

CHAPTER 52

GOVERNMENT - MUNICIPAL

SENATE BILL 98-005

BY SENATORS Alexander, Feeley, Powers, Reeves, Tebedo, Arnold, and Phillips;
also REPRESENTATIVES G. Berry, Alexander, Dean, George, Johnson, June, Miller, Nichol, Saliman, Tucker, Chavez, Epps,
and Mace.

AN ACT

CONCERNING THE ASSETS HELD IN THE FIRE AND POLICE MEMBERS' DEFERRED COMPENSATION FUND.

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

SECTION 1. 31-31-901 (3), Colorado Revised Statutes, is amended to read:

31-31-901. Deferred compensation plan. (3) There is hereby created the fire and police members' deferred compensation fund, which shall consist of the assets of deferred compensation plans administered by the board pursuant to the provisions of this section. The board shall be the trustee of the fund and shall keep a separate account of the assets of each deferred compensation plan held within the fund. The assets of each deferred compensation plan shall ~~remain solely the property of the employer until made available to the members or other beneficiaries of such plan~~ BE HELD FOR THE EXCLUSIVE PURPOSE OF PROVIDING BENEFITS TO PARTICIPANTS AND BENEFICIARIES AND DEFRAYING REASONABLE EXPENSES OF THE PLAN AND ANY TRUST ESTABLISHED TO HOLD THE ASSETS OF THE PLAN. ~~The board shall have full and unrestricted discretionary power and authority to invest and reinvest assets held within the fund subject to the provisions of section 15-1-304, C.R.S., or to provide for the investment and reinvestment of such assets.~~ THE BOARD SHALL ALLOW EACH PARTICIPATING MEMBER TO EXERCISE CONTROL OVER THE INVESTMENT OF THE MEMBER'S ASSETS IN A PLAN. IN ALLOWING A MEMBER TO EXERCISE SUCH CONTROL, THE BOARD SHALL:

(a) SELECT AT LEAST THREE INVESTMENT ALTERNATIVES, EACH OF WHICH IS DIVERSIFIED IN ITSELF, THAT ALLOW THE MEMBER A BROAD RANGE OF INVESTMENTS AND A MEANINGFUL CHOICE BETWEEN INVESTMENT RISK AND RETURN IN THE INVESTMENT OF THE MEMBER'S ASSETS;

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

(b) ALLOW THE MEMBER TO CHANGE INVESTMENTS AT LEAST ONCE EACH CALENDAR QUARTER; AND

(c) PROVIDE THE MEMBER WITH INFORMATION DESCRIBING THE INVESTMENT ALTERNATIVES, THE NATURE OF SUCH ALTERNATIVES, INVESTMENT PERFORMANCE, FEES AND EXPENSES OF INVESTMENT ALTERNATIVES, AND OTHER INFORMATION TO ENABLE THE MEMBER TO MAKE INFORMED INVESTMENT DECISIONS.

SECTION 2. 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: April 2, 1998