

CHAPTER 239

GOVERNMENT - STATE

SENATE BILL 05-073

BY SENATOR(S) Owen, Anderson, Bacon, Evans, Hillman, Jones, May R., McElhany, Shaffer, Tapia, Taylor, Tupa, and Veiga;
also REPRESENTATIVE(S) Jahn, and Vigil.

AN ACT

**CONCERNING EMPLOYMENT AFTER RETIREMENT FOR RETIREES OF THE PUBLIC EMPLOYEES'
RETIREMENT ASSOCIATION.**

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

SECTION 1. 24-51-411 (2), Colorado Revised Statutes, as it will become effective January 1, 2006, is amended to read:

24-51-411. Amortization equalization disbursement - repeal. (2) For the calendar year beginning January 1, 2006, the amortization equalization disbursement shall be one-half of one percent of the employer's total payroll. The amortization equalization payment shall increase by one-half of one percent of total payroll on January 1, 2007, and shall increase by four-tenths of one percent of total payroll at the start of each of the calendar years following 2007 through 2012, except as provided by subsection (3) of this section. For purposes of this section, the employer's total payroll shall be calculated by applying the definition of salary, pursuant to section 24-51-101 (42), to the payroll for all employees working for the employer who are members of the association, or who were eligible to elect to become members of the association on or after January 1, 2006, INCLUDING ANY AMOUNTS PAID IN CONNECTION WITH THE EMPLOYMENT OF A RETIREE BY AN EMPLOYER PURSUANT TO PART 11 OF THIS ARTICLE.

SECTION 2. 24-51-1101 (2), Colorado Revised Statutes, as it will become effective July 1, 2005, is amended to read:

24-51-1101. Employment after service retirement - repeal. (2) Salary from the employment described in subsection (1) of this section shall be subject to employer contributions but shall not be subject to member contributions except as provided in section 24-51-1103. SALARY FROM EMPLOYMENT BY A RETIREE WHO IS

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

SERVING IN A STATE ELECTED OFFICIAL'S POSITION SHALL NOT BE SUBJECT TO EMPLOYER CONTRIBUTIONS.

SECTION 3. 24-51-1102, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

24-51-1102. Reduction of a service retirement benefit - disclosure of service agreements by employers - definitions. (3) EACH EMPLOYER SHALL PROVIDE A COPY TO THE ASSOCIATION OF ANY TAX-RELATED INFORMATION ON ITS EMPLOYEES OR OTHER INDIVIDUALS OR FIRMS WHEREBY THE EMPLOYER RECEIVES SERVICES IN ANY FORM, PURSUANT TO RULES PROMULGATED BY THE ASSOCIATION. IN ADDITION, EACH EMPLOYER SHALL PROVIDE A COPY TO THE ASSOCIATION OF ANY AGREEMENT, CONTRACT, LETTER OF UNDERSTANDING, OR OTHER ARRANGEMENT WHEREBY THE EMPLOYER WILL RECEIVE SERVICES IN ANY FORM, UPON REQUEST BY THE ASSOCIATION.

(4) FOR PURPOSES OF THIS PART 11, "EMPLOYMENT OF A RETIREE BY AN EMPLOYER" MEANS ENGAGEMENT, HIRING, RETENTION, OR OTHER USE OF A SERVICE RETIREE IN AN INDIVIDUAL CAPACITY OR OF ANY ENTITY OWNED OR OPERATED BY A SERVICE RETIREE OR AFFILIATED PARTY BY AN EMPLOYER TO PERFORM ANY SERVICE AS AN EMPLOYEE, CONTRACT EMPLOYEE, CONSULTANT, INDEPENDENT CONTRACTOR, OR THROUGH ANY OTHER ARRANGEMENT.

SECTION 4. 24-51-1502 (2) (a), Colorado Revised Statutes, as amended by House Bill 05-1231, enacted at the First Regular Session of the Sixty-fifth General Assembly, as it will become effective January 1, 2006, is amended to read:

24-51-1502. New state employees - election - definitions. (2) (a) For purposes of this part 15, "eligible employee" means an employee of an employer as defined in section 24-52-202 (5), who is hired on or after January 1, 2006, and who, IF NOT COMMENCING EMPLOYMENT IN A STATE ELECTED OFFICIAL'S POSITION, has not been a member of the association or an active participant in a defined contribution plan established pursuant to part 2 of article 52 of this title during the twelve months prior to the date that he or she commences employment. "Eligible employee" INCLUDES A RETIREE OF THE ASSOCIATION WHO IS SERVING IN A STATE ELECTED OFFICIAL'S POSITION, BUT does not include a ANY OTHER retiree OF THE ASSOCIATION or a retiree of the association who has suspended benefits.

SECTION 5. 24-52-202 (3), Colorado Revised Statutes, as amended by House Bill 05-1231, enacted at the First Regular Session of the Sixty-fifth General Assembly, as it will become effective July 1, 2005, is amended to read:

24-52-202. Definitions. As used in this part 2, unless the context otherwise requires:

(3) "Eligible employee" means a member of the general assembly, the governor, the lieutenant governor, the attorney general, the chief deputy attorney general, the solicitor general, the secretary of state, the deputy secretary of state, the state treasurer, the deputy state treasurer, a district attorney, an assistant district attorney, a chief deputy district attorney, a deputy district attorney, or other employee of a district attorney, a member of the public utilities commission, an executive director

of a department of state appointed by the governor, an employee of the senate or the house of representatives, a nonclassified employee of the office of the governor, and any employee who commences employment with an employer on or after January 1, 2006, and who, IF NOT COMMENCING EMPLOYMENT IN A STATE ELECTED OFFICIAL'S POSITION, has not been a member of the association's defined benefit plan or defined contribution plan during the twelve months prior to the date that he or she commenced employment, for whom a defined contribution plan has been established pursuant to the provisions of this part 2. "Eligible employee" INCLUDES A RETIREE OF THE ASSOCIATION WHO IS SERVING IN A STATE ELECTED OFFICIAL'S POSITION, BUT does not include a ANY OTHER retiree of the association or a retiree of the association who has suspended benefits.

SECTION 6. 24-52-205 (2.5) (b), Colorado Revised Statutes, as amended by House Bill 05-1231, enacted at the First Regular Session of the Sixty-fifth General Assembly, as it will become effective July 1, 2005, is amended to read:

24-52-205. Participation. (2.5) (b) Any employee of an employer who is hired on or after January 1, 2006, WHO IS NOT COMMENCING EMPLOYMENT IN A STATE ELECTED OFFICIAL'S POSITION and who has participated in the defined contribution plan pursuant to this part 2 at any time during the twelve months prior to the date that the employee commences employment shall automatically continue participation in the plan upon commencing employment.

SECTION 7. 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: June 2, 2005