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SENATE BILL NO. 2  
AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the Governor  
on April 13, 2026)

(Patron Prior to Substitute—Senator Boysko)

A BILL to amend and reenact §§ 38.2-107.2, 38.2-135, 38.2-316, and 38.2-1800 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 60.2-818, relating to paid family and medical leave insurance program established; notice requirements; civil action; penalty.

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 60.2-818, 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.

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

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

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

327 1. Either:

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

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

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

331 3. Submits an application.

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

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

348 "Employer" has the same meaning as provided in § 60.2-210, except that, for the purposes of this chapter,  
 349 "employer" does not include the Commonwealth.

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

351 "Family member" means a child, grandchild, grandparent, parent, sibling, spouse, or domestic partner of  
 352 an employee, including those with step, foster, or adopted relationships, and includes any individual (i) who  
 353 regularly resides in the employee's home or where the relationship creates an expectation that the employee  
 354 care for such individual and (ii) who depends on the employee for care. "Family member" does not include  
 355 an individual who simply resides in the home with no expectation that the employee care for the individual.

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

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

358 "Health care provider" means a person licensed under the law of the jurisdiction in which such person  
 359 practices to provide medical or emergency services, including any person defined as a health care provider  
 360 under § 32.1-276.3, emergency room personnel, licensed clinical social workers, and other providers  
 361 permitted by the Commissioner.

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

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

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

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

377 "Safety services" means:

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

381 2. Medical treatment, recovery services, or mental health counseling for injuries caused by domestic  
 382 violence, pervasive harassment, sexual assault, or stalking;

383 3. Services from a victim services provider; and

384 4. Relocation and home security services to ensure the safety of an individual who has experienced  
 385 domestic violence, pervasive harassment, sexual assault, or stalking.

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

389 "Workweek" means a calendar week.

390 **§ 60.2-801. Paid family and medical leave insurance program.**

391 A. By January 1, 2028, the Commission shall establish and administer a paid family and medical leave  
 392 insurance program. By April 1, 2028, the Commission shall begin collecting contributions as provided in this  
 393 chapter. By December 1, 2028, the Commission shall begin receiving claims and paying family and medical  
 394 leave benefits to covered individuals.

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

400 C. The Department of Human Resource Management shall modify its policies to ensure that its policies  
 401 relating to family and medical leave for employees of the Commonwealth, including parental leave under  
 402 § 2.2-1210, provide employees of the Commonwealth with leave benefits equal to or greater than the leave  
 403 benefits provided to a covered individual under the paid family and medical leave insurance program  
 404 pursuant to this chapter, including as described in subdivision A 1 of § 60.2-816.

405 **§ 60.2-802. Eligibility for benefits; certification.**

406 A. Beginning December 1, 2028, family and medical leave benefits shall be payable to any covered  
 407 individual who is authorized to work in the United States at the time they apply for family and medical leave  
 408 pursuant to this chapter and:

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

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

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

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

416 5. Is eligible for qualifying exigency leave arising out of the fact that a family member of the covered  
 417 individual is on active duty, or has been notified of an impending call or order to active duty, in the Armed  
 418 Forces; or

419 6. Is seeking safety services for the covered individual or a family member. Leave to seek safety services  
 420 under this subdivision shall be payable for a maximum of four weeks in a benefit year for any covered  
 421 individual.

422 B. A claim for family and medical leave benefits shall include supporting certifications as required by the  
 423 following:

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

429 2. For a claimant seeking family and medical leave benefits due to the serious health condition of a family  
 430 member, certification from a physician or health care provider (i) describing such condition, (ii) stating the  
 431 date on which such condition commenced or is expected to commence and the probable duration of such

432 condition, (iii) including a statement that such condition requires such claimant to care for such family  
433 member and an estimated duration of such care, and (iv) including other appropriate medical facts as  
434 required by the Commission.

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

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

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

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

452 7. For a claimant seeking family and medical leave benefits to seek safety services, a certification  
453 including (i) medical records or a statement from a health care provider; (ii) a protection order, police  
454 report, or court order; (iii) a statement from a victim services provider; or (iv) other documentation as  
455 required by the Commissioner.

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

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

465 **§ 60.2-803. Duration of benefits.**

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

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

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

474 **§ 60.2-804. Amount of benefits.**

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

479 B. For a self-employed person electing coverage under § 60.2-815, the weekly benefit amount shall be 80  
480 percent of such covered individual's average weekly net earnings during the base period as defined in  
481 § 60.2-204, or 80 percent of such covered individual's average weekly net earnings during the quarters in  
482 which such covered individual worked if less than five quarters, subject to the maximum specified in  
483 subsection D.

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

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

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

493 **§ 60.2-805. Family and Medical Leave Insurance Trust Fund; appropriation prohibition;**

494 **reimbursement.**

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

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

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

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

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

512 **§ 60.2-806. Contributions.**

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

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

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

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

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

530 C. A self-employed person electing coverage under § 60.2-815 shall be responsible for the employer's  
531 share of contributions set forth in subsection B on that individual's income from self-employment. Such self-  
532 employed person shall provide documentation to the Commission demonstrating that such self-employed  
533 person is authorized to work in the United States when beginning payroll contributions.

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

538 E. Each employer of 10 or fewer employees shall deduct from each employee's wages an amount equal to  
539 50 percent of the contribution per employee required of an employer of more than 10 employees pursuant to  
540 subsection B. Such employer of 10 or fewer employees shall remit such deducted amount to the Commission  
541 for deposit into the Fund and shall not be required to make additional contributions.

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

546 G. Contributions under this section shall not be required for an employee's wages or an individual's  
547 income from self-employment above the contribution and benefit base limit established annually by the Social  
548 Security Administration for purposes of the federal Old-Age, Survivors, and Disability Insurance Benefits  
549 program limits pursuant to 42 U.S.C. § 430.

550 **§ 60.2-807. Reduced leave schedule.**

551 A. A covered individual shall have the option to receive paid family and medical leave benefits on an  
552 intermittent or reduced leave schedule in which all of the leave authorized under this chapter is not taken  
553 sequentially. Family and medical leave benefits for an intermittent or reduced leave schedule shall be  
554 prorated and coordinated between the employee and employer.

555 B. Such covered individual shall make a reasonable effort to schedule paid family and medical leave

556 taken pursuant to this section so as not to unduly disrupt the operations of such covered individual's  
557 employer. Such covered individual shall provide such employer with prior notice of the schedule on which  
558 such covered individual will be taking the leave, to the extent practicable. Paid family and medical leave  
559 taken pursuant to this section shall not result in a reduction of the total amount of leave to which a covered  
560 individual is entitled beyond the amount of leave actually taken.

561 **§ 60.2-808. Leave and employment protection; remedies.**

562 A. Any covered individual who receives family and medical leave benefits and has been employed with the  
563 covered individual's current employer for at least 120 days prior to the commencement of such individual's  
564 paid family and medical leave shall, upon the expiration of such leave, be entitled to restoration by the  
565 employer to the position held by such covered individual when such leave commenced, or to a position with  
566 equivalent seniority, status, employment benefits, pay, and other terms and conditions of employment,  
567 including fringe benefits and service credits, to which the covered individual had been entitled at the  
568 commencement of such leave.

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

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

576 1. Damages equal to:

577 a. The amount of:

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

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

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

585 c. An additional amount as liquidated damages equal to the sum of the amount described in subdivision a  
586 and the interest described in subdivision b, except that if an employer who has violated this section or  
587 § 60.2-809 proves to the satisfaction of the court that the act or omission that violated this section or  
588 § 60.2-809 was in good faith and that the employer had reasonable grounds for believing that the act or  
589 omission was not a violation of this section or § 60.2-809, such court shall reduce the amount of the liability  
590 to the amount and interest determined under subdivisions a and b, respectively, and impose no additional  
591 penalties; and

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

593 D. Except as provided in subsection E, an action may be brought for a violation of this section or  
594 § 60.2-809 not later than one year after the date of the last event constituting the alleged violation for which  
595 the action is brought.

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

599 F. The Commissioner of Labor and Industry may investigate any alleged violation of this section with the  
600 consent of an employee or interested third party, or at the discretion of the Commissioner of Labor and  
601 Industry. The Commissioner of Labor and Industry may institute administrative or, upon referral to the  
602 Attorney General, court proceedings to remedy any alleged violation of this section and may seek and collect  
603 any remedies available under this section. Any such damages shall be paid as restitution to any affected  
604 employee entitled thereto. In the course of an investigation, the Commissioner of Labor and Industry may  
605 issue subpoenas.

606 **§ 60.2-809. Retaliatory personnel actions prohibited.**

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

609 B. No employer, employment agency, employee organization, or other person shall take retaliatory  
610 personnel action or otherwise discriminate against an individual due to such individual's lawful exercise of  
611 rights protected under this chapter. Such rights include the right to request, file for, apply for, or use benefits  
612 provided for under this chapter; the right to communicate to the employer or any other person or entity that  
613 such individual (i) intends to file a claim, a complaint with the Commission or a court, or an appeal or (ii)  
614 has testified in, intends to testify in, or has otherwise assisted in any investigation, hearing, or proceeding  
615 under this chapter; the right to inform any person about any employer's alleged violation of this chapter; and  
616 the right to inform any individual of the individual's rights under this chapter.

617 C. It is unlawful for an employer's absence control policy to count paid family and medical leave taken

618 under this chapter as an absence that may lead to or result in discipline, discharge, demotion, suspension, or  
619 any other adverse action.

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

622 E. This section shall be enforced as provided in subsections C through F of § 60.2-808.

623 **§ 60.2-810. Coordination of benefits; applicability of chapter.**

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

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

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

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

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

639 **§ 60.2-811. Notice requirements.**

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

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

657 **§ 60.2-812. Appeals.**

658 A. The Commissioner shall establish a system for appeals within 90 days of a denial of a claim for family  
659 and medical leave benefits.

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

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

665 **§ 60.2-813. Enforcement.**

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

672 B. If, after notice, any employer defaults in any payment of contributions or interest, the amount due shall  
673 be collected by civil action in the name of the Commissioner. The employer adjudged in default shall pay the  
674 fees and costs of such action. Civil actions brought under this chapter to collect contributions or interest or  
675 any penalty from an employer shall be heard by the court at the earliest possible date. Such civil actions may  
676 be brought against any officer, employee, or agent of a corporation or partnership in his individual, personal  
677 capacity when that person willfully fails to cause the employer to pay the appropriate contributions or  
678 interest and he had the authority to do so. No person shall be subject to this section unless it is proved that  
679 such person (i) knew of the failure or attempt to make such payment and (ii) had authority to prevent such

680 *failure or attempt. In addition to the foregoing remedies, the Commissioner shall have such other remedies as*  
 681 *are available to the Tax Commissioner and county and city treasurers for the collection of taxes generally.*  
 682 *The Commissioner is authorized to compromise, settle, and adjust any contributions, including interest, or*  
 683 *any penalty assessed against any employer where in the judgment of the Commissioner the best interests of*  
 684 *the Commonwealth will be promoted or served. The Commissioner may in such cases accept in full settlement*  
 685 *of the contributions assessed an amount less than that assessed.*

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

693 **§ 60.2-814. Fraud, erroneous payments, and disqualification for benefits; penalty.**

694 *A. In addition to any other appropriate charges under Title 18.2, an individual who willfully or with intent*  
 695 *to defraud makes or causes to be made, directly or indirectly through any agent or agency, any false*  
 696 *statement with the intent to obtain family and medical leave benefits is guilty of a Class 1 misdemeanor and*  
 697 *shall be disqualified from family and medical leave benefits for five years.*

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

701 *C. If family and medical leave benefits are paid erroneously or as a result of willful misrepresentation, or*  
 702 *if a claim for family and medical leave benefits is rejected after benefits are paid, the Commission may seek*  
 703 *repayment of benefits from the recipient.*

704 **§ 60.2-815. Elective coverage.**

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

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

714 **§ 60.2-816. Private employer plans; exemption from contributions.**

715 *A. Employers may apply to the Commission for approval to meet their obligations under this chapter*  
 716 *through a private plan that provides paid family and medical leave benefits equal to or greater than the*  
 717 *benefits provided under this chapter. The Commission may approve such private plan if the Commission*  
 718 *determines that such private plan:*

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

721 *a. The provision of family and medical leave benefits for all purposes specified in subsection A of*  
 722 *§ 60.2-802;*

723 *b. The provision of family and medical leave benefits for the maximum number of weeks required in*  
 724 *§ 60.2-803 per benefit year;*

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

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

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

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

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

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

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

740 *2. Complies with the following provisions:*

741 *a. Such private plan shall provide family and medical leave benefits for all eligible employees throughout*

742 *the course of their employment;*

743 *b. If such private plan is in the form of self-insurance, the employer shall provide documentation to*  
 744 *demonstrate sufficient financial capacity to meet all current and anticipated claim obligations under the*  
 745 *program in a form, amount, and manner determined by the Commission; and*

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

748 *B. Employers with an approved private plan shall reapply to the Commission for approval to meet their*  
 749 *obligations under this chapter every two years. At the time of certification and recertification, employers*  
 750 *shall disclose any changes in the family and medical leave benefits provided through the private plan and*  
 751 *shall pay a fee, to be determined by the Commissioner, which shall be deposited into the Fund.*

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

754 *a. Failing to pay benefits;*

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

756 *c. Misusing private plan money;*

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

758 *e. Failing to comply with this chapter or regulations promulgated pursuant to this chapter.*

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

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

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

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

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

776 *I. No employer shall be deemed to have fulfilled its obligations under the paid family and medical leave*  
 777 *insurance program through a private family leave insurance policy issued pursuant to § 38.2-107.2 unless*  
 778 *the Commission determines that such policy, in combination with a temporary disability insurance policy*  
 779 *issued to such employer, meets the minimum requirements necessary for approval pursuant to this section.*

780 *J. Nothing in this section shall preclude an employer from providing benefits in addition to paid family*  
 781 *and medical leave benefits as provided in this chapter.*

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 **2. That the Virginia Employment Commission (the Commission) shall promulgate all rules and**  
 803 **regulations necessary for implementation of this act by April 1, 2028, including (i) a process for**

804 receiving benefits claims filed, (ii) the form of any application for family and medical leave benefits,  
805 (iii) the timeline and process for providing notice of a claim to an employer, (iv) the timeline and  
806 process for making initial claim determinations, (v) the timeline and process for requesting  
807 information prior to any decision on a claim being rendered, (vi) the process and timeline for a self-  
808 employed person to elect family and medical leave coverage, and (vii) best practices for communication  
809 and coordination between employees and employers regarding the use of leave. The Commission shall  
810 also adopt regulations to establish certification processes that promote efficiency and prevent fraud,  
811 including (a) the process and requirements for certification as described in subsection B of § 60.2-802  
812 of the Code of Virginia, as created by this act, as well as a timeline for such certification; (b) the  
813 process by which health care providers certify documentation provided and authorized by employees  
814 directly to the Commission; (c) the process by which the Commission notifies employers of the  
815 approval of an employee's family and medical leave request; (d) the process for confirming that  
816 certification required under § 60.2-802 of the Code of Virginia, as created by this act, is accurate and  
817 appropriate; and (e) the process for certifying an employee's work authorization to the Commission.  
818 Any such rules and regulations shall be promulgated as required by the Virginia Administrative  
819 Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that § 2.2-4007.06 of the Code of  
820 Virginia shall not apply.

821 3. That by December 1, 2028, the Department of Human Resource Management (the Department) shall  
822 modify the Commonwealth's policies relating to family and medical leave pursuant to subsection C of  
823 § 60.2-801 of the Code of Virginia, as created by this act. In modifying such policies, the Department  
824 shall not reduce any existing leave or benefits available to an employee of the Commonwealth that are  
825 more generous than the leave and benefits provided under the paid family and medical leave insurance  
826 program, as created by this act. The Governor shall (i) if necessary, submit legislation to the General  
827 Assembly to codify any such modifications to the Department's policies and (ii) include any necessary  
828 funding to support such modifications to the Department's policies in the budget bill submitted for the  
829 2026–2028 or 2028–2030 biennium pursuant to § 2.2-1509 of the Code of Virginia.

830 4. That the Virginia Employment Commission (the Commission) shall develop and conduct a public  
831 education campaign to inform workers and employers regarding the availability of family and medical  
832 leave benefits. Such campaign shall include multiple ways to communicate to employers and employees  
833 about the new benefits system and leave rights, contributions, timeline, and eligibility requirements.  
834 Such campaign shall be an ongoing function of the Commission for the duration of the paid family and  
835 medical leave insurance program. In conducting and planning such campaign, the Commission shall  
836 work with stakeholders, including chambers of commerce, trade associations, nonprofit organizations,  
837 and labor unions, to develop and implement a statewide communication outreach strategy. Such  
838 campaign shall also include targeted outreach and education for small businesses. Outreach  
839 information shall be available in English, Spanish, and other languages spoken by more than five  
840 percent of the Commonwealth's population.

841 5. That the Virginia Employment Commission (the Commission) may use state data collection and  
842 technology to the extent possible and to integrate the provisions of this act with existing state policies.  
843 To the extent permitted by law, the Commonwealth may make relevant data sources from state  
844 agencies available to the Commission for the purposes of implementing the provisions of this act to  
845 increase the efficiency of eligibility and benefit determinations under this act.