2010 Session

# Budget Bill - HB29 (Introduced)

Bill Order » Office of Finance » Item 267

Department of Accounts Transfer Payments

## Item 267

| | First Year - FY2009 | Second Year - FY2010 |
|---|---|---|
| **Line of Duty (76000)** | **$8,403,760** | **$10,058,131** |
| Death Benefit Payments Under the Line of Duty Act (76001) | $825,000 | $825,000 |
| Health Insurance Benefit Payments Under the Line of Duty Act (76002) | $7,578,760 | $9,233,131 |
| Fund Sources: | | |
| General | $8,403,760 | $10,058,131 |

Authority: Title 9.1, Chapter 4, Code of Virginia.

A. In addition to such other payments as may be available, the full cost of group health insurance, net of any deductions and credits, for the surviving spouses and dependents of certain public safety officers killed in the line of duty and for certain public safety officers disabled in the line of duty, and the spouses and dependents of such disabled officers, are payable from this Item pursuant to Title 9.1, Chapter 4, Code of Virginia. To the extent the appropriation in this Item is insufficient for these payments, the Director, Department of Planning and Budget, is authorized to transfer sufficient funding from Item 473 of this act.

B. There is hereby created the Line of Duty Death and Health Benefits Trust Fund (the Fund). The funds of the Line of Duty Death and Health Benefits Trust Fund shall be deemed separate and independent trust funds, shall be segregated from all other funds of the Commonwealth, and shall be invested and administered solely in the interests of the participants and beneficiaries thereof. Neither the General Assembly nor any public officer, employee, or agency shall use or authorize the use of such trust funds for any purpose other than as provided in law for benefits, refunds, and administrative expenses. The Fund is established to pay the death and health insurance premium benefits prescribed by § 9.1-400 et seq., the Line of Duty Act. Deposits to the Fund shall be made from general fund appropriations together with any earnings on those deposits. Fund deposits are irrevocable and are not subject to the claims of creditors. The Department of Accounts shall use the assistance of the Virginia Retirement System in establishing, investing, and maintaining the Fund. The Board of Trustees of the Virginia Retirement System shall administer and manage the investment of the Fund as custodian and provide staff. The Virginia Retirement System shall invest the Funds in accordance with Article 3.1 (§ 51.1-124.30 et seq.) of Chapter 1 of Title 51.1, and no officer, director, or member of the Board or of any advisory committee of the Virginia Retirement System or any of its tax exempt subsidiary corporations whose actions are within the standard of care in Article 3.1 of Chapter 1 of Title 51.1 shall be held personally liable for losses suffered by the Fund on investments made under the authority of this chapter. The Fund shall annually reimburse the *Department of Accounts and the* Virginia Retirement System for all reasonable costs incurred and associated, directly and indirectly, with the administration of this chapter and management and investment of the Fund.

C. In addition to any other benefit provided by law, an additional death benefit in the amount of $20,000 for the surviving spouses and dependents of certain members of the National Guard and United States military reserves killed in action in any armed conflict on or after October 7, 2001, are payable from this Item pursuant to § 44-93.1 .B., Code of Virginia. The Department of Accounts, with support from the Department of Military Affairs, shall

determine eligibility for this benefit. The Director, Department of Planning and Budget, is authorized to transfer sufficient funding from Item 473 of this act to make any required payments.

*D. In the second year of the biennium, the Virginia Retirement System shall transfer $500,000 from the Group Insurance Program's Advance Premium Deposit Reserve to the Line of Duty Death and Health Benefits Trust Fund for subsequent transfer to the general fund of the state treasury, as reimbursement for death claims related to the Line of Duty Act paid from July 1, 2009, through June 30, 2010. Repayment of the transfer by the Line of Duty Death and Health Benefits Trust Fund to the Group Insurance Program's Advance Premium Deposit Reserve will be completed in a manner and under such terms as prescribed by the Virginia Retirement System Board of Trustees.*

*E. On or before June 30, 2010, the Virginia Retirement System shall transfer an amount estimated to be $1,250,000 from the health insurance credit trust fund to the general fund of the state treasury as reimbursement for health insurance credits that would have been payable to Line of Duty Act benefits recipients from their date of retirement or July 1, 2000, whichever was later, until June 30, 2010.*

*F. For any surviving spouse of a "deceased person" or any "disabled person" as those terms are defined in § 9.1-400 , who is receiving the benefits described in § 9.1-401 and who would otherwise qualify for the health insurance credit described in Chapter 14 of Title 51.1, the amount of such credit shall be calculated and reimbursed to the State Comptroller from the health insurance credit trust fund, in a manner prescribed by the Board of Trustees of the Virginia Retirement System.*