



# Legislative Council Staff

## Research Note

Version: Final

Date: 4/19/2016

### Bill Number

House Bill 16-1038

### Sponsors

*Representatives Melton &  
Salazar  
Senator Jones*

### Short Title

*County Sheriff Optional  
Affiliation With FPPA*

### Research Analyst

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### Status

This research note reflects the final version of the bill. The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

### Summary

This bill, ***requested by the Police Officers' and Firefighters' Pension Reform Commission***, allows counties that do not cover, under the federal Social Security Act, salaried employees whose duties are directly involved with the provision of law enforcement or fire protection to elect coverage under the Fire and Police Pension Association (FPPA). In order to affiliate, the county must file a resolution with the FPPA board, and election of coverage under the plan is irrevocable.

### Background

***Social Security and FPPA.*** Senate Bill 03-056 expanded the definition of participants in FPPA plans to include county sheriff departments that are affiliated with social security and are involved in the provisions of law enforcement or fire protection.

***Fire and Police Pension Association.*** The Fire and Police Pension Association (FPPA) was established in 1980 and administers two funds: the Fire and Police Members' Benefit Investment Fund and the Fire and Police Members' Self-Directed Investment Fund. Assets in these funds are used for a number of pension plans, including the Defined Benefit System, the Statewide Death and Disability Plan, and numerous separate "old hire" plans for police officers and firefighters throughout the state of Colorado.

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***Police Officers' and Firefighters' Pension Reform Commission.*** Pursuant to Section 31-31-1001, C.R.S., the Police Officers' and Firefighters' Pension Reform Commission (commission) has the responsibility to study and develop proposed legislation relating to funding of police officers' and firefighters' pensions in the state and benefit designs of such pension plans. The law directs the commission to study, review, and propose legislation related to these issues including, but not limited to, the following subjects:

- normal retirement age and compulsory retirement;
- payment of benefits prior to normal retirement age;
- service requirements for eligibility;
- rate of accrual of benefits;
- disability benefits;
- survivors' benefits;
- vesting of benefits;
- employee contributions;
- post-retirement increases;
- creation of an administration board;
- creation of a consolidated statewide system;
- distribution of state funds;
- coordination of benefits with other programs; and
- the volunteer firefighter pension system.

## House Action

***House Finance Committee (January 20, 2016).*** At the hearing, a representative from the Fire and Police Pension Association testified in a neutral position regarding the bill. The committee referred the bill, unamended, to the House Committee of the Whole.

***House second reading (January 25, 2016).*** The House passed the bill on second reading with no amendments.

***House third reading (January 26, 2016).*** The House passed the bill on third reading with no amendments.

## Senate Action

***Senate Finance Committee (February 23, 2016).*** At the hearing, a representative from the Fire and Police Pension Association testified in a neutral position regarding the bill. The committee referred the bill, unamended, to the Senate Appropriations Committee.

***Senate Appropriations Committee (March 4, 2016).*** At the hearing, a representative from the Fire and Police Pension Association testified in a neutral position regarding the bill. The committee referred the bill to the House Committee of the Whole.

***Senate second reading (March 8, 2016).*** The House passed the bill on second reading with no amendments.

***Senate third reading (March 9, 2016).*** The House passed the bill on third reading with no amendments.