



**Report to the
Colorado General Assembly**

**Police Officers' and
Firefighters' Pension
Reform Commission**

Prepared by

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Police Officers' and Firefighters' Pension Reform Commission

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December 2014

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December 2014

To Members of the Sixty-ninth General Assembly:

Submitted herewith is the final report of the Police Officers' and Firefighters' Pension Reform Commission. This committee was created pursuant to Section 31-31-1001, C.R.S. The purpose of the committee is to study and develop proposed legislation relating to funding of police officers' and firefighters' pensions in this state and the benefit designs of such pension plans.

At its meeting on October 15, 2014, the Legislative Council reviewed the summary report of this committee. A motion to forward this report and the bills therein for consideration in the 2015 session was approved.

Sincerely,

/s/ Representative Mark Ferrandino
Chairman

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This report is also available on line at:

<http://www.state.co.us/gov/lcs/PoliceandFirefightersPensionReform>

Committee Charge

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 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. 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.

Committee Activities

The commission held one meeting during the 2014 interim, on August 19, 2014. At this meeting, the FPPA informed the commission about the state's involvement in fire and police pension plans, as well as the FPPA's statewide death and disability plan, and about recent activities of the FPPA board of directors. The FPPA presented its annual report and funded status. The presentation included discussions of the following subjects.

Pension Plans and Member Activities

FPPA pension plans. Old hire pension plans are the member benefit plans that existed prior to reform legislation effective April 8, 1978. Over 99 percent of enrollees in old hire pension plans are in retired status. State contributions to old hire plans concluded May 31, 2013. Due to the change in funded status of old hire contribution plans offered by the state, actuarial studies and contributing schedules identified under current law may be obsolete.

The reform legislation of 1978 established the statewide defined benefit plan, also known as the new hire pension plan. This plan is funded by member and employer contributions and is administered by the FPPA.

Election on contribution rates. A pension plan member task force recommended that the FPPA hold an election to increase contributions from members. The election did not affect employer contributions. The FPPA board accepted the recommendation to hold an election and passed a resolution to increase contributions by 0.5 percent each year for eight consecutive years (a cumulative increase of 4 percent). The member election was held in June 2014, and the resolution was approved by 68 percent of pension enrollees, above the required 65 percent.

Job transitions and FPPA plans. The commission discussed problems associated with police officers and firefighters who change jobs during their career. Federal tax law creates a distinction in the purchase of service credit that is not contemplated in Colorado law. Under current law, a career police officer or firefighter may not be eligible to purchase service credit in an FPPA plan due to residual benefits or a lack of adequate funding in the pension plan in his or her prior job. Bill A addresses issues associated with the accounting of service credit when an individual transfers funds into the FPPA statewide defined benefit plan.

Merging fire departments also result in new members under the FPPA statewide defined benefit plan. Career firefighters beginning an FPPA plan at an older age create liabilities that are not currently accounted for in FPPA practices. Bill C creates a process to account for the actuarial impact of merging fire departments.

The employer of a police or fire department chief may offer the chief a retirement plan other than a FPPA-administered plan. Federal and state law contemplate that police and fire department employees not covered by an FPPA retirement plan will participate in other retirement plans, but may also enroll in other FPPA plans. Bill D specifies retirement plan requirements and other FPPA coverage available to police and fire departments with Social Security employees.

Financial Assessments and Impacts

Financial assets and investment program. The FPPA investment fund had a total of \$4.4 billion as of December 31, 2013, divided between the members' benefit investment fund and the self-directed investment fund. Annual returns were impacted by the financial crisis in 2008, resulting in a 29.4 percent decrease. The FPPA has changed the structure of the investment program portfolio in order to protect against downside risk by limiting purchasing participation during high and low periods of the markets.

Accounting and regulatory impacts to FPPA plans. The commission received testimony from FPPA officials concerning accounting practices and accounting costs associated with various FPPA plans. Currently, the cost of audits and certain other regulatory compliance activities for plans are not assessed by the FPPA. However, such costs are increasing due to new government accounting standards. In addition, the FPPA lacks statutory authority to assess interest on unpaid member contributions. Bill B provides the FPPA the authority to assess costs and interest associated with its plans.

Continuing a discussion that began at the commission's 2013 meeting, FPPA officials advised that a significant number of questions have arisen regarding the regulatory and financial adequacy of volunteer firefighter pension plans in Colorado. As outlined in a memo presented

to the commission, the FPPA recommends a study of volunteer plans. However, the FPPA administers only a portion of the volunteer plans and cannot coordinate a comprehensive study. Bill E initiates the recommended study.

Fiscal impacts. Representatives from the FPPA and the Legislative Council Staff discussed the fiscal impact of legislation considered by the commission. Typically, bills modifying the operation of the FPPA will not generate state government costs, while some legislation may impact local governments. The state discharged its obligations to contribute to old hire FPPA plans with legislation adopted in 2013. However, the state may assume responsibility for other costs associated with legislation that affects the FPPA and other organizations (e.g., local governments with fire departments), such as the proposed study of volunteer firefighter pension plans.

Summary of Recommendations

As a result of the committee's activities, five bills were recommended to the Legislative Council for consideration in the 2015 session. At its meeting on October 15, 2014, the Legislative Council approved all five of the recommended bills for introduction.

Bill A — Transfer Pension Plan Funds to FPPA

Bill A provides specific authority for a member of the FPPA defined benefit plan to:

- transfer funds; and
- receive service credit for participation in a pension plan not administered by FPPA, under certain circumstances.

Bill B — FPPA Board Assess Administrative Charges

Bill B authorizes the FPPA to assess interest on:

- unpaid contributions to member plans and costs of accounting; and
- regulatory compliance to individual plans.

Bill C — FPPA Beginning Member Contribution Rates

Bill C requires members who enter the FPPA statewide defined benefit plan due to fire department mergers to contribute to the plan in the same manner as members reentering the plan, specifically by paying the continuing uniform rate of contribution established by the FPPA board.

Bill D — FPPA Plan Employee Participation Requirements

Bill D amends existing statutes related to FPPA compliance with Internal Revenue Service (IRS) requirements. Specifically, the bill:

- specifies the coverage in FPPA plans available to a fire chief who is exempted from the FPPA statewide defined benefit plan because he or she participates in Social Security or in a Federal Insurance Contributions Act (FICA) replacement plan; and
- requires all Social Security employers enrolled in the FPPA statewide death and disability plan to also participate, by January 1, 2017, in the FPPA Social Security supplemental plan.

Bill E — Volunteer Firefighter Pension Plan Study

Bill E directs the State Auditor to coordinate a study of volunteer firefighter pension plans in the state. The study will:

- include analysis of compliance of current plans with federal law and potential alternatives to the current structure of volunteer firefighter plans; and
- be contracted to a law firm with recognized expertise in the subject matter and presented to the Police Officers' and Firefighters' Pension Reform Commission in the 2015 interim.



Resource Materials

Meeting summaries are prepared for each meeting of the committee and contain all handouts provided to the committee. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver (303-866-2055). The listing below contains the dates of committee meetings and the topics discussed at those meetings. Meeting summaries are also available on our website at:

<http://www.colorado.gov/lcs/PoliceandFirefightersPensionReform>

Meeting Date and Topics Discussed

August 19, 2014

- ◆ Update from the Fire and Police Pension Association
- ◆ Discussion of proposed legislation

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

BILL A

LLS NO. 15-0067.01 Nicole Myers x4326

SENATE BILL

SENATE SPONSORSHIP

Jones, Balmer, Ulibarri

HOUSE SPONSORSHIP

Melton, Court, Ginal, Scott

Senate Committees

House Committees

A BILL FOR AN ACT

101 CONCERNING THE TRANSFER OF AN INDIVIDUAL'S RETIREMENT FUNDS
102 TO THE STATEWIDE DEFINED BENEFIT PLAN ADMINISTERED BY
103 THE FIRE AND POLICE PENSION ASSOCIATION.

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 <http://www.leg.state.co.us/billsummaries>.)

Police Officers' and Firefighters' Pension Reform Commission.

Current law allows a member of the fire and police pension association (FPPA) to roll over distributions from an eligible pension plan to the statewide defined benefit plan administered by the FPPA for other

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

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Dashes through the words indicate deletions from existing statute.

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employment not covered by the statewide defined benefit plan. However, current law treats such roll overs as a purchase of service credit. The bill authorizes a separate process for a member to be granted service credit upon a qualified transfer of funds from an eligible pension plan for other employment that is not covered by the statewide defined benefit plan and maintains the current process for the purchase of service credit. The bill specifies that the FPPA board of directors shall award service credit to the member in an amount calculated by the board on an actuarially equivalent basis.

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 31-31-410 as
3 follows:

4 **31-31-410. Purchased or rolled over service credit.** (1) A
5 MEMBER MAY BE GRANTED SERVICE CREDIT UPON THE QUALIFIED
6 TRANSFER OF FUNDS FROM AN ELIGIBLE PENSION PLAN FOR OTHER PUBLIC
7 EMPLOYMENT WITHIN THE UNITED STATES NOT COVERED BY THE PLAN,
8 AS MAY BE ALLOWED UNDER RULES ADOPTED BY THE BOARD, SUBJECT TO
9 ALL OF THE FOLLOWING CONDITIONS:

10 (a) THE MEMBER HAS AT LEAST ONE YEAR OF CONTINUOUS
11 SERVICE CREDIT WITH THE SAME EMPLOYER COVERED BY THE STATEWIDE
12 DEFINED BENEFIT PLAN;

13 (b) THE MEMBER PROVIDES DOCUMENTATION THAT THE BENEFITS
14 IN THE ELIGIBLE PLAN WERE EARNED BASED ON PUBLIC EMPLOYMENT;
15 AND

16 (c) THE MEMBER TRANSFERS FUNDS TO THE FIRE AND POLICE
17 PENSION ASSOCIATION AT THE TIME AND IN THE MANNER PRESCRIBED BY
18 THE BOARD. THE BOARD SHALL AWARD SERVICE CREDIT TO THE MEMBER
19 IN AN AMOUNT CALCULATED BY THE BOARD ON AN ACTUARIALLY
20 EQUIVALENT BASIS.

1 ~~(1)~~ (1.5) A member may purchase service credit ~~or may be granted~~
2 ~~service credit upon the qualified roll over of distributions from an eligible~~
3 ~~plan~~, for other public employment within the United States not covered
4 by the plan, as may be allowed under rules adopted by the board, subject
5 to all of the following conditions:

6 (a) The member has at least one year of continuous service credit
7 with the same employer covered by the statewide defined benefit plan;

8 (b) The member provides documentation of the dates of
9 employment not covered by the plan and a record of the salary received;

10 (c) The member verifies that the member will not receive a benefit
11 from any retirement plan covering such employment and that the service
12 credit to be granted has not vested with that plan, except to the extent
13 otherwise required by federal law; AND

14 (d) The member pays or transfers FUNDS FROM AN ELIGIBLE
15 ACCOUNT to the fire and police pension association, at the time and in the
16 manner prescribed by the board, TO PAY FOR the cost of the service credit,
17 such cost to be calculated by the board on an actuarially equivalent basis.

18 (2) A member may purchase up to five years of service credit for
19 periods of active duty in the uniformed services of the United States,
20 subject to all of the following conditions:

21 (a) The member has at least one year of continuous service credit
22 with the same employer covered by the statewide defined benefit plan;

23 (b) The member provides documentation of the dates of service
24 in the uniformed services of the United States and that the member was
25 honorably discharged from such service;

26 (c) The member provides certification from the employer that the
27 service is not intervening service covered by the federal "Uniformed
28 Services Employment and Reemployment Rights Act of 1994", chapter

1 43 of title 38, U.S.C., as amended;

2 (d) The member verifies that the member will not receive a benefit
3 from any retirement plan covering such service and that the service credit
4 to be purchased has not vested with that plan, except to the extent
5 otherwise required by federal law; AND

6 (e) The member pays to the fire and police pension association,
7 at the time and in the manner prescribed by the board, the cost of the
8 service credit purchased, such cost to be calculated by the board on an
9 actuarially equivalent basis.

10 (2.4) A MEMBER MAY BE GRANTED UP TO FIVE YEARS OF SERVICE
11 CREDIT UPON THE QUALIFIED TRANSFER OF FUNDS FROM AN ELIGIBLE
12 PENSION PLAN, FOR EMPLOYMENT WITH ANY PRIVATE EMPLOYER IN THE
13 UNITED STATES, AS MAY BE ALLOWED UNDER THE RULES ADOPTED BY
14 THE BOARD, SUBJECT TO ALL OF THE FOLLOWING CONDITIONS:

15 (a) THE MEMBER HAS AT LEAST FIVE YEARS OF CONTINUOUS
16 SERVICE CREDIT WITH THE SAME EMPLOYER COVERED BY THE STATEWIDE
17 DEFINED BENEFIT PLAN;

18 (b) THE MEMBER TRANSFERS FUNDS TO THE FIRE AND POLICE
19 PENSION ASSOCIATION AT THE TIME AND IN THE MANNER PRESCRIBED BY
20 THE BOARD. THE BOARD SHALL AWARD SERVICE CREDIT TO THE MEMBER
21 IN AN AMOUNT CALCULATED BY THE BOARD ON AN ACTUARIALLY
22 EQUIVALENT BASIS.

23 (c) A MEMBER MAY BE AWARDED OR PURCHASE SERVICE CREDIT
24 PURSUANT TO THIS SUBSECTION (2.4) AND SUBSECTION (2.5) OF THIS
25 SECTION IN AN AMOUNT THAT, WHEN COMBINED, DOES NOT EXCEED FIVE
26 YEARS.

27 (2.5) A member may purchase up to five years of service credit ~~or~~
28 ~~may be granted up to five years of service credit upon the qualified roll~~

1 ~~over of distributions from an eligible plan~~, for employment with any
2 private employer in the United States, as may be allowed under rules
3 adopted by the board, subject to all of the following conditions:

4 (a) The member has at least five years of continuous service credit
5 with the same employer covered by the statewide defined benefit plan;

6 (b) The member provides documentation of the dates of
7 employment not covered by the plan and a record of the salary received;

8 (c) The member verifies that the member will not receive a benefit
9 from any retirement plan covering such employment and that the service
10 credit to be granted has not vested with that plan, except to the extent
11 otherwise required by federal law; AND

12 (d) The member pays or transfers FUNDS FROM AN ELIGIBLE
13 ACCOUNT to the fire and police pension association, at the time and in the
14 manner prescribed by the board, TO PAY FOR the cost of the service credit,
15 such cost to be calculated by the board on an actuarially equivalent basis.

16 (3) ~~Any service credit purchased under this section must cover a~~
17 ~~period of one year or longer.~~

18 **SECTION 2. Act subject to petition - effective date.** This act
19 takes effect at 12:01 a.m. on the day following the expiration of the
20 ninety-day period after final adjournment of the general assembly
21 (August 5, 2015, if adjournment sine die is on May 6, 2015); except that,
22 if a referendum petition is filed pursuant to section 1 (3) of article V of
23 the state constitution against this act or an item, section, or part of this act
24 within such period, then the act, item, section, or part will not take effect
25 unless approved by the people at the general election to be held in
26 November 2016 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

BILL B

LLS NO. 15-0069.01 Nicole Myers x4326

SENATE BILL

SENATE SPONSORSHIP

Ulibarri, Balmer, Jones

HOUSE SPONSORSHIP

Court, Ginal, Melton

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING ADDITIONAL AUTHORITY OF THE BOARD OF DIRECTORS**
102 **OF THE FIRE AND POLICE PENSION ASSOCIATION TO ASSESS**
103 **ADMINISTRATIVE CHARGES.**

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 <http://www.leg.state.co.us/billsummaries>.)

Police Officers' and Firefighters' Pension Reform Commission.

The bill authorizes the fire and police pension association (FPPA) board of directors (board) to promulgate rules for the assessment of interest on unpaid contributions to statewide plans. The board is authorized to

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Capital letters indicate new material to be added to existing statute.

DRAFT *Dashes through the words indicate deletions from existing statute.*

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include rules regarding the waiver of interest due for good cause. The bill specifies that the interest rate will be one-half of one percent per month.

The bill also authorizes the board to assess the individual plans administered by the FPPA with the reasonable actuarial, audit, and operational costs that are incurred by the FPPA in complying with regulatory requirements and that are attributable to each plan.

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

2 **SECTION 1.** In Colorado Revised Statutes, 31-31-202, **add** (7)
3 and (8) as follows:

4 **31-31-202. Powers and duties of the board.** (7) THE BOARD
5 MAY PROMULGATE RULES FOR THE ASSESSMENT OF INTEREST, INCLUDING
6 THE WAIVER OF INTEREST FOR GOOD CAUSE, ON UNPAID CONTRIBUTIONS
7 TO STATEWIDE PLANS. INTEREST SHALL ACCRUE AT THE RATE OF
8 ONE-HALF OF ONE PERCENT PER MONTH.

9 (8) THE BOARD MAY ASSESS THE REASONABLE ACTUARIAL, AUDIT,
10 AND OPERATIONAL COSTS INCURRED BY THE ASSOCIATION RELATED TO
11 COMPLIANCE WITH REGULATORY REQUIREMENTS WHICH ARE
12 ATTRIBUTABLE TO EMPLOYERS WITH MEMBERS PARTICIPATING IN PLANS
13 ADMINISTERED BY THE ASSOCIATION. ALTERNATIVELY, THE BOARD MAY
14 FIND SUCH COSTS TO BE DE MINIMIS AND PAY THE COSTS FROM THE PLAN
15 ASSETS.

16 **SECTION 2.** In Colorado Revised Statutes, 31-31-402, **amend**
17 (4) as follows:

18 **31-31-402. Employer and member contributions.** (4) The
19 payments required by this section are subject to ~~penalties~~ INTEREST if not
20 submitted when due. Payments are due no later than ten days following
21 the date of payment of salary to the member. ~~An interest charge of~~
22 ~~one-half of one percent per month shall be levied against any unpaid~~

1 amount and added to the employer payments required pursuant to this
2 section; except that the board may waive the interest charge for new
3 accounts in hardship cases, subject to rules promulgated by the board.

4 **SECTION 3.** In Colorado Revised Statutes, 31-31-704.6, **amend**
5 (3) as follows:

6 **31-31-704.6. Social security supplemental plan - creation -**
7 **management.** (3) Upon the effective date of coverage under the social
8 security supplemental plan, each member covered by the plan shall pay
9 ~~four percent of his or her salary paid~~ ONE-HALF OF THE MEMBER
10 CONTRIBUTION RATE ESTABLISHED IN PART 4 OF THIS ARTICLE into the
11 DEFINED BENEFIT PLAN TRUST fund. The payment shall be made by the
12 employer by deduction from the salary paid to the member. For each
13 member, the employer shall pay ~~four percent of the salary paid to the~~
14 ~~member~~ ONE-HALF OF THE EMPLOYER CONTRIBUTION RATE ESTABLISHED
15 IN PART 4 OF THIS ARTICLE into the defined benefit plan trust fund.
16 Payments are due no later than ten days following the date of payment of
17 salary to the member, unless the salary is paid more than once monthly,
18 in which event the payments are due no later than the tenth day of the
19 month following the month the salary is paid to the member. ~~An interest~~
20 ~~charge of one-half of one percent per month shall be levied against any~~
21 ~~unpaid amount and added to the employer payments required pursuant to~~
22 ~~this section~~ THE PAYMENTS REQUIRED BY THIS SECTION ARE SUBJECT TO
23 INTEREST IF NOT SUBMITTED WHEN DUE.

24 **SECTION 4.** In Colorado Revised Statutes, 31-31-501, **amend**
25 (5) (c) as follows:

26 **31-31-501. Withdrawal into statewide money purchase plan.**
27 (5) (c) ~~If any payment required pursuant to the provisions of paragraph~~
28 ~~(a) or (b) of this subsection (5) is not made, interest shall be assessed on~~

1 ~~the amount due at the rate specified for employers in section 31-31-402~~
2 ~~(4) until such amount is paid in full~~ THE PAYMENTS REQUIRED BY THIS
3 SECTION ARE SUBJECT TO INTEREST IF NOT SUBMITTED WHEN DUE.

4 **SECTION 5.** In Colorado Revised Statutes, 31-31-811, **amend**
5 (4) as follows:

6 **31-31-811. State funding of death and disability benefits.**

7 (4) For each member hired on or after January 1, 1997, who is eligible
8 for the death and disability coverage provided by this part 8, a
9 contribution shall be made to the death and disability account in the fund
10 for the years 1997 and 1998 in an amount not greater than two and four
11 tenths percent of the member's salary. Thereafter, the board, based on an
12 annual actuarial valuation, may adjust the contribution rate every two
13 years, but in no event may the adjustment for any two-year period exceed
14 one-tenth of one percent of the member's salary. Any employer and any
15 local pension board or authority shall provide such information as may be
16 required by the board in order to complete the annual actuarial valuations.
17 The actuary appointed by the board may utilize either the entry
18 age-normal cost method or the aggregate cost method for purposes of the
19 study required by this subsection (4). Any unfunded accrued liability shall
20 be funded over a period not to exceed thirty years. The actuarial study
21 shall not include any consideration of a cost of living adjustment to
22 benefits awarded to members who are occupationally disabled. Payments
23 shall be made by the employer and are due no later than ten days
24 following the date of payment of salary to the member. ~~An interest charge~~
25 ~~of one-half of one percent per month shall be levied against any unpaid~~
26 ~~amount and shall be the responsibility of the employer~~ THE PAYMENTS
27 REQUIRED BY THIS SECTION ARE SUBJECT TO INTEREST IF NOT SUBMITTED
28 WHEN DUE. Any decision regarding whether the contribution required by

1 this subsection (4) shall be assessed against the employer or the member,
2 or shall in some manner be assessed jointly against the employer and the
3 member, will be made at the local level utilizing the usual process for
4 determining employee benefits. If it is not already part of the usual
5 process for determining employee benefits, the employer shall confer
6 with the employees or their representative prior to making a
7 determination on how the contribution will be assessed.

8 **SECTION 6.** In Colorado Revised Statutes, 31-31-1102, **amend**
9 (4) (a) as follows:

10 **31-31-1102. Statewide hybrid plan - creation - management.**

11 (4) (a) Except as provided in paragraph (b) of this subsection (4), upon
12 the effective date of coverage under the statewide hybrid plan, each
13 member covered by the plan shall pay into the defined benefit system
14 trust fund eight percent of salary paid. The payment shall be made by the
15 employer by deduction from the salary paid to such member. Except as
16 provided in paragraph (b) of this subsection (4), for each such member,
17 the employer shall pay into the defined benefit system trust fund eight
18 percent of the salary paid to such member. Payments are due no later than
19 ten days following the date of payment of salary to the member. ~~An~~
20 ~~interest charge of one-half of one percent per month shall be levied~~
21 ~~against any unpaid amount and added to the employer payments required~~
22 ~~pursuant to this section~~ THE PAYMENTS REQUIRED BY THIS SECTION ARE
23 SUBJECT TO INTEREST IF NOT SUBMITTED WHEN DUE.

24 **SECTION 7. Act subject to petition - effective date.** This act
25 takes effect at 12:01 a.m. on the day following the expiration of the
26 ninety-day period after final adjournment of the general assembly
27 (August 5, 2015, if adjournment sine die is on May 6, 2015); except that,
28 if a referendum petition is filed pursuant to section 1 (3) of article V of

1 the state constitution against this act or an item, section, or part of this act
2 within such period, then the act, item, section, or part will not take effect
3 unless approved by the people at the general election to be held in
4 November 2016 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

BILL C

LLS NO. 15-0068.01 Nicole Myers x4326

SENATE BILL

SENATE SPONSORSHIP

Balmer, Ulibarri

HOUSE SPONSORSHIP

Ginal, Court, Melton

Senate Committees

House Committees

A BILL FOR AN ACT

101 CONCERNING THE CONTRIBUTION RATE FOR PARTICIPANTS BEGINNING
102 MEMBERSHIP IN THE FIRE AND POLICE PENSION ASSOCIATION'S
103 STATEWIDE DEFINED BENEFIT PLAN.

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 <http://www.leg.state.co.us/billsummaries>.)

Police Officers' and Firefighters' Pension Reform Commission.

The bill specifies the contribution rate for an active employee of a municipality, fire protection district, fire authority, or fire improvement district who is directly involved with the provision of police or fire

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

DRAFT Dashes through the words indicate deletions from existing statute.

21

protection and who becomes a participant in the statewide defined benefit plan administered by the fire and police pension association (FPPA) as the result of a merger, consolidation, or exclusion or dissolution proceeding among one or more employer. The contribution rate for such employee is the continuing uniform rate of contribution established by the FPPA board as directed by statute.

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

2 **SECTION 1.** In Colorado Revised Statutes, 31-31-401, **amend**
3 (3) as follows:

4 **31-31-401. Applicability of plan.** (3) Where an employer results
5 from a merger, a consolidation, or an exclusion or dissolution proceeding
6 between or among one or more employers, including a new governmental
7 entity created by intergovernmental agreement between or among one or
8 more employers, all members transferred to or employed by such
9 resulting employer shall, for the purposes of this article and article 30.5
10 of this title, have those rights and obligations they had prior to the merger,
11 consolidation, exclusion, dissolution, or intergovernmental agreement. In
12 the event of a transfer of members, provision shall be made in such
13 agreement or proceeding for allocation and transfer of plan assets, and,
14 in the event of the transfer of members of a defined benefit plan,
15 provision shall be made in such agreement or proceeding for discharging
16 plan liabilities and funding in order to maintain or enhance the actuarial
17 soundness of the remaining and resulting plans. If the resulting employer
18 had no members prior to the merger, consolidation, exclusion, or
19 dissolution, it may continue as its plan any plan of a transferring
20 employer, authorized by this article, for its members hired after the
21 effective date of the agreement or proceeding or the resulting employer
22 shall belong to the statewide defined benefit plan. The board may

1 authorize the resulting employer to consolidate preexisting retirement
2 plans and any retirement plan attributable solely to the resulting employer
3 into one or more plans if the plans to be consolidated are identical, the
4 benefits are equal for all members covered under the retirement
5 provisions of the plans, and no member suffers a reduction of benefits or
6 an increase in member contributions due to such plan consolidation. ANY
7 MEMBER EMPLOYED BY A PREDECESSOR DEPARTMENT WHO PARTICIPATED
8 IN A MONEY PURCHASE PLAN PRIOR TO THE MERGER, CONSOLIDATION,
9 EXCLUSION, OR DISSOLUTION AND WHO PARTICIPATES IN THE STATEWIDE
10 DEFINED BENEFIT PLAN AFTER THE MERGER, CONSOLIDATION, EXCLUSION,
11 OR DISSOLUTION SHALL PAY THE CONTINUING UNIFORM RATE OF
12 CONTRIBUTION ESTABLISHED BY THE BOARD PURSUANT TO SECTION
13 31-31-1103 (2).

14 **SECTION 2. Act subject to petition - effective date.** This act
15 takes effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly
17 (August 5, 2015, if adjournment sine die is on May 6, 2015); except that,
18 if a referendum petition is filed pursuant to section 1 (3) of article V of
19 the state constitution against this act or an item, section, or part of this act
20 within such period, then the act, item, section, or part will not take effect
21 unless approved by the people at the general election to be held in
22 November 2016 and, in such case, will take effect on the date of the
23 official declaration of the vote thereon by the governor.

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

BILL D

LLS NO. 15-0070.01 Nicole Myers x4326

SENATE BILL

HOUSE/SENATE SPONSORSHIP

Balmer,

SENATE/HOUSE SPONSORSHIP

Ginal, Court, Melton

Senate Committees

House Committees

A BILL FOR AN ACT

101 CONCERNING REQUIREMENTS FOR EMPLOYEE PARTICIPATION IN A
102 PLAN ADMINISTERED BY THE FIRE AND POLICE PENSION
103 ASSOCIATION.

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 <http://www.leg.state.co.us/billsummaries>.)

Police Officers' and Firefighters' Pension Reform Commission.

Section 1: Any municipality offering police or fire protection service employing one or more members, and any special district, fire authority, or county improvement district offering fire protection service employing

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

DRAFT Dashes through the words indicate deletions from existing statute.

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one or more members (employer) is required to provide to its employees the pension benefits of the statewide defined benefit plan (defined benefit plan) administered by the fire and police pension association (FPPA). Currently, the department chief of any fire or police department may be exempt from the defined benefit plan upon written agreement and notice to the FPPA.

The bill clarifies that if a chief opts out of the defined benefit plan, federal law requires that the chief participate in either social security or a federal insurance contribution act (FICA) replacement plan. The bill further clarifies that if a chief opts for a FICA replacement plan, the chief may participate in an employer sponsored plan, the statewide money purchase plan, or the statewide hybrid plan.

In addition, the bill specifies that a chief who elects to become exempt from the defined benefit plan must participate in the statewide money purchase plan, the statewide hybrid plan, or a local money purchase plan with a contribution rate of at least 16% if the chief wants to maintain coverage in the statewide death and disability plan.

Section 2: Currently, any employer participating in the social security supplemental plan may also elect coverage under the statewide death and disability plan. Beginning January 1, 2017, any such employer that elects coverage under the statewide death and disability plan must also participate in the social security supplemental retirement plan.

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

2 **SECTION 1.** In Colorado Revised Statutes, 31-31-401, **amend**
3 (4) (a); and **add** (4) (c) as follows:

4 **31-31-401. Applicability of plan.** (4) (a) A department chief
5 hired on or after April 8, 1978, shall be exempted from the statewide
6 defined benefit plan, upon the execution of a written agreement between
7 ~~such~~ THE department chief and the chief's employer THAT PROVIDES FOR
8 THE DEPARTMENT CHIEF'S PARTICIPATION IN SOCIAL SECURITY OR IN A
9 FEDERAL INSURANCE CONTRIBUTION ACT REPLACEMENT PLAN AS
10 ALLOWED UNDER THE FEDERAL INTERNAL REVENUE CODE, and the
11 submission of notice to the association. ~~Alternatively,~~ A department chief
12 ~~with the agreement of the chief's employer, may elect coverage under~~
13 MAY SATISFY THE FEDERAL INSURANCE CONTRIBUTION ACT REPLACEMENT

1 PLAN REQUIREMENT BY PARTICIPATING IN AN EMPLOYER SPONSORED
2 PLAN, the statewide money purchase plan, OR THE STATEWIDE HYBRID
3 PLAN. The transfer of member and employer contributions between the
4 statewide defined benefit plan and the statewide money purchase plan
5 shall be consistent with the provisions of section 31-31-501.

6 (c) A DEPARTMENT CHIEF EXEMPTED PURSUANT TO PARAGRAPH
7 (a) OF THIS SUBSECTION (4) MAY MAINTAIN COVERAGE FOR DISABILITY
8 AND SURVIVOR BENEFITS UNDER PART 8 OF THIS TITLE IF THE
9 DEPARTMENT CHIEF PARTICIPATES IN THE STATEWIDE MONEY PURCHASE
10 PLAN, THE STATEWIDE HYBRID PLAN, OR A LOCAL MONEY PURCHASE PLAN
11 THAT IS QUALIFIED UNDER SECTION 401(a) OF THE FEDERAL INTERNAL
12 REVENUE CODE AND THAT HAS A CONTRIBUTION RATE OF NOT LESS THAN
13 SIXTEEN PERCENT.

14 **SECTION 2.** In Colorado Revised Statutes, **amend** 31-31-704.7
15 as follows:

16 **31-31-704.7. Participation in statewide death and disability**
17 **plan.** (1) Any employer participating in the social security supplemental
18 plan created pursuant to section 31-31-704.6 may also elect coverage
19 under the statewide death and disability plan by filing with the board a
20 resolution to that effect from the governing body of such employer.

21 (2) ANY SOCIAL SECURITY EMPLOYER THAT OFFERS COVERAGE
22 UNDER THE STATEWIDE DEATH AND DISABILITY PLAN MUST ALSO
23 PARTICIPATE IN THE SOCIAL SECURITY SUPPLEMENTAL RETIREMENT PLAN
24 CREATED PURSUANT TO SECTION 31-31-704.6. COVERAGE UNDER THE
25 STATEWIDE DEATH AND DISABILITY PLAN FOR ANY SOCIAL SECURITY
26 EMPLOYER NOT PARTICIPATING IN THE SOCIAL SECURITY SUPPLEMENTAL
27 RETIREMENT PLAN MAY BE TERMINATED BY THE BOARD ON OR AFTER
28 JANUARY 1, 2017.

1 **SECTION 3. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly
4 (August 5, 2015, if adjournment sine die is on May 6, 2015); except that,
5 if a referendum petition is filed pursuant to section 1 (3) of article V of
6 the state constitution against this act or an item, section, or part of this act
7 within such period, then the act, item, section, or part will not take effect
8 unless approved by the people at the general election to be held in
9 November 2016 and, in such case, will take effect on the date of the
10 official declaration of the vote thereon by the governor.

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

BILL E

LLS NO. 15-0081.01 Nicole Myers x4326

SENATE BILL

SENATE SPONSORSHIP

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HOUSE SPONSORSHIP

Melton, Court, Ginal

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING A STUDY OF VOLUNTEER FIREFIGHTER PENSION PLANS IN**
102 **THE STATE.**

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 <http://www.leg.state.co.us/billsummaries>.)

Police Officers' and Firefighters' Pension Reform Commission.

The state auditor, in cooperation with the fire and police pension association (FPPA) and the department of local affairs (DOLA), is required to contract with a nationally recognized law firm with experience in federal tax law as it relates to public sector pension plans to study

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Capital letters indicate new material to be added to existing statute.

DRAFT *Dashes through the words indicate deletions from existing statute.*

29

specified issues regarding the legal status of the volunteer firefighter pension plans in the state. The law firm is required to deliver a report detailing the findings of the study to the state auditor, FPPA, DOLA, and the members of the police officers' and firefighters' pension reform commission of the state legislature (commission).

The bill requires the state auditor, FPPA, and DOLA, upon receipt of the report, to work collectively to develop recommendations for the legislature regarding changes to the system of volunteer firefighter pension plans based on the information contained in the report. In furtherance of developing the recommendations, the 3 entities are required to take into consideration several specified issues regarding volunteer firefighter pension plans in the state.

The bill requires the commission to meet as soon as practicable after receiving the report, but not less than 45 days after receiving the report, to hear a presentation of the report from a representative of the law firm and to hear a presentation from the state auditor's office, FPPA, and DOLA regarding recommendations for the volunteer firefighter pension plans in the state. The commission is required to discuss the presentations and determine whether to propose legislation relating to the funding and structure of the volunteer firefighter pension plans. The commission is required to ensure that relevant stakeholders and members of the public have an opportunity to provide input and comments on the findings of the report, the recommendations from the state auditor's office, FPPA, and DOLA, and on any legislation proposed by the commission.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 31-31-1002 as
3 follows:

4 **31-31-1002. Volunteer firefighter pension plans study.** (1) THE
5 STATE AUDITOR, WITH THE CONCURRENCE OF THE FIRE AND POLICE
6 PENSION ASSOCIATION AND THE DEPARTMENT OF LOCAL AFFAIRS, SHALL
7 RETAIN A NATIONALLY RECOGNIZED LAW FIRM WITH EXPERIENCE IN
8 FEDERAL TAX LAW AS IT RELATES TO PUBLIC SECTOR PENSION PLANS TO
9 CONDUCT A STUDY OF THE ISSUES SPECIFIED IN SUBSECTION (2) OF THIS
10 SECTION. THE STATE AUDITOR SHALL ADMINISTER A REQUEST FOR
11 PROPOSALS PROCESS AND SOLICIT INDEPENDENT THIRD-PARTY FIRMS WITH

1 THE NECESSARY CREDENTIALS TO BID FOR PERFORMANCE OF THE STUDY.
2 IF, FOLLOWING GOOD FAITH EFFORTS, THE STATE AUDITOR, THE FIRE AND
3 POLICE PENSION ASSOCIATION, AND THE DEPARTMENT OF LOCAL AFFAIRS
4 DO NOT CONCUR REGARDING THE SELECTION OF THE FIRM, THE STATE
5 AUDITOR SHALL RETAIN AND ENTER INTO A CONTRACT WITH THE FIRM
6 PREFERRED BY THE STATE AUDITOR.

7 (2) (a) THE FIRM SELECTED PURSUANT TO SUBSECTION (1) OF THIS
8 SECTION SHALL STUDY THE FOLLOWING ISSUES:

9 (I) WHETHER THE FEDERAL INTERNAL REVENUE SERVICE
10 RECOGNIZES VOLUNTEER FIREFIGHTER PLANS CREATED PURSUANT TO
11 PARTS 11 AND 12 OF ARTICLE 30 OF THIS TITLE;

12 (II) IF THE VOLUNTEER FIREFIGHTER PLANS CREATED PURSUANT
13 TO PARTS 11 AND 12 OF ARTICLE 30 OF THIS TITLE ARE NOT RECOGNIZED
14 BY THE FEDERAL INTERNAL REVENUE SERVICE, HOW SUCH PLANS CAN BE
15 BROUGHT INTO COMPLIANCE WITH FEDERAL LAW;

16 (III) WHETHER VOLUNTEER FIREFIGHTER PLANS HAVE PROVIDED
17 BENEFITS TO VOLUNTEERS IN EXCESS OF WHAT IS ALLOWED TO BE PAID TO
18 VOLUNTEERS PURSUANT TO THE FEDERAL INTERNAL REVENUE CODE, THE
19 BUREAU OF LABOR STANDARDS, AND ANY OTHER APPLICABLE FEDERAL
20 LAW;

21 (IV) ALTERNATIVES TO MAINTAINING SEPARATE LOCAL
22 VOLUNTEER FIREFIGHTER PLANS AS THEY ARE CURRENTLY STRUCTURED
23 IN THE STATE, INCLUDING BENEFITS AND DRAWBACKS OF SUCH
24 ALTERNATIVES; AND

25 (V) ANY OTHER ISSUES OR QUESTIONS DEEMED NECESSARY BY
26 THE STATE AUDITOR, THE FIRE AND POLICE PENSION ASSOCIATION, OR THE
27 DEPARTMENT OF LOCAL AFFAIRS.

28 (b) THE LAW FIRM SELECTED PURSUANT TO SUBSECTION (1) OF

1 THIS SECTION SHALL DELIVER A REPORT DETAILING THE FINDINGS OF THE
2 STUDY TO THE STATE AUDITOR, THE FIRE AND POLICE PENSION
3 ASSOCIATION, THE DEPARTMENT OF LOCAL AFFAIRS, AND THE MEMBERS
4 OF THE POLICE OFFICERS' AND FIREFIGHTERS' PENSION REFORM
5 COMMISSION.

6 (3) UPON RECEIPT OF THE REPORT REQUIRED IN SUBSECTION (2) OF
7 THIS SECTION, THE STATE AUDITOR'S OFFICE, THE FIRE AND POLICE
8 PENSION ASSOCIATION, AND THE DEPARTMENT OF LOCAL AFFAIRS SHALL
9 WORK COLLECTIVELY TO DEVELOP RECOMMENDATIONS FOR THE
10 LEGISLATURE REGARDING CHANGES TO THE SYSTEM OF VOLUNTEER
11 FIREFIGHTER PENSION PLANS BASED ON THE INFORMATION CONTAINED IN
12 THE REPORT. IN FURTHERANCE OF DEVELOPING THE RECOMMENDATIONS,
13 THE STATE AUDITOR'S OFFICE, THE FIRE AND POLICE PENSION
14 ASSOCIATION, AND THE DEPARTMENT OF LOCAL AFFAIRS SHALL CONSIDER
15 THE FOLLOWING:

16 (a) WHETHER THE STATE ASSISTANCE PROGRAM FOR VOLUNTEER
17 FIREFIGHTER PLANS SHOULD BE BASED ON A PLAN'S NEED FOR ADDITIONAL
18 FUNDING OR WHETHER FULLY FUNDED PLANS SHOULD CONTINUE TO BE
19 ELIGIBLE FOR STATE ASSISTANCE;

20 (b) WHETHER THE STATE SHOULD AMEND CURRENT LAW TO
21 ALLOW THE AWARD OF MATCHING GRANTS TO LENGTH OF SERVICE PLANS;

22 (c) WHETHER THE STATE SHOULD REQUIRE BY LAW THAT
23 VOLUNTEER FIREFIGHTER PLANS UNDERGO PERIODIC ACTUARIAL
24 VALUATIONS;

25 (d) WHETHER THE STATE SHOULD REQUIRE BY LAW THAT
26 VOLUNTEER FIRE DEPARTMENTS MAKE CONTRIBUTIONS TO VOLUNTEER
27 FIREFIGHTER PLANS;

28 (e) WHETHER THE STATE SHOULD DEVELOP A PROCESS TO CLOSE

1 VOLUNTEER FIREFIGHTER PLANS OR TO CONVERT PLANS INTO AN
2 ALTERNATE BENEFIT, INCLUDING THE POSSIBILITY FOR ANNUITIES, LUMP
3 SUM PAYMENTS, OR A DEFINED CONTRIBUTION STYLE PLAN;

4 (f) THE CURRENT DIFFICULTIES ASSOCIATED WITH SEPARATE
5 LOCAL VOLUNTEER FIREFIGHTER PLANS, INCLUDING:

6 (I) THE COSTS INCURRED IN ADMINISTERING SEPARATE LOCAL
7 PLANS WITH THE INCREASED REPORTING REQUIREMENTS UNDER THE
8 GOVERNMENTAL ACCOUNTING STANDARDS BOARD;

9 (II) THE DIFFICULTIES OF COORDINATING BENEFITS BETWEEN
10 VOLUNTEER FIRE DEPARTMENTS WHEN A VOLUNTEER FIREFIGHTER HAS
11 WORKED AT MULTIPLE DEPARTMENTS; AND

12 (III) THE BURDENS OF TRACKING BENEFICIARIES OF LOCAL
13 VOLUNTEER FIREFIGHTER PENSION PLANS, COMPLYING WITH REGULATORY
14 REQUIREMENTS, MAINTAINING A LOCAL PENSION BOARD, AND
15 MAINTAINING RECORDS REGARDING SERVICE ELIGIBILITY;

16 (g) WHETHER VOLUNTEER FIREFIGHTERS AND VOLUNTEER FIRE
17 DEPARTMENTS ARE BEST SERVED BY A PENSION SYSTEM THAT REQUIRES
18 VOLUNTEERS TO PARTICIPATE FOR TEN TO TWENTY YEARS TO RECEIVE A
19 BENEFIT AT AGE FIFTY;

20 (h) IF A COST-SHARING MULTI-EMPLOYER PLAN, WHETHER
21 DEFINED CONTRIBUTION OR DEFINED BENEFIT, WOULD FUNCTION MORE
22 EFFICIENTLY THAN INDIVIDUAL LOCAL PLANS;

23 (i) WHETHER THE FIRE AND POLICE PENSION ASSOCIATION SHOULD
24 BE AUTHORIZED OR DIRECTED TO ADMINISTER A PLAN OTHER THAN THE
25 CURRENT LOCAL DEFINED BENEFIT PLAN FOR VOLUNTEER FIREFIGHTERS;
26 AND

27 (j) ANY OTHER ISSUES DEEMED RELEVANT BY THE STATE
28 AUDITOR'S OFFICE, THE FIRE AND POLICE PENSION ASSOCIATION, AND THE

1 DEPARTMENT OF LOCAL AFFAIRS.

2 (4) THE STATE AUDITOR MAY REQUEST INFORMATION AS
3 NECESSARY FROM VOLUNTEER FIRE DEPARTMENTS AND FROM THE FIRE
4 AND POLICE PENSION ASSOCIATION REGARDING THE MEMBERSHIP,
5 BENEFITS, AND STRUCTURE OF THE VOLUNTEER FIREFIGHTER PENSION
6 PLANS. VOLUNTEER FIRE DEPARTMENTS AND THE FIRE AND POLICE
7 PENSION ASSOCIATION SHALL PROVIDE THE REQUESTED INFORMATION.

8 (5) (a) AS SOON AS PRACTICABLE AFTER THE RECEIPT OF THE
9 REPORT REQUIRED IN SUBSECTION (2) OF THIS SECTION, BUT NOT LESS
10 THAN FORTY-FIVE DAYS AFTER RECEIPT OF THE REPORT, THE POLICE
11 OFFICERS' AND FIREFIGHTERS' PENSION REFORM COMMISSION SHALL MEET
12 TO HEAR A PRESENTATION OF THE REPORT FROM A REPRESENTATIVE OF
13 THE LAW FIRM SELECTED PURSUANT TO SUBSECTION (1) OF THIS SECTION.
14 DURING THE SAME MEETING, THE STATE AUDITOR'S OFFICE, THE FIRE AND
15 POLICE PENSION ASSOCIATION, AND THE DEPARTMENT OF LOCAL AFFAIRS
16 SHALL MAKE A PRESENTATION TO THE COMMISSION WITH ITS
17 RECOMMENDATIONS TO ADDRESS THE ISSUES RAISED IN THE REPORT AND
18 THE ISSUES SPECIFIED IN SUBSECTION (3) OF THIS SECTION.

19 (b) THE POLICE OFFICERS' AND FIREFIGHTERS' PENSION REFORM
20 COMMISSION SHALL, EITHER AT THE MEETING SPECIFIED IN PARAGRAPH (a)
21 OF THIS SUBSECTION (5) OR AT AN ADDITIONAL MEETING AS DEEMED
22 NECESSARY BY THE MEMBERS OF THE COMMISSION, DISCUSS THE
23 PRESENTATIONS TO THE COMMISSION AND DETERMINE WHETHER TO
24 PROPOSE LEGISLATION RELATING TO THE FUNDING AND STRUCTURE OF
25 VOLUNTEER FIREFIGHTER PENSION PLANS IN THE STATE. THE COMMISSION
26 SHALL ENSURE THAT RELEVANT STAKEHOLDERS AND MEMBERS OF THE
27 PUBLIC HAVE AN OPPORTUNITY TO PROVIDE INPUT ON THE FINDINGS OF
28 THE REPORT REQUIRED BY SUBSECTION (2) OF THIS SECTION, THE

1 RECOMMENDATIONS FROM THE STATE AUDITOR'S OFFICE, THE FIRE AND
2 POLICE PENSION ASSOCIATION, AND THE DEPARTMENT OF LOCAL AFFAIRS
3 REQUIRED BY SUBSECTION (3) OF THIS SECTION, AND ON ANY LEGISLATION
4 PROPOSED BY THE COMMISSION.

5 **SECTION 2. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, and safety.