

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 1204

(SENATE AUTHORS: HOWE)

DATE
02/18/2021

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OFFICIAL STATUS
Introduction and first reading
Referred to Judiciary and Public Safety Finance and Policy

1.1 A bill for an act
1.2 relating to public safety; creating an open appropriation from the general fund to
1.3 the public safety officer's benefit account; providing for reimbursement for
1.4 continued health insurance coverage; amending Minnesota Statutes 2020, sections
1.5 299A.42; 299A.465, subdivisions 1, 4, by adding a subdivision.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 299A.42, is amended to read:

1.8 **299A.42 PUBLIC SAFETY OFFICER'S BENEFIT ACCOUNT.**

1.9 The public safety officer's benefit account is created in the state treasury. Money in the
1.10 account consists of money transferred and appropriated to that account. Money in the account
1.11 that is not expended in the fiscal year in which it is transferred or appropriated does not
1.12 revert to the general fund until claims for reimbursement under section 299A.465 that are
1.13 submitted in that fiscal year are either paid or denied. A sum sufficient to discharge the
1.14 duties imposed by sections 299A.41 to 299A.47 is annually appropriated from the general
1.15 fund to the account.

1.16 **EFFECTIVE DATE.** This section is effective July 1, 2021.

1.17 Sec. 2. Minnesota Statutes 2020, section 299A.465, subdivision 1, is amended to read:

1.18 Subdivision 1. **Officer or firefighter disabled in line of duty.** (a) This subdivision
1.19 applies to any peace officer or firefighter:

1.20 (1) who the Public Employees Retirement Association or the Minnesota State Retirement
1.21 System determines is eligible to receive a duty disability benefit pursuant to section 353.656
1.22 or 352B.10, subdivision 1, respectively; or

2.1 (2) who (i) does not qualify to receive disability benefits by operation of the eligibility
2.2 requirements set forth in section 353.656, subdivision 1, paragraph (b), (ii) retires pursuant
2.3 to section 353.651, subdivision 4, or (iii) is a member of a local police or salaried firefighters
2.4 relief association and qualifies for a duty disability benefit under the terms of plans of the
2.5 relief associations, and the peace officer or firefighter described in item (i), (ii), or (iii) has
2.6 discontinued public service as a peace officer or firefighter as a result of a disabling injury
2.7 and has been determined, by the Public Employees Retirement Association, to have otherwise
2.8 met the duty disability criteria set forth in section 353.01, subdivision 41.

2.9 (b) A determination made on behalf of a peace officer or firefighter described in paragraph
2.10 (a), clause (2), must be at the request of the peace officer or firefighter made for the purposes
2.11 of this section. Determinations made in accordance with paragraph (a) are binding on the
2.12 peace officer or firefighter, employer, and state. The determination must be made by the
2.13 executive director of the Public Employees Retirement Association or by the executive
2.14 director of the Minnesota State Retirement System, whichever applies, and is not subject
2.15 to section 356.96, subdivision 2. Upon making a determination, the executive director shall
2.16 provide written notice to the peace officer or firefighter and the employer. This notice must
2.17 include:

2.18 (1) a written statement of the reasons for the determination;

2.19 (2) a notice that the person may petition for a review of the determination by requesting
2.20 that a contested case be initiated before the Office of Administrative Hearings, the cost of
2.21 which must be borne by the peace officer or firefighter and the employer; and

2.22 (3) a statement that any person who does not petition for a review within 60 days is
2.23 precluded from contesting issues determined by the executive director in any other
2.24 administrative review or court procedure.

2.25 If, prior to the contested case hearing, additional information is provided to support the
2.26 claim for duty disability as defined in section 352B.011, subdivision 7, or 353.01, subdivision
2.27 41, whichever applies, the executive director may reverse the determination without the
2.28 requested hearing. If a hearing is held before the Office of Administrative Hearings, the
2.29 determination rendered by the judge conducting the fact-finding hearing is a final decision
2.30 and order under section 14.62, subdivision 2a, and is binding on the applicable executive
2.31 director, the peace officer or firefighter, employer, and state. Review of a final determination
2.32 made by the Office of Administrative Hearings under this section may only be obtained by
2.33 writ of certiorari to the Minnesota Court of Appeals under sections 14.63 to 14.68. Only

3.1 the peace officer or firefighter, employer, and state have standing to participate in a judicial
 3.2 review of the decision of the Office of Administrative Hearings.

3.3 (c) The officer's or firefighter's employer shall continue to provide health coverage for:

3.4 (1) the officer or firefighter; and

3.5 (2) the officer's or firefighter's dependents if the officer or firefighter was receiving
 3.6 dependent coverage at the time of the injury under the employer's group health plan.

3.7 (d) The employer is responsible for the continued payment of the employer's contribution
 3.8 for coverage of the officer or firefighter and, if applicable, the officer's or firefighter's
 3.9 dependents. Coverage must continue for the officer or firefighter and, if applicable, the
 3.10 officer's or firefighter's dependents until the officer or firefighter reaches or, if deceased,
 3.11 would have reached the age of 65. However, coverage for dependents does not have to be
 3.12 continued after the person is no longer a dependent.

3.13 (e) The employer shall provide the officer or firefighter written notice of the provisions
 3.14 of this chapter and the effect of declining any health insurance coverage that the employer
 3.15 makes available to officers or firefighters, the officer's or firefighter's dependents, or both.
 3.16 This written notice shall include a copy of this chapter and shall be provided on an annual
 3.17 basis at the time of the open enrollment period for the employer's health insurance benefits.
 3.18 In the event the employer fails to provide an officer or firefighter with the required written
 3.19 notice, the employer shall be responsible for providing health insurance coverage consistent
 3.20 with this chapter, despite the officer's or firefighter's waiver of coverage, to the officer or
 3.21 firefighter and the officer's or firefighter's dependents if the disability or death in the line
 3.22 of duty arises in the year the required notice was not provided to the officer or firefighter.

3.23 Sec. 3. Minnesota Statutes 2020, section 299A.465, subdivision 4, is amended to read:

3.24 Subd. 4. **Public employer reimbursement.** A public employer subject to this section
 3.25 may annually apply by August 1 for the preceding fiscal year to the commissioner of public
 3.26 safety for reimbursement ~~to help defray a portion of its costs of complying with this section.~~
 3.27 The commissioner shall provide ~~an equal pro-rata share~~ reimbursement to the public employer
 3.28 out of the public safety officer's benefit account ~~based on the availability of funds~~ for each
 3.29 eligible officer, firefighter, and qualifying dependents. Individual shares must not exceed
 3.30 the actual costs of providing coverage under this section by a public employer.

4.1 Sec. 4. Minnesota Statutes 2020, section 299A.465, is amended by adding a subdivision
4.2 to read:

4.3 Subd. 8. **Waiver or release prohibited.** Nothing in this chapter shall allow any agreement
4.4 to diminish any entitlement to the benefits under this chapter. Any agreement that attempts
4.5 to release or diminish entitlement to benefits under this chapter is null and void.