



2020 Legislation Impacting COLORADO PERA

During the 2020 legislative session, four bills directly affecting Colorado PERA were introduced and all were signed into law.

HOUSE BILL 20-1127: EXTEND PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION RETIREE WORK AFTER RETIREMENT LIMIT

Status: Signed into law by Governor Polis on July 13, 2020.

This bill allows Boards of Cooperative Services (BOCES) to hire PERA retirees to work in certain roles where there is a critical shortage of qualified providers without reductions to their PERA retirement benefits. The bill modifies the current PERA working after retirement provisions for certain retirees hired by a BOCES if:

- » The BOCES hires a retiree to provide services in two or more rural school districts,
- » The BOCES hires the service retiree to provide special services to students, and
- » The BOCES determines that there is a critical shortage of special service providers and that the retiree has specific experience, skills, or qualifications that would benefit the districts that the BOCES serves.

A PERA retiree may not work under these modified rules for more than five consecutive years. All BOCES combined may hire no more than 40 people over five years. Both the BOCES and the working retiree must provide full payment of all contributions and disbursements to PERA during the time of employment, which includes an additional payment to PERA equal to 2% of the retiree's salary.

PERA's Position: The PERA Board of Trustees did not take a position on this bill.

HOUSE BILL 20-1379: SUSPEND DIRECT DISTRIBUTION TO PERA PUBLIC EMPLOYEES RETIREMENT ASSOCIATION FOR 2020-21 FISCAL YEAR

Status: Signed into law by Governor Polis on June 29, 2020.

Current law provides for an annual direct distribution to PERA from the State, currently set at \$225 million, until PERA is fully funded. This bill suspends that direct distribution for the 2020–21 fiscal year.

PERA's Position: The PERA Board, as fiduciaries and pursuant to their funding policy, opposes reductions in contributions to PERA while PERA has unfunded liabilities.

HOUSE BILL 20-1394: PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION JUDICIAL DIVISION CONTRIBUTION RATE MODIFICATION

Status: Signed into law by Governor Polis on June 29, 2020.

The bill decreases the employer contribution rate for the Judicial Division by 5% for the 2020–21 and 2021–22 State fiscal years. For those same fiscal years, the member contribution rate for the Judicial Division increases by 5%.

The contributions rates for the Judicial Division will continue to be subject to the automatic adjustment provisions in PERA law.

The changes do not apply to employer or member contributions for judges employed by the Denver County Court. The bill does not change contribution rates for any other division of PERA.

PERA's Position: The PERA Board, as fiduciaries and pursuant to their funding policy, opposes reductions in contributions to PERA while PERA has unfunded liabilities.

SENATE BILL 20-057: FIRE PREVENTION & CONTROL EMPLOYEE BENEFITS

Status: Signed into law by Governor Polis on June 29, 2020.

This bill reclassifies wildfire firefighters employed by the State as "Safety Officers," which adjusts their contribution rates and retirement benefits to match other Safety Officers (i.e., State Troopers, CBI Agents, certain corrections officers, and certain county sheriffs, undersheriffs, deputy sheriffs). These changes apply only to service credit earned after the bill goes into effect.

PERA's Position: The PERA Board of Trustees did not take a position on this bill.

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