

CHAPTER 41

GOVERNMENT - MUNICIPAL

SENATE BILL 95-012

BY SENATORS Tebedo, Blickensderfer, and R. Powers;
also REPRESENTATIVES Reeves, Chlouber, Entz, and June.

AN ACT

**CONCERNING EMPLOYER PARTICIPATION IN THE STATEWIDE MONEY PURCHASE PLAN FOR POLICE
AND FIRE MEMBERS CURRENTLY COVERED BY LOCAL MONEY PURCHASE PLANS.**

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

SECTION 1. 31-30-1005.3, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

31-30-1005.3. Statewide money purchase plan - creation - management - application for coverage in lieu of local money purchase plan. (6) (a) ANY EMPLOYER WHO HAS ESTABLISHED A LOCAL MONEY PURCHASE PLAN PURSUANT TO PART 3, 4, 5, 6, OR 10 OF THIS ARTICLE MAY APPLY TO THE BOARD TO COVER THE MEMBERS OF ITS LOCAL MONEY PURCHASE PLAN UNDER THE STATEWIDE MONEY PURCHASE PLAN. AN APPLICATION MAY BE INITIATED BY FILING WITH THE BOARD A RESOLUTION ADOPTED BY THE EMPLOYER PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (6) NO LESS THAN SIX MONTHS PRIOR TO THE PROPOSED EFFECTIVE DATE OF COVERAGE UNDER THE STATEWIDE MONEY PURCHASE PLAN UNLESS A SHORTER WAITING PERIOD IS APPROVED BY THE BOARD. THE EFFECTIVE DATE OF COVERAGE SHALL BE THE FIRST DAY OF THE MONTH FOLLOWING THE WAITING PERIOD.

(b) THE EMPLOYER'S RESOLUTION APPLYING FOR COVERAGE UNDER THE STATEWIDE MONEY PURCHASE PLAN SHALL BE ADOPTED BY THE GOVERNING BODY OF THE EMPLOYER AND SHALL STATE THE EMPLOYER'S INTENT TO COVER THE MEMBERS OF ITS LOCAL MONEY PURCHASE PLAN UNDER THE STATEWIDE MONEY PURCHASE PLAN.

(c) ANY APPLICATION FOR COVERAGE UNDER THE STATEWIDE MONEY PURCHASE PLAN SHALL BE APPROVED BY AT LEAST SIXTY-FIVE PERCENT OF ALL ACTIVE

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

MEMBERS EMPLOYED BY THE EMPLOYER WHO ARE PARTICIPATING IN THE LOCAL MONEY PURCHASE PLAN AT THE TIME OF THE APPLICATION.

(d) THE BOARD SHALL PROMULGATE RULES AND REGULATIONS RELATING TO STANDARDS FOR DISCLOSURE OF ALL RAMIFICATIONS AND PROCEDURES FOR OBTAINING THE MEMBER APPROVAL DESCRIBED IN PARAGRAPH (c) OF THIS SUBSECTION (6). THE BOARD SHALL ALSO PROMULGATE RULES AND REGULATIONS RELATING TO STANDARDS FOR GRANTING AN EMPLOYER'S APPLICATION FOR PARTICIPATION IN THE STATEWIDE MONEY PURCHASE PLAN AND FOR THE SUBMISSION OF INFORMATION TO THE BOARD BY THE EMPLOYER.

(e) AN APPLICATION FOR COVERAGE UNDER THE STATEWIDE MONEY PURCHASE PLAN SHALL NOT BE COMPLETE UNTIL THE EMPLOYER CERTIFIES TO THE BOARD THAT:

(I) THE EMPLOYER'S LOCAL MONEY PURCHASE PLAN MEETS THE QUALIFICATION REQUIREMENTS OF SECTION 401 (a) OF THE INTERNAL REVENUE CODE OF 1986 THAT ARE APPLICABLE TO GOVERNMENTAL PLANS;

(II) IN CONNECTION WITH THE EMPLOYER'S RESOLUTION PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (6), THE EMPLOYER'S GOVERNING BODY HAS ADOPTED A RESOLUTION FOR COMPLETE OR PARTIAL TERMINATION OF THE LOCAL MONEY PURCHASE PLAN IN ACCORDANCE WITH THE TERMS OF THAT PLAN AND THAT:

(A) THE TERMINATION RESOLUTION DOES NOT ADVERSELY AFFECT THE QUALIFIED STATUS OF THE LOCAL MONEY PURCHASE PLAN; AND

(B) THE RIGHTS OF ALL PARTICIPANTS IN THE LOCAL MONEY PURCHASE PLAN WHO ARE AFFECTED BY THE TERMINATION TO BENEFITS ACCRUED TO THE DATE OF TERMINATION ARE NONFORFEITABLE;

(III) ALL ACTIVE AND RETIRED FIRE AND POLICE PARTICIPANTS IN THE LOCAL MONEY PURCHASE PLAN WILL BECOME PARTICIPANTS IN THE STATEWIDE MONEY PURCHASE PLAN;

(IV) AS DIRECTED BY THE BOARD, THE EMPLOYER WILL TRANSFER OR CAUSE TO BE TRANSFERRED TO THE STATEWIDE MONEY PURCHASE PLAN ALL ASSETS OF THE LOCAL MONEY PURCHASE PLAN THAT ARE ATTRIBUTABLE TO THE ACCRUED BENEFITS OF THE TRANSFERRED PARTICIPANTS;

(V) ALL EMPLOYER AND EMPLOYEE CONTRIBUTIONS REQUIRED TO BE MADE TO THE LOCAL MONEY PURCHASE PLAN AS OF THE DATE OF TERMINATION HAVE BEEN PAID;

(VI) PARTICIPANTS IN THE LOCAL MONEY PURCHASE PLAN WILL NOT INCUR A REDUCTION IN THEIR RESPECTIVE ACCRUED BENEFITS, DETERMINED AS OF THE DATE OF TRANSFER, AS A RESULT OF THEIR TRANSFER TO THE STATEWIDE MONEY PURCHASE PLAN; AND

(VII) THE EMPLOYER AGREES TO PARTICIPATE IN THE STATEWIDE MONEY PURCHASE PLAN AND TO BE BOUND BY THE TERMS OF THE PLAN AND THE DECISIONS AND ACTIONS OF THE BOARD WITH RESPECT TO THE PLAN.

SECTION 2. 31-30-1003.3, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

31-30-1003.3. Exempt money purchase plan option. (11) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT AN EMPLOYER WHO HAS ADOPTED A LOCAL MONEY PURCHASE PLAN FROM ELECTING AND APPLYING FOR COVERAGE UNDER THE STATEWIDE MONEY PURCHASE PLAN PURSUANT TO SECTION 31-30-1005.3 (6).

SECTION 3. 31-30-1005 (1), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

31-30-1005. Powers and duties of the board. (1) The board shall:

(1) APPROVE OR DENY APPLICATIONS FOR COVERAGE UNDER THE STATEWIDE MONEY PURCHASE PLAN PURSUANT TO SECTION 31-30-1005.3 (6).

SECTION 4. 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 31, 1995