Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction HOUSE BILL 24-1044

LLS NO. 24-0395.01 Jessica Herrera x4218

HOUSE SPONSORSHIP

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Hansen,

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House Committees Finance **Senate Committees**

A BILL FOR AN ACT

101 **CONCERNING THE PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION'S**

102 LIMITATIONS ON EMPLOYMENT AFTER RETIREMENT FOR PUBLIC

103 SCHOOL EMPLOYERS.

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 <u>http://leg.colorado.gov/.</u>)

With limited exceptions, current law limits the number of service retirees that a state college or university or an employer in the school or Denver public schools division of the public employees' retirement association (PERA) can hire without a reduction in the service retirees' benefits to 10 service retirees when an employer determines there is a

HOUSE Amended 2nd Reading February 23, 2024 critical shortage of qualified candidates. The bill allows an employer to hire such service retirees when the employer determines there is a need.

In addition, the bill authorizes an employer in the school or Denver public schools division with a student enrollment above 10,000 to hire, without a reduction in service retirees' benefits, an additional service retiree for each 1,000 students enrolled above 10,000. An employer with 10,000 students or less will continue to be allowed to hire 10 service retirees. The bill requires an employer in the school or Denver public schools division to provide PERA with a list of all employed service retirees by September 1 of an applicable calendar year.

1 Be it enacted by the General Assembly of the State of Colorado: 2 SECTION 1. In Colorado Revised Statutes, 24-51-1101, amend 3 (1.8)(a), (1.8)(b), and (1.9)(i); and **add** (1.8)(b.5) and (6) as follows: 4 24-51-1101. Employment after service retirement - report -5 definitions - repeal. (1.8) (a) A service retiree who is hired by a state 6 college or university or by an employer in the school or Denver public 7 schools division of the association pursuant to subsection (1.8)(b) OR 8 SUBSECTION (1.8)(b.5) of this section and who is not subject to subsection 9 (1.9) or (5) SUBSECTION (1.3), (1.9), OR (5) of this section may receive 10 salary without reduction in benefits if employment of more than four 11 hours per day does not exceed one hundred forty days in the calendar 12 year, if employment of four hours or less per day does not exceed nine 13 hundred sixteen hours in the calendar year, or if employment consisting 14 of a combination of daily and hourly employment does not exceed one 15 hundred forty days per calendar year, and if the service retiree has not 16 worked for any employer, as defined in section 24-51-101 (20), during the 17 month of the effective date of retirement. A service retiree described in 18 this subsection (1.8)(a) who works for any employer, as defined in section 19 24-51-101 (20), during the month of the effective date of retirement shall 20 be subject to a reduction in benefits as provided in section 24-51-1102

1 (2).

2 (b) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1.8)(b.5) OF 3 THIS SECTION, a state college or university or an employer in the school 4 or Denver public schools division may hire up to ten service retirees who 5 are not subject to subsection (1.3), (1.9), or (5) of this section in areas 6 where the employer determines that there is a critical shortage of qualified 7 candidates NEED and that the service retiree has unique experience, skill, 8 or qualifications that would benefit the employer. The employer shall 9 notify the association upon hiring a service retiree pursuant to this 10 subsection (1.8). A STATE COLLEGE OR UNIVERSITY SHALL PROVIDE a list 11 TO THE ASSOCIATION of any and all service retirees employed by the 12 employer shall be provided to the association THAT IT EMPLOYS PURSUANT 13 TO THIS SUBSECTION (1.8)(b) at the start of each calendar year and shall 14 be updated UPDATE THE LIST prior to any additional hirings during the 15 same calendar year. AN EMPLOYER IN THE SCHOOL OR DENVER PUBLIC 16 SCHOOLS DIVISION SHALL PROVIDE A LIST TO THE ASSOCIATION OF ANY 17 AND ALL SERVICE RETIREES THAT IT EMPLOYS PURSUANT TO THIS 18 SUBSECTION (1.8)(b) AND PURSUANT TO SUBSECTION (1.8)(b.5) OF THIS 19 SECTION NO LATER THAN SEPTEMBER 1 OF THE APPLICABLE CALENDAR 20 YEAR AND SHALL UPDATE THE LIST PRIOR TO ANY ADDITIONAL HIRINGS 21 DURING THE SAME CALENDAR YEAR.

(b.5) (1) IN ADDITION TO THE TEN SERVICE RETIREES, AN
EMPLOYER IN THE SCHOOL OR DENVER PUBLIC SCHOOLS DIVISION MAY
HIRE PURSUANT TO SUBSECTION (1.8)(b) OF THIS SECTION, AN EMPLOYER
IN THE SCHOOL OR DENVER PUBLIC SCHOOLS DIVISION THAT HAS A
STUDENT ENROLLMENT GREATER THAN TEN THOUSAND AS OF THE "PUPIL
ENROLLMENT COUNT DAY", AS DEFINED IN SECTION 22-54-103 (10.5), OF

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THE PREVIOUS YEAR MAY HIRE ONE ADDITIONAL SERVICE RETIREE FOR
 EACH ONE THOUSAND ENROLLED STUDENTS ABOVE TEN THOUSAND.

3 (II) THE PERIOD DURING WHICH A SERVICE RETIREE MAY RECEIVE
4 SALARY WITHOUT REDUCTION IN BENEFITS PURSUANT TO THIS SUBSECTION
5 (1.8)(b.5) MAY NOT EXCEED SIX CONSECUTIVE YEARS FROM THE DATE THE
6 SERVICE RETIREE BEGAN WORK PURSUANT TO THIS SUBSECTION (1.8)(b.5).

7 (1.9) (i) On or before December 1, 2025, and on or before 8 December 1 of each fifth year thereafter, The association shall submit a 9 report to the finance committees of the house of representatives and the 10 senate, or any successor committees, regarding the employment after 11 service retirement provisions of this subsection (1.9) IN ACCORDANCE 12 WITH SUBSECTION (6) OF THIS SECTION. Notwithstanding the requirement 13 in section 24-1-136 (11)(a)(I), the requirement to submit the report 14 required in this subsection (1.9)(i) continues indefinitely. The employers 15 in the school division of the association that employ teachers, school bus 16 drivers, school food services cooks, school nurses, or paraprofessionals, as defined in section 22-60.3-102 (9), pursuant to this subsection (1.9) 17 18 shall provide information requested by the association for the purposes of 19 the report. The report shall include:

(I) The number of teachers, school bus drivers, school food
 services cooks, school nurses, and paraprofessionals, as defined in section
 22-60.3-102 (9), who have been employed after service retirement
 pursuant to this subsection (1.9) as of the date of the report;

(II) The extent to which this subsection (1.9) has helped
 employers in the school division address teacher, school bus driver,
 school food services cook, school nurse, and paraprofessional, as defined
 in section 22-60.3-102 (9), shortages;

1	(III) The costs, if any, to the association as a result of this
2	subsection (1.9); and
3	(IV) Any other information deemed relevant by the association.
4	(6) (I) ON OR BEFORE DECEMBER 1, 2025, AND ON OR BEFORE
5	DECEMBER 1 OF EACH FIFTH YEAR THEREAFTER, THE ASSOCIATION SHALL
6	SUBMIT A REPORT TO THE FINANCE COMMITTEES OF THE HOUSE OF
7	REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES,
8	REGARDING THE EMPLOYMENT AFTER SERVICE RETIREMENT PROVISIONS
9	OF SUBSECTIONS (1.8) , (1.9) , and (5) of this section. Notwithstanding
10	THE REQUIREMENT IN SECTION $24-1-136(11)(a)(I)$, THE REQUIREMENT TO
11	SUBMIT THE REPORT REQUIRED IN THIS SUBSECTION (6) CONTINUES
12	INDEFINITELY.
13	(II) The employers in the school division of the association
14	THAT EMPLOY A SERVICE RETIREE PURSUANT TO SUBSECTIONS $(1.8), (1.9),$
15	OR(5) OF THIS SECTION SHALL PROVIDE INFORMATION REQUESTED BY THE
16	ASSOCIATION FOR THE PURPOSES OF THE REPORT.
17	(III) THE REPORT MUST INCLUDE:
18	(A) The number of service retirees who have been
19	EMPLOYED AFTER SERVICE RETIREMENT PURSUANT TO SUBSECTIONS (1.8) ,
20	(1.9), and (5) of this section as of the date of the report;
21	(B) The extent to which subsections (1.8) , (1.9) , or (5) of
22	THIS SECTION HAVE HELPED EMPLOYERS IN THE SCHOOL DIVISION ADDRESS
23	SHORTAGES;
24	(C) THE COSTS, IF ANY, TO THE ASSOCIATION AS A RESULT OF
25	SUBSECTIONS (1.8) , (1.9) , OR (5) OF THIS SECTION; AND
26	(D) ANY OTHER INFORMATION DEEMED RELEVANT BY THE
27	ASSOCIATION.

SECTION 2. Effective date. This act takes effect July 1, 2024.
 SECTION 3. Safety clause. The general assembly finds,
 determines, and declares that this act is necessary for the immediate
 preservation of the public peace, health, or safety or for appropriations for
 the support and maintenance of the departments of the state and state
 institutions.