# First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

## **INTRODUCED**

LLS NO. 23-0756.01 Nicole Myers x4326

**SENATE BILL 23-104** 

#### SENATE SPONSORSHIP

Coleman and Hansen,

#### **HOUSE SPONSORSHIP**

Bacon,

# **Senate Committees**

### **House Committees**

Finance

	A BILL FOR AN ACT
101	CONCERNING AN ADJUSTMENT TO THE TOTAL EMPLOYER
102	CONTRIBUTION RATE OF THE DENVER PUBLIC SCHOOLS DIVISION
103	OF THE PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION IN
104	CONNECTION WITH THE EQUALIZATION STATUS OF THE
105	ASSOCIATION'S DENVER PUBLIC SCHOOLS DIVISION WITH THE
106	ASSOCIATION'S SCHOOL DIVISION AS REQUIRED BY THE MERGER
107	OF THE DENVER PUBLIC SCHOOLS RETIREMENT SYSTEM WITH
108	THE 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://leg.colorado.gov.)

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 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 fifth 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.

The general assembly enacted the last true-up for the equalization of the 2 divisions in 2015. In furtherance of the true-up for the equalization of the 2 divisions, beginning on July 1, 2023, the bill reduces the total employer contribution rate for the DPS division from 10.4% to 7.15% of salary. The bill does not alter the employer or member contribution rate for any other division of PERA.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, 24-51-401, add 3 (1.7)(a)(V) as follows: 4 24-51-401. **Employer** and member contributions. 5 (1.7) (a) (V) EFFECTIVE JULY 1, 2023, SUBJECT TO SECTION 24-51-413, 6 THE EMPLOYER AND MEMBER CONTRIBUTION RATES SHALL BE BASED UPON 7 THE RATES FOR THE APPROPRIATE DIVISION AS SET FORTH IN THE 8 FOLLOWING TABLE MULTIPLIED BY THE SALARY, AS DEFINED IN SECTION 9 24-51-101 (42), PAID TO MEMBERS AND RETIREES FOR THE PAYROLL 10 PERIOD: 11 TABLE E 12 **CONTRIBUTION RATES** 

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1	DIVISION	MEMBERSHIP	EMPLOYER RATE	MEMBER RATE	
2	STATE	ALL MEMBERS	10.4%	10.0%	
3		Ехсерт			
4		STATE TROOPERS	13.1%	12.0%	
5	SCHOOL	ALL MEMBERS	10.4%	10.0%	
6	LOCAL				
7	GOVERNMENT ALL MEMBERS		10.0%	8.0%	
8	JUDICIAL	ALL MEMBERS	13.91%	10.0%	
9	DPS	ALL MEMBERS	7.15%	10.0%	
10	SECTION 2. Safety clause. The general assembly hereby finds,				
11	determines, and declares that this act is necessary for the immediate				
12	preservation of the public peace, health, or safety.				

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