



May 5, 2026

RE: DE4 Amendment to SF 4464 (Howe)/HF4988 (Novotny) Health insurance coverage continuation for peace officers and firefighters disabled in the line of duty

Dear Chair Frentz and Members of the Legislative Commission on Pensions and Retirement,

We appreciate the opportunity to submit written comments in support of the DE4 amendment submitted to SF 4464 (Howe)/HF 4988 (Novotny), which would create a work group on duty disability and the Public Safety Officer Benefit (PSOB) Account.

Since 2020, we have participated in stakeholder meetings to discuss and recommend improvements to the duty disability process and related benefits through legislative initiatives. Unfortunately, those efforts have not resulted in significantly better outcomes related to duty disability trends, stabilization of the Public Employees Retirement Association Police and Fire (PERA-P&F) Plan or permanent relief for public employers who are responsible for the continued health insurance for duty disabled public safety officers. Creating a work group to review and recommend legislative changes to the duty disability process and to find a path forward for ongoing healthcare coverage for duty-disabled and non-disabled retired public safety officers is a sensible approach.

As you know, in 2023 the legislature made a one-time \$100 million appropriation to the PSOB Account for the purpose of reimbursing public employers for complying with new treatment benefits and providing continued health insurance to duty disabled individuals; but it is estimated that well over half of that appropriation has now been spent and the funds will be depleted well before previous estimates predicted. Additionally, roughly one-third of all pension applicants through PERA-P&F are now duty disability applications. This means that more funds are being drawn out for longer from the pension fund with fewer individuals making

active contributions. The problem continues to grow, and a comprehensive solution is more necessary now than ever before.

Police officers and firefighters uphold a commitment to keeping communities across the state safe and protected from harm's way. It is in pursuit of upholding this same commitment to these individuals that it is crucial to take a holistic view of a process that is impacting their long-term financial stability through their public pension and their continued health insurance in the event of an injury. This is a complicated problem that requires a thoughtful solution. We appreciate the thoughtful solution proposed in the DE4 amendment, and want to acknowledge the work of Sen. Howe, Sen. Frentz, Rep. Stier, Rep. Johnson, Rep. O'Driscoll and the members of the commission for working in a collaborative manner to arrive at this solution.

Thank you for the opportunity to comment, and we encourage the commission's support.

Sincerely,

Association of Minnesota Counties
Coalition of Greater Minnesota Cities
League of Minnesota Cities
Minnesota Chiefs of Police Association
Minnesota Inter County Association
Minnesota Police and Peace Officers Association
Minnesota Professional Fire Fighters Association
Minnesota Sheriffs' Association
Minnesota State Fire Chiefs Association