

**UPDATED SUMMARY  
SENATE BILL 15-080**

**First Regular Session - Seventieth Colorado General Assembly**

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*This summary applies to the reengrossed version of this bill as introduced in the second house. It does not reflect any amendments that may be subsequently adopted. This summary reflects only the main points of the legislation.*

The public employees' retirement association (PERA) administers a defined benefit retirement plan and a defined contribution retirement plan. Currently, only specified state employees are allowed to participate in PERA's defined contribution plan. The bill allows all employees who are hired by a PERA-affiliated employer on or after January 1, 2016, to opt to participate in the defined contribution plan rather than the defined benefit plan. Newly eligible employees are given an initial period to elect to join the defined contribution plan. Thereafter, employees are subject to the existing laws governing participation and termination of membership in the defined benefit and defined contribution plans.

In addition, beginning on January 1, 2016, the bill allows any employee who is a PERA member and who participates in the defined benefit plan to make a written election during the annual open enrollment period for the *state applicable* employees group benefit plan to participate in PERA's defined contribution plan. The written election is irrevocable and effective the first day of the ~~annual~~*state applicable* employees group benefit plan year. An employee who elects to participate in the defined contribution plan is required to specify whether he or she wants to:

- ! Terminate future defined benefit contributions while maintaining his or her rights relative to any contributions or benefits accrued prior to such election;
- or
- ! Terminate membership in the defined benefit plan and require PERA to pay all member contributions, accrued interest on such contributions, and matching employer contributions to the defined contribution plan.