



2023 Legislation Impacting COLORADO PERA

During the 2023 legislative session, seven bills affecting Colorado PERA were introduced and three were passed by the Colorado General Assembly and signed into law. Below are summaries and PERA's position on the final versions of all 2023 legislation.

SENATE BILL 23-016: GREENHOUSE GAS EMISSION REDUCTION MEASURES

Status: Signed into law by Gov. Polis on May 11, 2023.

The bill includes multiple provisions that are meant to reduce greenhouse gas emissions in the state, along with one section concerning PERA, which requires a description of climate-related investment risks, impacts, and strategies to be included as part of PERA's annual *Investment Stewardship Report*, which is posted on the PERA website.

PERA's Position: The PERA Board does not have a position on this bill.

SENATE BILL 23-056: COMPENSATORY DIRECT DISTRIBUTION TO PERA

Status: Signed into law by Gov. Polis on June 2, 2023.

The bill requires the state to make an additional payment to PERA in the amount of the balance of the PERA Payment Cash Fund, plus \$10 million in General Fund, which results in a total payment of approximately \$4.5 million. This payment is intended to recompense PERA for the cancellation of a previously scheduled July 1, 2020, direct distribution of \$225 million, in addition to the compensatory payment provided in previous legislation. The bill also repeals the PERA Payment Cash Fund on July 1, 2023.

PERA's Position: The PERA Board supports efforts to restore contributions to PERA.

SENATE BILL 23-163: COLORADO PARKS AND WILDLIFE OFFICERS CLASSIFIED AS STATE TROOPERS

Status: Signed into law by Gov. Polis on June 6, 2023.

The bill modifies the definition of "state trooper" to include wildlife officers and parks and recreation officers hired on or after January 1, 2011, by Colorado Parks and Wildlife in the Department of Natural Resources. It applies the state trooper contribution rate and benefits to eligible employees and their employers effective July 1, 2023.

PERA's Position: The PERA Board does not have a position on this bill.

SENATE BILL 23-104: PERA DENVER PUBLIC SCHOOLS DIVISION EMPLOYER CONTRIBUTION REDUCTION

Status: The bill was postponed indefinitely.

The bill would have reduced the employer contribution rate of the Denver Public Schools Division of PERA from 10.4% to 7.15% of salary.

PERA's Position: The PERA Board opposes reductions in contributions while there are unfunded liabilities, pursuant to its funding policy.

HOUSE BILL 23-1092: LIMITATING USE OF STATE MONEY

Status: The bill was postponed indefinitely.

The bill would have required PERA to make investments solely on financial factors and would have prohibited investing in any entity with a stated purpose to further certain social, political, or ideological interests beyond what federal and state law require.

PERA's Position: The PERA Board opposes investment mandates that restrict PERA's investment options or compel PERA to invest in a way that prioritizes a policy outcome over fiduciary duties.

HOUSE BILL 23-1144: PERA DEFINED BENEFIT PLAN PAYMENTS TO EX-SPOUSE

Status: The bill was postponed indefinitely.

The bill would have made changes regarding the division of PERA Defined Benefit (DB) Plan benefits in legal separation or dissolution of marriage or civil union actions. Parties to these actions in Colorado may enter into an agreement allocating a portion of the PERA DB Plan benefits to the retiree's former spouse. The bill would have terminated benefits to the former spouse of a PERA retiree if the former spouse remarried.

PERA's Position: The PERA Board does not have a position on this bill.

HOUSE BILL 23-1176: PERA DEFINED CONTRIBUTION PLAN SCHOOL PERSONNEL

Status: The bill was postponed indefinitely.

The bill would have required PERA to create and administer a new "flexible defined contribution plan" for new members of PERA's School and DPS divisions. The plan would have been separate from the existing PERA Defined Contribution (DC) Plan and had various attributes that differ from the current Plan, such as not including the DC supplement provision that applies to the State and Local Government divisions and holds the DB Plan harmless for those choosing DC.

PERA's Position: The PERA Board opposes reductions in contributions while there are unfunded liabilities, pursuant to its funding policy.

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