



Colorado
Legislative
Council
Staff

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0331
Prime Sponsor(s):

Date: October 16, 2015
Bill Status: Police Officers' and Firefighters'
Pension Reform Commission Bill
Request

Fiscal Analyst: Larson Silbaugh (303-866-4720)

BILL TOPIC: FPPA BENEFIT OPTION PAYMENTS

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures		
TABOR Impact		
FTE Position Change		
Appropriation Required: None.		
Future Year Impacts:		

Summary of Legislation

This bill, *requested by the Police Officers' and Firefighters' Pension Reform Commission*, makes two changes to benefit payment options in Fire and Police Pension Association (FPPA) administered plans.

If a member is single at the time he or she sign up for retirement benefits, he or she will sign up for a retirement option without a beneficiary. Under current law, if he or she marries after making the initial election, they can choose a new retirement option and name a new beneficiary. The new beneficiary is not required to be the new spouse. This bill requires that if the member changes his or her benefit option, the new beneficiary must be the new spouse.

In addition, the bill makes a clarification that applies to the statewide death and disability plan administered by the FPPA. Under current law, the disability option that a member elects is irrevocable. The bill clarifies that if a member elects an option with a payment to a spouse and dependent children, then the beneficiary designation is irrevocable even in the case of dissolution of marriage, death of a beneficiary, marriage, or remarriage.

Assessment

As neither of the bill's changes are expected to have an impact on the administrative costs or the benefit payments of the FPPA, the bill is assessed as having no fiscal impact.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Chiefs of Police
Fire Chiefs

Counties
Municipalities

FPPA
Sheriffs