

**Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 10-0116.01 Ed DeCecco

SENATE BILL 10-024

SENATE SPONSORSHIP

Tochtrop, Lundberg, Morse, Williams

HOUSE SPONSORSHIP

Labuda, Benefield, Gardner B., King S., Liston, Peniston, Riesberg, Schafer S., Waller

Senate Committees

Business, Labor and Technology

House Committees

Business Affairs and Labor

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF THE AUTHORITY OF THE BOARD OF**
102 **DIRECTORS OF THE FIRE AND POLICE PENSION ASSOCIATION TO**
103 **AFFILIATE WITH A LOCAL MONEY PURCHASE PENSION PLAN.**

Bill Summary

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

Police Officers' and Firefighters' Pension Reform Commission.

Repeals the authority of the board of directors of the fire and police pension association to enter into an agreement with an employer establishing a money purchase pension plan for the purpose of having the board administer the plan and manage the investment of the moneys of the plan. Eliminates a cash fund and audit requirement related to the

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.

HOUSE
2nd Reading Unam ended
February 17, 2010

SENATE
3rd Reading Unam ended
January 29, 2010

SENATE
2nd Reading Unam ended
January 28, 2010

affiliated plan.

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

2 **SECTION 1. Repeal.** 31-31-702, Colorado Revised Statutes, is
3 repealed as follows:

4 **31-31-702. Affiliation by local money purchase plans.** ~~The~~
5 ~~board is authorized to enter into agreements with employers establishing~~
6 ~~money purchase pension plans pursuant to this article or article 30.5 of~~
7 ~~this title for the purpose of having the board administer such plans and~~
8 ~~manage the funds of such plans for investment pursuant to section~~
9 ~~31-31-703.~~

10 **SECTION 2. Repeal.** 31-31-703, Colorado Revised Statutes, is
11 repealed as follows:

12 **31-31-703. Money purchase plan benefit trust fund - creation**
13 **- management.** ~~(1) There is hereby created the fire and police members'~~
14 ~~money purchase plan benefit trust fund that shall consist of the assets of~~
15 ~~money purchase plans administered and managed by the board pursuant~~
16 ~~to section 31-31-702. The board shall keep an accurate account of each~~
17 ~~such individual fund. In addition, the board shall keep an accurate~~
18 ~~account of each member's separate account in any such individual fund.~~

19 ~~(2) The board shall submit an annual audit of the fund to the~~
20 ~~general assembly and to each employer that has affiliated its money~~
21 ~~purchase plan fund pursuant to section 31-31-702. Each employer shall~~
22 ~~make the audit and study available for review by its members.~~

23 **SECTION 3.** 31-30.5-803 (1), Colorado Revised Statutes, is
24 amended to read:

25 **31-30.5-803. Investment authority.** (1) Except as provided in

1 subsection (2) of this section, moneys of exempt alternative plans that are
2 not affiliated with the fire and police pension association under section
3 ~~31-31-702~~ or 31-31-706 may be managed and invested by the trustees of
4 such plans pursuant to the standard and other provisions for trustees set
5 forth in the "Colorado Uniform Prudent Investor Act", article 1.1 of title
6 15, C.R.S. Such investments shall be audited at least biennially.

7 **SECTION 4.** 31-31-203, Colorado Revised Statutes, is amended
8 to read:

9 **31-31-203. Fund not subject to levy.** Except for assignments for
10 child support debt pursuant to section 14-14-104, C.R.S., child support
11 arrearages as requested as part of an enforcement action under article 5
12 of title 14, C.R.S., or child support arrearages that are the subject of
13 enforcement services provided under section 26-13-106, C.R.S., for
14 income assignments for child support purposes pursuant to section
15 14-14-111.5, C.R.S., for writs of garnishment that are the result of a
16 judgment taken for arrearages for child support or for child support debt,
17 for payments made in compliance with a properly executed court order
18 approving a written agreement entered into pursuant to section 14-10-113
19 (6), C.R.S., and for restitution that is required to be paid for the theft,
20 embezzlement, misappropriation, or wrongful conversion of public
21 property or in the event of a judgment for a willful and intentional
22 violation of fiduciary duties pursuant to this article where the offender or
23 a related party received direct financial gain, no portion of the funds
24 created pursuant to sections 31-31-204 (4), 31-31-502, 31-31-701 (6),
25 ~~31-31-703~~, 31-31-706 (1), 31-31-813 (1), and 31-31-901 (3), before or
26 after their order for distribution by the board to the persons entitled
27 thereto, shall be held, seized, taken, subjected to, detained, or levied on

1 by virtue of any attachment, execution, injunction, writ, interlocutory or
2 other order or decree, or process or proceeding whatsoever issued out of
3 or by any court of this state for the payment or satisfaction, in whole or
4 in part, of any debt, damage, claim, demand, or judgment against the fire
5 and police pension association or employers that belong to such
6 association or the beneficiary of such funds. The funds shall be held and
7 distributed for the purpose of this article and for no other purpose
8 whatsoever.

9 **SECTION 5. Repeal.** 31-31-301 (4) (a) (IV), Colorado Revised
10 Statutes, is repealed as follows:

11 **31-31-301. Investment funds - creation.** (4) (a) There is hereby
12 created the fire and police members' self-directed investment fund, which
13 shall consist of the portion of the assets that are designated for
14 self-direction by the member of the following plans:

15 (IV) ~~The affiliated fire and police members' money purchase plans~~
16 ~~established in part 7 of this article;~~

17 **SECTION 6. Act subject to petition - effective date.** This act
18 shall take effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly (August
20 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a
21 referendum petition is filed pursuant to section 1 (3) of article V of the
22 state constitution against this act or an item, section, or part of this act
23 within such period, then the act, item, section, or part shall not take effect
24 unless approved by the people at the general election to be held in
25 November 2010 and shall take effect on the date of the official
26 declaration of the vote thereon by the governor.