

Second Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**PREAMENDED**

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

LLS NO. 12-0527.01 Gregg Fraser x4325

**HOUSE BILL 12-1142**

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**HOUSE SPONSORSHIP**

**DelGrosso,**

**SENATE SPONSORSHIP**

**(None),**

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**House Committees**

Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE CHOICE OF ALL MEMBERS OF THE PUBLIC**  
102            **EMPLOYEES' RETIREMENT ASSOCIATION TO PARTICIPATE IN A**  
103            **DEFINED CONTRIBUTION PLAN ESTABLISHED BY THE**  
104            **ASSOCIATION.**

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**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>.)*

In addition to its defined benefit plan, the public employees' retirement association (PERA) administers a defined contribution

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.*

retirement plan. The law currently allows only specified state employees to participate in PERA's defined contribution plan. The bill would allow all employees who are members of PERA to participate as well.

Newly eligible employees would be given an initial period to elect to join the defined contribution plan. Thereafter, the existing law governing participation and termination of membership in the defined benefit and contribution plans would control.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-51-1501, **amend**  
3 (1), (2) (a) (I), and (4) as follows:

4 **24-51-1501. Defined contribution plan - establishment -**  
5 **creation of fund - definitions.** (1) The board is hereby authorized to  
6 establish and administer a defined contribution plan for eligible ~~state~~  
7 employees as provided in this part 15. The board shall establish the terms  
8 and conditions of the association's defined contribution plan offered to  
9 eligible ~~state~~ employees. The assets of the plan shall be held in a separate  
10 trust fund of the association created for such purpose.

11 (2) (a) Effective July 1, 2009:

12 (I) The state defined contribution plan established pursuant to part  
13 2 of article 52 of this title, as said part 2 existed prior to its repeal in 2009,  
14 shall be merged into the association's defined contribution plan for  
15 eligible ~~state~~ employees established under this part 15, and all the assets  
16 of the state defined contribution plan and the trust fund shall be  
17 transferred via trustee-to-trustee transfer to the defined contribution plan  
18 trust fund established pursuant to section 24-51-208 (1) (i);

19 (4) For purposes of this part 15:

20 (a) PRIOR TO JANUARY 1, 2013, "employer" means the state, the  
21 general assembly, the office of a district attorney in a judicial district, any  
22 state department that employs an eligible employee, and any community

1 college governed by the state board for community colleges and  
2 occupational education. "Employer" shall not include any state college or  
3 university as defined in section 24-54.5-102 (7), any institution under the  
4 control of the board of regents of the university of Colorado, or an  
5 institution governed pursuant to part 5 of article 21 of title 23, C.R.S.

6 (b) ON AND AFTER JANUARY 1, 2013, "EMPLOYER" HAS THE SAME  
7 MEANING AS SET FORTH IN SECTION 24-51-101 (20), AND IN ADDITION  
8 SHALL INCLUDE ANY COMMUNITY COLLEGE GOVERNED BY THE STATE  
9 BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION.

10 **SECTION 2.** In Colorado Revised Statutes, 24-51-1502, **amend**  
11 (3) as follows:

12 **24-51-1502. New employees - election - definitions.** (3) An  
13 eligible employee hired ~~by an employer~~ on or after May 2, 2009, BY AN  
14 EMPLOYER AS DEFINED IN SECTION 24-51-1501 (4) (a) OR HIRED ON OR  
15 AFTER JANUARY 1, 2013, BY AN EMPLOYER AS DEFINED IN SECTION  
16 24-51-1501 (4) (b) is eligible for the election pursuant to subsection (1)  
17 of this section.

18 **SECTION 3. Act subject to petition - effective date.** This act  
19 takes effect at 12:01 a.m. on the day following the expiration of the  
20 ninety-day period after final adjournment of the general assembly  
21 (August 7, 2012, if adjournment sine die is on May 9, 2012); except that,  
22 if a referendum petition is filed pursuant to section 1 (3) of article V of  
23 the state constitution against this act or an item, section, or part of this act  
24 within such period, then the act, item, section, or part will not take effect  
25 unless approved by the people at the general election to be held in  
26 November 2012 and, in such case, will take effect on the date of the  
27 official declaration of the vote thereon by the governor.

