

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

REVISED

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

LLS NO. 13-0954.01 Ed DeCecco x4216

SENATE BILL 13-234

SENATE SPONSORSHIP

Steadman, Hodge, Lambert

HOUSE SPONSORSHIP

Gerou, Duran, Levy

Senate Committees
Appropriations

House Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE STATE'S AUTHORITY TO PREPAY ITS OBLIGATION**
102 **FOR THE UNFUNDED ACCRUED LIABILITY OF OLD HIRE PENSION**
103 **PLANS THAT ARE AFFILIATED WITH THE FIRE AND POLICE**
104 **PENSION 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>.)

Joint Budget Committee. For the fiscal year 2013-14, the bill increases the state's contribution to assist in amortizing the unfunded

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
Amended 2nd Reading
April 4, 2013

SENATE
3rd Reading Unamended
March 28, 2013

SENATE
2nd Reading Unamended
March 27, 2013

accrued liability of old hire pension plans affiliated with the fire and police pension association by \$20 million. In addition, the general assembly may appropriate moneys in the annual general appropriation bill or in supplemental appropriation bills to the old hire plan members' benefit trust fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, 31-30.5-307, **amend**
3 (2) and (3) as follows:

4 **31-30.5-307. State contribution.** (2) (a) On September 30, 1995,
5 and on September 30 of each year thereafter through 2002 and on April
6 30, 2006, and on April 30 of each year thereafter ~~through 2019~~ **THROUGH**
7 **2013**, the state treasurer shall transfer from the proceeds of the tax
8 imposed by section 10-3-209, C.R.S., to the old hire plan members'
9 benefit trust fund created by section 31-31-701 (6), an amount equal to
10 twenty-six million six hundred thousand dollars minus the amount
11 transferred under section 31-30-1112 (2) (g) (I); except that, on April 30,
12 2012, the total amount transferred pursuant to this subsection (2) shall be
13 five million three hundred twenty-one thousand seventy-nine dollars, and
14 on April 30, 2013, the total amount of such transfer shall be ten million
15 dollars. Such annual transfer to the fund under this subsection (2) shall
16 cease when the requirements of paragraph (c) of subsection (1) of this
17 section have been met, and the final annual transfer may be in an amount
18 less than the amount prescribed by this subsection (2) as determined from
19 the total amount of unfunded accrued liability of employers. Moneys in
20 said fund shall not revert to the general fund but shall be continuously
21 available for the purposes provided in this part 3 and part 11 of article 30
22 of this title.

23 (b) ON **MAY 31, 2013**, THE STATE TREASURER SHALL TRANSFER

1 ONE HUNDRED THIRTY-TWO MILLION FOUR HUNDRED NINE THOUSAND
2 THREE HUNDRED THIRTY-NINE DOLLARS FROM THE GENERAL FUND TO THE
3 OLD HIRE PLAN MEMBERS' BENEFIT TRUST FUND CREATED IN SECTION
4 31-31-701 (6). NO OTHER TRANSFERS SHALL BE MADE TO THE OLD HIRE
5 PLAN MEMBERS' BENEFIT TRUST FUND PURSUANT TO THIS SECTION.

6 (3) EXCEPT FOR MONEYS THAT ARE TRANSFERRED PURSUANT
7 TO PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION, moneys
8 transferred pursuant to this section shall be included for informational
9 purposes in the ANNUAL general appropriation bill or in supplemental
10 appropriation bills for the purpose of complying with the limitation on
11 state fiscal year spending imposed by section 20 of article X of the state
12 constitution and section 24-77-103, C.R.S.

13 SECTION 2. In Colorado Revised Statutes, 24-75-220, add
14 (3) as follows:

15 **24-75-220. State education fund - transfers - surplus -**
16 **legislative declaration.** (3) (a) THE GENERAL ASSEMBLY HEREBY FINDS
17 AND DECLARES THAT SENATE BILL 13-234, ENACTED IN 2013, REQUIRED
18 THE STATE TREASURER TO TRANSFER MONEYS FROM THE GENERAL FUND
19 TO THE OLD HIRE PLAN MEMBERS' BENEFIT TRUST FUND CREATED IN
20 SECTION 31-31-701 (6), C.R.S., TO SATISFY THE STATE'S FUTURE
21 REQUIRED PAYMENTS. THIS TRANSFER REDUCED THE AMOUNT OF THE
22 GENERAL FUND SURPLUS THAT WOULD OTHERWISE HAVE BEEN
23 TRANSFERRED TO THE STATE EDUCATION FUND CREATED IN SECTION 17(4)
24 OF ARTICLE IX OF THE STATE CONSTITUTION UNDER SUBSECTION (2) OF
25 THIS SECTION. THE TRANSFERS IN PARAGRAPH (b) OF THIS SUBSECTION (3)
26 ARE INTENDED TO REIMBURSE THE STATE EDUCATION FUND FOR THIS
27 REDUCED TRANSFER AND THEY REPRESENT THE AMOUNT THE STATE

1 WOULD HAVE CONTRIBUTED TO THE OLD HIRE PLAN MEMBER'S BENEFIT
2 TRUST FUND IN THE ABSENCE OF THE EARLY PAY OFF.

3 (b) ON APRIL 30, 2014, THE STATE TREASURER SHALL TRANSFER
4 FORTY-FIVE MILLION THREE HUNDRED TWENTY-ONE THOUSAND
5 SEVENTY-NINE DOLLARS FROM THE GENERAL FUND TO THE STATE
6 EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE
7 STATE CONSTITUTION. ON APRIL 30, 2015, AND APRIL 30 OF EACH YEAR
8 THEREAFTER THROUGH 2018, THE STATE TREASURER SHALL TRANSFER
9 TWENTY-FIVE MILLION THREE HUNDRED TWENTY-ONE THOUSAND
10 SEVENTY-NINE DOLLARS FROM THE GENERAL FUND TO THE STATE
11 EDUCATION FUND. ON APRIL 30, 2019, THE STATE TREASURER SHALL
12 TRANSFER TWENTY-FOUR MILLION NINE HUNDRED NINETY-ONE THOUSAND
13 SEVEN HUNDRED THIRTY-NINE DOLLARS FROM THE GENERAL FUND TO THE
14 STATE EDUCATION FUND.

15 **SECTION 3. Appropriation - adjustments to 2013 long bill.**

16 (1) For the implementation of this act, appropriations shown in the
17 annual general appropriation act to the department of the treasury for the
18 fiscal year beginning July 1, 2013, are adjusted as follows:

19 (a) The informational general fund appropriation for the fire and
20 police pension association old hire plans, is decreased by \$10,000,000.

21 (b) The informational general fund exempt appropriation for the
22 fire and police pension association old hire plans, is decreased by
23 \$15,321,079.

24 **SECTION 4. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, and safety.