

SB066_L.001

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

Date
Committee on Finance.

After consideration on the merits, the Committee recommends the following:

SB09-066 be amended as follows:

- 1 Amend printed bill, page 3, line 27, strike "of the association's defined
- 2 benefit plan." and substitute "OF THE ASSOCIATION'S DEFINED BENEFIT
- 3 PLAN."
- 4 Page 6, line 20, strike "BENEFIT".
- 5 Page 17, line 8, strike "STATE";
- 6 line 13, strike "STATE";
- 7 line 15, strike "SUBJECT TO CONTRACTUAL PROVISIONS, THE" and
- 8 substitute "THE";
- 9 line 17, strike "STATE";
- 10 line 21, strike "BENEFIT" and substitute "CONTRIBUTION";
- 11 line 22, strike "STATE".
- 12 Page 19, line 8, strike "amended" and substitute "amended, and the said
- 13 24-51-205 is further amended BY THE ADDITION OF A NEW
- 14 SUBSECTION,";
- 15 after line 19, insert the following:
- 16 "(7) THE BOARD IS AUTHORIZED TO PURCHASE AND MAINTAIN

1 APPROPRIATE ANNUITY CONTRACTS FOR THE PURPOSE OF PROVIDING A
2 VOLUNTARY CONTRIBUTION PROGRAM TO QUALIFIED EMPLOYEES OF
3 AFFILIATED EMPLOYERS PURSUANT TO SECTION 403 (b) OF THE FEDERAL
4 "INTERNAL REVENUE CODE OF 1986", AS AMENDED, AND TO CREATE A
5 SEPARATE TRUST FUND TO HOLD THE ASSETS OF THE PROGRAM."

6 Page 20, after line 9, insert the following:

7 "SECTION 17. 24-51-213 (1), Colorado Revised Statutes, is
8 amended to read:

9 **24-51-213. Confidentiality.** (1) All information contained in
10 records of members, former members, inactive members, and benefit
11 recipients and their dependents, PARTICIPANTS IN THE VOLUNTARY
12 INVESTMENT PROGRAM ESTABLISHED PURSUANT TO PART 14 OF THIS
13 ARTICLE, AND PARTICIPANTS IN THE DEFERRED COMPENSATION PLAN
14 ESTABLISHED PURSUANT TO PART 16 OF THIS ARTICLE shall be kept
15 confidential by the association."

16 Renumber succeeding sections accordingly.

17 Page 20, after line 24, insert the following:

18 "SECTION 19. 24-51-1401, Colorado Revised Statutes, is
19 amended BY THE ADDITION OF A NEW SUBSECTION to read:

20 **24-51-1401. Voluntary investment program established and**
21 **fund created.** (3) THE BOARD IS HEREBY AUTHORIZED TO OFFER
22 PARTICIPATION IN THE VOLUNTARY INVESTMENT PROGRAM TO ALL
23 EMPLOYEES OF EMPLOYERS THAT ARE AFFILIATED WITH THE ASSOCIATION,
24 REGARDLESS OF WHETHER THOSE EMPLOYEES ARE MEMBERS OR
25 RETIREES."

26 Renumber succeeding sections accordingly.

27 Page 20, line 26, strike "BY THE ADDITION OF A NEW
28 SUBSECTION".

29 Page 21, strike line 1 and substitute the following:

30 "program. (1) ~~A member or a retiree~~ AN ELIGIBLE EMPLOYEE PURSUANT

1 TO SECTION 24-51-1401 may participate in the voluntary investment
2 program authorized in section 24-51-1401 by authorizing his or her
3 employer, as defined in section 24-51-101 (20), to contribute an amount
4 by payroll deduction in lieu of receiving such amount as ~~member~~ salary
5 or ~~retiree~~ pay. The amount of such contribution by a ~~member or a retiree~~
6 PARTICIPANT shall be subject to any limitations established by federal law.
7 These voluntary contributions, in addition to investment earnings, shall
8 be exempt from federal and state income taxes until the ultimate
9 distribution of such contributions has been made to the PARTICIPANT,
10 member, former member, or beneficiary.

11 (2) The board may, at its discretion, allow ~~members and retirees~~
12 PARTICIPANTS IN THE VOLUNTARY INVESTMENT PROGRAM to elect to make
13 after-tax voluntary contributions to the voluntary investment program by
14 payroll deduction. Investment earnings on such contributions are exempt
15 from federal and state income taxes until the ultimate distribution of such
16 contributions has been made to the PARTICIPANT, member, former
17 member, or beneficiary.

18 (3) All voluntary contributions by a participating member shall be
19 included in the salary of such member for the purpose of calculating
20 member and employer contributions pursuant to the provisions of section
21 24-51-401. The member ~~and employer~~ contribution provisions of section
22 24-51-401 and the matching employer contribution provisions of section
23 24-51-408.5 shall not apply to any voluntary contribution made by a
24 retiree.

25 (4) The employer shall deliver all voluntary contributions to the
26 service provider designated by the association within five days after the
27 date that the ~~members~~ PARTICIPANTS are paid and consistent with the
28 provisions of section 24-51-401 (1.7) (c) and (1.7) (d).

29 (5) (a) EFFECTIVE JULY 1, 2009, ALL ASSETS OF THE STATE";

30 after line 18, insert the following:

31 "SECTION 21. 24-51-1404, Colorado Revised Statutes, is
32 amended to read:

33 **24-51-1404. Investments of the voluntary investment**
34 **program.** ~~Members and retirees participating~~ PARTICIPANTS in the

1 voluntary investment program shall designate that their voluntary
2 contributions be invested in one or more types of investments made
3 available by the board. These investments may include, but are not
4 limited to, equity investments, fixed-income investments, life insurance
5 company products, and any investments permitted pursuant to the
6 provisions of section 24-51-206."

7 Renumber succeeding sections accordingly.

8 Page 22, line 7, strike "(i)," and substitute "(j),";

9 line 25, strike "A MEMBER OR RETIREE" and substitute "AN EMPLOYEE".

10 Page 23, line 6, strike everything after the period;

11 strike lines 7 through 9 and substitute the following:

12 "(3) ALL EMPLOYERS THAT ARE AFFILIATED WITH THE DEFERRED
13 COMPENSATION PLAN PRIOR TO JULY 1, 2009, INCLUDING ENTITIES THAT
14 ARE NOT AFFILIATED EMPLOYERS OF THE ASSOCIATION, AS EMPLOYER IS
15 DEFINED IN SECTION 24-51-101 (20), SHALL REMAIN AFFILIATED AND
16 SHALL NOT HAVE TO APPLY TO THE ASSOCIATION PURSUANT TO
17 SUBSECTION (2) OF THIS SECTION.

18 (4) ANY EMPLOYEE WHO IS EMPLOYED BY AN ENTITY THAT IS
19 AFFILIATED WITH THE DEFERRED COMPENSATION PLAN SHALL BE ENTITLED
20 TO PARTICIPATE IN THE PLAN REGARDLESS OF WHETHER THAT INDIVIDUAL
21 IS A MEMBER OR RETIREE OF THE ASSOCIATION.";

22 line 11, strike "A MEMBER OR RETIREE WHO IS AN" and substitute "AN";

23 line 13, after "(2)" insert "OR (3)";

24 line 17, strike "A MEMBER OR RETIREE" and substitute "THE EMPLOYEE";

25 line 21, strike "MEMBER, FORMER MEMBER," and substitute "PARTICIPANT,
26 FORMER PARTICIPANT,".

27 Page 24, line 7, strike "MEMBERS OR RETIREES" and substitute
28 "EMPLOYEES";

1 line 14, strike "MEMBERS AND RETIREES" and substitute "INDIVIDUALS".

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