



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 20-1394**

**FINAL  
FISCAL NOTE**

<b>Drafting Number:</b>	LLS 20-1280	<b>Date:</b>	October 19, 2020
<b>Prime Sponsors:</b>	Rep. McCluskie; Ransom Sen. Moreno; Rankin	<b>Bill Status:</b>	Signed into Law
		<b>Fiscal Analyst:</b>	Erin Reynolds   303-866-4146 Erin.Reynolds@state.co.us

**Bill Topic:** PERA JUDICIAL DIVISION CONTRIBUTION RATE MODIFICATION

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Statutory Public Entity

**Budget package bill.** This bill modifies employer and employee contribution rates in the Judicial Division of the Public Employee's Retirement Association (PERA) for FY 2020-21 and FY 2021-22, with an exception for judges employed by the Denver County Court. It will reduce state expenditures in those fiscal years.

**Appropriation Summary:** The bill includes a reduction in appropriations of \$2.7 million to the Judicial Department in FY 2020-21.

**Fiscal Note Status:** The fiscal note reflects the enacted bill.

**Table 1  
State Fiscal Impacts Under HB 20-1394**

		FY 2020-21	FY 2021-22
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	(\$2,696,865)	(\$2,696,865)
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## Summary of Legislation

This bill modifies employer and employee contribution rates in the Judicial Division of the Public Employee's Retirement Association (PERA) for FY 2020-21 and FY 2021-22 only, with an exception for judges employed by the Denver County Court.

Specifically, the bill:

- decreases the employer contribution rate by 5 percent; and
- increases the employee (or member) contribution rate by 5 percent.

These percentages, compared to current law, are shown in Table 2.

**Table 2**  
**Employer and Employee Contribution Rates Under Current Law and HB 20-1394**

<b>FY 2020-21</b>	<b>Current Law</b>	<b>Bill</b>
Employer	13.91%	8.91%
Employee	9.50%	14.50%

  

<b>FY 2021-22</b>	<b>Current Law</b>	<b>Bill</b>
Employer	13.91%	8.91%
Employee	10.00%	15.00%

## State Expenditures

The bill will decrease state General Fund expenditures by \$2,696,865 in FY 2020-21 and FY 2021-22 only.

## Statutory Public Entity

The bill will result in a slight negative actuarial impact to the Judicial Division of PERA, as employee contributions are credited to employee accounts, while employer contributions are credited to the division's trust.

## Effective Date

The bill was signed into law by the Governor and took effect on June 29, 2020.

## State Appropriations

The bill includes a reduction in General Fund appropriations to the Judicial Department of \$2,696,865 in FY 2020-21.

**State and Local Government Contacts**

JBC Staff

Judicial

PERA