

## CHAPTER 23

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**GOVERNMENT - LOCAL**


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**SENATE BILL 17-020**

BY SENATOR(S) Cooke, Guzman, Jones, Kerr, Merrifield, Williams A., Zenzinger;  
 also REPRESENTATIVE(S) Melton and Ginal, Becker K., Coleman, Esgar, Exum, Herod, Hooton, Lebsack, Lontine,  
 Mitsch Bush, Pettersen, Rosenthal, Salazar, Winter, Young, Duran.

**AN ACT**

**CONCERNING THE ESTABLISHMENT OF A UNIFORM APPROVAL STANDARD FOR FIRE AND POLICE  
 PENSION ASSOCIATION STATEWIDE PLAN ELECTIONS.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 31-31-501, **amend** (2)(c) as follows:

**31-31-501. Withdrawal into statewide money purchase plan.** (2) (c) Any withdrawal shall be approved by at least sixty-five percent of all active members employed by the employer who are participating in the statewide defined benefit plan at the time of the election AND WHO VOTE IN THE ELECTION PROPOSING THE WITHDRAWAL.

**SECTION 2.** In Colorado Revised Statutes, 31-31-502, **amend** (4)(b)(I) introductory portion, (4)(b)(I)(B), (5), and (6)(c) as follows:

**31-31-502. Statewide money purchase plan - creation - management.**  
 (4) (b) (I) Upon the request of an employer, the board shall permit a higher mandatory employer contribution rate, mandatory employee contribution rate, or both, than is set forth in ~~paragraph (a) of this subsection (4)~~ **SUBSECTION (4)(a) OF THIS SECTION** if the board determines that:

(B) An employee election was conducted and the higher mandatory contribution rate or rates was approved by sixty-five percent of the employer's active members of the plan WHO VOTE IN THE ELECTION PROPOSING THE HIGHER RATE.

(5) The board may amend the pension benefits provided under the statewide money purchase plan document created pursuant to subsection (1) of this section

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

only upon the approval of at least sixty-five percent of the active members of the plan WHO VOTE IN THE ELECTION PROPOSING THE PLAN AMENDMENT and more than fifty percent of the employers having WHO VOTE IN THE ELECTION PROPOSING THE PLAN AMENDMENT AND WHO HAVE active members covered by the plan, each employer to be assigned one vote; except that employers having both active police and fire members in the plan shall be assigned two votes; and except that the board may amend the plan document, without further approval, as it deems prudent and necessary to comply with state and federal law or as it deems necessary to efficiently administer benefits under the plan.

(6) (c) Any application for coverage under the statewide money purchase plan shall be approved by at least sixty-five percent of all active members employed by the employer who are participating in the local money purchase plan at the time of the application AND WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE UNDER THE STATEWIDE MONEY PURCHASE PLAN.

**SECTION 3.** In Colorado Revised Statutes, 31-31-601, **amend** (1)(c) as follows:

**31-31-601. Withdrawn local alternative pension plan - creation - administration.** (1) (c) Any reentry of both the withdrawal and the alternative pension plan, together with any amendments thereto, shall be approved by at least sixty-five percent of all active members WHO VOTE IN THE ELECTION PROPOSING THE REENTRY, WITHDRAWAL, OR AMENDMENT. No amendment of an alternative pension plan may be adopted that would adversely affect the pension benefits of retired members. Notwithstanding any other provision of this subsection (1), however, an alternative pension plan, with the approval of the employer and sixty-five percent of the active members of the plan WHO VOTE IN THE ELECTION PROPOSING THE AMENDMENT, may be amended so as to change the nature of the plan from a defined benefit plan to a money purchase plan or from a money purchase plan to a defined benefit plan.

**SECTION 4.** In Colorado Revised Statutes, 31-31-704.5, **amend** (3) as follows:

**31-31-704.5. Entry into the social security supplemental plan.** (3) Any application for coverage under the social security supplemental plan shall be approved by at least sixty-five percent of all active members employed by the employer at the time of the application WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE.

**SECTION 5.** In Colorado Revised Statutes, 31-31-802, **amend** (1)(c) as follows:

**31-31-802. Coverage.** (1) Except as provided in section 31-31-803, any member hired before, on, or after April 7, 1978, is eligible for the benefits provided by this part 8, with the exception of the following:

(c) Members whose employer had established a money purchase plan on or before December 1, 1978, in accordance with the provisions of part 8 of article 30.5 of this ~~title~~ TITLE 31; except that members of a police or fire department of any such employer may elect, with the approval of sixty-five percent of all active members employed by the department WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE and with the consent of the members' employer, to be covered by the provisions of

this part 8, but any member hired on or after the date determined by the board to be the effective date of affiliation for coverage under this part 8 shall be covered under said part and shall have no right of election. Upon election of such coverage, members shall complete a statewide standard health history form pursuant to section 31-31-810 (1)(c) and, for purposes of this part 8, shall be considered as if first employed as of the date the election is effective. The board shall establish procedures for obtaining the required member and employer approval for coverage under this part 8. Once a member has elected the coverage of this part 8, the member's election shall be irrevocable. No employer that elects coverage on or after July 1, 1996, under this part 8 pursuant to this ~~paragraph (c)~~ SUBSECTION (1)(c) shall be permitted to withdraw from such coverage pursuant to subsection (2) of this section.

**SECTION 6.** In Colorado Revised Statutes, 31-31-1101, **amend** (3) and (3.5)(a) as follows:

**31-31-1101. Entry into the statewide hybrid plan - rules.** (3) Except as otherwise provided in subsection (3.5) of this section, any application for coverage under the statewide hybrid plan shall be approved by at least sixty-five percent of all active members employed by the employer who are participating in the money purchase plan at the time of the application AND WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE.

(3.5) (a) In lieu of an election to obtain the approval by at least sixty-five percent of all active members WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE as required by subsection (3) of this section, and when the local plan allows for the individual self-direction of each member's account, the employer may offer each active local plan member the option to discontinue participation in the local money purchase plan and to participate in the statewide hybrid plan. The offer shall be a one-time event and shall be extended to all active local plan members employed by the employer at the time of the offer. Active local plan members that choose to discontinue participation in the local money purchase plan and to participate in the statewide hybrid plan and all of the employees hired on or after the effective date of coverage under the statewide hybrid plan that meet the definition of a member, as defined in section 31-31-102 (4), shall be included in the employer's application for coverage under the statewide hybrid plan.

**SECTION 7.** In Colorado Revised Statutes, 31-31-1102, **amend** (4)(b)(I) introductory portion and (4)(b)(I)(B) as follows:

**31-31-1102. Statewide hybrid plan - creation - management.** (4) (b) (I) Upon the request of an employer, the board shall permit a higher mandatory employer contribution rate, mandatory employee contribution rate, or both, than is set forth in ~~paragraph (a) of this subsection (4)~~ SUBSECTION (4)(a) OF THIS SECTION if the board determines that:

(B) An employee election was conducted and the higher mandatory contribution rate or rates was approved by sixty-five percent of the employer's active members of the plan WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE.

**SECTION 8.** In Colorado Revised Statutes, 31-31-1103, **amend** (1)(c) and

(1)(c.5)(I) as follows:

**31-31-1103. Entry into the statewide defined benefit plan.** (1) (c) Except as otherwise provided in ~~paragraph (c.5) of this subsection (1)~~ SUBSECTION (1)(c.5) OF THIS SECTION, any application for coverage under the statewide defined benefit plan shall be approved by at least sixty-five percent of all active members employed by the employer who are participating in the money purchase plan at the time of the application AND WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE.

(c.5) (I) In lieu of an election to obtain the approval by at least sixty-five percent of all active members WHO VOTE IN THE ELECTION PROPOSING THE COVERAGE as required by ~~paragraph (c) of this subsection (1)~~ SUBSECTION (1)(c) OF THIS SECTION, and when the local plan allows for the individual self-direction of each member's account, the employer may give each active local plan member the option to discontinue participation in the local money purchase plan and to participate in the statewide defined benefit plan. The offer shall be a one-time event and shall be extended to all active local plan members employed by the employer at the time of the offer. Active local plan members that choose to discontinue participation in the local money purchase plan and to participate in the statewide defined benefit plan and all of the employees hired on or after the effective date of coverage under the statewide defined benefit plan that meet the definition of a member, as defined in section 31-31-102 (4), shall be included in the employer's application for coverage under the statewide defined benefit plan.

**SECTION 9. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: March 8, 2017