

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 2530

(SENATE AUTHORS: KLEIN)

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

1.1 A bill for an act
1.2 relating to public safety; expanding eligibility for continued health insurance
1.3 coverage for public safety employees disabled or killed in the line of duty to include
1.4 correctional officers; appropriating money; amending Minnesota Statutes 2016,
1.5 sections 299A.42; 299A.465, subdivisions 1, 2, 3, 4, 5.

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

1.7 Section 1. Minnesota Statutes 2016, section 299A.42, is amended to read:

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

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

1.16 Sec. 2. Minnesota Statutes 2016, section 299A.465, subdivision 1, is amended to read:

1.17 Subdivision 1. ~~Officer or firefighter~~ **Public safety employees disabled in line of duty.**

1.18 (a) This subdivision applies to any ~~peace officer or firefighter~~ public safety employee:

1.19 (1) who the executive director of the Public Employees Retirement Association
1.20 determines is eligible to receive a duty disability benefit pursuant to section 353.656 or
1.21 353E.06, subdivision 1, or the executive director of the Minnesota State Retirement System

determines is eligible to receive a duty disability benefit pursuant to section ~~353.656~~ 352.95, subdivision 1, or 352B.10, subdivision 1, ~~respectively~~; or

(2) who has discontinued public service as a result of a disabling injury that was determined by the executive director of the Public Employees Retirement Association to have met the duty disability criteria set forth in section 353.01, subdivision 41, and satisfies at least one of the following:

(i) does not qualify to receive disability benefits by operation of the eligibility requirements set forth in section 353.656, subdivision 1, paragraph (b);₂

(ii) retires pursuant to section 353.651, subdivision 4;₂ or

(iii) is a member of a local police or salaried firefighters relief association and qualifies for a duty disability benefit under the terms of ~~plans of the relief associations, and the peace officer or firefighter described in item (i), (ii), or (iii) has discontinued public service as a peace officer or firefighter as a result of a disabling injury and has been determined, by the Public Employees Retirement Association, to have otherwise met the duty disability criteria set forth in section 353.01, subdivision 41~~ the plan of the relief association.

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

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

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

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

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

(c) The ~~officer's or firefighter's~~ public safety employee's employer shall continue to provide health coverage for:

(1) the ~~officer or firefighter~~ public safety employee; and

(2) ~~the officer's or firefighter's dependents if the officer or firefighter~~ any dependent of the public safety employee who was receiving dependent coverage at the time of the injury under the employer's group health plan.

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

Sec. 3. Minnesota Statutes 2016, section 299A.465, subdivision 2, is amended to read:

Subd. 2. **Officer Public safety employee or volunteer firefighter killed in line of duty.** (a) This subdivision applies when a ~~peace officer, firefighter,~~ public safety employee or volunteer firefighter is killed while on duty and discharging the ~~officer's, firefighter's, or volunteer firefighter's~~ duties as of a peace officer, firefighter, correctional officer, or volunteer firefighter, as applicable.

(b) The ~~officer's~~ public safety employee's or volunteer firefighter's employer shall continue to cover the ~~deceased officer's~~ public safety employee's or volunteer firefighter's dependents, including ~~the officer's or firefighter's~~ a spouse:

(1) if the ~~officer, firefighter, or volunteer firefighter was~~ dependents had been receiving dependent coverage ~~at the time of the officer's, firefighter's, or volunteer firefighter's death~~ under the employer's group health plan at the time of the public safety employee's or volunteer firefighter's death; or

(2) if the ~~officer's, firefighter's, or volunteer firefighter's~~ spouse was not covered as a dependent at the time of the ~~officer's, firefighter's,~~ public safety employee's or volunteer firefighter's death, but at that time was eligible, or afterward becomes eligible, to be a dependent on the employer's group health plan.

(c) The employer is responsible for the employer's contribution for the coverage of the ~~officer's, firefighter's,~~ public safety employee's or volunteer firefighter's dependents. Subject to subdivision 5, paragraph (b), clause (2), coverage must continue for a dependent ~~of the officer, firefighter, or volunteer firefighter~~ as follows:

(1) for a surviving spouse, until the surviving spouse reaches the age of 65; and

(2) for each other dependent, until the dependent reaches the age of 26, except as otherwise provided in section 62L.02, subdivision 11.

Sec. 4. Minnesota Statutes 2016, section 299A.465, subdivision 3, is amended to read:

Subd. 3. **Coordination of benefits.** Health insurance benefits payable to the ~~officer~~ public safety employee or volunteer firefighter ~~and the officer's or firefighter's dependents~~ from any other source provide the primary coverage, and coverage available under this section is secondary.

Sec. 5. Minnesota Statutes 2016, section 299A.465, subdivision 4, is amended to read:

Subd. 4. **Public employer reimbursement.** A public employer subject to this section may annually apply by August 1 for the preceding fiscal year to the commissioner of public safety for reimbursement to ~~help~~ defray ~~a portion of~~ its costs of complying with this section. The commissioner shall provide ~~an equal pro rata share to the public employer~~ reimbursement out of the public safety officer's benefit account ~~based on the availability of funds for each eligible officer, firefighter, and qualifying dependents. Individual shares established under~~ section 299A.42. The reimbursement amount must not exceed the public employer's actual costs of providing coverage under this section by a public employer.

5.1 Sec. 6. Minnesota Statutes 2016, section 299A.465, subdivision 5, is amended to read:

5.2 Subd. 5. **Definition.** For purposes of this section:

5.3 (a) "Public safety employee" means:

5.4 (1) a peace officer" or "officer" has the meaning given in as defined in section 626.84,
5.5 subdivision 1, paragraph (c);

5.6 (2) a full-time firefighter as defined in section 299N.03, subdivision 5; and

5.7 (3) a correctional officer as defined in section 241.026, subdivision 1, paragraph (b).

5.8 (b) "Dependent" means a person who: (1) meets the definition of dependent in section
5.9 62L.02, subdivision 11, at the time of the ~~officer's or firefighter's~~ public safety employee's
5.10 injury or death, or at the time of the volunteer firefighter's death; and (2) is not covered
5.11 under another group health plan. For purposes of ~~this~~ applying section 62L.02, subdivision
5.12 11, the term "eligible employee" ~~as defined under section 62L.02, subdivision 13, includes~~
5.13 means a public safety employee or a volunteer firefighter.

5.14 ~~(c) "Firefighter" has the meaning given in Minnesota Statutes 2000, section 424.03, but~~
5.15 ~~does not include volunteer firefighters.~~

5.16 ~~(d)~~ (c) "Volunteer firefighter" has the meaning given in section 299N.03, subdivision
5.17 7, and includes paid per call.

5.18 ~~(e)~~ (d) "Fire department" has the meaning given in section 299N.03, subdivision 4.

5.19 ~~(f)~~ (e) For purposes of subdivisions 2 to 5a, "employer" includes a municipality or
5.20 municipalities that operate the fire department in which a volunteer firefighter serves.

5.21 Sec. 7. **EFFECTIVE DATE.**

5.22 Sections 1 to 6 are effective July 1, 2018.