



2019 Legislation Impacting COLORADO PERA

During the 2019 legislative session, two bills affecting Colorado PERA were introduced, one of which was signed into law.

HOUSE BILL 19-1217: PERA LOCAL GOVERNMENT DIVISION MEMBER CONTRIBUTION RATE

Status: Signed into law by Governor Polis on May 20, 2019.

This bill eliminated the scheduled 2 percent increase in the member contribution rate for the Local Government Division that was included in legislation passed in 2018. That legislation increased contributions paid by all PERA members. While this new bill eliminates those increased contributions for members in the Local Government Division, all members are still subject to any adjustments in contributions required to keep PERA on the path to full funding in 30 years. Contributions for all members can increase (or decrease) by up to 0.5 percent per year.

PERA's Position: The PERA Board's original recommendation to the General Assembly presented in late 2017 included increases in employee contributions across all divisions.

HOUSE BILL 19-1270: PERA BOARD ASSESS CLIMATE-RELATED FINANCIAL RISKS

Status: Postponed indefinitely by the House Finance Committee on April 8.

The bill would have required that the PERA Board of Trustees retain a third-party organization by October 31, 2019, to perform a study to include:

- » A comprehensive analysis of any climate-related financial risk to PERA's portfolio, and exposure of the fund to long-term risks.
- » A summary of climate-related financial risk-related engagement activities undertaken by PERA.
- » A description of additional action that should be taken, or planned to be taken, by PERA to address climate-related financial risk, including a list of proxy votes and shareholder proposals initiated by the Board.

PERA's Position: The PERA Board had concerns about the redundancy of this study with other required reporting and directed staff to continue to work with the bill sponsors and members of the General Assembly to educate them on these concerns.

▶ For more information about these bills or other legislation not noted, visit www.leg.colorado.gov.