)
175 credit life insurance and credit accident and sickness insurance, but only to the extent authorized in Chapter
176 37.1 (§ 38.2-3717 et seq.); (ii) credit involuntary unemployment insurance as defined in § 38.2-122.1; (iii)
177 credit property insurance, as defined in § 38.2-122.2; (iv) mortgage accident and sickness insurance; (v)
178 mortgage redemption insurance; (vi) mortgage guaranty insurance; and (vii) any other form of insurance
179 offered in connection with an extension of credit that is limited to partially or wholly extinguishing that credit
180 obligation and that the Commission specifically determines may be sold, solicited, or negotiated by those
181 holding a limited lines credit insurance agent license. Each insurer that sells, solicits or negotiates any of the
182 coverages set forth in this definition shall provide to each individual whose duties will include selling,
183 soliciting or negotiating such coverages a program of instruction that may, at the discretion of the

184 Commission, be submitted for approval by the Commission or reviewed by the Commission subsequent to its
185 implementation.

186 "Limited lines life and health agent" means an individual or business entity authorized by the Commission
187 whose license authority to sell, solicit, or negotiate is limited to the following, or any other type of authority
188 that the Commission may deem it necessary to recognize for the purposes of complying with § 38.2-1836:
189 dental services authority; limited burial insurance authority; mutual assessment life and health insurance
190 authority; optometric services authority; and dental plan organization authority. Limited lines life and health
191 insurance shall not include life insurance, health insurance, property insurance, casualty insurance, private
192 family leave insurance, *paid family and medical leave insurance*, and title insurance.

193 "Limited lines property and casualty agent" means an individual or business entity authorized by the
194 Commission whose license authority to sell, solicit, or negotiate is limited to the following, or any other type
195 of authority that the Commission may deem it necessary to recognize for the purposes of complying with
196 § 38.2-1836: home protection insurance authority; legal services insurance authority; mutual assessment
197 property and casualty insurance authority; ocean marine insurance authority; pet accident, sickness and
198 hospitalization insurance authority; portable electronics insurance authority; self storage insurance authority;
199 and travel insurance. Unless otherwise defined, "limited lines property and casualty insurance" shall not
200 include life insurance, health insurance, property insurance, casualty insurance, private family leave
201 insurance, *paid family and medical leave insurance*, and title insurance.

202 "Mortgage accident and sickness insurance authority" means the authority in the Commonwealth to sell,
203 solicit, or negotiate mortgage accident and sickness insurance on behalf of insurers licensed in the
204 Commonwealth.

205 "Mortgage guaranty insurance authority" means the authority in the Commonwealth to sell, solicit, or
206 negotiate mortgage guaranty insurance on behalf of insurers licensed in the Commonwealth.

207 "Mortgage redemption insurance authority" means the authority in the Commonwealth to sell, solicit, or
208 negotiate mortgage redemption insurance on behalf of insurers licensed in the Commonwealth. As used in
209 this chapter, "mortgage redemption insurance" means a nonrenewable, nonconvertible, decreasing term life
210 insurance policy written in connection with a mortgage transaction for a period of time coinciding with the
211 term of the mortgage. The initial sum shall not exceed the amount of the indebtedness outstanding at the time
212 the insurance becomes effective, rounded up to the next \$1,000.

213 "Motor vehicle rental contract enroller" means an unlicensed hourly or salaried employee of a motor
214 vehicle rental company that is in the business of providing primarily private motor vehicles to the public
215 under a rental agreement for a period of less than six months, and receives no direct or indirect commission
216 from the insurer, the renter or the vehicle rental company.

217 "Motor vehicle rental contract insurance agent" means a person who (i) is a selling agent of a motor
218 vehicle rental company that is in the business of providing primarily private passenger motor vehicles to the
219 public under a rental agreement for a period of less than six months and (ii) whose license in the
220 Commonwealth is restricted to selling, soliciting, or negotiating only the following insurance coverages, and
221 solely in connection with and incidental to the rental contract:

222 1. Personal accident insurance that provides benefits in the event of accidental death or injury occurring
223 during the rental period;

224 2. Liability coverage sold to the renter in excess of the rental company's obligations under § 38.2-2204,
225 38.2-2205, or Title 46.2, as applicable;

226 3. Personal effects insurance that provides coverages for the loss of or damage to the personal effects of
227 the renter and other vehicle occupants while such personal effects are in or upon the rental vehicle during the
228 rental period;

229 4. Roadside assistance and emergency sickness protection programs; and

230 5. Other travel-related or vehicle-related insurance coverage that a motor vehicle rental company offers in
231 connection with and incidental to the rental of vehicles.

232 The term "motor vehicle rental contract insurance agent" does not include motor vehicle rental contract
233 enrollers.

234 "Mutual assessment life and health insurance authority" means the authority in the Commonwealth to sell,
235 solicit, or negotiate mutual assessment life and accident and sickness insurance on behalf of insurers licensed
236 under Chapter 39 (§ 38.2-3900 et seq.), but only to the extent permitted under § 38.2-3919.

237 "Mutual assessment property and casualty insurance authority" means the authority in the Commonwealth
238 to sell, solicit, or negotiate mutual assessment property and casualty insurance on behalf of insurers licensed
239 under Chapter 25 (§ 38.2-2500 et seq.), but only to the extent permitted under § 38.2-2525.

240 "NAIC" means the National Association of Insurance Commissioners.

241 "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or
242 prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms
243 or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains
244 insurance from insurers for purchasers.

245 "Ocean marine insurance authority" means the authority in the Commonwealth to sell, solicit, or negotiate

246 those classes of insurance classified in § 38.2-126, except those classes specifically classified as inland
247 marine insurance, on behalf of insurers licensed in the Commonwealth.

248 "Optometric services authority" means the authority in the Commonwealth to sell, solicit, or negotiate
249 optometric services plan contracts on behalf of optometric services plans licensed under Chapter 45
250 (§ 38.2-4500 et seq.).

251 "Personal lines agent" means an agent licensed in the Commonwealth to sell, solicit, or negotiate
252 insurance as defined in §§ 38.2-110 through 38.2-114, 38.2-116, 38.2-117, 38.2-118, 38.2-124, 38.2-125,
253 38.2-126, 38.2-129, 38.2-130, and 38.2-131 for transactions involving insurance primarily for personal,
254 family, or household needs rather than for business or professional needs.

255 "Pet accident, sickness and hospitalization insurance authority" means the authority in the Commonwealth
256 to sell, solicit, or negotiate pet accident, sickness and hospitalization insurance on behalf of insurers licensed
257 in the Commonwealth.

258 "Property and casualty insurance agent" means an agent licensed in the Commonwealth to sell, solicit, or
259 negotiate both personal and commercial lines of insurance as defined in §§ 38.2-107.2, 38.2-107.3, 38.2-110
260 through 38.2-122.2, and 38.2-124 through 38.2-134 on behalf of insurers licensed in the Commonwealth.

261 "Resident" means (i) an individual residing in Virginia; (ii) an individual residing outside of Virginia
262 whose principal place of business is in Virginia, who is able to demonstrate to the satisfaction of the
263 Commission that the laws of his home state prevent him from obtaining a resident agent license in that state,
264 and who affirmatively chooses to qualify as and be treated as a resident of Virginia for purposes of licensing
265 and continuing education, both in Virginia and in the state in which the individual resides, if applicable; (iii) a
266 partnership duly formed and recorded in Virginia; (iv) a corporation incorporated and existing under the laws
267 of Virginia; (v) a limited liability company organized and existing under the laws of Virginia; or (vi) a
268 foreign business entity that is not licensed as a resident agent in any other jurisdiction, and that demonstrates
269 to the satisfaction of the Commission that its principal place of business is within the Commonwealth of
270 Virginia.

271 "Restricted nonresident health agent" means a nonresident agent whose license authority in his home state
272 does not include all of the authority granted under a health agent license in Virginia. The license issued to
273 such agent shall authorize the agent to sell, solicit, or negotiate in Virginia, on behalf of insurers licensed in
274 Virginia, only those kinds or classes of insurance for which the agent is authorized in his home state.

275 "Restricted nonresident life and annuities agent" means a nonresident agent whose license authority in his
276 home state does not include all of the authority granted under a life and annuities agent license in Virginia.
277 The license issued to such agent shall authorize the agent to sell, solicit, or negotiate in Virginia, on behalf of
278 insurers licensed in Virginia, only those kinds or classes of insurance for which the agent is authorized in his
279 home state.

280 "Restricted nonresident personal lines agent" means a nonresident agent whose license authority in his
281 home state does not include all of the authority granted under a personal lines agent license in Virginia. The
282 license issued to such agent shall authorize the agent to sell, solicit, or negotiate in Virginia, on behalf of
283 insurers licensed in Virginia, only those kinds or classes of insurance for which the agent is authorized in his
284 home state.

285 "Restricted nonresident property and casualty agent" means a nonresident agent whose license authority in
286 his home state does not include all of the authority granted under a property and casualty agent license in
287 Virginia. The license issued to such agent shall authorize the agent to sell, solicit, or negotiate in Virginia, on
288 behalf of insurers licensed in Virginia, only those kinds or classes of insurance for which the agent is
289 authorized in his home state.

290 "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of
291 an insurer.

292 "Settlement agent" means a person licensed as a title insurance agent and registered with the Virginia
293 State Bar pursuant to Chapter 10 (§ 55.1-1000 et seq.) of Title 55.1.

294 "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular class of
295 insurance from one or more insurers.

296 "Surety bail bondsman" means a person licensed as a surety bail bondsman pursuant to Article 11
297 (§ 9.1-185 et seq.) of Chapter 1 of Title 9.1.

298 "Surplus lines broker" means a person licensed pursuant to Article 5.1 (§ 38.2-1857.1 et seq.) of this
299 chapter, and who is thereby authorized to engage in the activities set forth in Chapter 48 (§ 38.2-4805.1 et
300 seq.).

301 "Terminate" means the cancellation of the relationship between an insurance producer and the insurer, or
302 the termination of an insurance producer's authority to transact insurance.

303 "Title insurance agent" means an agent licensed in the Commonwealth to sell, solicit, or negotiate title
304 insurance, and performing all of the services set forth in § 38.2-4601.1, on behalf of title insurance companies
305 licensed under Chapter 46 (§ 38.2-4600 et seq.).

306 "Uniform Application" means the current version of the NAIC Uniform Application for resident and
307 nonresident producer licensing.

308 "Uniform Business Entity Application" means the current version of the NAIC Uniform Business Entity
309 Application for resident and nonresident business entities.

310 "Variable contract agent" means an agent licensed in the Commonwealth to sell, solicit, or negotiate
311 variable life insurance and variable annuity contracts on behalf of insurers licensed in the Commonwealth.

312 "Viatical settlement broker" means a person licensed pursuant to Chapter 60 (§ 38.2-6000 et seq.), in
313 accordance with Article 6.1 (§ 38.2-1865.1 et seq.) of this chapter, and who is thereby authorized to engage in
314 the activities set forth in Chapter 60 (§ 38.2-6000 et seq.).

315 CHAPTER 8.

316 PAID FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM.

317 § 60.2-800. Definitions.

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

319 "Armed Forces" means the Armed Forces of the United States, the Reserves of the Armed Forces of the
320 United States, or the Virginia National Guard.

321 "Benefit year" means the period of 52 calendar weeks beginning on the start date of leave, except that the
322 benefit year shall be 53 weeks if filing of a new valid claim would result in overlapping any quarter of the
323 base period of a previously filed new claim.

324 "Board" means the Paid Family and Medical Leave Advisory Board.

325 "Child" includes a child of any age, including an adult child.

326 "Commissioner" means the Commissioner of the Virginia Employment Commission.

327 "Covered individual" means any individual other than an employee of the Commonwealth who:

328 1. Either:

329 a. Meets the minimum monetary eligibility criteria set forth in subdivision A 1 of § 60.2-612; or

330 b. Is self-employed, elects coverage, and meets the requirements of § 60.2-802;

331 2. Meets the administrative requirements outlined in this chapter and in regulations; and

332 3. Submits an application.

333 "Covered service member" means either (i) a member of the Armed Forces who is (a) undergoing medical
334 treatment, recuperation, or therapy; (b) otherwise in outpatient status; or (c) otherwise on the temporary
335 disability retired list for a serious injury or illness that was incurred by the member in the line of duty while
336 on active duty in the Armed Forces, or a serious injury or illness that existed before the beginning of the
337 member's active duty and was aggravated by service in the line of duty, or (ii) a former member of the Armed
338 Forces who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness that was
339 incurred by the member in the line of duty while on active duty in the Armed Forces, or a serious injury or
340 illness that existed before the beginning of the member's active duty and was aggravated by service in the line
341 of duty and manifested before or after the member was discharged or released from service.

342 "Domestic partner" means a person not younger than 18 years of age who (i) is dependent upon the
343 covered individual for support as shown by either unilateral dependence or mutual interdependence that is
344 evidenced by a nexus of factors, including (a) common ownership of real or personal property, (b) common
345 householding, (c) children in common, (d) signs of intent to marry, (e) shared budgeting, and (f) the length of
346 the personal relationship with the covered individual, or (ii) has registered as the domestic partner of the
347 covered individual with any registry of domestic partnerships maintained by the employer of either party, or
348 in any state, county, city, town, or village in the United States.

349 "Employer" has the same meaning as provided in § 60.2-210.

350 "Family and medical leave benefits" means the benefits provided under the terms of this chapter.

351 "Family member" means:

352 1. A biological, adopted, or foster child, a stepchild or legal ward, a child of a domestic partner, or a
353 child to whom the covered individual stands in loco parentis;

354 2. A biological, adoptive, or foster parent, stepparent, or legal guardian of a covered individual or a
355 covered individual's spouse or domestic partner, or a person who stood in loco parentis when the covered
356 individual or the covered individual's spouse or domestic partner was a minor child;

357 3. A person to whom the covered individual is legally married under the laws of any state, or a domestic
358 partner of a covered individual;

359 4. A grandparent, grandchild, or sibling, whether through a biological, foster, adoptive, or step
360 relationship, of the covered individual or the covered individual's spouse or domestic partner; or

361 5. Any individual whose close association with a covered individual is the equivalent of a family
362 relationship.

363 "FMLA" means the federal Family and Medical Leave Act, 29 U.S.C. § 2601 et seq.

364 "Fund" means the Family and Medical Leave Insurance Trust Fund established under § 60.2-805.

365 "Health care provider" means a person licensed under the law of the jurisdiction in which such person
366 practices to provide medical or emergency services, including any person defined as a health care provider
367 under § 32.1-276.3, emergency room personnel, licensed clinical social worker, or other provider as
368 determined by the Commissioner.

369 "Military member" means a member of the Armed Forces.

370 "Next of kin" has the meaning ascribed thereto in § 101(17) of the FMLA, 29 U.S.C. § 2611(17).

371 "Qualifying exigency leave" means leave based on a need arising out of a covered individual's family
 372 member's active duty service or notice of an impending call or order to active duty in the Armed Forces,
 373 including providing for the care or other needs of the military member's child or other family member,
 374 making financial or legal arrangements for the military member, attending counseling, attending military
 375 events or ceremonies, spending time with the military member during a rest and recuperation leave or
 376 following return from deployment, or making arrangements following the death of the military member.

377 "Retaliatory personnel action" means denial of any right guaranteed under this chapter or any adverse
 378 action, including any threat, discharge, suspension, demotion, or reduction of hours, against a covered
 379 individual for the exercise of any right guaranteed under this chapter, or reporting or threatening to report a
 380 covered individual's suspected citizenship or immigration status or the suspected citizenship or immigration
 381 status of a family member of the covered individual to a federal, state, or local agency. "Retaliatory
 382 personnel action" also includes interference with or punishment for in any manner participating in or
 383 assisting an investigation, proceeding, or hearing under this chapter.

384 "Safety services" means:

385 1. Legal or law-enforcement assistance or remedies to ensure the health and safety of an individual,
 386 including preparing for and participating in protective order proceedings or other civil or criminal legal
 387 proceedings related to domestic violence, harassment, sexual assault, or stalking;

388 2. Medical treatment or recovery services for injuries caused by domestic violence, harassment, sexual
 389 assault, or stalking;

390 3. Counseling from a licensed mental health professional relating to an experience of domestic violence,
 391 harassment, sexual assault, or stalking;

392 4. Services from a victim services provider; and

393 5. Relocation and home security services to ensure the safety of an individual who has experienced
 394 domestic violence, harassment, sexual assault, or stalking.

395 "Serious health condition" means an illness, injury, impairment, pregnancy, recovery from childbirth, or
 396 physical or mental condition that involves inpatient care in a hospital, hospice, or a residential medical care
 397 facility or continuing treatment by a health care provider.

398 "Workweek" means a calendar week.

399 **§ 60.2-801. Paid family and medical leave insurance program.**

400 A. By January 1, 2028, the Commission shall establish and administer a paid family and medical leave
 401 insurance program. By April 1, 2028, the Commission shall begin collecting contributions as provided in this
 402 chapter. By January 1, 2029, the Commission shall begin receiving claims and paying family and medical
 403 leave benefits to covered individuals.

404 B. Information contained in the files and records relating to a claimant under this chapter are
 405 confidential and not open to public inspection other than to public employees in the performance of their
 406 official duties. However, such claimant or an authorized representative of such claimant may review such
 407 files and records or receive specific information from such records upon the presentation of such claimant's
 408 signed authorization.

409 C. The Department of Human Resource Management shall adopt rules to ensure that its policies relating
 410 to family and medical leave for employees of the Commonwealth provide employees of the Commonwealth
 411 with leave benefits equal to or greater than the leave benefits provided to a covered individual under the paid
 412 family and medical leave insurance program pursuant to this chapter, including as described in subdivision
 413 A 1 of § 60.2-816.

414 D. The Commissioner shall adopt regulations as necessary to implement this chapter, including (i) a
 415 process for receiving claims filed under this chapter; (ii) the form of any application; (iii) the timeline and
 416 process for providing notice of a claim to an employer; (iv) the timeline and process for making initial claim
 417 determinations; (v) the timeline and process for requesting information prior to any decision on a claim
 418 being rendered; (vi) the process and timeline for a self-employed person to elect coverage, make
 419 contributions, and receive benefits under § 60.2-815; and (vii) the process and requirements for certification
 420 as described in subsection B of § 60.2-802 as well as a timeline for such certification.

421 **§ 60.2-802. Eligibility for benefits; certification.**

422 A. Beginning January 1, 2029, family and medical leave benefits shall be payable to any covered
 423 individual who:

424 1. Because of birth, adoption, or placement through foster care, is caring for a new child during the first
 425 year after the birth, adoption, or placement of that child;

426 2. Is caring for a family member with a serious health condition;

427 3. Has a serious health condition that makes the covered individual unable to perform the functions of the
 428 position of such individual's employment;

429 4. Is caring for a covered service member who is the covered individual's next of kin or other family
 430 member;

431 5. Is eligible for qualifying exigency leave arising out of the fact that a family member of the covered

432 individual is on active duty, or has been notified of an impending call or order to active duty, in the Armed
433 Forces; or

434 6. Is seeking safety services for the covered individual or a family member.

435 B. A claim for family and medical leave benefits shall include one of the following supporting
436 certifications:

437 1. For a claimant seeking family and medical leave benefits due to a serious health condition, certification
438 from a physician or health care provider (i) describing such condition, (ii) stating the date on which such
439 condition commenced or is expected to commence and the probable duration of such condition, (iii) including
440 a statement that such claimant is unable to perform job functions due to such condition, and (iv) including
441 other appropriate medical facts as required by the Commission.

442 2. For a claimant seeking family and medical leave benefits due to the serious health condition of a family
443 member, certification from a physician or health care provider (i) describing such condition, (ii) stating the
444 date on which such condition commenced or is expected to commence and the probable duration of such
445 condition, (iii) including a statement that such condition requires such claimant to care for such family
446 member and an estimated duration of such care, and (iv) including other appropriate medical facts as
447 required by the Commission.

448 3. For a claimant seeking family and medical leave benefits due to the birth of a child, certification in the
449 form of either (i) such child's birth certificate or (ii) another document issued by a health care provider or
450 physician stating such child's birth date.

451 4. For a claimant seeking family and medical leave benefits due to the placement of a child with such
452 claimant for adoption or foster care, certification in the form of a document issued by such child's health care
453 provider or physician, by an adoption or foster care agency involved in such placement, or by other
454 individuals as determined by the Commission that verifies the occurrence and date of such placement.

455 5. For a claimant seeking family and medical leave benefits for qualifying exigency leave, certification
456 including (i) a copy of the family member's active-duty orders, (ii) other documentation issued by the Armed
457 Forces, or (iii) other documentation as permitted by the Commissioner.

458 6. For a claimant seeking family and medical leave benefits in order to care for a family member who is a
459 covered service member, certification including (i) the date on which the serious health condition commenced
460 or is expected to commence, (ii) the probable duration of the condition, (iii) the appropriate medical facts
461 within the knowledge of the health care provider as required by the Commission, (iv) a statement that the
462 claimant is needed to care for the family member, (v) an estimate of the amount of time that the claimant is
463 needed to care for the family member, and (vi) an attestation by the claimant that the health condition is
464 connected to the covered service member's military service as required by this chapter.

465 7. For a claimant seeking family and medical leave benefits to seek safety services, a certification
466 including information as required by the Commissioner.

467 C. A self-employed individual electing coverage within 26 weeks of becoming self-employed will be
468 eligible to receive benefits without a waiting period. A self-employed individual who elects coverage after 26
469 weeks shall be eligible for benefits after a waiting period of 52 weeks before such benefits shall be paid.

470 D. Any medical or health information required under this section shall be confidential and shall not be
471 disclosed except with permission from the claimant providing such information unless disclosure is otherwise
472 required by law. Nothing in this section shall be construed to require a claimant to provide as certification
473 any information from a health care provider that would be in violation of § 32.1-127.1:03, § 1177 of the
474 federal Social Security Act, 42 U.S.C. § 1320d-6, or the regulations promulgated under § 264(c) of the
475 federal Health Insurance Portability and Accountability Act of 1996, P.L. 104-191.

476 **§ 60.2-803. Duration of benefits.**

477 A. Family and medical leave benefits shall be payable under § 60.2-801 for a maximum of 12 weeks in a
478 benefit year for any covered individual.

479 B. Family and medical leave benefits shall be payable to a covered individual starting the first calendar
480 day in a benefit year that such covered individual meets the eligibility requirements of § 60.2-802.

481 C. The first payment of family and medical leave benefits shall be made to a covered individual no later
482 than two weeks after (i) the Commission has approved an initial claim pursuant to this chapter or (ii) the
483 duration of leave pursuant to an approved claim pursuant to this chapter has commenced, whichever occurs
484 later. Subsequent payments shall be made at least every two weeks thereafter.

485 **§ 60.2-804. Amount of benefits.**

486 A. A covered individual's weekly benefit amount shall be 80 percent of such covered individual's average
487 weekly wages during the base period as defined in § 60.2-204, or 80 percent of such covered individual's
488 average weekly wages during the quarters in which such covered individual worked if less than five quarters,
489 subject to the maximum specified in subsection D.

490 B. For a self-employed person electing coverage under § 60.2-815, the weekly benefit amount shall be 80
491 percent of such individual's average weekly net earnings during the base period as defined in in § 60.2-204,
492 or 80 percent of such covered individual's average weekly net earnings during the quarters in which such
493 covered individual worked if less than five quarters, subject to the maximum specified in subsection D.

494 C. A covered individual's minimum weekly benefit amount shall not be less than \$100 per week except that
 495 if such covered individual's average weekly wage is less than \$100 per week, the weekly benefit amount shall
 496 be such covered individual's full wage.

497 D. A covered individual's maximum weekly benefit amount shall be 100 percent of the state average
 498 weekly wage, as described in subsection B of § 65.2-500. By September 30 of each year, the Commission
 499 shall adjust the maximum weekly benefit to reflect any changes in such state average weekly wage. The
 500 adjusted maximum weekly benefit amount shall take effect on the following January 1.

501 E. Claims pursuant to this chapter shall be payable for at least eight hours of family and medical leave
 502 accrued in one workweek unless the Commission sets a lower threshold.

503 **§ 60.2-805. Family and Medical Leave Insurance Trust Fund; appropriation prohibition;**
 504 **reimbursement.**

505 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Family and
 506 Medical Leave Insurance Trust Fund. The Fund shall be established on the books of the Comptroller. All
 507 payroll contributions remitted pursuant to this chapter, all funds appropriated for the purposes of the Fund,
 508 and any gifts, donations, grants, bequests, and other funds shall be paid into the state treasury and credited
 509 to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any
 510 moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the
 511 general fund but shall remain in the Fund.

512 B. Moneys in the Fund shall be used solely for the payment of benefits under the paid family and medical
 513 leave insurance program established by the Commission pursuant to this chapter, the administration of such
 514 program, and any start-up costs associated with such program, including any required payment as provided
 515 in subsection D.

516 C. The General Assembly shall not appropriate or transfer any of the payroll contributions remitted to the
 517 Fund for any purpose other than purposes provided for in this section.

518 D. Any moneys provided in the appropriation act for the purposes of establishing the paid family and
 519 medical leave insurance program shall be repaid from the Fund to the general fund by January 1, 2034.

520 E. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants
 521 issued by the Comptroller upon written request signed by the Commissioner or his designee.

522 **§ 60.2-806. Contributions.**

523 A. Payroll contributions to the Fund shall be authorized in order to finance the payment of benefits under
 524 and the administration of the paid family and medical leave insurance program.

525 B. Beginning on April 1, 2028, each employer shall remit to the Fund contributions in the form and
 526 manner determined by the Commission. No later than October 1, 2027, and annually thereafter, the
 527 Commissioner shall fix the contribution rate for the coming calendar year in the manner described in this
 528 subsection, taking into account the repayment requirement provided for in subsection D of § 60.2-805. For
 529 calendar years 2028 and 2029, the Commissioner shall fix such contribution rate based on sound actuarial
 530 principles. For calendar year 2030 and thereafter, the Commissioner shall first certify and publish the
 531 following information:

532 1. The total amounts of the previous fiscal year's expenditures for (i) family and medical leave benefits
 533 paid and (ii) the administration of the paid family and medical leave insurance program;

534 2. The total amount remaining in the Fund at the close of such fiscal year; and

535 3. The amount by which the contribution rate shall be adjusted to ensure that the projected balance of the
 536 Fund as a percentage of total program expenditures does not fall below 40 percent. The contribution rate
 537 adjustment, if any, made as the result of the Commissioner's certification and report under this subsection
 538 shall supersede the rate previously set forth and shall become effective on January 1 of the following
 539 calendar year.

540 C. A self-employed person electing coverage under § 60.2-815 shall be responsible for the employer's
 541 share of contributions set forth in subsection B on that individual's income from self-employment.

542 D. Each employer of more than 10 employees shall (i) deduct from each employee's wages an amount
 543 equal to 50 percent, or such lesser percentage as may be agreed upon by such employer and employee, of the
 544 contribution required per employee pursuant to subsection B and (ii) remit the full contribution required per
 545 employee pursuant to subsection B to the Commission for deposit into the Fund.

546 E. Each employer of 10 or fewer employees shall deduct from each employee's wages an amount equal to
 547 50 percent of the contribution per employee required of an employer of more than 10 employees pursuant to
 548 subsection B. Such employer of 10 or fewer employees shall remit such deducted amount to the Commission
 549 for deposit into the Fund and shall not be required to make additional contributions.

550 F. No deduction made pursuant to this section shall cause an employee's wage, after such deduction, to
 551 fall below the minimum wage required to be paid to such employee by any applicable statute, regulation,
 552 rule, or ordinance. This subsection shall not be construed to reduce any employee's rights, benefits,
 553 protections, or privileges under this chapter.

554 G. Contributions under this section shall not be required for an employee's wages or an individual's
 555 income from self-employment above the contribution and benefit base limit established annually by the Social

556 Security Administration for purposes of the federal Old-Age, Survivors, and Disability Insurance Benefits
557 program limits pursuant to 42 U.S.C. § 430.

558 **§ 60.2-807. Reduced leave schedule.**

559 A. A covered individual shall have the option to receive paid family and medical leave benefits on an
560 intermittent or reduced leave schedule in which all of the leave authorized under this chapter is not taken
561 sequentially. Family and medical leave benefits for an intermittent or reduced leave schedule shall be
562 prorated.

563 B. Such covered individual shall make a reasonable effort to schedule paid family and medical leave
564 taken pursuant to this section so as not to unduly disrupt the operations of such covered individual's
565 employer. Such covered individual shall provide such employer with prior notice of the schedule on which
566 such covered individual will be taking the leave, to the extent practicable. Paid family and medical leave
567 taken pursuant to this section shall not result in a reduction of the total amount of leave to which a covered
568 individual is entitled beyond the amount of leave actually taken.

569 **§ 60.2-808. Leave and employment protection; remedies.**

570 A. Any covered individual who receives family and medical leave benefits shall, upon the expiration of
571 such leave, be entitled to restoration by the employer to the position held by such covered individual when
572 such leave commenced, or to a position with equivalent seniority, status, employment benefits, pay, and other
573 terms and conditions of employment, including fringe benefits and service credits, to which the covered
574 individual had been entitled at the commencement of such leave.

575 B. During any leave taken pursuant to this chapter, an employer shall maintain any health care benefits to
576 which a covered individual was entitled prior to taking such leave as if the covered individual had continued
577 working continuously from the date such covered individual commenced the leave until the date such covered
578 individual returns from leave, and such covered individual shall continue to pay his share of the cost of
579 health care benefits as required prior to the commencement of the leave.

580 C. Any employer that violates this section or § 60.2-809 shall be liable to any affected covered individual
581 for:

582 1. Damages equal to:

583 a. The amount of:

584 (1) Any wages, salary, employment benefits, or other compensation denied or lost to such covered
585 individual due to the violation; or

586 (2) In a case in which wages, salary, employment benefits, or other compensation has not been denied or
587 lost to the covered individual, any actual monetary losses sustained by the covered individual due to the
588 violation, such as the cost of providing care, up to a sum equal to 12 weeks of wages or salary for the
589 covered individual;

590 b. Interest on the amount described in subdivision a, calculated at the legal rate; and

591 c. An additional amount as liquidated damages equal to the sum of the amount described in subdivision a
592 and the interest described in subdivision b, except that if an employer who has violated this section or
593 § 60.2-809 proves to the satisfaction of the court that the act or omission that violated this section or
594 § 60.2-809 was in good faith and that the employer had reasonable grounds for believing that the act or
595 omission was not a violation of this section or § 60.2-809, such court may reduce the amount of the liability
596 to the amount and interest determined under subdivisions a and b, respectively; and

597 2. Such equitable relief as may be appropriate, including employment, reinstatement, and promotion.

598 D. The court in an action to recover such damages or equitable relief prescribed in subsection C shall, in
599 addition to any judgment awarded to the plaintiff, allow reasonable attorney fees, reasonable expert witness
600 fees, and other costs of the action to be paid by the defendant.

601 E. Except as provided in subsection F, an action may be brought for a violation of this section or
602 § 60.2-809 not later than two years after the date of the last event constituting the alleged violation for which
603 the action is brought.

604 F. In the case of such action brought for a willful violation of this section or § 60.2-809, such action may
605 be brought within three years of the date of the last event constituting the alleged violation for which such
606 action is brought.

607 G. The Commissioner of Labor and Industry may investigate any alleged violation of this section with the
608 consent of an employee or interested third party or at their own discretion based on a reasonable and good-
609 faith belief of such violation. The Commissioner of Labor and Industry may institute administrative
610 proceedings or a civil action to remedy any alleged violation of this section and may seek and collect any
611 remedies available under this section. Any damages collected shall be paid as restitution to any affected
612 employee entitled thereto. In the course of an investigation, the Commissioner of Labor and Industry, or his
613 designee may issue subpoenas and enter an employer's premises to review records.

614 **§ 60.2-809. Retaliatory personnel actions prohibited.**

615 A. No employer or other person shall interfere with, restrain, or deny the exercise of, or the attempt to
616 exercise, any right protected under this chapter.

617 B. No employer, employment agency, employee organization, or other person shall take retaliatory

618 *personnel action or otherwise discriminate against an individual due to such individual's lawful exercise of*
 619 *rights protected under this chapter. Such rights include the right to request, file for, apply for, or use benefits*
 620 *provided for under this chapter; the right to communicate to the employer or any other person or entity that*
 621 *such individual (i) intends to file a claim, a complaint with the Commission or a court, or an appeal or (ii)*
 622 *has testified in, intends to testify in, or has otherwise assisted in any investigation, hearing, or proceeding*
 623 *under this chapter; the right to inform any person about any employer's alleged violation of this chapter; and*
 624 *the right to inform any individual of the individual's rights under this chapter.*

625 *C. It is unlawful for an employer's absence control policy to count paid family and medical leave taken*
 626 *under this chapter as an absence that may lead to or result in discipline, discharge, demotion, suspension, or*
 627 *any other adverse action.*

628 *D. Protections of this section shall apply to any person who mistakenly but in good faith alleges a*
 629 *violation of this chapter.*

630 *E. This section shall be enforced as provided in subsections C through G of § 60.2-808.*

631 **§ 60.2-810. Coordination of benefits; applicability of chapter.**

632 *A. Leave taken with wage replacement under this chapter that also qualifies as leave under the FMLA*
 633 *shall run concurrently with leave taken under the FMLA.*

634 *B. An employer may require that payments made pursuant to this chapter be made concurrently or*
 635 *otherwise coordinated with payments made or leave allowed under the terms of disability or family care*
 636 *leave under a collective bargaining agreement or employer policy. Such employer shall give employees*
 637 *written notice of this requirement.*

638 *C. Nothing in this chapter shall be construed to limit or reduce an employer's obligation to comply with a*
 639 *collective bargaining agreement, an employer policy, or any other provision of law requiring more generous*
 640 *leave.*

641 *D. No provision of this chapter shall apply to an employer or employee as such terms are defined in 45*
 642 *U.S.C. § 351.*

643 *E. An individual's right to leave under this chapter shall not be diminished by a collective bargaining*
 644 *agreement entered into or renewed, or an employer policy adopted or retained, after January 1, 2027. Any*
 645 *agreement by an individual to waive the individual's rights under this chapter is void as against public*
 646 *policy.*

647 **§ 60.2-811. Notice requirements.**

648 *A. An employer shall provide written notice as prescribed in this subsection to each employee upon hiring*
 649 *and annually thereafter. An employer shall also provide such written notice to an employee when such*
 650 *employee requests leave pursuant to this chapter or when the employer acquires knowledge of an employee's*
 651 *intent to take leave that may meet the eligibility requirements of § 60.2-802. Such notice shall include (i) a*
 652 *statement of an employee's right to family and medical leave benefits pursuant to this chapter and the terms*
 653 *under which such benefits may be used; (ii) the amount of family and medical leave benefits available; (iii)*
 654 *the procedure for filing a claim for family and medical leave benefits; (iv) a statement of the right to job*
 655 *protection and benefits continuation under § 60.2-808; (v) a statement that discrimination and retaliatory*
 656 *personnel actions against a person for requesting, applying for, or using family and medical leave benefits*
 657 *are prohibited under § 60.2-809; and (vi) a statement that the employee has a right to file a complaint for a*
 658 *violation of this chapter. An employer shall also display and maintain a poster provided by the Commission*
 659 *in a conspicuous place accessible to employees at the employer's place of business that contains the*
 660 *information required by this section in English, Spanish, and any language that is the first language spoken*
 661 *by at least five percent of the employer's workforce. The Commissioner may adopt regulations to establish*
 662 *additional requirements concerning the means by which employers shall provide such notice.*

663 *B. An employee seeking to take leave under the provisions of this chapter shall notify his employer as*
 664 *soon as practicable.*

665 **§ 60.2-812. Appeals.**

666 *A. The Commissioner shall establish a system for appeals within 90 days of a denial of a claim for family*
 667 *and medical leave benefits. In establishing such system, the Commissioner may utilize any and all procedures*
 668 *and appeals mechanisms established under this title.*

669 *B. Judicial review of any decision with respect to family and medical leave benefits shall be permitted in a*
 670 *court of competent jurisdiction after a party aggrieved thereby has exhausted all administrative remedies*
 671 *established by the Commissioner.*

672 *C. The Commissioner shall implement procedures to ensure confidentiality of all information related to*
 673 *any claims filed or appeals taken to the maximum extent permitted by applicable laws.*

674 **§ 60.2-813. Enforcement.**

675 *A. Contributions required by the provisions of § 60.2-806 that are unpaid on the date on which they are*
 676 *due and payable, as prescribed by the Commissioner under this chapter, shall bear interest at the rate of one*
 677 *and one-half percent per month from and after such date until payment plus accrued interest is received by*
 678 *the Commission. Interest collected pursuant to this chapter shall be paid into the Fund. An employer who*
 679 *fails to timely remit a contribution or any portion thereof under § 60.2-806 shall be solely responsible for the*

680 *interest due under this section.*

681 *B. If, after notice, any employer defaults in any payment of contributions or interest, the amount due shall*
682 *be collected by civil action in the name of the Commissioner. The employer adjudged in default shall pay the*
683 *fees and costs of such action. Civil actions brought under this chapter to collect contributions or interest or*
684 *any penalty from an employer shall be heard by the court at the earliest possible date. Such civil actions may*
685 *be brought against any officer, employee, or agent of a corporation or partnership in his individual, personal*
686 *capacity when that person willfully fails to cause the employer to pay the appropriate contributions or*
687 *interest and he had the authority to do so. No person shall be subject to this section unless it is proved that*
688 *such person (i) knew of the failure or attempt to make such payment and (ii) had authority to prevent such*
689 *failure or attempt. In addition to the foregoing remedies, the Commissioner shall have such other remedies as*
690 *are available to the Tax Commissioner and county and city treasurers for the collection of taxes generally.*
691 *The Commissioner is authorized to compromise, settle, and adjust any contributions, including interest, or*
692 *any penalty assessed against any employer where in the judgment of the Commissioner the best interests of*
693 *the Commonwealth will be promoted or served. The Commissioner may in such cases accept in full settlement*
694 *of the contributions assessed an amount less than that assessed.*

695 *C. When an unsatisfied execution has been returned by an officer, and the employer against whom the*
696 *judgment has been obtained on which the execution was issued continues in default of payment of*
697 *contributions, or any portion thereof, such employer may be enjoined from operating and doing business in*
698 *the Commonwealth until such contributions have been paid. The Circuit Court of the City of Richmond shall*
699 *have exclusive original jurisdiction to grant such injunction upon the complaint of the Commissioner. Notice*
700 *of the time and place when the application for the injunction will be made shall be served on the employer*
701 *and a copy of the bill of complaint shall be served with the notice.*

702 **§ 60.2-814. Erroneous payments and disqualification for benefits.**

703 *A. An individual shall be disqualified from family and medical leave benefits for three years if the*
704 *individual is determined by the Commissioner to have willfully made a false statement or misrepresentation*
705 *regarding a material fact, or willfully failed to report a material fact, to obtain benefits under this chapter.*

706 *B. If family and medical leave benefits are paid erroneously or as a result of willful misrepresentation, or*
707 *if a claim for family and medical leave benefits is rejected after benefits are paid, the Commission may seek*
708 *repayment of benefits from the recipient. The Commissioner shall exercise his discretion to waive, in whole*
709 *or in part, the amount of any such payments where the recovery would be against equity and good*
710 *conscience.*

711 **§ 60.2-815. Elective coverage.**

712 *A. A self-employed person, including a sole proprietor, partner, or joint venturer, may elect coverage*
713 *under this chapter for an initial period of not less than three years. The self-employed person shall file a*
714 *notice of election in writing with the Commissioner, as required by the Commission. Such election shall*
715 *become effective on the date such notice is filed, provided that such self-employed person agrees to supply*
716 *any information concerning income that the Commission deems necessary.*

717 *B. A self-employed person who has elected coverage may withdraw from coverage within 30 days after*
718 *the end of the three-year period of coverage, or at such other times as the Commissioner may prescribe by*
719 *rule, by filing written notice with the Commissioner, such withdrawal to take effect not sooner than 30 days*
720 *after filing such notice.*

721 **§ 60.2-816. Private employer plans; exemption from contributions.**

722 *A. Employers may apply to the Commission for approval to meet their obligations under this chapter*
723 *through a private plan. The Commission may approve such private plan if the Commission determines that*
724 *such private plan:*

725 *1. Confers all of the same rights, protections, and benefits provided to covered individuals under this*
726 *chapter, including:*

727 *a. The provision of family and medical leave benefits for all purposes specified in subsection A of*
728 *§ 60.2-802;*

729 *b. The provision of family and medical leave benefits for the maximum number of weeks required in*
730 *§ 60.2-803 per benefit year;*

731 *c. The provision of family and medical leave benefits as specified in subdivision A 3 § 60.2-802 for a*
732 *covered individual with a serious health condition;*

733 *d. A wage replacement rate for all family and medical leave benefits that equals or exceeds the rate*
734 *required by subsection A of § 60.2-804;*

735 *e. A maximum weekly family and medical leave benefit amount that equals or exceeds the amount*
736 *specified in subsection D of § 60.2-804 and a minimum weekly family and medical leave benefit amount that*
737 *equals or exceeds the amount specified in subsection C of § 60.2-804;*

738 *f. The provision of family and medical leave benefits on an intermittent basis as specified in § 60.2-807;*

739 *g. No additional conditions or restrictions on family and medical leave benefits, or leave taken in*
740 *accordance with such benefits, beyond those explicitly authorized by this chapter or regulations issued*
741 *pursuant to this chapter;*

742 *h. The provision of family and medical leave benefits to any employee covered under such private plan*
 743 *who would otherwise be eligible for such benefits pursuant to this chapter; and*

744 *i. An employee contribution amount that does not exceed the amount such employee would otherwise*
 745 *contribute for family and medical leave benefits pursuant to § 60.2-806.*

746 *2. Complies with the following provisions:*

747 *a. Such private plan shall provide family and medical leave benefits for all eligible employees throughout*
 748 *the course of their employment;*

749 *b. If such private plan is in the form of self-insurance, the employer shall furnish a bond to the*
 750 *Commonwealth in a form, amount, and manner determined by the Commission; and*

751 *c. If such plan is in the form of a third-party provider of insurance, the forms of the policy must be issued*
 752 *by an insurer and approved by the Commission.*

753 *B. The Commission shall withdraw approval for an employer's private plan pursuant to subsection A if*
 754 *such employer violates the terms or conditions of such private plan, including by:*

755 *a. Failing to pay benefits;*

756 *b. Failing to pay benefits timely and in a manner consistent with the provisions of this chapter;*

757 *c. Failing to maintain an adequate surety bond;*

758 *d. Misusing private plan money;*

759 *e. Failing to submit reports or comply with other requirements or terms set by the Commission; or*

760 *f. Failing to comply with this chapter or regulations promulgated pursuant to this chapter.*

761 *C. An employee covered by a private plan approved under this section shall retain all applicable rights*
 762 *provided in §§ 60.2-808 and 60.2-809.*

763 *D. A contested determination or denial of family and medical leave insurance benefits by a private plan is*
 764 *subject to appeal before the Commission and any court of competent jurisdiction pursuant to § 60.2-812.*

765 *E. The Commission shall establish a fine structure for employers and entities offering private plans that*
 766 *violate this section. The Commission shall transfer any fines collected pursuant to this subsection to the state*
 767 *treasurer for deposit into the Fund. The Commission shall establish a process for the determination,*
 768 *assessment, and appeal of fines under this subsection.*

769 *F. The Commission shall annually determine the total amount expended by the Commission for costs*
 770 *arising from the administration of private plans. Each employer offering a private plan pursuant to this*
 771 *section shall reimburse the Commission for the costs arising out of the private plans in the amount, form, and*
 772 *manner determined by the Commission.*

773 *G. The Commission, in consultation with the State Corporation Commission, may establish rules,*
 774 *processes for data sharing, and a memorandum of understanding related to their respective roles in*
 775 *implementing the approval of coverage pursuant to this section, authorizing products, and requiring filings*
 776 *related to private family leave insurance, paid family and medical leave, group disability, and individual or*
 777 *group accident and sickness policies.*

778 *H. No employer shall be deemed to fulfill its obligations under this chapter through a private family leave*
 779 *insurance policy as defined in § 38.2-107.2 unless the Commission determines that such policy, in*
 780 *combination with a temporary disability insurance policy issued to such employer, meets the minimum*
 781 *requirements necessary for approval pursuant to this section.*

782 **§ 60.2-817. Federal income tax treatment.**

783 *If the Internal Revenue Service determines that family and medical leave benefits under this chapter are*
 784 *subject to federal income tax, the Commission shall advise any covered individual filing a new claim for*
 785 *family and medical leave benefits, at the time of filing such claim, that:*

786 *1. The Internal Revenue Service has determined that benefits are subject to federal income tax;*

787 *2. Requirements exist pertaining to estimated tax payments;*

788 *3. The individual may elect to have federal income tax deducted and withheld from the individual's*
 789 *payment of benefits in the amount specified in the federal Internal Revenue Code; and*

790 *4. The individual is permitted to change a previously elected withholding status.*

791 **§ 60.2-818. Reports; public dashboard.**

792 *By April 1, 2030, and annually thereafter, the Commission shall report to the General Assembly on*
 793 *projected and actual program participation by purpose listed in § 60.2-802, gender of beneficiaries, race and*
 794 *ethnicity of beneficiaries, age of beneficiaries, amount of benefits paid to beneficiaries per week, premium*
 795 *rates, fund balances, outreach efforts, and, for leaves taken under subdivision A 2 of § 60.2-802, family*
 796 *members for whom leave was taken to provide care.*

797 *The Commission shall develop and continually update a publicly accessible online dashboard with*
 798 *information including the number of claims filed and approved and the average times for claim approval, in*
 799 *the aggregate and divided by the purpose for which leave is requested, and additional information as the*
 800 *Commission deems appropriate. The dashboard shall be developed and launched no later than the date on*
 801 *which family and medical leave benefits are first paid pursuant to this chapter.*

802 **§ 60.2-819. Public education.**

803 *The Commission shall develop and conduct a public education campaign to inform workers and*

804 employers regarding the availability of family and medical leave benefits. Such campaign shall include
 805 multiple ways to communicate to employers and employees about the new benefits system and leave rights,
 806 contributions, timeline, and eligibility requirements. Such campaign shall be an ongoing function of the
 807 Commission for the duration of the paid family and medical leave insurance program. In conducting and
 808 planning such campaign, the Commission shall consult with the Board established in § 60.2-821 and work
 809 with other stakeholders, including chambers of commerce, trade associations, nonprofit organizations, and
 810 labor unions, to develop and implement a statewide communication outreach strategy. Such campaign shall
 811 also include targeted outreach and education for small businesses. Outreach information shall be available
 812 in English, Spanish, and other languages spoken by more than five percent of the Commonwealth's
 813 population. The Commission shall deliver to the Board quarterly updates on applications, approvals, and any
 814 additional information as requested by the Board.

815 **§ 60.2-820. Sharing technology.**

816 The Commission is encouraged to use state data collection and technology to the extent possible and to
 817 integrate the provisions of this chapter with existing state policies. To the extent permitted by law, the
 818 Commonwealth may make relevant data sources from state agencies available to the Commission for the
 819 purposes of implementing the provisions of this chapter to increase the efficiency of eligibility and benefit
 820 determinations under this chapter.

821 **§ 60.2-821. Paid Family and Medical Leave Advisory Board.**

822 A. The Paid Family and Medical Leave Advisory Board is established as an advisory board, within the
 823 meaning of § 2.2-2100, in the executive branch of state government. The purpose of the Board is to report to
 824 and advise the Commissioner on the implementation and administration of this chapter.

825 B. The Board shall have a total membership of 18 members that shall consist of five legislative members
 826 and 13 nonlegislative citizen members. Members shall be appointed as follows: two members of the Senate,
 827 to be appointed by the Senate Committee on Rules; three members of the House of Delegates, to be appointed
 828 by the Speaker of the House of Delegates; three nonlegislative citizen members to be appointed by the Senate
 829 Committee on Rules; two nonlegislative citizen members to be appointed by the Speaker of the House of
 830 Delegates; and eight nonlegislative citizen members to be appointed by the Governor, one of whom shall be a
 831 representative of the business community, one of whom shall be a representative of a small business, one of
 832 whom shall be a representative of a labor union, one of whom shall be a representative of an advocacy
 833 organization focused on economic issues impacting children and families, one of whom shall be a
 834 representative of an organization that advocates on behalf of people with serious health conditions or
 835 disabilities, one of whom shall be a public technology expert or a technical advisor on information
 836 technology and data for the Commonwealth, one of whom shall be a human-centered design expert, and one
 837 of whom shall have skill, knowledge, and experience in family and medical leave programs.

838 Nonlegislative citizen members of the Board shall be citizens of the Commonwealth. Legislative members
 839 of the Board shall serve terms coincident with their terms of office.

840 C. Nonlegislative citizen members shall be appointed for a term of four years. Appointments to fill
 841 vacancies, other than by expiration of a term, shall be for the unexpired terms. Vacancies shall be filled in
 842 the same manner as the original appointments. No nonlegislative citizen member shall serve more than two
 843 consecutive four-year terms. The remainder of any term to which a member is appointed to fill a vacancy
 844 shall not constitute a term in determining the member's eligibility for reappointment.

845 D. The Board shall elect a chairman and vice-chairman from among its membership. A majority of the
 846 members shall constitute a quorum. The meetings of the Board shall be held at the call of the chairman, but
 847 no less than four times a year.

848 E. Legislative members of the Board shall receive such compensation as provided in § 30-19.12.
 849 Nonlegislative citizen members of the Board shall not receive compensation but shall be reimbursed for all
 850 reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-2813
 851 and 2.2-2825.

852 **2. That §§ 2.2-1210 and 51.1-1110 of the Code of Virginia are amended and reenacted as follows:**

853 **§ 2.2-1210. Family and medical leave.**

854 A. As used in this section:

855 "Eligible employee" means a classified or at-will state employee ~~who has been employed by the~~
 856 ~~Commonwealth for a minimum of 12 consecutive months who is also a covered individual as defined in~~
 857 ~~§ 60.2-800.~~

858 "~~Parental~~ "Family and medical leave benefits" means paid leave provided at ~~100~~ 80 percent of an eligible
 859 employee's ~~regular salary~~ average weekly wages during his base period as defined in in § 60.2-204, or 80
 860 percent of such covered individual's average weekly wages during the quarters in which such covered
 861 individual worked if less than five quarters, subject to the maximum specified in subsection D of § 60.2-804.

862 B. The Department shall implement and administer ~~parental leave~~ family and medical leave benefits for
 863 eligible employees. ~~Following the birth, adoption, or foster placement of a child younger than age 18, an~~
 864 ~~eligible employee shall receive eight weeks (320 hours) of parental leave. If both parents of such child are~~
 865 ~~eligible employees, each shall receive parental leave, which may be taken concurrently, consecutively, or at~~

866 different times in the accordance with the provisions of Chapter 8 of Title 60.2 (§ 60.2-800 et seq.).

867 C. Parental leave shall be taken within six months following the birth, adoption, or foster placement of the
 868 child. Parental leave shall be taken only once in a 12-month period and only once per child.

869 D. ~~Parental Family and medical~~ leave shall be in addition to other leave benefits available to state
 870 employees, including the Virginia Sickness and Disability Program under Chapter 11 (§ 51.1-1100 et seq.) of
 871 Title 51.1, sick leave under Article 2 (§ 51.1-1104) of Chapter 11 of Title 51.1, annual leave, and leave under
 872 the Family and Medical Leave Act (29 U.S.C. § 2601 et seq.), and shall not be counted against leave under
 873 such programs. ~~Parental Family and medical~~ leave benefits shall run concurrently with any leave provided to
 874 an eligible employee under the Family and Medical Leave Act. ~~Parental Family and medical~~ leave benefits
 875 may run concurrently or sequentially with leave provided under the Virginia Sickness and Disability Program
 876 if an eligible employee is eligible for such leave. All legal holidays designated pursuant to § 2.2-3300 shall
 877 not be counted against ~~parental family and medical~~ leave benefits.

878 E. On July 1, 2020, and every July 1 thereafter, each state agency's human resource manager shall submit
 879 to the Department, in a form and containing such data as prescribed by the Department, a report on the use of
 880 ~~parental family and medical~~ leave benefits by agency employees for the preceding fiscal year.

881 F. The Department shall develop and publish guidelines on ~~parental family and medical~~ leave benefits that
 882 shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

883 **§ 51.1-1110. Short-term disability benefit.**

884 A. ~~Except as provided in Notwithstanding~~ subsection D of § 51.1-1103, short-term disability benefits for
 885 participating all eligible employees, as defined in § 2.2-1210, shall commence upon the expiration of a seven-
 886 calendar-day waiting period. The waiting period shall commence the first day of a disability or of maternity
 887 leave. If an employee returns to work for one day or less during the seven-calendar-day waiting period but
 888 cannot continue to work, the periods worked shall not be considered to have interrupted the seven-calendar-
 889 day waiting period. Additionally, the seven-calendar-day waiting period shall not be considered to be
 890 interrupted if the employee works 20 hours or less during the waiting period. Short-term be entitled to short-
 891 term disability benefits payable as the result of a catastrophic disability or major chronic condition shall not
 892 require a waiting period as described in this section. Such benefits shall run concurrently with family and
 893 medical leave provided under § 2.2-1210.

894 B. Except as provided in subsections C and E of this section and § 51.1-1131, short-term disability
 895 coverage shall provide income replacement for a percentage of a participating an eligible employee's
 896 creditable compensation during the period specified below that an employee is disabled, on maternity leave,
 897 or takes periodic absences due to a major chronic condition, as determined by the Board or its designee,
 898 based on the number of months of state service as an eligible employee, as follows:

899		Work days of 100%	Work days of 80%	Work days of 60%
900	Months of	replacement of	replacement of	replacement of
901	state service	creditable compensation	creditable compensation	creditable compensation
902	Less than 60	5	20 120	100
903	60 to 119	25	25 100	75
904	120 to 179	25	50 100	50
905	180 or more	25	75 100	25

906 C. For all eligible employees commencing employment or reemployment on or after July 1, 2009, except
 907 as provided in subsections B and E of this section and § 51.1-1131, short-term disability coverage shall
 908 provide income replacement for (i) ~~60~~ 80 percent of a participating employee's creditable compensation for
 909 the first 60 months of continuous state service after employment or reemployment and (ii) thereafter, a
 910 percentage of a participating employee's creditable compensation during the periods that he is disabled, on
 911 maternity leave, or takes periodic absences due to a major chronic condition, based on the number of months
 912 of continuous state service, as determined by the Board or its designee, as follows:

913		Work days of 100%	Work days of 80%	Work days of 60%
914	Months of	replacement of	replacement of	replacement of
915	state service	creditable compensation	creditable compensation	creditable compensation
916	60 to 119	25	25 100	75
917	120 to 179	25	50 100	50
918	180 or more	25	75 100	25

919 D. Creditable compensation during periods an employee receives short-term disability benefits shall
 920 include general salary increases awarded during the period of short-term disability coverage.

921 E. An employee's disability credits may be used, on a day for day basis, to extend the period an employee
 922 receives short-term disability benefits paid at 100 percent of replacement of creditable compensation.

923 F. Short-term disability benefits shall be payable only during periods of (i) total disability, (ii) partial
 924 disability, (iii) maternity leave, or (iv) periodic absences due to a major chronic condition as defined by the
 925 Board or its designee.

926 **3. That provisions of the second enactment of this act shall become effective on January 1, 2028.**

927 **4. That the Virginia Employment Commission shall promulgate all rules and regulations necessary for**

928 implementation of this act by April 1, 2028.

929 5. That by January 1, 2028, the Department of Human Resource Management (the Department) shall
930 modify the Commonwealth's policies relating to family and medical leave pursuant to subsection C of
931 § 60.2-801 of the Code of Virginia, as created by this act. In modifying such policies, the Department
932 shall not reduce any existing leave or benefits available to an employee of the Commonwealth that are
933 more generous than the leave and benefits provided under the paid family and medical leave insurance
934 program, as created by this act.

935 6. That the Department of Human Resource Management (the Department) shall evaluate the impact
936 of the modifications described by the fifth enactment of this act and in subsection C of § 60.2-801 of the
937 Code of Virginia, as created by this act, on the Commonwealth's policies on leave or related benefits
938 for its employees. The Department shall report its findings to the Governor and General Assembly by
939 October 1, 2026, including any recommended changes to Commonwealth policies or statutory changes
940 that may be required to comply with the provisions of this act.