

**First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 11-0656.01 Nicole Myers

SENATE BILL 11-076

SENATE SPONSORSHIP

Steadman, Hodge, Lambert

HOUSE SPONSORSHIP

Becker, Gerou, Ferrandino

Senate Committees

Finance
Appropriations

House Committees

Finance
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF A TEMPORARY MODIFICATION TO**
102 **THE CONTRIBUTION RATES FOR CERTAIN DIVISIONS OF THE**
103 **PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The employer and member contribution rates for the public employees' retirement association (PERA) are specified in statute. For the 2010-11 state fiscal year, the general assembly decreased the employer contribution rate for employers in the state and judicial

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
February 7, 2011

SENATE
2nd Reading Unamended
February 4, 2011

divisions of PERA by 2.5% and increased the member contribution rate for employees in the state and judicial divisions of PERA by 2.5%. The bill extends these changes to the employer and member contribution rates for the 2011-12 state fiscal year. For the 2011-12 state fiscal year, the contribution rates will remain changed as follows:

- ! For the state division, except state troopers, the employer contribution rate is decreased from 10.15% to 7.65% of salary and the member contribution is increased from 8% to 10.5% of salary.
- ! For state troopers, the employer contribution rate is decreased from 12.85% to 10.35% of salary and the member contribution rate is increased from 10% to 12.5% of salary.
- ! For the judicial division, the employer contribution rate is decreased from 13.66% to 11.16% of salary and the member contribution rate is increased from 8% to 10.5% of salary.

The bill does not impact the employer or member contribution rates for any of the other divisions of PERA.

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

2 **SECTION 1.** 24-51-401 (1.7) (a) and (1.7) (f), Colorado Revised
3 Statutes, are amended, and the said 24-51-401 (1.7) is further amended
4 BY THE ADDITION OF A NEW PARAGRAPH, to read:

5 **24-51-401. Employer and member contributions.**
6 (1.7) (a) Employers shall deliver a contribution report and the full
7 amount of employer contributions, member contributions, and working
8 retiree contributions to the association within five days after the date
9 members and retirees are paid. Except as provided in ~~paragraph (f)~~
10 PARAGRAPHS (f) AND (g) of this subsection (1.7), subsection (7) of this
11 section, and section 24-51-408.5, such contributions shall be based upon
12 the rates for the appropriate division as set forth in the following table
13 multiplied by the salary, as defined in section 24-51-101 (42), paid to
14 members and retirees for the payroll period:

15 **TABLE A**

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CONTRIBUTION RATES

Division	Membership	Employer Rate	Member Rate
State	All Members	10.15%	8.0%
	Except		
	State Troopers	12.85%	10.0%
School	All Members	10.15%	8.0%
	Local		
Government	All Members	10.0%	8.0%
Judicial	All Members	13.66%	8.0%
DPS	All Members	13.75%	8.0%

(f) (I) For the 2010-11 AND 2011-12 state fiscal year YEARS, except as provided in subsection (7) of this section and section 24-51-408.5, the amount of employer and member contributions for employers and members in the state and judicial divisions of the association shall be based upon the rates for the appropriate division as set forth in the following table multiplied by the salary, as defined in section 24-51-101 (42), paid to members and retirees for the payroll period:

TABLE A.5

CONTRIBUTION RATES

Division	Membership	Employer Rate	Member Rate
State	All Members	7.65%	10.5%
	Except		
	State Troopers	10.35%	12.5%
Judicial	All Members	11.16%	10.5%

(II) For the 2010-11 AND 2011-12 state fiscal year YEARS, the employer and member contribution rates for employers and members in the school, local government, and Denver public schools divisions of the

1 association shall be calculated pursuant to paragraph (a) of this subsection
2 (1.7); EXCEPT THAT, IF ANY SUCH EMPLOYER DESIGNATES ALTERNATIVE
3 EMPLOYER AND MEMBER CONTRIBUTION RATES PURSUANT TO PARAGRAPH
4 (g) OF THIS SUBSECTION (1.7), THE EMPLOYER AND MEMBER
5 CONTRIBUTION RATES SHALL BE CALCULATED PURSUANT TO SUCH
6 DESIGNATION.

7 (g) (I) FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2012,
8 AND FOR EACH CALENDAR YEAR THEREAFTER, EACH EMPLOYER IN THE
9 SCHOOL OR LOCAL GOVERNMENT DIVISION OF THE ASSOCIATION AND THE
10 DENVER PUBLIC SCHOOLS DIVISION OF THE ASSOCIATION MAY DESIGNATE
11 ALTERNATIVE EMPLOYER AND MEMBER CONTRIBUTION RATES TO THE
12 RATES SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (1.7) SO LONG AS:

13 (A) THE TOTAL OF THE EMPLOYER AND MEMBER CONTRIBUTIONS
14 MADE TO THE ASSOCIATION ON BEHALF OF EACH EMPLOYEE PURSUANT TO
15 THIS PARAGRAPH (g) EQUALS THE TOTAL OF THE EMPLOYER AND MEMBER
16 CONTRIBUTIONS THAT WOULD BE MADE PURSUANT TO PARAGRAPH (a) OF
17 THIS SUBSECTION (1.7); AND

18 (B) THE INCREASE IN THE MEMBER CONTRIBUTION DELIVERED TO
19 THE ASSOCIATION AND THE CORRESPONDING DECREASE IN THE EMPLOYER
20 CONTRIBUTION DELIVERED TO THE ASSOCIATION IS NOT GREATER THAN
21 TWO AND ONE-HALF PERCENT.

22 (II) THE DESIGNATION OF ALTERNATIVE EMPLOYER AND MEMBER
23 CONTRIBUTION RATES PURSUANT TO SUBPARAGRAPH (I) OF THIS
24 PARAGRAPH (g) SHALL BE MADE BY A VOTE OF THE GOVERNING BODY OF
25 THE EMPLOYER AT AN OFFICIAL MEETING OF THE GOVERNING BODY THAT
26 IS OPEN TO THE PUBLIC. THE GOVERNING BODY MAY VOTE TO ALTER THE
27 EMPLOYER AND MEMBER CONTRIBUTION RATES FOR ONE YEAR OR FOR
28 MULTIPLE YEARS.

1 (III) AN EMPLOYER THAT DESIGNATES ALTERNATIVE EMPLOYER
2 AND MEMBER CONTRIBUTION RATES FOR ANY CALENDAR YEAR PURSUANT
3 TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (g) SHALL NOTIFY THE
4 ASSOCIATION ANNUALLY, IN A TIME AND MANNER TO BE DETERMINED BY
5 THE ASSOCIATION, OF THE EMPLOYER AND MEMBER CONTRIBUTION RATES
6 FOR THE APPLICABLE CALENDAR YEAR. AN EMPLOYER IS REQUIRED TO
7 PROVIDE SUCH ANNUAL NOTICE TO THE ASSOCIATION EVEN IF THE
8 EMPLOYER DESIGNATES ALTERNATIVE EMPLOYER AND MEMBER
9 CONTRIBUTION RATES FOR MULTIPLE YEARS PURSUANT TO SUBPARAGRAPH
10 (II) OF THIS PARAGRAPH (g). THE ASSOCIATION MAY REQUIRE AN
11 EMPLOYER TO SUBMIT ANY ADDITIONAL INFORMATION OR
12 DOCUMENTATION ALONG WITH THE NOTICE REQUIRED PURSUANT TO THIS
13 SUBPARAGRAPH (III) THAT IS REASONABLY REQUIRED FOR THE
14 IMPLEMENTATION AND ADMINISTRATION OF THIS PARAGRAPH (g).

15 **SECTION 2. Safety clause.** The general assembly hereby finds,
16 determines, and declares that this act is necessary for the immediate
17 preservation of the public peace, health, and safety.