

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

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Bill 3

LLS NO. 15-0068.01 Nicole Myers x4326

INTERIM COMMITTEE BILL

Police Officers' and Firefighters' Pension Reform Commission

A BILL FOR AN ACT

101 **CONCERNING THE CONTRIBUTION RATE FOR PARTICIPANTS BEGINNING**
102 **MEMBERSHIP IN THE FIRE AND POLICE PENSION ASSOCIATION'S**
103 **STATEWIDE DEFINED BENEFIT PLAN.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Police Officers' and Firefighters' Pension Reform Commission.
The bill specifies the contribution rate for an active employee of a municipality, fire protection district, fire authority, or fire improvement district who is directly involved with the provision of police or fire

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

protection and who becomes a participant in the statewide defined benefit plan administered by the fire and police pension association (FPPA) as the result of a merger, consolidation, or exclusion or dissolution proceeding among one or more employer. The contribution rate for such employee is the continuing uniform rate of contribution established by the FPPA board as directed by statute.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 31-31-401, **amend**
3 (3) as follows:

4 **31-31-401. Applicability of plan.** (3) Where an employer results
5 from a merger, a consolidation, or an exclusion or dissolution proceeding
6 between or among one or more employers, including a new governmental
7 entity created by intergovernmental agreement between or among one or
8 more employers, all members transferred to or employed by such
9 resulting employer shall, for the purposes of this article and article 30.5
10 of this title, have those rights and obligations they had prior to the merger,
11 consolidation, exclusion, dissolution, or intergovernmental agreement. In
12 the event of a transfer of members, provision shall be made in such
13 agreement or proceeding for allocation and transfer of plan assets, and,
14 in the event of the transfer of members of a defined benefit plan,
15 provision shall be made in such agreement or proceeding for discharging
16 plan liabilities and funding in order to maintain or enhance the actuarial
17 soundness of the remaining and resulting plans. If the resulting employer
18 had no members prior to the merger, consolidation, exclusion, or
19 dissolution, it may continue as its plan any plan of a transferring
20 employer, authorized by this article, for its members hired after the
21 effective date of the agreement or proceeding or the resulting employer
22 shall belong to the statewide defined benefit plan. The board may

1 authorize the resulting employer to consolidate preexisting retirement
2 plans and any retirement plan attributable solely to the resulting employer
3 into one or more plans if the plans to be consolidated are identical, the
4 benefits are equal for all members covered under the retirement
5 provisions of the plans, and no member suffers a reduction of benefits or
6 an increase in member contributions due to such plan consolidation. ANY
7 MEMBER EMPLOYED BY A PREDECESSOR DEPARTMENT WHO PARTICIPATED
8 IN A MONEY PURCHASE PLAN PRIOR TO THE MERGER, CONSOLIDATION,
9 EXCLUSION, OR DISSOLUTION AND WHO PARTICIPATES IN THE STATEWIDE
10 DEFINED BENEFIT PLAN AFTER THE MERGER, CONSOLIDATION, EXCLUSION,
11 OR DISSOLUTION SHALL PAY THE CONTINUING UNIFORM RATE OF
12 CONTRIBUTION ESTABLISHED BY THE BOARD PURSUANT TO SECTION
13 31-31-1103 (2).

14 **SECTION 2. Act subject to petition - effective date.** This act
15 takes effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly (August
17 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
18 referendum petition is filed pursuant to section 1 (3) of article V of the
19 state constitution against this act or an item, section, or part of this act
20 within such period, then the act, item, section, or part will not take effect
21 unless approved by the people at the general election to be held in
22 November 2016 and, in such case, will take effect on the date of the
23 official declaration of the vote thereon by the governor.