



# 2021 Legislation Impacting COLORADO PERA

During the 2021 legislative session, four bills affecting Colorado PERA were introduced and two were signed into law. Below are summaries of the 2021 legislation.

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## SENATE BILL 21-228: PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION PAYMENT CASH FUND

**Status:** Signed into law by Governor Polis on May 4, 2021.

This bill creates the PERA Payment Cash Fund in the State Treasury and appropriates \$380 million to the fund for the 2020-21 state fiscal year. The State Treasurer is required to pay the General Fund portion of the direct distribution payment due to PERA on July 1, 2022, from the fund and, subject to annual appropriation, money in the fund may be used by the state for any employer contribution or disbursement to PERA.

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

## HOUSE BILL 21-1136: JUDICIAL DIVISION RETIREES TEMPORARY JUDICIAL DUTIES COMPENSATION

**Status:** Signed into law by Governor Polis on May 4, 2021.

This bill adds additional contract periods of 10, 20, and 30 days per year that retired judges may perform temporary judicial duties after retirement and receive a benefit increase equal to a percentage of the current monthly salary of judges serving in the same position held by the retiree at the time of retirement. It also removes the requirement that a judge enters into such an agreement before retirement, or within five years after retirement, and adds certain conditions that would make those retired judges ineligible to enter into an agreement if met.

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

## HOUSE BILL 21-1213: CONVERSION OF PINNACOL ASSURANCE

**Status:** This bill was postponed indefinitely.

This bill would have converted Pinnacol Assurance, which provides workers' compensation insurance in Colorado and is a political subdivision of the state, into a private company. This conversion required a disaffiliation of Pinnacol Assurance as an affiliated employer from the State Division Trust Fund of PERA and payment to cover the costs of disaffiliation.

**PERA's Position:** The PERA Board holds that all disaffiliations should be treated the same and the methodology used to determine the cost for disaffiliation should align with the framework provided under the current statute.

## HOUSE BILL 21-1246: PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION DIVESTMENT FROM FOSSIL FUEL COMPANIES

**Status:** This bill was postponed indefinitely.

This bill would have required the PERA Board to create an exclusion list of all direct investments PERA has in fossil fuel companies and issue a determination whether divestment from the companies on the list complies with the Board's fiduciary obligations. If the Board determined that divestment from any company on the exclusion list did comply with its fiduciary duties then the Board would have been required to divest from those companies.

**PERA's Position:** PERA opposes divestment efforts unless such opposition is inconsistent with its fiduciary duty and recommends the legislature thoughtfully consider such proposals with caution and fiduciary care.

- ▶ For the most up-to-date information on legislation involving PERA, visit [www.peraontheissues.com](http://www.peraontheissues.com). Also, be sure to stay informed and involved by signing up for our action alerts at <https://www.coloradoretirementactioncenter.com/> and by following the Colorado Retirement Action Center on Facebook.