

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

February 1, 2024
Date

Committee on Finance.

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

HB24-1042 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend printed bill, page 2, after line 8 insert:
2 "SECTION 2. In Colorado Revised Statutes, 31-30.5-103, **amend**
3 (2)(b) as follows:
4 **31-30.5-103. Applicability.** (2) The following members,
5 otherwise eligible to participate in an old hire pension plan pursuant to
6 subsection (1) of this section shall be exempt from participation:
7 (b) Members who, pursuant to the affiliation of their old hire
8 pension plan with the fire and police pension association as provided by
9 section 31-31-701, elect to become covered under the provisions of the
10 ~~statewide~~ defined benefit COMPONENT OF THE STATEWIDE RETIREMENT
11 plan, established by ~~article 31~~ ARTICLE 31.5 of this title; and".
- 12 Renumber succeeding sections accordingly.
- 13 Page 6, after line 7 insert:
14 "SECTION 8. In Colorado Revised Statutes, 31-31-401, **amend**
15 (1)(c) and (1)(d) as follows:
16 **31-31-401. Applicability of plan.** (1) Every employer in this
17 state shall provide the pension benefits of the statewide retirement plan
18 established by part 31.5 of this title 31 for members hired on or after
19 April 8, 1978, except for the following:
20 (c) Any employer that ~~has withdrawn~~ WITHDREW its members
21 from the statewide defined benefit plan pursuant to ~~part 6 of this article~~
22 ~~31~~ SECTION 31-31-601, AS SAID SECTION EXISTED PRIOR TO ITS REPEAL,
23 and established a locally administered and financed alternative pension
24 plan;
25 (d) Any employer that has withdrawn its members from the
26 ~~statewide~~ defined benefit COMPONENT OF THE STATEWIDE RETIREMENT

1 plan for the purpose of covering them under the statewide money
2 purchase plan established pursuant to part 5 of this article 31; and".

3 Renumber succeeding sections accordingly.

4 Page 6, line 14, strike "defined benefit" and substitute "~~defined benefit~~
5 RETIREMENT".

6 Page 7, after line 1 insert:

7 **"SECTION 11.** In Colorado Revised Statutes, 31-31-1101,
8 **amend** (7) as follows:

9 **31-31-1101. Entry into the fire and police pension association**
10 **defined benefit system.** (7) The board shall determine a continuing
11 uniform rate of contribution for all members who are active on the
12 effective date of coverage to fund the benefits payable by the fire and
13 police pension association under the ~~statewide defined benefit~~
14 APPLICABLE COMPONENT OF THE STATEWIDE RETIREMENT plan. The
15 continuing rate of contribution shall be determined by the board utilizing
16 certified actuarial reports prepared by the actuary for the plan. Any
17 actuarial report shall also certify, in accordance with accepted actuarial
18 principals, that the employers' coverage shall not have an adverse
19 financial impact on the actuarial soundness of the plan. Continuing
20 contributions for each member who is active on the effective date of
21 coverage shall be made at the rate established on said date until the
22 member's retirement or termination; except that the board may lower the
23 continuing rate of contribution in the event it finds that the original
24 continuing rate of contribution is in excess of what is required to pay the
25 cost of benefits based on the advice of the actuary. The board may
26 periodically adjust the rate prior to the election of coverage by an
27 employer based on certified actuarial reports prepared by the actuary for
28 the plan."

29 Renumber succeeding sections accordingly.

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