

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0297.01 Nicole Myers x4326

HOUSE BILL 17-1176

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HOUSE SPONSORSHIP

Becker J.,

SENATE SPONSORSHIP

Sonnenberg,

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House Committees

Finance  
Appropriations

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING AN EXTENSION OF THE EMPLOYMENT AFTER  
102 RETIREMENT LIMITATIONS FOR RETIREES OF THE PUBLIC  
103 EMPLOYEES' RETIREMENT ASSOCIATION EMPLOYED BY A RURAL  
104 SCHOOL DISTRICT AFTER RETIREMENT.

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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://leg.colorado.gov>.)*

Current law allows a service retiree of any division of the public employees' retirement association (PERA) to work for a PERA employer for limited periods and to receive a salary without reduction in benefits

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

under certain circumstances. Several rural school districts in the state have recently experienced a shortage of teachers, school bus drivers, and school food services cooks and would ideally address the shortages by hiring service retirees. PERA's employment after retirement provisions, including the limitation on the number of days in a calendar year that a service retiree may work for a PERA employer without a reduction in benefits, make it difficult for school districts to fill their vacancies with retired teachers, school bus drivers, and school food services cooks.

The bill modifies the current PERA employment after retirement provisions for certain retirees hired by an employer in the school division if:

- ! The employer that hires the service retiree is a rural school district as determined by the department of education based on certain criteria and the school district enrolls 6,500 students or fewer in kindergarten through 12th grade;
- ! The school district hires the service retiree for the purpose of providing classroom instruction or school bus transportation to students enrolled by the district or for the purpose of being a school food services cook; and
- ! The school district determines that there is a critical shortage of qualified teachers, school bus drivers, or school food services cooks, as applicable, and that the service retiree has specific experience, skills, or qualifications that would benefit the district.

A service retiree who is a teacher, a school bus driver, or a school food services cook and who is hired by an employer in the school division that satisfies the criteria above may receive salary without a reduction in benefits for any length of employment in a calendar year if the service retiree has not worked for any PERA employer during the month of the effective date of retirement.

In addition, the bill requires the employer that hires the service retiree to provide full payment of all PERA employer contributions, disbursements, and working retiree contributions.

A service retiree may not receive salary without reduction in benefits and without limitation in a calendar year for more than 6 consecutive years.

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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) introductory portion, (1.8)(a), (1.8)(b), and (1.8)(c); and **add** (1.9) as  
4 follows:

1           **24-51-1101. Employment after service retirement - repeal.**

2           (1) Except as otherwise provided in ~~subsection (1.8)~~ SUBSECTIONS (1.8)  
3           AND (1.9) of this section or part 17 of this ~~article~~ ARTICLE 51, a service  
4           retiree from any division may be employed by an employer, whether or  
5           not in a position subject to membership, and receive a salary without  
6           reduction in benefits if the service retiree has not worked for any  
7           employer, as defined in section 24-51-101 (20), during the month of the  
8           effective date of retirement, and if:

9           (1.8) (a) A service retiree who is hired by a state college or  
10          university or by an employer in the school or Denver public schools  
11          division of the association pursuant to ~~paragraph (b) of this subsection~~  
12          ~~(1.8)~~ SUBSECTION (1.8)(b) OF THIS SECTION AND WHO IS NOT SUBJECT TO  
13          THE PROVISIONS OF SUBSECTION (1.9) OF THIS SECTION may receive salary  
14          without reduction in benefits if employment of more than four hours per  
15          day does not exceed one hundred forty days in the calendar year, if  
16          employment of four hours or less per day does not exceed nine hundred  
17          sixteen hours in the calendar year, or if employment consisting of a  
18          combination of daily and hourly employment does not exceed one  
19          hundred forty days per calendar year, and if the service retiree has not  
20          worked for any employer, as defined in section 24-51-101 (20), during the  
21          month of the effective date of retirement. A service retiree described in  
22          this ~~paragraph (a)~~ SUBSECTION (1.8)(a) who works for any employer, as  
23          defined in section 24-51-101 (20), during the month of the effective date  
24          of retirement shall be subject to a reduction in benefits as provided in  
25          section 24-51-1102 (2).

26          (b) A state college or university or an employer in the school or  
27          Denver public schools division may hire up to ten service retirees WHO

1 ARE NOT SUBJECT TO THE PROVISIONS OF SUBSECTION (1.9) OF THIS  
2 SECTION in areas where the employer determines that there is a critical  
3 shortage of qualified candidates and that the service retiree has unique  
4 experience, skill, or qualifications that would benefit the employer. The  
5 employer shall notify the association upon hiring a service retiree  
6 pursuant to this subsection (1.8). A list of any and all service retirees  
7 employed by the employer shall be provided to the association at the start  
8 of each calendar year and shall be updated prior to any additional hirings  
9 during the same calendar year.

10 (c) A state college or university or an employer in the school or  
11 Denver public schools division shall provide full payment of all employer  
12 contributions and all disbursements in accordance with part 4 of this  
13 ~~article~~ ARTICLE 51, and all working retiree contributions in accordance  
14 with part 11 of this ~~article~~ ARTICLE 51, on the salary paid to the service  
15 retiree described in ~~paragraph (a) of this subsection (1.8)~~ SUBSECTION  
16 (1.8)(a) OF THIS SECTION.

17 (1.9) (a) (I) A SERVICE RETIREE WHO IS A TEACHER, A SCHOOL BUS  
18 DRIVER, OR A SCHOOL FOOD SERVICES COOK AND IS HIRED PURSUANT TO  
19 SUBSECTION (1.9)(b) OF THIS SECTION BY AN EMPLOYER IN THE SCHOOL  
20 DIVISION OF THE ASSOCIATION THAT SATISFIES THE CRITERIA SPECIFIED IN  
21 SUBSECTION (1.9)(a)(II) OF THIS SECTION MAY RECEIVE SALARY WITHOUT  
22 REDUCTION IN BENEFITS FOR ANY LENGTH OF EMPLOYMENT IN A  
23 CALENDAR YEAR IF THE SERVICE RETIREE HAS NOT WORKED FOR ANY  
24 EMPLOYER, AS DEFINED IN SECTION 24-51-101 (20), DURING THE MONTH  
25 OF THE EFFECTIVE DATE OF RETIREMENT. A SERVICE RETIREE DESCRIBED  
26 IN THIS SUBSECTION (1.9)(a) WHO WORKS FOR ANY EMPLOYER, AS DEFINED  
27 IN SECTION 24-51-101 (20), DURING THE MONTH OF THE EFFECTIVE DATE

1 OF RETIREMENT SHALL BE SUBJECT TO A REDUCTION IN BENEFITS AS  
2 PROVIDED IN SECTION 24-51-1102 (2).

3 (II) THE PROVISIONS OF THIS SUBSECTION (1.9) APPLY ONLY IF:

4 (A) THE EMPLOYER IN THE SCHOOL DIVISION OF THE ASSOCIATION  
5 THAT HIRES THE SERVICE RETIREE IS A RURAL SCHOOL DISTRICT AS  
6 DETERMINED BY THE DEPARTMENT OF EDUCATION BASED ON THE  
7 GEOGRAPHIC SIZE OF THE SCHOOL DISTRICT AND THE DISTANCE OF THE  
8 SCHOOL DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA AND THE  
9 SCHOOL DISTRICT ENROLLS SIX THOUSAND FIVE HUNDRED STUDENTS OR  
10 FEWER IN KINDERGARTEN THROUGH TWELFTH GRADE;

11 (B) THE SCHOOL DISTRICT HIRES THE SERVICE RETIREE FOR THE  
12 PURPOSE OF PROVIDING CLASSROOM INSTRUCTION OR SCHOOL BUS  
13 TRANSPORTATION TO STUDENTS ENROLLED BY THE DISTRICT OR FOR THE  
14 PURPOSE OF BEING A SCHOOL FOOD SERVICES COOK; AND

15 (C) THE SCHOOL DISTRICT DETERMINES THAT THERE IS A CRITICAL  
16 SHORTAGE OF QUALIFIED TEACHERS, SCHOOL BUS DRIVERS, OR SCHOOL  
17 FOOD SERVICES COOKS, AS APPLICABLE, AND THAT THE SERVICE RETIREE  
18 HAS SPECIFIC EXPERIENCE, SKILLS, OR QUALIFICATIONS THAT WOULD  
19 BENEFIT THE DISTRICT.

20 (b) AN EMPLOYER IN THE SCHOOL DIVISION OF THE ASSOCIATION  
21 THAT HIRES A SERVICE RETIREE PURSUANT TO THIS SUBSECTION (1.9)  
22 SHALL NOTIFY THE ASSOCIATION UPON HIRING A SERVICE RETIREE  
23 PURSUANT TO THIS SUBSECTION (1.9). A LIST OF ANY AND ALL SERVICE  
24 RETIREES EMPLOYED BY THE EMPLOYER SHALL BE PROVIDED TO THE  
25 ASSOCIATION AT THE START OF EACH CALENDAR YEAR AND SHALL BE  
26 UPDATED PRIOR TO ANY ADDITIONAL HIRINGS DURING THE SAME  
27 CALENDAR YEAR.

1           (c) AN EMPLOYER IN THE SCHOOL DIVISION OF THE ASSOCIATION  
2 THAT HIRES A SERVICE RETIREE PURSUANT TO THIS SUBSECTION (1.9)  
3 SHALL PROVIDE FULL PAYMENT OF ALL EMPLOYER CONTRIBUTIONS AND  
4 DISBURSEMENTS IN ACCORDANCE WITH PART 4 OF THIS ARTICLE 51, AND  
5 ALL WORKING RETIREE CONTRIBUTIONS IN ACCORDANCE WITH PART 11 OF  
6 THIS ARTICLE 51, ON THE SALARY PAID TO THE SERVICE RETIREE  
7 DESCRIBED IN SUBSECTION (1.9)(a) OF THIS SECTION.

8           (d) THE PERIOD DURING WHICH A SERVICE RETIREE MAY RECEIVE  
9 SALARY WITHOUT REDUCTION IN BENEFITS AND WITHOUT LIMITATION IN  
10 A CALENDAR YEAR PURSUANT TO THIS SUBSECTION (1.9) SHALL NOT  
11 EXCEED SIX CONSECUTIVE YEARS FROM THE DATE THE SERVICE RETIREE  
12 BEGAN WORK PURSUANT TO THIS SUBSECTION (1.9).

13           (e) THIS SUBSECTION (1.9) IS REPEALED, EFFECTIVE JULY 1, 2028.

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