

1.1 **Senator Murphy from the Committee on State and Local Government and Veterans,**
1.2 **to which was referred**

1.3 **H.F. No. 1234:** A bill for an act relating to labor; modifying peace officer and firefighter
1.4 duty disability provisions; requiring a report; appropriating money; amending Minnesota
1.5 Statutes 2022, sections 299A.42; 299A.465, subdivision 4, by adding a subdivision;
1.6 352B.011, by adding a subdivision; 352B.10, subdivisions 1, 2a, 4, by adding a subdivision;
1.7 352B.101; 352B.105, subdivision 1; 353.01, subdivision 47; 353.031, subdivisions 1, 3, 4,
1.8 8, 9, by adding a subdivision; 353.335; 353.656, subdivisions 1, 1a, 1b, 3, 3a, 4, 6a, 10;
1.9 proposing coding for new law in Minnesota Statutes, chapters 352B; 353; 626; repealing
1.10 Minnesota Statutes 2022, section 353.656, subdivisions 2, 2a.

1.11 Reports the same back with the recommendation that the bill be amended as follows:

1.12 Delete everything after the enacting clause and insert:

1.13 "Section 1. Minnesota Statutes 2022, section 299A.42, is amended to read:

1.14 **299A.42 PUBLIC SAFETY OFFICER'S BENEFIT ACCOUNT.**

1.15 Subdivision 1. Public safety officer's benefit account. The public safety officer's benefit
1.16 account is created in the state treasury. Money in the account consists of money transferred
1.17 and appropriated to that account. Money in the account that is not expended in the fiscal
1.18 year in which it is transferred or appropriated does not revert to the general fund until claims
1.19 for reimbursement under section 299A.465 that are submitted in that fiscal year are either
1.20 paid or denied.

1.21 Subd. 2. Annual report. The commissioner of public safety must annually report, no
1.22 later than 30 days after the end of each fiscal year, to the chairs and ranking minority
1.23 members of the legislative committees with jurisdiction over public safety and pensions
1.24 regarding the financial status of the public safety officer's benefit account; the reimbursements
1.25 paid by the commissioner during the preceding fiscal year under sections 299A.465,
1.26 352B.102, and 353.032; and payments, if any, made during the preceding fiscal year under
1.27 sections 352B.103 and 353.033. If the commissioner anticipates, based on historical averages,
1.28 that the public safety officer's benefit account will not have enough money to fund all
1.29 reimbursements the commissioner reasonably anticipates will be requested under sections
1.30 299A.465, 352B.102, and 353.032 and payments for which invoices will be received under
1.31 sections 352B.103 and 353.033 for the current and next fiscal year, the commissioner must
1.32 include in the report the amounts the commissioner believes are necessary to fund the
1.33 anticipated reimbursements and payments.

1.34 **EFFECTIVE DATE.** This section is effective July 1, 2023.

2.1 Sec. 2. Minnesota Statutes 2022, section 299A.465, subdivision 4, is amended to read:

2.2 Subd. 4. **Public employer reimbursement.** ~~(a) A public employer subject to this section~~
 2.3 may annually apply by August 1 for the preceding fiscal year to the commissioner of public
 2.4 safety for reimbursement ~~to help defray a portion~~ of its costs of complying with this section
 2.5 and sections 352B.102 and 353.032. Except as provided for in paragraph (b), the
 2.6 commissioner shall provide ~~an equal pro-rata share~~ reimbursement to the public employer
 2.7 out of the public safety officer's benefit account. ~~based on the availability of funds for each~~
 2.8 ~~eligible officer, firefighter, and qualifying dependents. Individual shares must not exceed~~
 2.9 ~~the actual costs of providing coverage under this section by a public employer.~~

2.10 (b) Beginning on January 1, 2024, a public employer is not eligible for reimbursement
 2.11 under paragraph (a) unless the employer provides at least one of the following:

2.12 (1) annual wellness training to peace officers and firefighters who either are employed
 2.13 or volunteer for the employer; or

2.14 (2) an employee assistance program or peer support program.

2.15 (c) Wellness training for peace officers under paragraph (b), clause (1), must incorporate
 2.16 the learning objectives established by the Peace Officer Standards and Training Board under
 2.17 section 626.8478. No later than February 1, 2024, the Minnesota Fire Initiative must create
 2.18 a wellness training program for public employers to offer to firefighters to satisfy the
 2.19 requirements of paragraph (b). Training programs established in the Hometown Heroes
 2.20 Assistance Program under section 299A.477, subdivision 2, clause (4), satisfy the
 2.21 requirements of paragraph (b).

2.22 **EFFECTIVE DATE.** This section is effective July 1, 2023.

2.23 Sec. 3. Minnesota Statutes 2022, section 299A.465, is amended by adding a subdivision
 2.24 to read:

2.25 Subd. 8. **No assignment of right to continued health insurance coverage.** A peace
 2.26 officer's or firefighter's entitlement to continued health insurance coverage under this section
 2.27 is not assignable either in law or equity or subject to execution, levy, attachment, garnishment,
 2.28 or other legal process.

2.29 **EFFECTIVE DATE.** This section is effective July 1, 2023.

2.30 Sec. 4. Minnesota Statutes 2022, section 352B.011, subdivision 10, is amended to read:

2.31 Subd. 10. **Member.** "Member" means:

3.1 (1) a State Patrol member currently employed under section 299D.03 by the state, who
3.2 is a peace officer under section 626.84, and whose salary or compensation is paid out of
3.3 state funds;

3.4 (2) a conservation officer employed under section 97A.201, currently employed by the
3.5 state, whose salary or compensation is paid out of state funds;

3.6 (3) a crime bureau officer who was employed by the crime bureau and was a member
3.7 of the Highway Patrolmen's retirement fund on July 1, 1978, whether or not that person has
3.8 the power of arrest by warrant after that date, or who is employed as police personnel, with
3.9 powers of arrest by warrant under Minnesota Statutes 2009, section 299C.04, and who is
3.10 currently employed by the state, and whose salary or compensation is paid out of state funds;

3.11 (4) a public safety employee who is a peace officer under section 626.84, subdivision
3.12 1, paragraph (c), and who is employed by the Division of Alcohol and Gambling Enforcement
3.13 under section 299L.01;

3.14 (5) a Fugitive Apprehension Unit officer after October 31, 2000, who is employed by
3.15 the Office of Special Investigations of the Department of Corrections and who is a peace
3.16 officer under section 626.84;

3.17 (6) an employee of the Department of Commerce defined as a peace officer in section
3.18 626.84, subdivision 1, paragraph (c), who is employed by the Commerce Fraud Bureau
3.19 under section 45.0135 after January 1, 2005, and who has not attained the mandatory
3.20 retirement age specified in section 43A.34, subdivision 4; ~~and~~

3.21 (7) an employee of the Department of Public Safety, who is a licensed peace officer
3.22 under section 626.84, subdivision 1, paragraph (c), and is employed as the statewide
3.23 coordinator of the Violent Crime Coordinating Council; and

3.24 (8) an individual who is a member under any of clauses (1) to (7) on the date the
3.25 individual applies for duty disability benefits based on a psychological condition under
3.26 section 352B.102 continues to be a member even if the individual is later transferred to or
3.27 accepts employment with the individual's employing entity in a position that is not a position
3.28 described in clauses (1) to (7).

3.29 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.1 Sec. 5. Minnesota Statutes 2022, section 352B.011, is amended by adding a subdivision
4.2 to read:

4.3 Subd. 14. **Total and permanent duty disability.** "Total and permanent duty disability"
4.4 means a physical or psychological condition that is expected to prevent a member, for a
4.5 period of not less than 12 months, from engaging in any substantial gainful activity and that
4.6 is the direct result of great bodily harm incurred during the performance of duties that are
4.7 specific to protecting the property and personal safety of others and that present inherent
4.8 dangers specific to the positions covered by the State Patrol retirement fund.

4.9 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.10 Sec. 6. Minnesota Statutes 2022, section 352B.10, subdivision 1, is amended to read:

4.11 Subdivision 1. **Duty disability.** (a) A member who is determined to qualify for duty
4.12 disability as defined in section 352B.011, subdivision 7, is entitled to receive a duty disability
4.13 benefit while disabled. The benefits must be paid monthly. The duty disability benefit is an
4.14 amount equal to the member's average monthly salary multiplied by 60 percent, plus an
4.15 additional 3.0 percent for each year and pro rata for completed months of service in excess
4.16 of 20 years, if any.

4.17 (b) Notwithstanding paragraph (a), if the member has applied for a duty disability based
4.18 on a psychological condition, the application must be supported by evidence that the applicant
4.19 is unable to perform the duties of the position held by the applicant on the date of the injury
4.20 or event or the onset of the mental illness or of another position with the employer which
4.21 provides salary and employer-provided benefits, including pension benefits, that are equal
4.22 to or greater than those for the position held by the employee on the date of the injury, event,
4.23 or onset of the mental illness.

4.24 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.25 Sec. 7. Minnesota Statutes 2022, section 352B.10, is amended by adding a subdivision to
4.26 read:

4.27 Subd. 1a. **Total and permanent duty disability** (a) A member who is determined to
4.28 qualify for a total and permanent duty disability as defined in section 352B.011, subdivision
4.29 14, is entitled to receive a monthly disability benefit in an amount equal to 99 percent of
4.30 the member's average monthly salary.

4.31 (b) The benefit of a member receiving a total and permanent duty disability benefit
4.32 whose condition is found to no longer qualify as a total and permanent duty disability but

5.1 whose condition continues to qualify as a duty disability under section 352B.011, subdivision
5.2 7, must be recalculated as a duty disability benefit under subdivision 1. Payment of the total
5.3 and permanent duty disability benefit must cease following the last monthly payment
5.4 occurring before 60 days after the executive director notifies the member that the member
5.5 is no longer eligible for total and permanent duty disability benefits. Payment of the
5.6 recalculated duty disability benefit must commence on the first day of the month following
5.7 60 days after the notice by the executive director.

5.8 **EFFECTIVE DATE.** This section is effective July 1, 2023.

5.9 Sec. 8. Minnesota Statutes 2022, section 352B.10, subdivision 2a, is amended to read:

5.10 Subd. 2a. **Applying for benefits; accrual.** No application for disability benefits shall
5.11 be made until after the last day physically on the job. The disability benefit begins to accrue
5.12 the day following the last day for which the employee is paid sick leave or annual leave but
5.13 not earlier than 180 days before the date the application is filed. A member who is terminated
5.14 must file a written application in an office of the system or with a person authorized by the
5.15 executive director. Except as otherwise specified under section 352B.102, applications must
5.16 comply with section 352.113, subdivision 2, paragraph (b).

5.17 **EFFECTIVE DATE.** This section is effective July 1, 2023.

5.18 Sec. 9. Minnesota Statutes 2022, section 352B.10, subdivision 4, is amended to read:

5.19 Subd. 4. **Proof of disability.** (a) No disability benefits may be paid unless the member
5.20 provides adequate proof to the executive director of the existence of the disability.

5.21 (b) Adequate proof of a disability must include a written expert report by a licensed
5.22 physician, an APRN, or a licensed chiropractor, or with respect to a mental impairment, by
5.23 a licensed psychologist. Adequate proof of a disability based on a psychological condition,
5.24 as defined under section 352B.102, subdivision 1, clause (6), must include the medical
5.25 reports and assessments required under section 352B.102.

5.26 (c) Following the commencement of benefit payments, the executive director has the
5.27 right, at reasonable times, to require the disability benefit recipient to submit proof of the
5.28 continuance of the disability claimed.

5.29 **EFFECTIVE DATE.** This section is effective July 1, 2023.

6.1 Sec. 10. Minnesota Statutes 2022, section 352B.101, is amended to read:

6.2 **352B.101 APPLICATION FOR DISABILITY BENEFIT.**

6.3 (a) Except as otherwise specified under section 352B.102 and paragraph (b), a member
6.4 claiming a disability benefit must file a written application for benefits in the office of the
6.5 system in a form and manner prescribed by the executive director. The member shall provide
6.6 medical or psychological evidence to support the application. The benefit begins to accrue
6.7 the day following the start of disability or the day following the last day for which the
6.8 member was paid, whichever is later, but not earlier than 180 days before the date the
6.9 application is filed with the executive director.

6.10 (b) Notwithstanding any law to the contrary, an employee, as defined in section 352B.102,
6.11 subdivision 1, clause (2), who applies for a duty disability benefit based on a psychological
6.12 condition, as defined in section 352B.102, subdivision 1, clause (6), is not eligible for duty
6.13 disability benefits under this chapter until the employee has satisfied the additional procedure,
6.14 including all completion of treatment requirements under section 352B.102.

6.15 (c) A member claiming a disability benefit must not waive the member's right to continued
6.16 health insurance coverage under section 299A.465 as part of a settlement with the member's
6.17 employer or another person or entity related to an application for a disability benefit.

6.18 **EFFECTIVE DATE.** This section is effective July 1, 2023.

6.19 Sec. 11. **[352B.102] APPLICATION FOR PSYCHOLOGICAL CONDITION**
6.20 **TREATMENT.**

6.21 Subdivision 1. Definitions. For the purposes of this section, the following terms have
6.22 the meanings given:

6.23 (1) "mental illness" means the diagnosis of a mental illness by a mental health
6.24 professional, by meeting the criteria for a condition or conditions included in the most recent
6.25 edition of the Diagnostic and Statistical Manual of Mental Disorders published by the
6.26 American Psychiatric Association;

6.27 (2) "employee" means an individual diagnosed with a mental illness who is a:

6.28 (i) current member under section 352B.011, subdivision 10; or

6.29 (ii) former member under section 352B.011, subdivision 10, within 18 months of
6.30 termination of employment;

6.31 (3) "employing entity" means the entity that pays a state employee's salary and remits
6.32 retirement contributions;

7.1 (4) "mental health professional" has the meaning given in section 245I.02, subdivision
7.2 27;

7.3 (5) "peace officer" has the meaning given in section 299A.465, subdivision 5, paragraph
7.4 (a);

7.5 (6) "psychological condition" means a mental illness as defined in clause (1); and

7.6 (7) "treatment" includes but is not limited to active participation in psychological,
7.7 psychopharmaceutical, and functional neurological approaches and active participation in
7.8 the International Association of Fire Fighters Center of Excellence for Behavioral Health
7.9 Treatment and Recovery. Treatment includes utilization of multiple treatment modalities,
7.10 including chemical dependency treatment when indicated, and evidence-based trauma
7.11 treatment.

7.12 Subd. 2. **Application; dual diagnosis.** (a) Notwithstanding any law to the contrary, and
7.13 except as provided in paragraph (b), the procedure in this section applies to an application
7.14 for a duty disability by an employee based on the employee's psychological condition.

7.15 (b) The additional procedure in this section does not apply to a duty disability application
7.16 under paragraph (a) that is also based on a dual diagnosis of a physical condition. An
7.17 employee with a dual diagnosis may, but is not required to, seek treatment under subdivisions
7.18 4 and 7, subject to the procedure in this section.

7.19 Subd. 3. **Approval.** (a) An employee who applies for treatment of a psychological
7.20 condition that was a result of the performance of duties related to the employee's occupation
7.21 must receive approval for psychological treatment as provided under this subdivision.

7.22 (b) The executive director shall grant approval to an employee who submits, in the form
7.23 and manner specified by the executive director:

7.24 (1) a report by a mental health professional diagnosing the employee with a mental
7.25 illness and finding that the employee is currently unable to perform the normal duties of
7.26 the position held by the employee on the date of the injury, event, or onset of the mental
7.27 illness on a full- or part-time basis; and

7.28 (2) documentation from the employer certifying the dates the employee was on duty in
7.29 a position covered under the State Patrol plan.

7.30 (c) An employee who receives approval under this subdivision is not considered disabled
7.31 for the purposes of a duty disability under section 352B.10, unless the employee completes
7.32 the additional requirements under this section, receives final confirmation under subdivision

8.1 6, and applies for disability benefits under section 352B.101 before receiving duty disability
8.2 benefits or related benefits.

8.3 (d) Within six business days after the application has been received by the executive
8.4 director, the executive director must notify an employing entity electronically and by mail
8.5 that an application for treatment of a psychological condition has been submitted by an
8.6 employee and request the certification required under paragraph (b), clause (2), from the
8.7 employing entity.

8.8 (e) An employer shall submit the certification required under paragraph (b), clause (2),
8.9 within five business days of an employee's application, and the employee shall receive
8.10 approval no later than 14 business days after the employee's application is received by the
8.11 executive director, whether or not the employer's certification has been submitted. Nothing
8.12 in this paragraph shall delay the treatment of the psychological condition of the employee.

8.13 Subd. 4. **Treatment required.** (a) Except as provided in paragraph (f), an employee
8.14 who receives approval under subdivision 3 shall complete up to 24 consecutive weeks of
8.15 active treatment modalities for the employee's diagnosed mental illness, as provided under
8.16 this subdivision, before a final confirmation can be made under subdivision 6, paragraph
8.17 (a). An employee's treatment shall be at the direction of a mental health professional using
8.18 treatment modalities indicated for the treatment of the diagnosed mental illness. An employee
8.19 shall not be penalized for an interruption in active, consecutive treatment that is not initiated
8.20 by or resulting from an intentional action of the employee. Subject to the limit under
8.21 subdivision 9, the employing entity shall pay for the treatment costs to the extent not paid
8.22 for by the employee's health insurance and may seek reimbursement from the commissioner
8.23 of public safety.

8.24 (b) The employee's mental health professional must assess the employee's progress in
8.25 treatment monthly and at the end of the 24 weeks or earlier, including any change to the
8.26 employee's ability to return to the position held by the employee on the date of the injury,
8.27 event, or onset of the mental illness, or to another position with the employing entity which
8.28 provides salary and employing entity-provided benefits, including pension benefits, that
8.29 are equal to or greater than those for the position held by the employee on the date of the
8.30 injury, event, or onset of the mental illness. A final confirmation under subdivision 6 must
8.31 be supported by a report from the employee's mental health provider containing an opinion
8.32 about the employee's prognosis, the duration of the disability, and the expectations for
8.33 improvement following the treatment. A report that does not contain and support a finding
8.34 that the employee's disability as a result of a psychological condition will last for at least
8.35 12 months must not be relied upon to support approval of duty disability benefits.

9.1 (c) The employee may return to full- or part-time work prior to the completion of the
9.2 24 weeks of treatment if the employee's mental health professional determines that the
9.3 employee is medically able to do so.

9.4 (d) The employee may return to light duty assignments, subject to availability of a
9.5 position, prior to the completion of the 24 weeks of treatment, if deemed medically
9.6 appropriate by the employee's mental health professional and with the employing entity's
9.7 approval.

9.8 (e) A fitness for duty presumption shall apply to an employee who is cleared to return
9.9 to work or light duty under paragraph (c) or (d), except as provided under subdivision 10.

9.10 (f) No employee shall be required to complete treatment under this subdivision more
9.11 than three times in ten years.

9.12 **Subd. 5. Continuation of salary and benefits.** (a) Subject to subdivision 9, for the
9.13 period that an employee is seeking psychological condition treatment approval under
9.14 subdivision 3 or 6, appealing a determination thereof, or receiving treatment under
9.15 subdivision 4 or 7, the employing entity shall continue:

9.16 (1) to pay, for a current employee only, the employee's full salary and employing
9.17 entity-provided benefits, including any employing entity contribution to health care and
9.18 retirement benefits. The employing entity must proportionally reduce the salary paid to an
9.19 employee who is otherwise receiving benefits for the disability that provide compensation
9.20 for all or a portion of the employee's salary for the same time period. Nothing in this
9.21 paragraph requires an employing entity to pay more than 100 percent of the employee's
9.22 salary;

9.23 (2) to provide health insurance benefits to the employee and to the employee's dependents,
9.24 if the employee was receiving dependent coverage at the time of the injury, event, or onset
9.25 of the mental illness under the employing entity's group health plan; and

9.26 (3) to provide any other employment benefits provided to the employee under the
9.27 employee's currently applicable collective bargaining agreement.

9.28 (b) The treatment period required under subdivision 4 or 7 is allowable service under
9.29 section 352B.011, subdivision 3.

9.30 (c) Nothing in this section prevents an employing entity from providing benefits in
9.31 addition to those required by this section or otherwise affects an employee's rights with
9.32 respect to any other employment benefit.

10.1 (d) If an employee is unable to receive treatment through the prescribed treatment
10.2 program due to circumstances beyond the employee's control, which includes but is not
10.3 limited to a lack of availability of a mental health facility or a mental health professional,
10.4 the employee shall continue to receive their regular compensation, benefits, and retirement
10.5 service credits until such mental health facility or mental health professional becomes
10.6 available to the employee for their treatment program. The continuation of salary and benefits
10.7 allowed under this paragraph must not exceed 30 days beyond the day treatment is prescribed,
10.8 except that the continuation of benefits and salary may be extended beyond 30 days if written
10.9 documentation from the mental health facility or mental health professional providing the
10.10 treatment start date is submitted by the employee to the executive director and the employer.

10.11 Subd. 6. **Termination or continuation of psychological condition treatment.** (a)
10.12 Following completion of treatment under subdivision 4, the executive director shall confirm
10.13 the treatment requirements are satisfied and make one of the following determinations:

10.14 (1) continue the approval for an additional eight weeks for the employee to complete
10.15 additional treatment, as provided under subdivision 7;

10.16 (2) terminate the psychological condition treatment because the employee is:

10.17 (i) able to return to full-time work in the position held by the employee on the date of
10.18 the injury, event, or onset of the mental illness; or

10.19 (ii) able to return to another vacant full-time position with the employer which provides
10.20 salary and employer-provided benefits, including pension benefits, that are equal to or
10.21 greater than those for the position held by the employee on the date of the injury, event, or
10.22 onset of the mental illness, as certified by the employer in the form and manner specified
10.23 by the executive director; or

10.24 (3) confirm the employee has met the requirements under this section, after which the
10.25 employee may apply for a duty disability benefit under section 352B.10.

10.26 (b) After confirmation and application under paragraph (a), clause (3), the executive
10.27 director must approve the employee's application for disability benefits if the employee is
10.28 eligible under sections 352B.10 and 352B.101, at which time the employee is entitled to
10.29 receive disability benefits as provided under section 352B.10 and any related benefits. The
10.30 disability benefit begins to accrue the day following the day on which the employer ceases
10.31 to continue salary and benefits under subdivision 5 or the date permitted under section
10.32 352B.10, subdivision 2a, whichever is later.

11.1 (c) Following completion of the additional treatment requirements under subdivision 7,
11.2 if applicable, the executive director must confirm the additional treatment requirements are
11.3 satisfied, after which, the employee may apply for disability benefits. The executive director
11.4 must approve the employee's application for disability benefits if the employee is eligible
11.5 under sections 352B.10 and 352B.101, at which time the employee is entitled to receive
11.6 disability benefits as provided under section 352B.10 and any related benefits. The disability
11.7 benefit begins to accrue the day following the day on which the employer ceases to continue
11.8 salary and benefits under subdivision 5 or the date permitted under section 352B.10,
11.9 subdivision 2a, whichever is later.

11.10 (d) A fitness for duty presumption shall apply to an employee who is determined able
11.11 to return to work as provided under paragraph (a), clause (2), except as provided under
11.12 subdivision 10.

11.13 **Subd. 7. Additional treatment.** (a) Except as provided in paragraph (g), if, after
11.14 completing the treatment required under subdivision 4, the mental health professional's
11.15 report determines that the employee is making progress in treatment, and the employee's
11.16 prognosis is expected to further improve with additional treatment, the executive director
11.17 shall continue the employee's initial approval under subdivision 6, paragraph (a), clause
11.18 (1), and the employee shall complete up to an additional eight consecutive weeks of active
11.19 treatment modalities as provided under this subdivision.

11.20 (b) Treatment shall be at the direction of a mental health professional using treatment
11.21 modalities indicated for the treatment of the employee's diagnosed mental illness. An
11.22 employee shall not be penalized for an interruption in active, consecutive treatment that is
11.23 not initiated by or resulting from an intentional action of the employee. Subject to subdivision
11.24 9, the employing entity shall pay for the treatment costs to the extent not paid for by the
11.25 employee's health insurance and may seek reimbursement from the commissioner of public
11.26 safety.

11.27 (c) The employee's mental health professional must assess the employee's progress in
11.28 treatment at the end of eight weeks, including any change to the employee's ability to return
11.29 to the position held by the employee on the date of the injury, event, or onset of the mental
11.30 illness, or to another position with the employing entity which provides salary and employing
11.31 entity-provided benefits, including pension benefits, that are equal to or greater than those
11.32 for the position held by the employee on the date of the injury, event, or onset of the mental
11.33 illness. A final confirmation under subdivision 6, paragraph (c), must be supported by an
11.34 updated report from the employee's mental health provider containing an opinion about the
11.35 employee's prognosis, the duration of the disability, and the expectations for improvement

12.1 following the additional treatment. An updated report that does not contain and support a
12.2 finding that the employee's disability as a result of a psychological condition will last for
12.3 at least 12 months must not be relied upon to support approval of duty disability benefits.

12.4 (d) The employee may return to full- or part-time work prior to the completion of the
12.5 eight weeks of treatment if the employee's mental health professional determines that they
12.6 are medically able to do so.

12.7 (e) The employee may return to light duty assignments, subject to availability of a
12.8 position, prior to the completion of the eight weeks of treatment, if deemed medically
12.9 appropriate by the employee's mental health professional and with the employing entity's
12.10 approval.

12.11 (f) A fitness for duty presumption shall apply to an employee who is cleared to return
12.12 to work or light duty under paragraph (d) or (e), except as provided under subdivision 10.

12.13 (g) No employee shall be required to complete treatment under this subdivision more
12.14 than three times in ten years.

12.15 Subd. 8. **Treatment data.** A "health record," as defined by section 144.291, subdivision
12.16 2, paragraph (c), arising from treatment sought under this section is classified as private
12.17 data on individuals, as defined by section 13.02, subdivision 12, and must not be accessed
12.18 by, shared with, or disclosed or disseminated to any individual, private entity, or government
12.19 entity, including through discovery, search warrant, or subpoena, in any type of investigation
12.20 or legal action.

12.21 Subd. 9. **Employing entity reimbursement; limit.** (a) Except as provided in paragraph
12.22 (c), an employing entity subject to this section may annually apply by August 1 for the
12.23 preceding fiscal year to the commissioner of public safety for reimbursement of:

12.24 (1) the treatment costs incurred by the employing entity under subdivision 4 or 7; and

12.25 (2) the costs incurred to continue salary and benefits as required under subdivision 5.

12.26 (b) An employing entity must apply for the reimbursement in the form and manner
12.27 specified by the commissioner of public safety.

12.28 (c) No employing entity shall be required to pay for the salary, benefits, and treatment
12.29 costs required under subdivisions 4, 5, and 7 for a single employee more than three times
12.30 in ten years.

13.1 Subd. 10. Fitness for duty presumption. (a) An employee who is cleared or determined
13.2 able to return to work or light duty under subdivision 4, paragraph (e); 6, paragraph (c); or
13.3 7, paragraph (f), is presumed fit for duty, except as follows:

13.4 (1) an employing entity may request a fitness for duty exam by an independent medical
13.5 provider if the exam is completed within six weeks of the employing entity receiving the
13.6 determination from the treating mental health professional, and the independent medical
13.7 provider's report is completed no more than six weeks later;

13.8 (2) an employee found unfit for duty by an independent medical provider under clause
13.9 (1):

13.10 (i) is presumed eligible for a duty disability, as provided under subdivision 6, paragraph
13.11 (a), clause (3); or

13.12 (ii) may appeal the independent medical provider's determination by requesting an
13.13 examination under paragraph (c); and

13.14 (3) the fitness-for-duty timeline under this paragraph may be modified by mutual
13.15 agreement of the employing entity and employee.

13.16 (b) Nothing in this section shall be deemed to affect the Americans with Disabilities
13.17 Act, United States Code, title 42, chapter 126; the Family Medical Leave Act, United States
13.18 Code, title 29, chapter 28; or the Minnesota Human Rights Act, chapter 363A.

13.19 (c) An employee who wishes to appeal the independent medical provider's determination
13.20 under paragraph (a), clause (2), item (ii), may request an examination by a qualified
13.21 professional selected by the employee from a panel established by mutual agreement among
13.22 the League of Minnesota Cities, the Association of Minnesota Counties, the Minnesota
13.23 Peace and Police Officers Association, the Minnesota Professional Fire Fighters Association,
13.24 the Minnesota Chiefs of Police Association, and the Minnesota Law Enforcement
13.25 Association. The panel shall consist of five licensed psychiatrists or psychologists who have
13.26 expertise regarding psychological or emotional disorders and who are qualified to opine as
13.27 to the employee's fitness to engage in police or firefighting duties. The agreed upon panel
13.28 of qualified professionals must be submitted to the executive director and made available
13.29 for use in the appeal process. If the employee fails to select a qualified professional from
13.30 the panel within ten days of any notice of appeal, the employing entity may select the
13.31 qualified professional from the panel. A determination made by a qualified professional
13.32 under this paragraph is binding and not subject to appeal. The panel may be the same panel
13.33 as the panel established under section 353.032, subdivision 10.

14.1 Subd. 11. **Report.** No later than four years after the day following final enactment of
14.2 this act, the executive director, in coordination with employing entities, employees, and
14.3 mental health professionals, shall submit a report to the chairs and ranking minority members
14.4 of the legislative committees with jurisdiction over labor and pensions regarding the impact
14.5 of this section on public safety duty disability trends and costs.

14.6 Subd. 12. **Relationship to workers' compensation.** Nothing in this section shall be
14.7 construed to affect the procedures for an employee's claim for workers' compensation
14.8 benefits under chapter 176 or diminish or delay an employer's or insurer's obligations related
14.9 to an employee's claim for workers' compensation benefits under chapter 176, except that
14.10 when an employee receives psychological condition treatment pursuant to an application
14.11 approved under subdivision 3, the treatment is not compensable under chapter 176.

14.12 **EFFECTIVE DATE.** This section is effective July 1, 2023.

14.13 Sec. 12. **[352B.103] PSYCHOLOGICAL CONDITION TREATMENT ACCOUNT.**

14.14 Subdivision 1. **Account created and money appropriated.** The MSRS psychological
14.15 condition treatment account is created in the special revenue fund. Money in the account is
14.16 appropriated to the executive director of the Minnesota State Retirement System for
14.17 administration of the psychological condition treatment under section 352B.102.

14.18 Subd. 2. **Account to defray administrative costs.** The executive director of the
14.19 Minnesota State Retirement System must pay the costs of administering the psychological
14.20 condition treatment under section 352B.102 using the money in the MSRS psychological
14.21 condition treatment account under subdivision 1 until the money is expended.

14.22 Subd. 3. **Commissioner of public safety to pay costs when account is depleted.** When
14.23 the MSRS psychological condition treatment account is depleted, the executive director of
14.24 the Minnesota State Retirement System may invoice the commissioner of public safety for
14.25 the costs of administering the psychological condition treatment under section 352B.102.
14.26 The commissioner must pay invoices submitted by the executive director of the Minnesota
14.27 State Retirement System from the public safety officer's benefit account under section
14.28 299A.42 within 30 days of receipt.

14.29 **EFFECTIVE DATE.** This section is effective July 1, 2023.

15.1 Sec. 13. Minnesota Statutes 2022, section 352B.105, subdivision 1, is amended to read:

15.2 Subdivision 1. **Termination.** Disability benefits payable under section 352B.10₂
15.3 subdivision 1 or 2, must terminate on the date on which the disabilitant transfers status as
15.4 a disabilitant to status as a retirement annuitant.

15.5 **EFFECTIVE DATE.** This section is effective July 1, 2023.

15.6 Sec. 14. Minnesota Statutes 2022, section 353.01, subdivision 47, is amended to read:

15.7 Subd. 47. **Vesting.** (a) "Vesting" means obtaining a nonforfeitable entitlement to an
15.8 annuity or benefit from a retirement plan administered by the ~~Public Employees Retirement~~
15.9 association by having credit for sufficient allowable service under paragraph (b), (c), or (d),
15.10 whichever applies.

15.11 (b) For purposes of qualifying for an annuity or benefit as a basic or coordinated plan
15.12 member of the general employees retirement plan of the ~~Public Employees Retirement~~
15.13 association:

15.14 (1) a public employee who first became a member of the association before July 1, 2010,
15.15 is 100 percent vested when the person has accrued credit for not less than three years of
15.16 allowable service in the general employees retirement plan; and

15.17 (2) a public employee who first becomes a member of the association after June 30,
15.18 2010, is 100 percent vested when the person has accrued credit for not less than five years
15.19 of allowable service in the general employees retirement plan.

15.20 (c) For purposes of qualifying for an annuity or benefit as a member of the local
15.21 government correctional service retirement plan:

15.22 (1) a public employee who first became a member of the association before July 1, 2010,
15.23 is 100 percent vested when the person has accrued credit for not less than three years of
15.24 allowable service in the local government correctional service retirement plan; and

15.25 (2) a public employee who first becomes a member of the association after June 30,
15.26 2010, is vested at the following percentages when the person has accrued credit for allowable
15.27 service in the local government correctional service retirement plan, as follows:

15.28 (i) 50 percent after five years;

15.29 (ii) 60 percent after six years;

15.30 (iii) 70 percent after seven years;

15.31 (iv) 80 percent after eight years;

16.1 (v) 90 percent after nine years; and

16.2 (vi) 100 percent after ten years.

16.3 (d) For purposes of qualifying for an annuity or benefit as a member of the ~~public~~
 16.4 ~~employees~~ police and fire retirement plan:

16.5 (1) a public employee who first became a member of the association before July 1, 2010,
 16.6 is 100 percent vested when the person has accrued credit for not less than three years of
 16.7 allowable service in the public employees police and fire retirement plan; and

16.8 (2) a public employee who first becomes a member of the association after June 30,
 16.9 2010, ~~and before July 1, 2014~~, is vested at the following percentages when the person has
 16.10 accrued credited allowable service in the ~~public employees~~ police and fire ~~retirement~~ plan,
 16.11 as follows:

16.12 (i) 50 percent after five years;

16.13 (ii) 60 percent after six years;

16.14 (iii) 70 percent after seven years;

16.15 (iv) 80 percent after eight years;

16.16 (v) 90 percent after nine years; and

16.17 (vi) 100 percent after ten years; ~~and.~~

16.18 ~~(3) a public employee who first becomes a member of the association after June 30,~~
 16.19 ~~2014, is vested at the following percentages when the person has accrued credit for allowable~~
 16.20 ~~service in the public employees police and fire retirement plan, as follows:~~

16.21 ~~(i) 50 percent after ten years;~~

16.22 ~~(ii) 55 percent after 11 years;~~

16.23 ~~(iii) 60 percent after 12 years;~~

16.24 ~~(iv) 65 percent after 13 years;~~

16.25 ~~(v) 70 percent after 14 years;~~

16.26 ~~(vi) 75 percent after 15 years;~~

16.27 ~~(vii) 80 percent after 16 years;~~

16.28 ~~(viii) 85 percent after 17 years;~~

16.29 ~~(ix) 90 percent after 18 years;~~

17.1 ~~(x) 95 percent after 19 years; and~~

17.2 ~~(xi) 100 percent after 20 or more years.~~

17.3 **EFFECTIVE DATE.** This section is effective the day following final enactment for
 17.4 all members, as defined under Minnesota Statutes, section 353.01, subdivision 7, of the
 17.5 police and fire plan, and all former members, as defined under Minnesota Statutes, section
 17.6 353.01, subdivision 7a, of the police and fire plan who have not begun to receive a retirement
 17.7 annuity.

17.8 Sec. 15. Minnesota Statutes 2022, section 353.031, subdivision 1, is amended to read:

17.9 Subdivision 1. **Application.** (a) This section applies to all disability determinations for
 17.10 the public employees general fund, the public employees police and fire fund, and the local
 17.11 government correctional service retirement plan and any other disability determination
 17.12 subject to approval by the board, except as otherwise specified in section 353.032, 353.33,
 17.13 353.656, or 353E.05. These requirements and the requirements of section 353.03, subdivision
 17.14 3, are in addition to the specific requirements of each plan and govern in the event there is
 17.15 any conflict between these sections and the procedures specific to any of those plans under
 17.16 section 353.33, 353.656, or 353E.06.

17.17 (b) Notwithstanding any law to the contrary, an employee, as defined in section 353.032,
 17.18 subdivision 1, clause (2), who applies for a duty disability benefit based on a psychological
 17.19 condition, as defined in section 353.032, subdivision 1, clause (7), is not eligible for duty
 17.20 disability benefits under this chapter until the employee has satisfied the additional procedure,
 17.21 including all completion of treatment requirements under section 353.032.

17.22 **EFFECTIVE DATE.** This section is effective July 1, 2023.

17.23 Sec. 16. Minnesota Statutes 2022, section 353.031, subdivision 3, is amended to read:

17.24 Subd. 3. **Procedure to determine eligibility; generally.** (a) Every claim for a disability
 17.25 benefit must be initiated in writing on an application form and in the manner prescribed by
 17.26 the executive director and filed with the executive director. To be valid, an application for
 17.27 disability benefits must be made within 18 months following termination of public service
 17.28 as defined under section 353.01, subdivision 11a, and include the required application form
 17.29 and the medical reports required by paragraph (c).

17.30 (b) All medical reports must support a finding that the disability arose before the employee
 17.31 was placed on any paid or unpaid leave of absence or terminated public service, as defined
 17.32 under section 353.01, subdivision 11a.

18.1 (c) An applicant for disability shall provide a detailed report signed by a licensed medical
18.2 doctor and at least one additional report signed by a medical doctor, psychiatrist, psychologist,
18.3 ~~an~~ APRN, or a chiropractor. The applicant ~~shall~~ must authorize the release of all medical
18.4 and health care evidence, including all medical records and relevant information from any
18.5 source, to support the application for initial, or the continuing payment of, disability benefits.

18.6 (d) All reports must contain an opinion regarding the ~~claimant's~~ applicant's prognosis,
18.7 the duration of the disability, and the expectations for improvement. Any report that does
18.8 not contain and support a finding that the disability will last for at least one year may not
18.9 be relied upon to support eligibility for benefits.

18.10 (e) Where the medical evidence supports the expectation that at some point in time the
18.11 ~~claimant~~ applicant will no longer be disabled, any decision granting disability may provide
18.12 for a termination date upon which disability can be expected to no longer exist. In the event
18.13 a termination date is made part of the decision granting benefits, prior to the actual
18.14 termination of benefits, the ~~claimant~~ applicant shall have the opportunity to show that the
18.15 disabling condition for which benefits were initially granted continues. In the event the
18.16 benefits terminate in accordance with the original decision, the ~~claimant~~ applicant may
18.17 petition for a review ~~by the board of trustees~~ under section ~~353.03, subdivision 3,~~ 356.96
18.18 or may reapply for disability in accordance with these procedures and section 353.33,
18.19 353.656, or 353E.06, as applicable.

18.20 (f) ~~Any claim to disability must be supported by a report from~~ Upon receipt of a valid
18.21 application, the executive director must notify the employer. No later than 30 days after
18.22 receiving the notification, the employer must provide a report to the executive director
18.23 indicating that there is no available work that the ~~employee~~ applicant can perform in the
18.24 ~~employee's~~ applicant's disabled condition and that all reasonable accommodations have
18.25 been considered. Upon request of the executive director, an employer shall provide evidence
18.26 of the steps the employer has taken to attempt to provide reasonable accommodations and
18.27 continued employment to the ~~claimant~~ applicant. The employer shall also provide a
18.28 certification of the ~~member's~~ applicant's past public service; the dates of any paid sick leave,
18.29 vacation, or any other employer-paid salary continuation plan beyond the last working day;
18.30 and whether or not any sick or annual leave has been allowed.

18.31 (g) An ~~employee~~ applicant who is placed on leave of absence without compensation
18.32 because of a disability is not barred from receiving a disability benefit.

18.33 (h) An applicant for disability benefits may file a retirement annuity application under
18.34 section 353.29, subdivision 4, simultaneously with an application for disability benefits. If

19.1 the application for disability benefits is approved, the retirement annuity application is
19.2 canceled. If disability benefits are denied, the retirement annuity application must be
19.3 processed upon the request of the applicant. No member of the ~~public~~ general employees
19.4 general retirement plan, the ~~public-employees~~ police and fire plan, or the local government
19.5 correctional service retirement plan may receive a disability benefit and a retirement annuity
19.6 simultaneously from the same plan.

19.7 **EFFECTIVE DATE.** This section is effective July 1, 2023.

19.8 Sec. 17. Minnesota Statutes 2022, section 353.031, subdivision 4, is amended to read:

19.9 Subd. 4. **Additional requirements; eligibility for police and fire or local government**
19.10 **correctional service retirement plan disability benefits.** (a) If an application for disability
19.11 benefits is filed within two years of the date of the injury or the onset of the illness that gave
19.12 rise to the disability application, the application must be supported by evidence that the
19.13 applicant is unable to perform the duties of the position held by the applicant on the date
19.14 of the injury or the onset of the illness causing the disability. The employer must provide
19.15 evidence indicating whether the applicant is able or unable to perform the duties of the
19.16 position held on the date of the injury or onset of the illness causing the disability, a clear
19.17 explanation of any duties that the individual can or cannot perform, and an explanation of
19.18 why the employer may or may not authorize continued employment to the applicant in the
19.19 current or other position.

19.20 (b) If an application for disability benefits is filed more than two years after the date of
19.21 injury or the onset of an illness causing the disability, the application must be supported by
19.22 evidence that the applicant is unable to perform the duties that were expected to be performed
19.23 by the applicant during the 90 days preceding the last day the applicant performed services
19.24 for the employer. The employer must provide evidence of the duties that were expected to
19.25 be performed by the applicant during the 90 days preceding the last day the applicant
19.26 performed services, whether the applicant can or cannot perform those duties overall, a
19.27 clear explanation of any duties that the applicant can or cannot perform, and an explanation
19.28 of why the employer may or may not authorize continued employment to the applicant in
19.29 the current or other position.

19.30 (c) Any report supporting a claim to disability benefits under section 353.656 or 353E.06
19.31 must specifically relate the disability to its cause; and for any claim to duty disability from
19.32 an injury or illness arising out of an act of duty, the report must state the specific act of duty
19.33 giving rise to the claim, and relate the cause of disability to inherently dangerous duties
19.34 specific to the positions covered by the public employees police and fire plan and the local

20.1 government correctional service retirement plan. Any report that does not relate the cause
20.2 of disability to specific inherently dangerous duties performed by the employee may not be
20.3 relied upon as evidence to support eligibility for benefits and may be disregarded in the
20.4 executive director's decision-making process.

20.5 (d) Any application for duty disability must be supported by a first report of injury as
20.6 defined in section 176.231.

20.7 (e) If a member who has applied for and been approved for disability benefits before
20.8 the termination of service does not terminate service or is not placed on an authorized leave
20.9 of absence as certified by the governmental subdivision within 45 days following the date
20.10 on which the application is approved, the application shall be canceled. If an approved
20.11 application for disability benefits has been canceled, a subsequent application for disability
20.12 benefits may not be filed on the basis of the same medical condition for a minimum of one
20.13 year from the date on which the previous application was canceled.

20.14 (f) Notwithstanding section 353.01, subdivision 41, if the member has applied for a duty
20.15 disability based on a psychological condition, the application must be supported by evidence
20.16 that the applicant is unable to perform the duties of the position held by the applicant on
20.17 the date of injury or the onset of the illness or to another position with the employer which
20.18 provides salary and employer-provided benefits, including pension benefits, that are equal
20.19 to or greater than those for the position held by the employee on the date of the injury, event,
20.20 or onset of the mental illness.

20.21 **EFFECTIVE DATE.** This section is effective July 1, 2023.

20.22 Sec. 18. Minnesota Statutes 2022, section 353.031, subdivision 8, is amended to read:

20.23 Subd. 8. **Proof of continuing disability eligibility upon reapplication.** (a) A person
20.24 must not be paid a disability benefit payment must not be made except upon furnishing
20.25 adequate proof furnished to the executive director of the association that the person remains
20.26 is disabled and, upon reapplication, that the disability is the same disability for which
20.27 disability benefits were initially granted.

20.28 (b) ~~During the time when~~ At the end of each year of disability benefits are being paid,
20.29 payments for the first five years of disability payments and at the end of every three years
20.30 of disability payments thereafter, the person receiving the disability payments must reapply
20.31 and provide proof of disability to the executive director of the association. The executive
20.32 director has the right, at reasonable times between applications, to require the disabled
20.33 member person to submit proof of the continuance of the disability claimed.

21.1 (c) Adequate proof of a disability upon reapplication must include a written expert report
 21.2 by a licensed physician, an APRN, or a licensed chiropractor, or, with respect to a mental
 21.3 impairment, a licensed psychiatrist or psychologist.

21.4 (d) The reapplication requirement may be waived by the executive director if the
 21.5 executive director receives a written statement from the medical adviser retained by the
 21.6 association under subdivision 5 that no improvement can be expected in the person's disability
 21.7 condition that was the basis for the payment of the disability benefit.

21.8 (e) If the person's reapplication is denied, the person bears the burden of proving eligibility
 21.9 for a disability benefit in an appeal under section 356.96.

21.10 **EFFECTIVE DATE.** This section is effective July 1, 2023.

21.11 Sec. 19. Minnesota Statutes 2022, section 353.031, subdivision 9, is amended to read:

21.12 Subd. 9. **Application approval or denial; decision of executive director.** Any decision
 21.13 of the executive director is final, except that a member whose application for disability
 21.14 benefits or whose ~~continuation of disability benefits~~ reapplication under subdivision 8 is
 21.15 denied may appeal the executive director's decision to the board of trustees ~~within 60 days~~
 21.16 ~~of receipt of a certified letter notifying the member of the decision to deny the application~~
 21.17 ~~or continuation of benefits~~ under section 356.96. In developing the record for review by the
 21.18 board when a decision is appealed, the executive director may direct that the applicant
 21.19 participate in a fact-finding session conducted by an administrative law judge assigned by
 21.20 the Office of Administrative Hearings, and, as applicable, a vocational assessment conducted
 21.21 by the qualified rehabilitation counselor on contract with the ~~Public Employees Retirement~~
 21.22 association.

21.23 **EFFECTIVE DATE.** This section is effective July 1, 2023.

21.24 Sec. 20. Minnesota Statutes 2022, section 353.031, is amended by adding a subdivision
 21.25 to read:

21.26 Subd. 11. **Settlement must not include waiver of the right to continued health**
 21.27 **insurance coverage.** An applicant must not waive the applicant's right to continued health
 21.28 insurance coverage under section 299A.465 as part of a settlement with the applicant's
 21.29 employer or another person or entity related to an application for a disability benefit.

21.30 **EFFECTIVE DATE.** This section is effective July 1, 2023.

22.1 Sec. 21. [353.032] APPLICATION FOR PSYCHOLOGICAL CONDITION
 22.2 TREATMENT.

22.3 Subdivision 1. Definitions. For the purposes of this section, the following terms have
 22.4 the meanings given:

22.5 (1) "mental illness" means diagnosis of a mental illness by a mental health professional,
 22.6 and meeting the criteria for a condition or conditions included in the most recent edition of
 22.7 the Diagnostic and Statistical Manual of Mental Disorders published by the American
 22.8 Psychiatric Association;

22.9 (2) "employee" means an individual diagnosed with a mental illness who is a member
 22.10 under section 353.64 or was a member under section 353.64 within the 18 months preceding
 22.11 the date of the application under subdivision 2;

22.12 (3) "employer" means an employer of a current or former member of the police and fire
 22.13 plan;

22.14 (4) "firefighter" has the meaning given in section 299A.465, subdivision 5, paragraph
 22.15 (c);

22.16 (5) "mental health professional" has the meaning given in section 245I.02, subdivision
 22.17 27;

22.18 (6) "peace officer" has the meaning given in section 299A.465, subdivision 5, paragraph
 22.19 (a);

22.20 (7) "psychological condition" means a mental illness, as defined in clause (1); and

22.21 (8) "treatment" includes but is not limited to active participation in psychological,
 22.22 psychopharmaceutical, and functional neurological approaches and active participation in
 22.23 the International Association of Fire Fighters Center of Excellence for Behavioral Health
 22.24 Treatment and Recovery. Treatment includes utilization of multiple treatment modalities,
 22.25 including chemical dependency treatment when indicated, and evidence-based trauma
 22.26 treatment.

22.27 Subd. 2. Application; dual diagnosis. (a) Notwithstanding any law to the contrary, and
 22.28 except as provided in paragraph (b), the procedure in this section applies to an application
 22.29 for a duty disability by an employee based on a psychological condition.

22.30 (b) The additional procedure in this section does not apply to a duty disability application
 22.31 under paragraph (a) that is also based on a dual diagnosis of a physical condition. An

23.1 employee with a dual diagnosis may, but is not required to, seek treatment under subdivisions
23.2 4 and 7, subject to the procedure in this section.

23.3 Subd. 3. **Approval.** (a) An employee who applies for treatment of a psychological
23.4 condition that was a result of the performance of duties related to the occupation must
23.5 receive approval for psychological treatment as provided under this subdivision.

23.6 (b) The executive director shall grant approval to an employee who submits, in the form
23.7 and manner specified by the executive director:

23.8 (1) a report by a mental health professional diagnosing the employee with a mental
23.9 illness and finding that the employee is currently unable to perform the normal duties of
23.10 the position held by the employee on the date of the injury, event, or onset of the mental
23.11 illness on a full- or part-time basis; and

23.12 (2) documentation from the employer certifying the dates the employee was on duty in
23.13 a position covered under the police and fire plan.

23.14 (c) An employee who receives approval under this subdivision is not considered disabled
23.15 for the purposes of a duty disability under section 353.656, subdivision 1, unless the employee
23.16 completes the additional requirements under this section, receives final confirmation under
23.17 subdivision 6, and applies for disability benefits under section 353.031 before receiving
23.18 duty disability benefits or related benefits.

23.19 (d) The executive director must notify an employing entity electronically and by mail
23.20 that an application for psychological condition treatment has been submitted by an employee
23.21 and request the certification required under paragraph (b), clause (2), from the employing
23.22 entity within six business days after the application has been received by the executive
23.23 director.

23.24 (e) An employer shall submit the certification required under paragraph (b), clause (2),
23.25 within five business days of receiving notice from the executive director, and the employee
23.26 shall receive approval no later than 14 business days after the employee's application is
23.27 received by the executive director, whether or not the employer's certification has been
23.28 submitted. Nothing in this paragraph shall delay the treatment of the psychological condition
23.29 of the employee.

23.30 Subd. 4. **Treatment required.** (a) Except as provided in paragraph (f), an employee
23.31 who receives approval under subdivision 3 shall complete up to 24 consecutive weeks of
23.32 active treatment modalities for the employee's diagnosed mental illness, as provided under
23.33 this subdivision, before a final confirmation can be made under subdivision 6. Treatment

24.1 shall be at the direction of a mental health professional using treatment modalities indicated
24.2 for the treatment of the diagnosed mental illness. An employee shall not be penalized for
24.3 an interruption in active, consecutive treatment that is not initiated by or resulting from an
24.4 intentional action of the employee. Subject to the limit under subdivision 9, the employer
24.5 shall pay for the treatment costs to the extent not paid for by the employee's health insurance
24.6 and may seek reimbursement.

24.7 (b) The employee's mental health professional must assess the employee's progress in
24.8 treatment monthly and at the end of the 24 weeks or earlier, including any change to the
24.9 employee's ability to return to the position held by the employee on the date of the injury,
24.10 event, or onset of the mental illness, or to another position with the employer which provides
24.11 salary and employer-provided benefits, including pension benefits, that are equal to or
24.12 greater than those for the position held by the employee on the date of the injury, event, or
24.13 onset of the mental illness. A final confirmation under subdivision 6 must be supported by
24.14 a report from the employee's mental health professional containing an opinion about the
24.15 employee's prognosis, the duration of the disability, and the expectations for improvement
24.16 following the treatment. A report that does not contain and support a finding that the
24.17 employee's disability as a result of a psychological condition will last for at least 12 months
24.18 must not be relied upon to support approval of duty disability benefits.

24.19 (c) The employee may return to full- or part-time work prior to the completion of the
24.20 24 weeks of treatment if the employee's mental health professional determines that they are
24.21 medically able to do so.

24.22 (d) The employee may return to light duty assignments, subject to availability of a
24.23 position, prior to the completion of the 24 weeks of treatment, if deemed medically
24.24 appropriate by the employee's mental health professional and with the employer's approval.

24.25 (e) A fitness for duty presumption shall apply to an employee who is cleared to return
24.26 to work or light duty under paragraph (c) or (d), except as provided under subdivision 10.

24.27 (f) No employee shall be required to complete treatment under this subdivision more
24.28 than three times in ten years.

24.29 Subd. 5. **Continuation of salary and benefits.** (a) Subject to subdivision 9, for the
24.30 period that an employee is seeking psychological condition treatment approval under
24.31 subdivision 3 or 6, appealing a determination thereof, or receiving treatment under
24.32 subdivision 4 or 7, the employer shall continue:

24.33 (1) to pay, for a current employee only, the employee's full salary and employer-provided
24.34 benefits, including any employer contribution to health care and retirement benefits. The

25.1 employer must proportionally reduce the salary paid to an employee who is otherwise
25.2 receiving benefits for the disability that provide compensation for all or a portion of the
25.3 employee's salary for the same time period. Nothing in this paragraph requires an employer
25.4 to pay more than 100 percent of the employee's salary;

25.5 (2) to provide health insurance benefits to the employee and to the employee's dependents,
25.6 if the employee was receiving dependent coverage at the time of the injury, event, or onset
25.7 of the mental illness under the employer's group health plan; and

25.8 (3) to provide any other employment benefits provided to the employee under the
25.9 employee's currently applicable collective bargaining agreement.

25.10 (b) An employee shall obtain service credit for the treatment period required under
25.11 subdivision 4 or 7.

25.12 (c) Nothing prevents an employer from providing benefits in addition to those required
25.13 by this section or otherwise affects an employee's rights with respect to any other employment
25.14 benefit.

25.15 (d) If an employee is unable to receive treatment through the prescribed treatment
25.16 program due to circumstances beyond the employee's control, which includes but is not
25.17 limited to a lack of availability of a mental health facility or a mental health professional,
25.18 the employee shall continue to receive their regular compensation, benefits, and retirement
25.19 service credits, until such mental health facility or mental health professional becomes
25.20 available to the employee for their treatment program. The continuation of salary and benefits
25.21 allowed under this paragraph must not exceed 30 days beyond the day treatment is prescribed,
25.22 except that continuation of benefits and salary may be extended beyond 30 days if written
25.23 documentation from the mental health facility or mental health professional providing the
25.24 treatment start date is submitted by the employee to the executive director and the employer.

25.25 Subd. 6. **Termination or continuation of psychological condition treatment.** (a)
25.26 Following completion of treatment under subdivision 4, the association shall confirm the
25.27 treatment requirements are satisfied, and make one of the following determinations:

25.28 (1) continue the approval for an additional eight weeks for the employee to complete
25.29 additional treatment, as provided under subdivision 7;

25.30 (2) terminate the psychological condition treatment because the employee is:

25.31 (i) able to return to full-time work in the position held by the employee on the date of
25.32 the injury, event, or onset of the mental illness; or

26.1 (ii) able to return to another vacant full-time position with the employer which provides
26.2 salary and employer-provided benefits, including pension benefits, that are equal to or
26.3 greater than those for the position held by the employee on the date of the injury, event, or
26.4 onset of the mental illness, as certified by the employer in the form and manner specified
26.5 by the executive director; or

26.6 (3) confirm the employee has met the requirements under section 353.032, after which
26.7 the employee may apply for a duty disability benefit based on a psychological condition
26.8 under section 353.031.

26.9 (b) After confirmation and application under paragraph (a), clause (3), the association
26.10 must approve the employee's application for disability benefits if the employee is eligible
26.11 under section 353.031, at which time the employee is entitled to receive disability benefits
26.12 as provided under this section and any related benefits. The disability benefit begins to
26.13 accrue the day following the day on which the employer ceases to continue salary and
26.14 benefits under subdivision 5 and section 353.656, subdivision 4, paragraph (a).

26.15 (c) Following completion of the additional treatment requirements under subdivision 7,
26.16 if applicable, the association shall confirm the additional treatment requirements are satisfied,
26.17 after which, the employee may apply for disability benefits because the employee is eligible
26.18 under section 353.031, at which time the employee is entitled to receive disability benefits
26.19 as provided under this section and any related benefits. The disability benefit begins to
26.20 accrue the day following the day on which the employer ceases to continue salary and
26.21 benefits under subdivision 5 and section 353.656, subdivision 4, paragraph (a).

26.22 (d) A fitness for duty presumption shall apply to an employee who is determined able
26.23 to return to work as provided under paragraph (a), clause (2), except as provided under
26.24 subdivision 10.

26.25 Subd. 7. **Additional treatment.** (a) Except as provided in paragraph (g), if, after
26.26 completing the treatment required under subdivision 4, the mental health professional's
26.27 report determines that the employee is making progress in treatment, and the employee's
26.28 prognosis is expected to further improve with additional treatment, the association shall
26.29 continue the employee's initial approval under subdivision 6, paragraph (a), clause (1), and
26.30 the employee shall complete up to an additional eight consecutive weeks of active treatment
26.31 modalities as provided under this subdivision.

26.32 (b) Treatment shall be at the direction of a mental health professional using treatment
26.33 modalities indicated for the treatment of the employee's diagnosed mental illness. An
26.34 employee shall not be penalized for an interruption in active, consecutive treatment that is

27.1 not initiated by or resulting from an intentional action of the employee. Subject to subdivision
27.2 9, the employer shall pay for the treatment costs to the extent not paid for by the employee's
27.3 health insurance and may seek reimbursement.

27.4 (c) The employee's mental health professional must assess the employee's progress in
27.5 treatment at the end of eight weeks, including any change to the employee's ability to return
27.6 to the position held by the employee on the date of the injury, event, or onset of the mental
27.7 illness, or to another position with the employer which provides salary and employer-provided
27.8 benefits, including pension benefits, that are equal to or greater than those for the position
27.9 held by the employee on the date of the injury, event, or onset of the mental illness. A final
27.10 confirmation under subdivision 6, paragraph (b), must be supported by an updated report
27.11 from the employee's mental health professional containing an opinion about the employee's
27.12 prognosis, the duration of the disability, and the expectations for improvement following
27.13 the additional treatment. An updated report that does not contain and support a finding that
27.14 the employee's disability as a result of a psychological condition will last for at least 12
27.15 months must not be relied upon to support approval of duty disability benefits.

27.16 (d) The employee may return to full- or part-time work prior to the completion of the
27.17 eight weeks of treatment if the employee's mental health professional determines that they
27.18 are medically able to do so.

27.19 (e) The employee may return to light duty assignments, subject to availability of a
27.20 position, prior to the completion of the eight weeks of treatment, if deemed medically
27.21 appropriate by the employee's mental health professional and with the employer's approval.

27.22 (f) A fitness for duty presumption shall apply to an employee who is cleared to return
27.23 to work or light duty under paragraph (d) or (e), except as provided under subdivision 10.

27.24 (g) No employee shall be required to complete treatment under this subdivision more
27.25 than three times in ten years.

27.26 Subd. 8. **Treatment data.** A "health record," as defined by section 144.291, subdivision
27.27 2, paragraph (c), arising from treatment sought under this section is classified as private
27.28 data on individuals, as defined by section 13.02, subdivision 12, and must not be accessed
27.29 by, shared with, or disclosed or disseminated to any individual, private entity, or government
27.30 entity, including through discovery, search warrant, or subpoena, in any type of investigation
27.31 or legal action.

27.32 Subd. 9. **Employer reimbursement; limit.** (a) Except as provided in paragraph (c), an
27.33 employer subject to this section may annually apply by August 1 for the preceding fiscal
27.34 year to the commissioner of public safety for reimbursement of:

28.1 (1) the treatment costs incurred by the employer under subdivision 4 or 7; and

28.2 (2) the costs incurred to continue salary and benefits as required under subdivision 5.

28.3 (b) An employer must apply for the reimbursement in the form and manner specified
28.4 by the commissioner of public safety.

28.5 (c) No employer shall be required to pay for the salary, benefits, and treatment costs
28.6 required under subdivisions 4, 5, and 7 for a single employee more than three times in ten
28.7 years.

28.8 Subd. 10. **Fitness for duty presumption.** (a) An employee who is cleared or determined
28.9 able to return to work or light duty under subdivision 4, paragraph (e); 6, paragraph (c); or
28.10 7, paragraph (f), is presumed fit for duty, except as follows:

28.11 (1) an employer may request a fitness for duty exam by an independent medical provider
28.12 if the exam is completed within six weeks of the employer receiving the determination from
28.13 the treating mental health professional, and the independent medical provider's report is
28.14 completed no more than six weeks later;

28.15 (2) an employee found unfit for duty by an independent medical provider under clause
28.16 (1):

28.17 (i) is presumed eligible for a duty disability, as provided under subdivision 6, paragraph
28.18 (a), clause (3), if the employee otherwise meets the eligibility requirements under section
28.19 353.031; or

28.20 (ii) may appeal the independent medical provider's determination by requesting an
28.21 examination under paragraph (c); and

28.22 (3) the fitness-for-duty timeline under this paragraph may be modified by mutual
28.23 agreement of the employer and employee.

28.24 (b) Nothing in this section shall be deemed to affect the Americans with Disabilities
28.25 Act, United States Code, title 42, chapter 126; the Family Medical Leave Act, United States
28.26 Code, title 29, chapter 28; or the Minnesota Human Rights Act, chapter 363A.

28.27 (c) An employee who wishes to appeal the independent medical provider's determination
28.28 under paragraph (a), clause (2), item (ii), may request an examination by a qualified
28.29 professional selected by the employee from a panel established by mutual agreement among
28.30 the League of Minnesota Cities, the Association of Minnesota Counties, the Minnesota
28.31 Peace and Police Officers Association, the Minnesota Professional Fire Fighters Association,
28.32 the Minnesota Chiefs of Police Association, and the Minnesota Law Enforcement

29.1 Association. The panel shall consist of five licensed psychiatrists or psychologists who have
 29.2 expertise regarding psychological or emotional disorders and who are qualified to opine as
 29.3 to the employee's fitness to engage in police or firefighting duties. The agreed upon panel
 29.4 of qualified professionals must be submitted to the executive director and made available
 29.5 for use in the appeal process. If the employee fails to select a qualified professional from
 29.6 the panel within ten days of any notice of appeal, the employing entity may select the
 29.7 qualified professional from the panel. A determination made by a qualified professional
 29.8 under this item is binding and not subject to appeal. This panel may be the same panel as
 29.9 the panel established under section 352B.102, subdivision 10.

29.10 Subd. 11. **Report.** No later than four years after the day following final enactment of
 29.11 this act, the executive director, in coordination with employers, employees, and mental
 29.12 health professionals, shall submit a report to the chairs and ranking minority members of
 29.13 the legislative committees with jurisdiction over labor and pensions regarding the impact
 29.14 of this section on public safety duty disability trends and costs.

29.15 Subd. 12. **Relationship to workers' compensation.** Nothing in this section shall be
 29.16 construed to affect the procedures for an employee's claim for workers' compensation
 29.17 benefits under chapter 176 or diminish or delay an employer's or insurer's obligations related
 29.18 to an employee's claim for workers' compensation benefits under chapter 176, except that
 29.19 when an employee receives psychological condition treatment pursuant to an application
 29.20 approved under subdivision 3, the treatment is not compensable under chapter 176.

29.21 **EFFECTIVE DATE.** This section is effective July 1, 2023.

29.22 Sec. 22. **[353.033] PSYCHOLOGICAL CONDITION TREATMENT ACCOUNT.**

29.23 Subdivision 1. **Account created and money appropriated.** The PERA psychological
 29.24 condition treatment account is created in the special revenue fund. Money in the account is
 29.25 appropriated to the executive director of the Public Employees Retirement Association for
 29.26 administration of the psychological condition treatment under section 353.032.

29.27 Subd. 2. **Account to defray administrative costs.** The executive director of the Public
 29.28 Employees Retirement Association must pay the costs of administering the PERA
 29.29 psychological condition treatment under section 353.032 using the money in the
 29.30 psychological condition treatment account under subdivision 1 until the money is expended.

29.31 Subd. 3. **Commissioner of public safety to pay costs when account is depleted.** When
 29.32 the PERA psychological condition treatment account is depleted, the executive director of
 29.33 the Public Employees Retirement Association may invoice the commissioner of public

30.1 safety for the costs of administering the psychological condition treatment under section
 30.2 353.032. The commissioner must pay invoices submitted by the executive director of the
 30.3 Public Employees Retirement Association from the public safety officer's benefit account
 30.4 under section 299A.42 within 30 days of receipt.

30.5 **EFFECTIVE DATE.** This section is effective July 1, 2023.

30.6 Sec. 23. Minnesota Statutes 2022, section 353.335, is amended to read:

30.7 **353.335 DISABILITANT EARNINGS REPORTS.**

30.8 Subdivision 1. **Reemployment earnings reporting required.** Unless waived by the
 30.9 executive director, a disability benefit recipient must report all earnings from reemployment
 30.10 and from income from workers' compensation to the association annually by May 15 in a
 30.11 format prescribed by the executive director. If the form is not submitted by May 15, benefits
 30.12 must be suspended effective June 1. ~~If, upon receipt of the form by the association, if, the~~
 30.13 ~~executive director determines that~~ the disability benefit recipient is ~~deemed by the executive~~
 30.14 ~~director to be~~ eligible for continued payment, benefits must be reinstated retroactive to June
 30.15 1. The executive director may waive the requirements in this section if the medical evidence
 30.16 supports that the disability benefit recipient will not have earnings from reemployment.

30.17 Subd. 2. **Workers' compensation reporting not required.** Notwithstanding subdivision
 30.18 1, a recipient of disability benefits from the police and fire plan must not be required to
 30.19 report to the association any workers' compensation received by the recipient.

30.20 **EFFECTIVE DATE.** This section is effective January 1, 2024.

30.21 Sec. 24. Minnesota Statutes 2022, section 353.656, subdivision 1, is amended to read:

30.22 Subdivision 1. **Duty disability; computation of benefits.** (a) A member of the police
 30.23 and fire plan, ~~other than~~ who (1) is not a firefighter covered by section 353.6511, or a police
 30.24 officer covered by section 353.6512, ~~who is determined to qualify for~~ (2) has a condition
 30.25 ~~that meets the definition of a duty disability as defined in~~ under section 353.01, subdivision
 30.26 ~~41, and~~ (3) has filed an application under section 353.031 that was approved by the executive
 30.27 ~~director~~ is entitled to receive disability benefits during the period of ~~such~~ disability in an
 30.28 amount equal to 60 percent of the member's average salary as defined ~~in~~ under section
 30.29 353.01, subdivision 17a, plus an additional 3.0 percent of that average salary for each year
 30.30 of service in excess of 20 years.

30.31 (b) To be eligible for a benefit under paragraph (a), the member must have:

31.1 (1) not met the age and vesting requirements for a retirement annuity under section
31.2 353.651, subdivision 1; or

31.3 (2) met the age and vesting requirements under that subdivision, but does not have at
31.4 least 20 years of allowable service credit.

31.5 (c) If paragraph (b), clause (2), applies, the disability benefit must be paid for a period
31.6 of 60 months from the disability benefit accrual date and at the end of that period is subject
31.7 to provisions of subdivision 5a.

31.8 (d) If the disability under this subdivision occurs before the member has at least five
31.9 years of allowable service credit in the police and fire plan, the disability benefit must be
31.10 computed on the average salary from which deductions were made for contribution to the
31.11 police and fire fund.

31.12 **EFFECTIVE DATE.** This section is effective July 1, 2023.

31.13 Sec. 25. Minnesota Statutes 2022, section 353.656, subdivision 1a, is amended to read:

31.14 Subd. 1a. **Total and permanent duty disability; computation of benefits.** (a) A member
31.15 of the police and fire plan, ~~other than~~ who (1) is not a firefighter covered by section 353.6511,
31.16 or a police officer covered by section 353.6512, whose disabling (2) has a condition is
31.17 ~~determined to be~~ that meets the definition of a duty disability under section 353.01,
31.18 subdivision 41, and that is also a permanent and total and permanent disability as defined
31.19 ~~in~~ under section 353.01, subdivision 19, and (3) has filed an application under section
31.20 353.031 that was approved by the executive director is entitled to receive, for life, a disability
31.21 ~~benefits~~ benefit in an amount equal to 60 99 percent of the member's average salary as
31.22 ~~defined in~~ under section 353.01, subdivision 17a, plus an additional 3.0 percent of that
31.23 ~~average salary for each year of service in excess of 20 years.~~ Beginning July 1, 2023, a
31.24 member receiving a benefit under this paragraph must receive a disability benefit in an
31.25 amount equal to the greater of 99 percent of the member's average salary as defined under
31.26 section 353.01, subdivision 17a, in effect as of the date of the disability or the amount of
31.27 the disability benefit the member was receiving on June 30, 2023.

31.28 (b) A disability benefit payable under paragraph (a) is subject to ~~eligibility review~~ the
31.29 reapplication requirements under section 353.33, subdivision 6, but the ~~review~~ reapplication
31.30 may be waived if the executive director receives a written statement from the ~~association's~~
31.31 medical advisor retained by the association under section 353.031, subdivision 5, that no
31.32 improvement can be expected in the member's ~~disabling~~ disability condition that was the
31.33 basis for payment of the benefit under paragraph (a).

32.1 (c) A member receiving a disability benefit under this subdivision who is found to no
 32.2 longer ~~be permanently and totally disabled~~ have a total and permanent disability as defined
 32.3 under section 353.01, subdivision 19, but continues to ~~meet the definition for receipt of~~
 32.4 have a duty disability as defined under section 353.01, subdivision 41, is subject to
 32.5 subdivision 1 upon written notice from the association's medical advisor that the person is
 32.6 no longer ~~considered permanently and totally disabled~~ has a total and permanent disability,
 32.7 and may, upon application, elect an optional annuity under subdivision 1b.

32.8 (e) (d) If a member approved for disability benefits under this subdivision dies before
 32.9 attaining normal retirement age as defined ~~in~~ under section 353.01, subdivision 37, paragraph
 32.10 (b), or within 60 months of the effective date of the disability, whichever is later, the
 32.11 surviving spouse is entitled to receive a survivor benefit under section 353.657, subdivision
 32.12 2, paragraph (a), clause (1), if the death is the direct result of the disabling condition for
 32.13 which disability benefits were approved, or section 353.657, subdivision 2, paragraph (a),
 32.14 clause (2), if the death is not directly related to the disabling condition for which benefits
 32.15 were approved under this subdivision.

32.16 (d) (e) If the election of an actuarial equivalent optional annuity is not made at the time
 32.17 the ~~permanent and~~ member is entitled to begin to receive total and permanent disability
 32.18 ~~benefit accrues~~ benefits, an election must be made within 90 days before the member attains
 32.19 normal retirement age as defined under section 353.01, subdivision 37, paragraph (b), or
 32.20 ~~having~~ has collected total and permanent disability benefits for 60 months, whichever is
 32.21 later. If a member receiving disability benefits who has dependent children dies, subdivision
 32.22 6a, paragraph (c), applies.

32.23 **EFFECTIVE DATE.** This section is effective July 1, 2023.

32.24 Sec. 26. Minnesota Statutes 2022, section 353.656, subdivision 1b, is amended to read:

32.25 Subd. 1b. **Optional annuity election.** (a) A disabled member of the police and fire fund
 32.26 may elect to receive the normal disability benefit or an actuarial equivalent optional annuity.
 32.27 If the election of an actuarial equivalent optional annuity is made before the commencement
 32.28 of payment of the disability benefit, the member is entitled to begin payment of the optional
 32.29 annuity must begin to accrue on the same date as that the normal disability benefit covering
 32.30 ~~only the disability benefit recipient would have accrued.~~ would have begun. For the purpose
 32.31 of this subdivision, a "normal disability benefit" is a monthly benefit payable for the life of
 32.32 the member and equal to a percentage of the member's average salary as defined under
 32.33 section 353.01, subdivision 17a. The percentage is 60 percent if the disability is a duty
 32.34 disability under subdivision 1 or 99 percent if the disability is a total and permanent disability.

33.1 (b) If an election of an optional annuity is not made before the commencement of the
33.2 disability benefit, the disability benefit recipient may elect an optional annuity:

33.3 (1) within 90 days before normal retirement age;

33.4 (2) upon the filing of an application to convert to an early retirement annuity, if electing
33.5 to convert to an early retirement annuity before the normal retirement age;

33.6 (3) within 90 days before the expiration of the 60-month period for which a disability
33.7 benefit is paid, if the disability benefit is payable because the disabled member did not have
33.8 at least 20 years of allowable service at normal retirement age; or

33.9 (4) upon ~~being determined~~ a determination that the disability benefit recipient continues
33.10 to be disabled under subdivision 1, but ~~is no longer totally and permanently disabled~~ has a
33.11 total and permanent disability under subdivision 1a.

33.12 (c) If a disabled member who has named a joint and survivor optional annuity beneficiary
33.13 dies before the disability benefit ceases and is recalculated under subdivision 5a, the
33.14 beneficiary eligible to receive the joint and survivor annuity may elect to have the annuity
33.15 converted at the times designated in paragraph (b), clause (1), (2), or (3), whichever allows
33.16 for the earliest payment of a higher joint and survivor annuity option resulting from
33.17 recalculation under subdivision 5a, paragraph (e).

33.18 (d) A disabled member may name a person other than the spouse as beneficiary of a
33.19 joint and survivor annuity only if the spouse of the disabled member permanently waives
33.20 surviving spouse coverage on the disability application form prescribed by the executive
33.21 director.

33.22 (e) If the spouse of the member permanently waives survivor coverage, the dependent
33.23 child or children, if any, continue to be eligible for dependent child benefits under section
33.24 353.657, subdivision 3, and the designated optional annuity beneficiary may draw the
33.25 monthly benefit.

33.26 (f) Any optional annuity under this subdivision, plus dependent child benefits, if
33.27 applicable, are subject to the maximum and minimum family benefit amounts specified in
33.28 section 353.657, subdivision 3a.

33.29 **EFFECTIVE DATE.** This section is effective July 1, 2023.

33.30 Sec. 27. Minnesota Statutes 2022, section 353.656, subdivision 3, is amended to read:

33.31 Subd. 3. **Regular disability benefit.** (a) A member of the police and fire plan, ~~other~~
33.32 ~~than~~ who (1) is not a firefighter covered by section 353.6511, or a police officer covered

34.1 by section 353.6512, ~~who qualifies for~~ (2) has at least one year of allowable service, (3) has
 34.2 a condition that meets the definition of a regular disability benefit as defined in under section
 34.3 353.01, subdivision 46, and (4) has filed an application under section 353.031 that was
 34.4 approved by the executive director is entitled to receive a disability benefit, ~~after filing a~~
 34.5 ~~valid application,~~ in an amount equal to 45 percent of the member's average salary as defined
 34.6 in section 353.01, subdivision 17a.

34.7 (b) To be eligible for a benefit under paragraph (a), the member must have at least one
 34.8 year of allowable service credit and have:

34.9 (1) not met the age and vesting requirements for a retirement annuity under section
 34.10 353.651, subdivision 1; or

34.11 (2) met the age and vesting requirements under that subdivision, but does not have at
 34.12 least 15 years of allowable service credit.

34.13 (c) If paragraph (b), clause (2), applies, the disability benefit must be paid for a period
 34.14 of 60 months from the disability benefit accrual date and, at the end of that period, is subject
 34.15 to provisions of subdivision 5a.

34.16 (d) For a member who is employed as a full-time firefighter by the Department of Military
 34.17 Affairs of the state of Minnesota, allowable service as a full-time state Military Affairs
 34.18 Department firefighter credited by the Minnesota State Retirement System may be used in
 34.19 meeting the minimum allowable service requirement of this subdivision.

34.20 **EFFECTIVE DATE.** This section is effective July 1, 2023.

34.21 Sec. 28. Minnesota Statutes 2022, section 353.656, subdivision 3a, is amended to read:

34.22 Subd. 3a. **Total and permanent regular disability; computation of benefits.** (a) A
 34.23 member of the police and fire plan, ~~other than~~ who (1) is not a firefighter covered by section
 34.24 353.6511, or a police officer covered by section 353.6512, ~~whose disabling~~ (2) has a
 34.25 ~~condition is determined to be~~ that meets the definition of a regular disability under section
 34.26 353.01, subdivision 46, and that is also a total and permanent ~~and total~~ disability as defined
 34.27 ~~in~~ under section 353.01, subdivision 19, and (3) has filed an application under section
 34.28 353.031 that was approved by the executive director is entitled to receive, for life, a disability
 34.29 benefit in an amount equal to 45 percent of the member's average salary as defined ~~in~~ under
 34.30 section 353.01, subdivision 17a, plus an additional 3.0 percent of that average salary for
 34.31 each year of service in excess of 15 years.

34.32 (b) A disability benefit payable under paragraph (a) is subject to eligibility review under
 34.33 section 353.33, subdivision 6, but the review may be waived if the executive director receives

35.1 a written statement from the association's medical advisor that no improvement can be
 35.2 expected in the member's disabling condition that was the basis for payment of the benefit
 35.3 under paragraph (a). A member receiving a disability benefit under this subdivision who is
 35.4 found to no longer ~~be permanently and totally disabled~~ have a total and permanent disability
 35.5 as defined under section 353.01, subdivision 19, but continues to ~~meet the definition for~~
 35.6 ~~receipt of~~ have a regular disability as defined under section 353.01, subdivision 46, is subject
 35.7 to subdivision 3 upon written notice from the association's medical advisor that the person
 35.8 is no longer ~~considered permanently and totally disabled~~ has a total and permanent disability.

35.9 (c) A member approved for disability benefits under this subdivision may elect to receive
 35.10 a normal disability benefit or an actuarial equivalent optional annuity. If the election of an
 35.11 actuarial equivalent optional annuity is not made ~~at the time~~ by the date on which the member
 35.12 is entitled to begin the total and permanent disability benefit ~~accrues, an~~ the election must
 35.13 be made within 90 days before the member attains normal retirement age as defined in
 35.14 section 353.01, subdivision 37, paragraph (b), or ~~having collected, if later, the date on which~~
 35.15 the member receives the 60th monthly payment of the disability benefits for 60 months,
 35.16 whichever is later benefit. No surviving spouse benefits are payable if the member dies
 35.17 during the period in which a normal ~~total and permanent~~ disability benefit is being paid. If
 35.18 a member receiving disability benefits who has dependent children dies, subdivision 6a,
 35.19 paragraph (c), applies. For the purpose of this subdivision, a "normal disability benefit" is
 35.20 a monthly benefit payable for the life of the member.

35.21 **EFFECTIVE DATE.** This section is effective July 1, 2023.

35.22 Sec. 29. Minnesota Statutes 2022, section 353.656, subdivision 4, is amended to read:

35.23 Subd. 4. **Limitation on disability benefit payments.** (a) No member is entitled to
 35.24 receive a disability benefit payment when there remains to the member's credit unused
 35.25 annual leave, sick leave, or any other employer-provided salary continuation plan, or under
 35.26 any other circumstances when, during the period of disability, there has been no impairment
 35.27 of the person's salary as a police officer, a firefighter, or a paramedic as defined in section
 35.28 353.64, subdivision 10, whichever applies.

35.29 (b) This paragraph applies to members who begin disability payments before July 1,
 35.30 2023, and either are not required to reapply under section 353.031, subdivision 8, or have
 35.31 not reached the end of one year or three years, as applicable, when reapplication under
 35.32 section 353.031, subdivision 8, is required. If a disabled member resumes a gainful
 35.33 occupation with earnings that, when added to the single life disability benefit, and workers'
 35.34 compensation benefit if applicable, exceed the disability benefit recipient's reemployment

36.1 earnings limit, the amount of the disability benefit must be reduced during the months of
36.2 employment and receipt of workers' compensation benefits, if applicable, as provided in
36.3 this paragraph. The disability benefit recipient's reemployment earnings limit is the greater
36.4 of:

36.5 (1) the monthly salary earned at the date of disability², or

36.6 (2) 125 percent of the base monthly salary currently paid by the employing governmental
36.7 subdivision for similar positions.

36.8 ~~(e)~~ The disability benefit must be reduced by one dollar for each three dollars by which
36.9 the total amount of the current monthly disability benefit, any monthly workers' compensation
36.10 benefits if applicable, and actual monthly earnings exceed the greater disability benefit
36.11 recipient's reemployment earnings limit. In no event may the monthly disability benefit as
36.12 adjusted under this subdivision exceed the disability benefit originally allowed.

36.13 (c) This paragraph applies to members who begin disability payments or are required
36.14 to reapply under section 353.031, subdivision 8, on or after July 1, 2023. If a disabled
36.15 member resumes a gainful occupation with earnings, the amount of the member's disability
36.16 benefit must be reduced each year until normal retirement age by the sum of clauses (1)
36.17 and (2), not to exceed the amount of the member's disability benefit:

36.18 (1) for members with less than 20 years of service for a duty disability benefit or less
36.19 than 15 years of service for a regular disability benefit, one dollar for each dollar of
36.20 reemployment earnings, but not more than the lesser of (i) and (ii), and not to exceed the
36.21 employee contribution rate as defined under section 353.65, subdivision 2, multiplied by
36.22 the average salary used to determine the amount of the member's disability benefit when
36.23 granted:

36.24 (i) an amount equal to the employee contribution rate as defined under section 353.65,
36.25 subdivision 2, multiplied by the average salary used to determine the amount of the member's
36.26 disability benefit, when granted, multiplied by the difference between 20 for a duty disability
36.27 benefit or 15 for a regular disability benefit and the member's years of service, divided by
36.28 55 minus the member's age at the time of disability; or

36.29 (ii) 50 percent of the member's yearly reemployment earnings; and

36.30 (2) for all members:

36.31 (i) one dollar for every two dollars, up to 125 percent of the base monthly salary, by
36.32 which the sum exceeds the base monthly salary; and

37.1 (ii) one dollar for each dollar by which the sum exceeds 125 percent of the base monthly
37.2 salary;

37.3 where "sum" means the sum of the current disability benefit plus actual monthly
37.4 reemployment earnings and "base monthly salary" means the base monthly salary currently
37.5 paid by the employing governmental subdivision for similar positions.

37.6 (d) Paragraphs (b) and (c) do not apply to a member receiving total and permanent
37.7 disability benefits under section 353.656, subdivision 1a or 3a.

37.8 **EFFECTIVE DATE.** This section is effective July 1, 2023, but a member's disability
37.9 payments must not be reduced by the offsets under paragraph (c), clauses (1) and (2), until
37.10 January 1, 2024.

37.11 Sec. 30. Minnesota Statutes 2022, section 353.656, subdivision 6a, is amended to read:

37.12 Subd. 6a. **Disability survivor benefits for ~~pre-July~~ members disabled before July 1,**
37.13 **2007, ~~disabilitants~~.** (a) If a member who is receiving a disability benefit that was granted
37.14 under the laws in effect before July 1, 2007, dies before attaining normal retirement age as
37.15 defined under section 353.01, subdivision 37, paragraph (b), or within five years of the
37.16 effective date of the disability, whichever is later, the surviving spouse shall receive a
37.17 survivor benefit under section 353.657, subdivision 2, paragraph (a), clause (2); or 2a, unless
37.18 the surviving spouse elected to receive a refund under section 353.32, subdivision 1. The
37.19 joint and survivor optional annuity under subdivision 2a is based on the minimum disability
37.20 benefit under subdivision 1 or 3, or the deceased member's allowable service, whichever is
37.21 greater.

37.22 (b) If the disability benefit was granted under the laws in effect before July 1, 2007, and
37.23 the ~~disabilitant~~ disabled member is living at the age required for receipt of a retirement
37.24 annuity under section 353.651, subdivision 1, or five years after the effective date of the
37.25 disability, whichever is later, the disabled member may continue to receive a normal disability
37.26 benefit, or the member may elect a joint and survivor optional annuity under section 353.30.
37.27 The optional annuity is based on the minimum disability benefit under subdivision 1 or 3,
37.28 or the member's allowable service, whichever is greater. The election of this joint and
37.29 survivor annuity must occur within 90 days before attaining normal retirement age as defined
37.30 under section 353.01, subdivision 37, paragraph (b), or within 90 days before the five-year
37.31 anniversary of the effective date of the disability benefit, whichever is later. The optional
37.32 annuity takes effect the first of the month following the month in which the person attains
37.33 the age required for receipt of a retirement annuity under section 353.651, subdivision 1,

38.1 or reaches the five-year anniversary of the effective date of the disability benefit, whichever
38.2 is later.

38.3 (c) If any disabled member dies while receiving a benefit and has a dependent child or
38.4 children, the association shall grant a dependent child benefit under section 353.657,
38.5 subdivision 3.

38.6 **EFFECTIVE DATE.** This section is effective July 1, 2023.

38.7 Sec. 31. Minnesota Statutes 2022, section 353.656, subdivision 10, is amended to read:

38.8 Subd. 10. ~~Accrual of benefits~~ **Entitlement to receive a disability benefit.** (a) Except
38.9 for a total and permanent disability under subdivision 1a, a member is entitled to begin to
38.10 receive payment of a disability benefit ~~begins to accrue~~ when the ~~applicant~~ member is no
38.11 longer receiving any form of compensation, whether salary or paid leave 90 days preceding
38.12 the filing of an application; or, if annual or sick leave, or any other employer-paid salary
38.13 continuation plan is paid for more than the 90-day period, from the date on which the
38.14 payment of salary ceased, whichever is later. Except for a total and permanent disability
38.15 under subdivision 1a, no member is entitled to receive a disability benefit payment when
38.16 there remains to the member's credit any unused annual leave, sick leave, or any other
38.17 employer-paid salary continuation benefit, or under any other circumstances when, during
38.18 the period of disability, there has been no impairment of the person's salary.

38.19 (b) Payment of the disability benefit must not continue beyond the end of the month in
38.20 which entitlement has terminated. If the ~~disabled member~~ disabled member dies prior to negotiating
38.21 the check for the month in which death occurs, payment must be made to the surviving
38.22 spouse or, if none, to the designated beneficiary or, if none, to the estate.

38.23 **EFFECTIVE DATE.** This section is effective July 1, 2023.

38.24 Sec. 32. **[626.8478] WELLNESS TRAINING.**

38.25 **Subdivision 1. Learning objectives and training course.** (a) The board must create
38.26 learning objectives to prepare peace officers for the stressful and traumatic events that are
38.27 common to policing and teach officers methods to process and cope with the stress and
38.28 trauma inherent to policing. The learning objectives must be updated as the board considers
38.29 appropriate.

38.30 (b) The commissioner of public safety, in consultation with the board, must create a
38.31 training course that incorporates each of the learning objectives established by the board
38.32 under paragraph (a).

39.1 Subd. 2. Preservice training required. (a) The learning objectives developed pursuant
 39.2 to subdivision 1 must be included in the required curriculum of a professional peace officer
 39.3 education program.

39.4 (b) A person is not eligible to take the peace officer licensing examination after July 1,
 39.5 2024, unless the individual has received the training described in paragraph (a).

39.6 Subd. 3. In-service training required. Beginning July 1, 2024, the chief law enforcement
 39.7 officer of every state and local law enforcement agency shall provide in-service wellness
 39.8 training to every peace officer and part-time peace officer employed by the agency. The
 39.9 training must comply with the learning objectives developed and approved by the board
 39.10 and must meet board requirements for board-approved continuing education credit. A peace
 39.11 officer with a license renewal date after June 30, 2024, is not required to complete this
 39.12 training until the officer's next full three-year licensing cycle.

39.13 Subd. 4. Record keeping required. The head of each local and state law enforcement
 39.14 agency shall maintain written records of the agency's compliance with the requirements of
 39.15 subdivision 3. The written records are subject to periodic review by the board and must be
 39.16 made available to the board at its request.

39.17 EFFECTIVE DATE. This section is effective July 1, 2023.

39.18 **Sec. 33. TRANSFERS TO THE PSYCHOLOGICAL CONDITION TREATMENT**
 39.19 **ACCOUNTS.**

39.20 (a) \$1,000,000 in fiscal year 2024 is transferred from the general fund to the MSRS
 39.21 psychological condition treatment account under Minnesota Statutes, section 352B.103.

39.22 (b) \$3,000,000 in fiscal year 2024 is transferred from the general fund to the PERA
 39.23 psychological condition treatment account under Minnesota Statutes, section 353.033.

39.24 (c) The transfers in paragraphs (a) and (b) are onetime.

39.25 EFFECTIVE DATE. This section is effective July 1, 2023.

39.26 **Sec. 34. TRANSFERS TO THE PUBLIC SAFETY OFFICER'S BENEFIT**
 39.27 **ACCOUNT.**

39.28 \$100,000,000 in fiscal year 2024 is transferred from the general fund to the public safety
 39.29 officer's benefit account under Minnesota Statutes, section 299A.42, and appropriated to
 39.30 the commissioner of public safety for the following uses:

40.1 (1) to cover administrative costs of the Department of Public Safety to administer
 40.2 reimbursements under Minnesota Statutes, section 299A.465, and costs to implement and
 40.3 administer Minnesota Statutes, section 626.8478;

40.4 (2) to cover administrative costs of the Minnesota State Retirement System and the
 40.5 Public Employees Retirement Association after the respective psychological condition
 40.6 treatment accounts under Minnesota Statutes, section 352B.103 or 353.033, are depleted;
 40.7 and

40.8 (3) to fund reimbursements of public employers under Minnesota Statutes, section
 40.9 299A.465.

40.10 This is a onetime transfer. If, for a fiscal year after 2024, the public safety officer's benefit
 40.11 account does not have enough money remaining from the \$100,000,000 transferred to it in
 40.12 fiscal year 2024 to cover all administrative costs and reimbursements under clauses (1) to
 40.13 (3), the commissioner of public safety must first cover the costs under clause (2) for the
 40.14 fiscal year and, if any funds remain in the public safety officer's benefit account, the
 40.15 commissioner must cover the costs under clause (3) next and, if any funds remain in the
 40.16 public safety officer's benefit account, the commissioner must cover the costs under clause
 40.17 (1).

40.18 **EFFECTIVE DATE.** This section is effective July 1, 2023.

40.19 **Sec. 35. REPEALER.**


40.20 Minnesota Statutes 2022, section 353.656, subdivisions 2 and 2a, are repealed.

40.21 **EFFECTIVE DATE.** This section is effective January 1, 2024."

40.22 Amend the title numbers accordingly

40.23 And when so amended the bill do pass and be re-referred to the Committee on Finance.

40.24 Amendments adopted. Report adopted.

40.25 .....
 40.26 (Committee Chair)

40.27 May 3, 2023.....
 40.28 (Date of Committee recommendation)