

Second Regular Session

Sixty-second General Assembly

LLS NO. 00-0040.01 Gregg Fraser

SENATE BILL 00-076

STATE OF COLORADO

BY SENATOR Owen;  
also REPRESENTATIVE King.

REENGROSSED

A BILL FOR AN ACT

101 CONCERNING THE STATE DEFINED CONTRIBUTION PLAN, AND MAKING AN  
102 APPROPRIATION IN CONNECTION THEREFOR.

Bill Summary

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Allows additional individuals to participate in the state defined contribution plan. Adds new members to the defined contribution retirement committee to reflect the additional employees participating in the plan.

Provides matching employer contributions for employees participating in the state defined contribution plan who make voluntary contributions to eligible tax deferred retirement programs. Specifies that such matching contributions shall be provided on the same basis and at the same level as provided to members of the public employees' retirement association.

Authorizes the defined contribution retirement committee to charge a fee to eligible employees to provide for administrative costs. Specifies a maximum amount for said fee.

Defines terms.

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

2 **SECTION 1.** 24-54.7-101, Colorado Revised Statutes, is  
3 amended to read:

4 **24-54.7-101. Legislative declaration.** The general assembly  
5 hereby finds and declares that it is essential for the state government AND

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.*

SENATE  
3rd Reading Unamended  
April 13, 2000

SENATE  
Amended 2nd Reading  
April 12, 2000

1 FOR LOCAL GOVERNMENTS to be able to attract and retain the most  
2 qualified elected officials and employees in order to preserve and enhance  
3 the ability of the state AND OF LOCAL GOVERNMENTS to provide the  
4 highest quality service to the people of Colorado. Accordingly, in order  
5 to attract and retain such officials and employees, the general assembly  
6 hereby finds and declares that it is imperative that the state government  
7 AND LOCAL GOVERNMENTS should have the maximum flexibility to  
8 provide alternative defined contribution plans.

9 **SECTION 2.** 24-54.7-102 (4) and (6), Colorado Revised Statutes,  
10 are amended to read:

11 **24-54.7-102. Definitions.** As used in this article, unless the  
12 context otherwise requires:

13 \_\_\_\_\_  
14 (4) "Eligible employee" means A SUPERINTENDENT OF A SCHOOL  
15 DISTRICT, \_\_\_\_\_ A JUDGE, a member of the general assembly, the  
16 governor, the lieutenant governor, the attorney general, the chief deputy  
17 attorney general, the solicitor general, THE DISTRICT ATTORNEY OF A  
18 JUDICIAL DISTRICT, the secretary of state, the deputy secretary of state, the  
19 state treasurer, the deputy state treasurer, a member of the public utilities  
20 commission, an executive director of a department of state appointed by  
21 the governor, an employee of the senate or the house of representatives,  
22 and a nonclassified employee of the office of the governor for whom a  
23 defined contribution plan has been established pursuant to the provisions  
24 of this article.

25 (6) "Employer" means A SCHOOL DISTRICT IN COLORADO, A  
26 JUDICIAL DISTRICT, the state, the general assembly, and any state

1 department that employs an eligible employee.

2 **SECTION 3.** 24-54.7-103 (1) (a), Colorado Revised Statutes, is  
3 amended to read:

4 **24-54.7-103. Defined contribution retirement committee -**  
5 **creation - establishment of defined contribution plans.** (1) (a) There  
6 is hereby created the state defined contribution retirement committee.  
7 ~~consisting~~ PRIOR TO JULY 1, 2000, THE COMMITTEE SHALL CONSIST OF THE  
8 following five members: The director of the office of planning and  
9 budgeting; the director of the legislative council; the lieutenant governor;  
10 one member of the house of representatives appointed by the speaker of  
11 the house of representatives; and one member of the senate appointed by  
12 the president of the senate. ON AND AFTER JULY 1, 2000, THE COMMITTEE  
13 SHALL CONSIST OF THE FIVE MEMBERS SERVING PRIOR TO SUCH DATE PLUS  
14 THE STATE COURT ADMINISTRATOR AND A MEMBER APPOINTED BY THE  
15 COMMISSIONER OF EDUCATION. Each member shall serve on the  
16 committee for the duration of the member's elected or appointed term of  
17 office; EXCEPT THAT THE APPOINTEE OF THE COMMISSIONER OF EDUCATION  
18 SHALL SERVE A TERM OF THREE YEARS.

19 **SECTION 4.** 24-54.7-104 (2) (c), Colorado Revised Statutes, is  
20 amended to read:

21 **24-54.7-104. Requirements for defined contribution plans -**  
22 **contributions and purchases of contracts.** (2) The committee shall, for  
23 each defined contribution plan established by the committee:

24 (c) SELECT no fewer than three separate and distinct providers of  
25 investment products ~~shall be selected~~ for each defined contribution plan  
26 established pursuant to this article. Providers shall service their accounts

1 or pay a fee to the committee for plans established pursuant to this article  
2 so that the committee may service the accounts. In addition, providers  
3 shall pay fees to provide for the actual costs of administration of the  
4 defined contribution plan. IF THE COMMITTEE FINDS THAT THE FEES PAID  
5 BY PROVIDERS ARE INSUFFICIENT TO PROVIDE FOR THE ACTUAL COSTS OF  
6 ADMINISTRATION OF THE DEFINED CONTRIBUTION PLAN, THE COMMITTEE  
7 SHALL HAVE THE AUTHORITY TO CHARGE AN ADDITIONAL FEE OF NOT  
8 MORE THAN FIFTY DOLLARS PER YEAR TO ELIGIBLE EMPLOYEES TO  
9 PROVIDE FOR THE ACTUAL COSTS OF ADMINISTRATION OF THE DEFINED  
10 CONTRIBUTION PLAN. All fees collected pursuant to this paragraph (c)  
11 shall be transmitted to the state treasurer, who shall credit the same to the  
12 defined contribution plan administration fund, which fund is hereby  
13 created. The general assembly shall make annual appropriations from  
14 such fund for the direct and indirect costs of administration of any plan  
15 established under this article. All investment products provided by a  
16 defined contribution plan must be portable.

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19 **SECTION 5. Appropriation - adjustments in 2000 long bill.**

20 (1) For the implementation of this act, the general fund appropriation  
21 made in the annual general appropriation act to the judicial department,  
22 trial courts, for personal services, for the fiscal year beginning July 1,  
23 2000, is decreased by five thousand eighteen dollars (\$5,018).

24 (2) In addition to any other appropriation, there is hereby  
25 appropriated, out of any moneys in the defined contribution fund not  
26 otherwise appropriated, to the department of personnel, for the fiscal year

1 beginning July 1, 2000, the sum of three thousand six hundred seventy-  
2 four dollars (\$3,674), or so much thereof as may be necessary, for the  
3 implementation of this act.

4 (3) In addition to any other appropriation, there is hereby  
5 appropriated, to the department of law, for the fiscal year beginning July  
6 1, 2000, the sum of one thousand six hundred seventy-four dollars  
7 (\$1,674), or so much thereof as may be necessary, for the provision of  
8 legal services to the department of personnel related to the  
9 implementation of this act. Such sum shall be from cash funds exempt  
10 received from the department of personnel out of the appropriation made  
11 in subsection (2) of this section.

12 **SECTION 6. Safety clause.** The general assembly hereby finds,  
13 determines, and declares that this act is necessary for the immediate  
14 preservation of the public peace, health, and safety.