

SF 1547 (Jasinski); HF 1577 (Koznick): Study by the Department of Labor and Industry of disability and workers compensation benefits for police officers

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Introduction

- Affected Plans:** PERA Police and Fire Plan
- Laws Amended:** None; the bill will be a session law and will not be codified.
- Brief Description:** The bill requires the Department of Labor and Industry (DLI) to study the adequacy of current benefits for disabled or injured police officers, including consideration of workers compensation, disability, and pension benefits.
- Attachment:** [Fiscal note](#) on HF 1577 (Koznick), dated March 15, 2021

Background

A former police officer of the Minneapolis Police Department and member of the PERA Police and Fire Plan suffered a debilitating injury over 15 years ago as a commander of the bomb squad. The former police officer requires constant care. In 2008, a bill was introduced that would increase the total and permanent disability pension under the P&F Plan for all disabled police and firefighters from 60% to 75% of salary. The bill was not passed due to cost concerns. Instead, special legislation was passed that increased the former Minneapolis police officer's pension from 60% to 75%. At the time, PERA's executive director stated that PERA would conduct a study of its benefits for total and permanent disability under the P&F Plan, but this study was never conducted.

Since then, the spouse of the former police officer has petitioned the legislature, requesting that a study be done.

According to the minutes of the August 14, 2019, meeting of the DLI Workers' Compensation Advisory Council, a search of the workers' compensation files for police and firefighter permanent total disability cases found 33 claims since 2005.

Summary of the Bill

The bill requires the Department of Labor and Industry to study the adequacy of benefits available to disabled or injured police officers, including a consideration of workers compensation, disability, and

pension benefits and the adequacy of those benefits. The Public Employees Retirement Association is required to cooperate with DLI in the study. DLI is to issue its report by January 15, 2022.

Amendment

We understand an amendment is to be offered, numbered A22-300, when the bill is considered by the Commission at its February 8 meeting.

The amendment changes the required delivery date for the report to January 15, 2023, and requires the report to be delivered to the Commission, in addition to the chairs of the House and Senate public safety committees, as required by the bill.

Considerations

- Minnesota Statutes, section 353.656, subdivision 2, provides for an offset. Workers compensation received reduces the disability payments from the P&F Plan if the total amount of workers compensation plus the disability benefit exceeds the greater of (a) the member's salary at the date of the disability or (b) the salary currently payable for the same position with the member's public employer.
- Total and permanent disability benefits are not subject to federal taxation and are payable until death. Staff has not been able to research state taxation of a total and permanent disability benefit.

Legislative Commission on Pensions and Retirement

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