

A bill for an act

relating to labor; modifying peace officer and firefighter duty disability provisions; requiring a report; appropriating money; amending Minnesota Statutes 2022, sections 299A.42; 299A.465, subdivision 4; 352B.011, subdivision 10, by adding a subdivision; 352B.10, subdivisions 1, 2a, 4, by adding a subdivision; 352B.101; 352B.105, subdivision 1; 353.01, subdivision 47; 353.031, subdivisions 1, 3, 4, 8, 9; 353.335; 353.656, subdivisions 1, 1a, 1b, 3, 3a, 4, 6a, 10; proposing coding for new law in Minnesota Statutes, chapters 352B; 353; 626; repealing Minnesota Statutes 2022, section 353.656, subdivisions 2, 2a.

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

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

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

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

Subd. 2. Annual report. The commissioner of public safety must annually report, no later than 30 days after the end of each fiscal year, to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety and pensions regarding the financial status of the public safety officer's benefit account; the reimbursements paid by the commissioner during the preceding fiscal year under sections 299A.465, 352B.102, and 353.032; and payments, if any, made during the preceding fiscal year under sections 352B.103 and 353.033. If the commissioner anticipates, based on historical averages,

that the public safety officer's benefit account will not have enough money to fund all reimbursements the commissioner reasonably anticipates will be requested under sections 299A.465, 352B.102, and 353.032 and payments for which invoices will be received under sections 352B.103 and 353.033 for the current and next fiscal year, the commissioner must include in the report the amounts the commissioner believes are necessary to fund the anticipated reimbursements and payments.

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

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

Subd. 4. **Public employer reimbursement.** (a) 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 and sections 352B.102 and 353.032. Except as provided for in paragraph (b), the commissioner shall provide an equal pro-rata share reimbursement to the public employer 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 must not exceed the actual costs of providing coverage under this section by a public employer.

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

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

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

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

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

Sec. 3. Minnesota Statutes 2022, section 352B.011, subdivision 10, is amended to read:

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

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

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

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

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

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

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

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

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

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

Sec. 4. Minnesota Statutes 2022, section 352B.011, is amended by adding a subdivision to read:

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

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

Sec. 5. Minnesota Statutes 2022, section 352B.10, subdivision 1, is amended to read:

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

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

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

Sec. 6. Minnesota Statutes 2022, section 352B.10, is amended by adding a subdivision to read:

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

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

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

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

Sec. 7. Minnesota Statutes 2022, section 352B.10, subdivision 2a, is amended to read:

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

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

Sec. 8. Minnesota Statutes 2022, section 352B.10, subdivision 4, is amended to read:

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

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

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

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

Sec. 9. Minnesota Statutes 2022, section 352B.101, is amended to read:

352B.101 APPLICATION FOR DISABILITY BENEFIT.

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

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

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

Sec. 10. **[352B.102] APPLICATION FOR PSYCHOLOGICAL CONDITION
TREATMENT.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) An employee who receives approval under this subdivision is not considered disabled for the purposes of a duty disability under section 352B.10, unless the employee completes the additional requirements under this section, receives final confirmation under subdivision 6, and applies for disability benefits under section 352B.101 before receiving duty disability benefits or related benefits.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 11. **[352B.103] PSYCHOLOGICAL CONDITION TREATMENT ACCOUNT.**

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

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

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

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

15.1 Sec. 12. Minnesota Statutes 2022, section 352B.105, subdivision 1, is amended to read:

15.2 Subdivision 1. **Termination.** Disability benefits payable under section 352B.10,
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. 13. 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. 14. 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. 15. 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.

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

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

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

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

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

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

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

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

Sec. 16. Minnesota Statutes 2022, section 353.031, subdivision 4, is amended to read:

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

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

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

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

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

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

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

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

Sec. 17. Minnesota Statutes 2022, section 353.031, subdivision 8, is amended to read:

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

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

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

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

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

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

Sec. 18. Minnesota Statutes 2022, section 353.031, subdivision 9, is amended to read:

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

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

Sec. 19. **[353.032] APPLICATION FOR PSYCHOLOGICAL CONDITION TREATMENT.**

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) a report by a mental health professional diagnosing the employee with a mental illness and finding that the employee is currently unable to perform the normal duties of

23.1 the position held by the employee on the date of the injury, event, or onset of the mental
23.2 illness on a full- or part-time basis; and

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

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

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

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

23.21 Subd. 4. **Treatment required.** (a) Except as provided in paragraph (f), an employee
23.22 who receives approval under subdivision 3 shall complete up to 24 consecutive weeks of
23.23 active treatment modalities for the employee's diagnosed mental illness, as provided under
23.24 this subdivision, before a final confirmation can be made under subdivision 6. Treatment
23.25 shall be at the direction of a mental health professional using treatment modalities indicated
23.26 for the treatment of the diagnosed mental illness. An employee shall not be penalized for
23.27 an interruption in active, consecutive treatment that is not initiated by or resulting from an
23.28 intentional action of the employee. Subject to the limit under subdivision 9, the employer
23.29 shall pay for the treatment costs to the extent not paid for by the employee's health insurance
23.30 and may seek reimbursement.

23.31 (b) The employee's mental health professional must assess the employee's progress in
23.32 treatment monthly and at the end of the 24 weeks or earlier, including any change to the
23.33 employee's ability to return to the position held by the employee on the date of the injury,
23.34 event, or onset of the mental illness, or to another position with the employer which provides

salary and employer-provided benefits, including pension benefits, that are equal to or greater than those for the position held by the employee on the date of the injury, event, or onset of the mental illness. A final confirmation under subdivision 6 must be supported by a report from the employee's mental health professional containing an opinion about the employee's prognosis, the duration of the disability, and the expectations for improvement following the treatment. A report that does not contain and support a finding that the employee's disability as a result of a psychological condition will last for at least 12 months must not be relied upon to support approval of duty disability benefits.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) After confirmation and application under paragraph (a), clause (3), the association must approve the employee's application for disability benefits if the employee is eligible

under section 353.031, at which time the employee is entitled to receive disability benefits as provided under this section and any related benefits. The disability benefit begins to accrue the day following the day on which the employer ceases to continue salary and benefits under subdivision 5 and section 353.656, subdivision 4, paragraph (a).

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

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

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

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

(c) The employee's mental health professional must assess the employee's progress in treatment at the end of eight weeks, including any change to the employee's ability to return to the position held by the employee on the date of the injury, event, or onset of the mental illness, or to another position with the employer which provides salary and employer-provided benefits, including pension benefits, that are equal to or greater than those for the position held by the employee on the date of the injury, event, or onset of the mental illness. A final confirmation under subdivision 6, paragraph (b), must be supported by an updated report

from the employee's mental health professional containing an opinion about the employee's prognosis, the duration of the disability, and the expectations for improvement following the additional treatment. An updated report that does not contain and support a finding that the employee's disability as a result of a psychological condition will last for at least 12 months must not be relied upon to support approval of duty disability benefits.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) An employee who wishes to appeal the independent medical provider's determination under paragraph (a), clause (2), item (ii), may request an examination by a qualified professional selected by the employee from a panel established by mutual agreement among the League of Minnesota Cities, the Association of Minnesota Counties, the Minnesota Peace and Police Officers Association, the Minnesota Professional Fire Fighters Association, the Minnesota Chiefs of Police Association, and the Minnesota Law Enforcement Association. The panel shall consist of five licensed psychiatrists or psychologists who have expertise regarding psychological or emotional disorders and who are qualified to opine as to the employee's fitness to engage in police or firefighting duties. The agreed upon panel of qualified professionals must be submitted to the executive director and made available for use in the appeal process. If the employee fails to select a qualified professional from the panel within ten days of any notice of appeal, the employing entity may select the qualified professional from the panel. A determination made by a qualified professional under this item is binding and not subject to appeal. This panel may be the same panel as the panel established under section 352B.102, subdivision 10.

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

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

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

Sec. 20. **[353.033] PSYCHOLOGICAL CONDITION TREATMENT ACCOUNT.**

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

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

Subd. 3. **Commissioner of public safety to pay costs when account is depleted.** When the PERA psychological condition treatment account is depleted, the executive director of the Public Employees Retirement Association may invoice the commissioner of public safety for the costs of administering the psychological condition treatment under section 353.032. The commissioner must pay invoices submitted by the executive director of the Public Employees Retirement Association from the public safety officer's benefit account under section 299A.42 within 30 days of receipt.

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

Sec. 21. Minnesota Statutes 2022, section 353.335, is amended to read:

353.335 DISABILITANT EARNINGS REPORTS.

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

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

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

Sec. 22. Minnesota Statutes 2022, section 353.656, subdivision 1, is amended to read:

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

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

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

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

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

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

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

Sec. 23. Minnesota Statutes 2022, section 353.656, subdivision 1a, is amended to read:

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

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

(c) A member receiving a disability benefit under this subdivision who is found to no longer ~~be permanently and totally disabled~~ have a total and permanent disability as defined under section 353.01, subdivision 19, but continues to meet the definition for receipt of have a duty disability as defined under section 353.01, subdivision 41, is subject to subdivision 1 upon written notice from the association's medical advisor that the person is

no longer ~~considered permanently and totally disabled~~ has a total and permanent disability,
and may, upon application, elect an optional annuity under subdivision 1b.

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

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

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

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

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

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

(1) within 90 days before normal retirement age;

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

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

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

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

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

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

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

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

Sec. 25. Minnesota Statutes 2022, section 353.656, subdivision 3, is amended to read:

Subd. 3. **Regular disability benefit.** (a) A member of the police and fire plan, ~~other than~~ who (1) is not a firefighter covered by section 353.6511, or a police officer covered by section 353.6512, who qualifies for (2) has at least one year of allowable service, (3) has a condition that meets the definition of a regular disability benefit as defined in under section 353.01, subdivision 46, and (4) has filed an application under section 353.031 that was approved by the executive director is entitled to receive a disability benefit, ~~after filing a~~

34.1 ~~valid application~~, in an amount equal to 45 percent of the member's average salary as defined
34.2 in section 353.01, subdivision 17a.

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

34.5 (1) not met the age and vesting requirements for a retirement annuity under section
34.6 353.651, subdivision 1; or

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

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

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

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

34.17 Sec. 26. Minnesota Statutes 2022, section 353.656, subdivision 3a, is amended to read:

34.18 Subd. 3a. **Total and permanent regular disability; computation of benefits.** (a) A
34.19 member of the police and fire plan, ~~other than~~ who (1) is not a firefighter covered by section
34.20 353.6511, or a police officer covered by section 353.6512, whose disabling (2) has a
34.21 condition is determined to be that meets the definition of a regular disability under section
34.22 353.01, subdivision 46, and that is also a total and permanent and total disability as defined
34.23 in under section 353.01, subdivision 19, and (3) has filed an application under section
34.24 353.031 that was approved by the executive director is entitled to receive, for life, a disability
34.25 benefit in an amount equal to 45 percent of the member's average salary as defined in under
34.26 section 353.01, subdivision 17a, plus an additional 3.0 percent of that average salary for
34.27 each year of service in excess of 15 years.

34.28 (b) A disability benefit payable under paragraph (a) is subject to eligibility review under
34.29 section 353.33, subdivision 6, but the review may be waived if the executive director receives
34.30 a written statement from the association's medical advisor that no improvement can be
34.31 expected in the member's disabling condition that was the basis for payment of the benefit
34.32 under paragraph (a). A member receiving a disability benefit under this subdivision who is
34.33 found to no longer be permanently and totally disabled have a total and permanent disability

as defined under section 353.01, subdivision 19, but continues to ~~meet the definition for~~
~~receipt of~~ have a regular disability as defined under section 353.01, subdivision 46, is subject
to subdivision 3 upon written notice from the association's medical advisor that the person
is no longer ~~considered permanently and totally disabled~~ has a total and permanent disability.

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

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

Sec. 27. Minnesota Statutes 2022, section 353.656, subdivision 4, is amended to read:

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

(b) This paragraph applies to members who begin disability payments before July 1,
2023, and either are not required to reapply under section 353.031, subdivision 8, or have
not reached the end of one year or three years, as applicable, when reapplication under
section 353.031, subdivision 8, is required. If a disabled member resumes a gainful
occupation with earnings that, when added to the single life disability benefit, and workers'
compensation benefit if applicable, exceed the disability benefit recipient's reemployment
earnings limit, the amount of the disability benefit must be reduced during the months of
employment and receipt of workers' compensation benefits, if applicable, as provided in
this paragraph. The disability benefit recipient's reemployment earnings limit is the greater
of:

(1) the monthly salary earned at the date of disability; or

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

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

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

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

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

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

(2) for all members:

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

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

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

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

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

Sec. 28. Minnesota Statutes 2022, section 353.656, subdivision 6a, is amended to read:

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

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

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

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

Sec. 29. Minnesota Statutes 2022, section 353.656, subdivision 10, is amended to read:

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

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

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

Sec. 30. **[626.8478] WELLNESS TRAINING.**

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

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

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

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

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

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

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

Sec. 31. **TRANSFERS TO THE PSYCHOLOGICAL CONDITION TREATMENT ACCOUNTS.**

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

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

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

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

Sec. 32. **TRANSFERS TO THE PUBLIC SAFETY OFFICER'S BENEFIT ACCOUNT.**

\$100,000,000 in fiscal year 2024 is transferred from the general fund to the public safety officer's benefit account under Minnesota Statutes, section 299A.42, and appropriated to 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. 33. **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.

353.656 DISABILITY BENEFITS.

Subd. 2. **Benefits paid under workers' compensation law.** (a) When the amount determined under paragraph (b) exceeds the equivalent salary determined under paragraph (c), the disability benefit amount must be reduced to that amount which, when added to the workers' compensation benefits, equals the equivalent salary.

(b) When a member receiving a disability benefit as specified in this section is also entitled to receive lump sum or periodic benefits under workers' compensation laws, the single life annuity actuarial equivalent disability benefit amount and the workers' compensation amount must be added. The computation must exclude any attorney fees paid by the disability benefit recipient as authorized under applicable workers' compensation laws. The computation must also exclude permanent partial disability payments provided under section 176.101, subdivision 2a, and retraining payments under section 176.102, subdivision 11, if the permanent partial disability or retraining payments are reported to the executive director in a manner specified by the executive director.

(c) The equivalent salary is the amount determined under clause (1) or (2), whichever is greater:

(1) the salary the disabled member received as of the date of the disability; or

(2) the salary currently payable for the same employment position or substantially similar positions in the applicable government subdivision.

Subd. 2a. **Reduction restored; overpayment.** A disabled member who is eligible to receive a disability benefit under subdivision 2 as of June 30, 1987, and whose disability benefit amount had been reduced prior to July 1, 1987, as a result of the receipt of workers' compensation benefits, must have the disability benefit payment amount restored, as of July 1, 1987, calculated in accordance with subdivision 2. However, a disabled member is not entitled to receive retroactive repayment of any disability benefit amounts lost before July 1, 1987, as a result of the reduction required before that date because of the receipt of workers' compensation benefits.

Any disability benefit overpayments made before July 1, 1987, and occurring because of the failure to reduce the disability benefit payment to the extent required because of the receipt of workers' compensation benefits, may be collected by the association through the reduction of disability benefit or annuity payment made on or after July 1, 1987, until the overpayment is fully recovered.