

**UPDATED SUMMARY
HOUSE BILL 15-1391**

First Regular Session - Seventieth Colorado General Assembly

This summary applies to the reengrossed version of this bill as introduced in the second house. It does not reflect any amendments that may be subsequently adopted. This summary reflects only the main points of the legislation.

In 2009, the general assembly enacted legislation to merge the Denver public schools retirement system into the public employees' retirement association (PERA), effective January 1, 2010. The merger legislation created a new Denver public schools (DPS) division within PERA and set the employer and member contribution rates for that division. The merger legislation also required PERA to calculate a true-up beginning January 1, 2015, and every 5th year thereafter, to determine whether the DPS employer contribution rate must be adjusted to assure the equalization of the DPS division's ratio of unfunded actuarial accrued liability over payroll to the PERA school division's ratio of unfunded actuarial accrued liability over payroll at the end of the 30-year period that began on January 1, 2010 (equalization of the 2 divisions). If necessary, the PERA board is required to recommend that the general assembly adjust the DPS total employer rate to assure the equalization of the 2 divisions.

In furtherance of the true-up for the equalization of the 2 divisions, beginning on January 1, 2015, the bill reduces the total employer contribution rate for the DPS division from 13.75% to 10.15%.