

PERA BOARD'S RECOMMENDED PLAN CHANGE	EFFECTIVE DATE OF CHANGE	SENATE PRESIDENT'S RECOMMENDED PLAN CHANGE	EFFECTIVE DATE OF CHANGE	DIFFERENCE
Continue to increase AED by 0.4% per year to a total rate of 5% by 2017 <i>(Currently AED caps at 3% in 2012)</i>	Phased implementation starting in 2013	SAME AS PERA BOARD except delete the 0.4% statutory employer contribution rate increase in 2013 for the School and DPS Divisions	SAME AS PERA BOARD	PERA Board's proposal and current law would require application of two increases of 0.4% each for the School and DPS Divisions in 2013. One increase of 0.4% is scheduled in the AED and the other increase in 2013 is to the statutory employer contribution rate. Senate President's proposal deletes the 0.4% increase in the employer statutory rate.
Continue to increase SAED by 0.5% per year to a total rate of 5% by 2017 <i>(Currently SAED caps at 3% in 2013)</i>	Phased implementation starting in 2014	SAME AS PERA BOARD	SAME AS PERA BOARD	NONE
Reduce the Cost of Living Adjustment (COLA) to an amount equal to the CPI-W with a cap of 2%	Immediately upon effective date of the bill	SAME AS PERA BOARD except the COLA applied in years beginning in 2012 shall be the applicable COLA cap unless PERA experiences a negative investment return year which will trigger a three year period of determining the COLA amount by reference to the CPI-W subject to the applicable cap	SAME AS PERA BOARD	Under the Senate President's proposal, the COLA applied in years beginning in 2012 shall be the applicable COLA cap unless PERA experiences a negative investment return year which will trigger a three year period of determining the COLA amount by reference to the CPI-W subject to the applicable cap. The amount of the 2010 and 2011 COLAs shall be determined based upon the CPI-W for specified periods during 2008 and 2009, respectively, resulting in zero or near zero COLAs in 2010 and 2011.

Colorado PERA Board–Senate President 2010 Legislative Proposals (continued)
A Provision-by-Provision Comparison as of January 7, 2010

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Establish a 5-year HAS with a base year and an 8% salary increase cap	January 1, 2011	Establish a 3-year HAS with a base year and 8% increase cap	SAME AS PERA BOARD	Senate President's proposal keeps the current 3-year HAS with a base year but reduces the annual increase cap from 15% to 8%
Establish a 5-year earned service credit vesting requirement for the 50% refund match for future contributions	January 1, 2011	SAME AS PERA BOARD	SAME AS PERA BOARD	NONE
Add employee contribution of 8% of salary for all retirees working after retirement	January 1, 2011	SAME AS PERA BOARD	SAME AS PERA BOARD	NONE
Prevent recalculation of original retirement benefits for retirees who have suspended their benefits and returned to work	January 1, 2011 (For retirees who suspend their benefits on or after this date)	SAME AS PERA BOARD	SAME AS PERA BOARD	NONE
Change the COLA payment month from March to July	Immediately upon effective date of the bill	SAME AS PERA BOARD	SAME AS PERA BOARD	NONE
Implement a one calendar-year delay on the COLA after retirement before the COLA will be paid	January 1, 2011 (For retirements on or after this date)	Shortens the period for the COLA delay from a full calendar year after retirement to a 12 month period following retirement and adds a requirement that members retiring with a reduced service retirement must reach age 60 or meet the applicable age and service requirement for full service retirement in order to be eligible for a COLA.	SAME AS PERA BOARD	Senate President's recommendation provides for a shorter period prior to receipt of a COLA and imposes minimum age and service requirements for eligibility if retired with a reduced benefit.

Colorado PERA Board–Senate President 2010 Legislative Proposals (continued)
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For everyone hired before January 1, 2007, eliminate retroactive payment of benefits	January 1, 2011	Continue the retroactive payment of benefits for everyone hired prior to January 1, 2007	SAME AS PERA BOARD	Senate President's proposal keeps the current law in place for members hired before January 1, 2007.
For everyone hired before January 1, 2007, prevent accumulation of COLA unless benefit is presently being paid	January 1, 2011	SAME AS PERA BOARD	SAME AS PERA BOARD	NONE
Revise the existing reduction factors for early reduced retirements to reflect an actuarial reduction	January 1, 2011	SAME AS PERA BOARD	SAME AS PERA BOARD	NONE
Implement a modified Rule of 90 (age and service add to 90) with a minimum age of 60 while not negatively impacting retiree access to PERACare for current and future members	January 1, 2011	For existing members with less than five years of service credit as of January 1, 2011, age and service requirements for full service retirement shall be a modified Rule of 85 with a minimum age of 55. For new hires on and after January 1, 2011, age and service requirements for full service retirement shall be a modified Rule of 88 with a minimum age of 58. For new hires on and after January 1, 2017, age and service requirements for full service retirement shall be a modified Rule of 90 with a minimum age of 60. These changes will not negatively impact retiree access to PERACare for current and future members	SAME AS PERA BOARD	Senate President's proposal phases in the Rule of 90, minimum age of 60, for new hires in 2017 while increasing the age and service requirement for full service retirement applicable to all unvested existing members.



Colorado PERA Board–Senate President 2010 Legislative Proposals (continued)
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AED and SAED corridor—AED and SAED will be adjusted based on PERA's year-end funded status for each division's trust fund, with decreases allowed for the division when the division's year-end funded status reaches 110% and increases mandated when the division's funded status subsequently falls below 90%	January 1, 2011	AED and SAED will be adjusted based on PERA's year-end funded status for each division's trust fund, with decreases allowed for the division when the division's year-end funded status reaches 103% and increases mandated when the division's funded status subsequently falls below 90%	SAME AS PERA BOARD	Senate President's corridor is between 90% and 103% whereas the PERA Board's corridor is between 90% and 110%
COLA corridor—allow the COLA cap to be adjusted based on PERA's overall year-end funded status, with increases allowed when PERA is over 110% and decreases mandated when PERA's funded status subsequently falls below 90%	January 1, 2011	Allow the COLA cap to be adjusted based on PERA's overall year-end funded status, with increases allowed when PERA is over 103% and decreases mandated when PERA's funded status subsequently falls below 90%	SAME AS PERA BOARD	Senate President's corridor is between 90% and 103% whereas the PERA Board's corridor is between 90% and 110%
NONE	NONE	Add 30 days to the 110-day limit for working after retirement in a calendar year without penalty for up to 10 service retirees per employer in the School and DPS Divisions and Higher Education employers in the State Division provided full contributions are paid	January 1, 2011	No such provision was recommended by the PERA Board