



# Fiscal Note

## Legislative Council Staff

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### SB 26-151: MOD PERA ALLOWED AFFILIATION AND BOARD OF TRUSTEES

**Prime Sponsors:**

Sen. Kolker; Gonzales J.

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**Version:** Initial Fiscal Note

**Date:** April 1, 2026

**Fiscal note status:** The fiscal note reflects the introduced bill.

### Summary Information

**Overview.** The bill modifies the composition of the Public Employees’ Retirement Association (PERA) Board of Trustees. It also affiliates DSST Public Schools with the Denver Public School Division of PERA.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- School Districts
- Statutory Public Entity

**Appropriations.** No appropriation is required.

**Table 1  
State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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The bill modifies the composition of the Public Employees' Retirement Association (PERA) Board of Trustees by replacing the current ex-officio, elected, and non-voting board member representing the Denver Public Schools (DPS) Division with an elected and voting member representing the DPS Division.

The bill also affiliates DSST Public Schools with the DPS Division of PERA. DSST employees are also permitted to purchase service credit for years employed by the charter school without limit if the purchase is completed before the member terminates employment with the charter school and any such purchase for years employed by the charter school in excess of ten years is completed or installment payments are initiated within three years after July 1, 2026. The cost to purchase service credit is determined by the board and must be sufficient to pay the actuarial liability associated with the purchase.

## Background

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### PERA Board of Trustees

The [PERA Board of Trustees](#) currently consists of 16 members, as detailed in Table 2. Of the trustees, only the DPS Division trustee is non-voting.

**Table 2**  
**Composition of PERA's Board of Trustees**

<b>Representing</b>	<b>Number of Trustees</b>	<b>Type of Appointment</b>
State Treasurer	1	Ex-officio, voting
State Division	3	Elected, voting
School Division	4	Elected, voting
Local Government Division	1	Elected, voting
Judicial Division	1	Elected, voting
Retirees	2	Elected by division groupings, voting
Pension Expertise	3	Governor-appointed, voting
DPS Division	1	Ex-officio, elected, non-voting

Source: Section 24-51-203, C.R.S.

## **Denver School of Science and Technology**

When the original DSST campus chartered under DPS in 2004, it was exempted from participation in the Denver Public Schools Retirement System (DPSRS). When DPSRS merged with PERA in 2010 as a result of Senate Bill 09-282, DSST was again excluded from participation in PERA. Today, the DSST campus in Aurora has been chartered through Aurora Public Schools and is affiliated with PERA, but the other campuses chartered under Denver Public Schools still fall under this existing exemption.

## **School District**

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The DSST will have increased costs for employer contributions, which are determined as a percent of member pay. The DPS Division employer contribution rate is currently 18.4 percent, including the base rate, AED, SAED, and automatic adjustments. Actual DPS employer contributions vary based on DPS payments toward its pension obligation bonds.

## **Statutory Public Entity**

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Overall, the bill is not anticipated to have a significant fiscal impact on PERA's administrative workload and costs, nor on the DPS Division trust.

Changing a board member will require PERA to update information materials. Since the change does not require a new election nor increase total board membership, it will not impact PERA's administrative costs.

The DSST affiliation is expected to have a neutral-to-positive impact on the DPS Division's funded status, given the influx of new members that are likely be in the earlier stages of their defined benefit plan accruing. Because the cost to purchase service credit is the actuarial cost of providing the future benefit resulting from the purchase, service credit purchase is intended to be cost-neutral over time and have a minimal impact on the PERA trusts.

## **Effective Date**

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The bill takes effect July 1, 2026, except that Sections 1, 5, and 6 take effect June 1, 2026.

## **State and Local Government Contacts**

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Public Employees' Retirement Association

Treasury

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).