

**Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 14-0353.01 Nicole Myers x4326

**HOUSE BILL 14-1377**

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**HOUSE SPONSORSHIP**

**Ferrandino and Buckner,**

**SENATE SPONSORSHIP**

**Steadman and Tochtrop,**

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**House Committees**

Business, Labor, Economic, & Workforce Development

Legislative Council

Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE CREATION OF THE COLORADO RETIREMENT**  
102             **SECURITY TASK FORCE, AND, IN CONNECTION THEREWITH,**  
103             **MAKING AN APPROPRIATION.**

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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://www.leg.state.co.us/billsummaries>.)*

The bill creates the Colorado retirement security task force (task force) in the legislative branch to develop recommendations for increasing the percentage of residents in the state who have adequate retirement security.

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.*

The bill directs the task force to consider specified factors and develop certain recommendations in the course of its duties.

The membership of the task force is specified. The task force must meet beginning in the 2014 legislative interim and through December 2015, as necessary, as determined by the members of the task force. The task force is required to solicit and accept input from private citizens, state and local governmental entities, and public or private organizations to assist in the work of the task force. The legislative council staff is required to provide staff support to the task force.

The task force is required to submit a report, including recommendations to provide greater retirement security for state residents.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 18 to article  
3 2 of title 2 as follows:

4 **PART 18**

5 **COLORADO RETIREMENT SECURITY TASK FORCE**

6 **2-2-1801. Legislative declaration.** (1) THE GENERAL ASSEMBLY  
7 HEREBY FINDS AND DECLARES THAT:

8 (a) MORE THAN THIRTY-EIGHT MILLION WORKING-AGE AMERICAN  
9 HOUSEHOLDS DO NOT HAVE ANY RETIREMENT ASSETS. FOR  
10 NEAR-RETIREMENT HOUSEHOLDS, THE MEDIAN RETIREMENT ACCOUNT  
11 BALANCE IS ONLY TWELVE THOUSAND DOLLARS AND THE AVERAGE  
12 WORKING HOUSEHOLD HAS A MEDIAN ACCOUNT BALANCE OF ONLY THREE  
13 THOUSAND DOLLARS.

14 (b) COLORADANS ARE LESS PREPARED FOR RETIREMENT TODAY  
15 THAN IN PREVIOUS DECADES, AND THE OVERWHELMING MAJORITY OF  
16 PEOPLE IN THE STATE ARE CONCERNED ABOUT THEIR ABILITY AND THEIR  
17 CHILDREN'S ABILITY TO RETIRE;

18 (c) OLDER WORKERS ARE WORKING LONGER AND DELAYING THEIR  
19 RETIREMENT AND AS A RESULT YOUNGER WORKERS HAVE FAR FEWER

1 OPPORTUNITIES FOR JOBS AND ADVANCEMENT IN THE WORKPLACE;

2 (d) MANY OF TODAY'S SENIORS RELY ON THEIR CHILDREN, WHO  
3 ARE ALREADY STRUGGLING TO RAISE THEIR OWN FAMILIES, OR ON OTHER  
4 SOCIAL SERVICES THAT ARE UNDERFUNDED;

5 (e) COLORADO'S YOUNGER WORKERS ARE DISPROPORTIONATELY  
6 AFFECTED, WITH SIXTY-FOUR PERCENT OF WORKERS BETWEEN THE AGE OF  
7 TWENTY-FIVE AND THIRTY-FOUR AND FIFTY PERCENT OF WORKERS  
8 BETWEEN THE AGES OF THIRTY-FIVE AND THIRTY-NINE LACKING ACCESS  
9 TO A RETIREMENT PLAN AT WORK;

10 (f) ONLY ONE IN FOUR WOMEN AGED SIXTY-FIVE AND OLDER AND  
11 ALMOST FOUR IN TEN MEN AGED SIXTY-FIVE AND OLDER RECEIVE ANY  
12 INCOME FROM PENSIONS AND RETIREMENT SAVINGS. WOMEN RECEIVE AN  
13 AVERAGE OF NINE THOUSAND DOLLARS PER YEAR AND MEN RECEIVE AN  
14 AVERAGE OF FIFTEEN THOUSAND THREE HUNDRED NINETY-SIX DOLLARS  
15 PER YEAR.

16 (g) MINORITY HOUSEHOLDS HAVE TOO LITTLE ACCUMULATED  
17 WEALTH TO TAP FOR RETIREMENT. WHITE HOUSEHOLDS HAVE OVER SIX  
18 TIMES AS MUCH SAVED IN RETIREMENT ACCOUNTS AS HISPANIC AND  
19 AFRICAN AMERICAN HOUSEHOLDS. THE MEDIAN HOUSEHOLD NET WORTH  
20 OF HISPANIC AND AFRICAN AMERICAN HOUSEHOLDS IS LESS THAN  
21 THIRTEEN PERCENT OF THE MEDIAN NET WEALTH OF WHITE HOUSEHOLDS,  
22 WHICH TRANSLATES INTO AN AVERAGE NET WORTH OF ONE HUNDRED  
23 TWENTY-THREE THOUSAND THREE HUNDRED EIGHTY DOLLARS FOR THE  
24 AVERAGE WHITE FAMILY, COMPARED TO FIFTEEN THOUSAND DOLLARS FOR  
25 HISPANIC FAMILIES AND FIFTEEN THOUSAND FIVE HUNDRED SEVENTY  
26 DOLLARS FOR AFRICAN AMERICAN FAMILIES.

27 (h) ALMOST SIX OUT OF TEN COLORADO WORKERS IN THE PRIVATE

1 SECTOR LACK ACCESS TO A RETIREMENT PLAN AT WORK;

2 (i) IN COLORADO, EIGHTY PERCENT OF WORKERS IN SMALL FIRMS  
3 WITH LESS THAN FIFTY EMPLOYEES LACK ACCESS TO A RETIREMENT PLAN  
4 IN THE WORKPLACE, WITH EIGHTY-SIX PERCENT IN FIRMS WITH LESS THAN  
5 ELEVEN EMPLOYEES LACKING ACCESS;

6 (j) FOR DECADES AMERICANS HAVE BUILT THEIR RETIREMENT  
7 WITH TRADITIONAL PENSIONS, SOCIAL SECURITY, AND INDIVIDUAL  
8 SAVINGS, BUT AMERICA'S RETIREMENT SYSTEM HAS UNRAVELED. MORE  
9 THAN HALF OF AMERICAN WORKERS DO NOT HAVE ANY TYPE OF  
10 EMPLOYER-SPONSORED RETIREMENT AND INDIVIDUAL SAVINGS PLANS ARE  
11 NOT FILLING THE GAP AND HAVE PROVED RISKY AND UNRELIABLE.

12 (k) THE FUTURE OF COLORADO'S ECONOMIC GROWTH RELIES ON  
13 OUR AGING POPULATION HAVING SUFFICIENT INCOME IN RETIREMENT SO  
14 THEY CAN AFFORD TO LIVE INDEPENDENTLY AND HAVE QUALITY  
15 HEALTHCARE. OUR SENIORS CONTRIBUTE SIGNIFICANTLY TO LOCAL  
16 ECONOMIES THROUGHOUT THE STATE, AND THEIR RETIREMENT  
17 INVESTMENT SPENDING PROVIDES STABILITY TO THOSE COMMUNITIES.

18 (l) COLORADO NEEDS A REMEDY TO THE RETIREMENT SECURITY  
19 CRISIS SO THAT COLORADANS CAN LOOK FORWARD TO A RETIREMENT FREE  
20 FROM FINANCIAL ANXIETY OR HARDSHIP; AND

21 (m) COLORADANS HAVE A HISTORY OF CREATING UNIQUE  
22 SOLUTIONS TO THE CHALLENGES THAT THE STATE FACES. THE STATE HAS  
23 AN OPPORTUNITY TO CRAFT A PLAN FOR THE FUTURE THAT CAN ENSURE  
24 ALL COLORADANS HAVE THE ABILITY TO RETIRE.

25 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT  
26 IT IS THEREFORE IN THE BEST INTEREST OF THE STATE THAT THE GENERAL  
27 ASSEMBLY ESTABLISH THE COLORADO RETIREMENT SECURITY TASK FORCE

1 TO STUDY RETIREMENT SECURITY OPTIONS THAT WOULD PROMOTE  
2 GREATER RETIREMENT SECURITY FOR ALL COLORADANS.

3 **2-2-1802. Colorado retirement security task force - duties.**

4 (1) THE COLORADO RETIREMENT SECURITY TASK FORCE, REFERRED TO IN  
5 THIS PART 18 AS THE "TASK FORCE", SHALL DEVELOP RECOMMENDATIONS  
6 FOR INCREASING THE PERCENTAGE OF COLORADANS WHO ARE ENROLLED  
7 IN A RETIREMENT PLAN THAT WILL PROVIDE FOR A SECURE RETIREMENT.  
8 IN DEVELOPING ITS RECOMMENDATIONS, THE TASK FORCE SHALL  
9 CONSIDER THE FOLLOWING FACTORS:

10 (a) THE BARRIERS TO RETIREMENT THAT INDIVIDUALS FACE,  
11 INCLUDING LACK OF EDUCATION, LACK OF FINANCIAL ADVICE, LACK OF  
12 FINANCIAL PLANNING, ISSUES RELATED TO GENDER, AND THE COMPLEXITY  
13 OF RETIREMENT PLANNING CHOICES;

14 (b) THE ACCESS THAT EMPLOYEES OF PRIVATE SECTOR EMPLOYERS  
15 HAVE TO EMPLOYER-SPONSORED RETIREMENT PLANS;

16 (c) THE TYPES OF EMPLOYER-SPONSORED RETIREMENT PLANS AND  
17 INDIVIDUAL RETIREMENT PRODUCTS OFFERED IN THE STATE;

18 (d) ESTIMATES OF THE AVERAGE AMOUNT OF SAVINGS, PENSIONS,  
19 AND OTHER FINANCIAL RESOURCES STATE RESIDENTS HAVE UPON  
20 RETIREMENT; AND

21 (e) ESTIMATES OF THE AVERAGE AMOUNT OF SAVINGS, PENSIONS,  
22 AND OTHER FINANCIAL RESOURCES THAT ARE RECOMMENDED FOR A  
23 FINANCIALLY SECURE RETIREMENT IN THE STATE.

24 (2) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (1) OF THIS  
25 SECTION, THE TASK FORCE SHALL DEVELOP RECOMMENDATIONS FOR  
26 ESTABLISHING A COLORADO SECURE RETIREMENT PLAN FOR EMPLOYEES  
27 OF PRIVATE SECTOR EMPLOYERS. IN DEVELOPING THE RECOMMENDATIONS,

1 THE TASK FORCE SHALL CONSIDER INCLUDING THE FOLLOWING:

2 (a) POOLING RETIREMENT FUNDS;

3 (b) HOLDING ALL CONTRIBUTIONS TO THE PLAN IN A TRUST AND  
4 INVESTING THEM IN A DIVERSIFIED PORTFOLIO OF ASSETS DESIGNED TO  
5 PROVIDE LONG-TERM RETIREMENT SECURITY FOR THE PARTICIPANTS;

6 (c) GOVERNING THE TRUST THROUGH A BOARD OF TRUSTEES;

7 (d) ENABLING PARTICIPANTS AND EMPLOYERS TO CONTRIBUTE TO  
8 THE RETIREMENT FUND;

9 (e) MAKING THE PLAN PORTABLE;

10 (f) PROVIDING FOR COLLECTIVE PROFESSIONAL MANAGEMENT OF  
11 ASSETS OR OTHER DESIGNS FOR REDUCED INVESTMENT MANAGEMENT  
12 COSTS;

13 (g) PROVIDING THAT THE PLAN TRUST FUNDS ARE USED SOLELY IN  
14 THE INTEREST OF THE PARTICIPANTS AND FOR THE EXCLUSIVE PURPOSE OF  
15 PROVIDING BENEFITS AND DEFRAYING REASONABLE EXPENSES INCURRED  
16 IN PERFORMING SUCH DUTIES AS REQUIRED BY LAW;

17 (h) DEFINING APPROPRIATE FIDUCIARY STANDARDS AND  
18 INVESTMENT POLICIES TO GUIDE THE INVESTMENT OF TRUST ASSETS TO  
19 ACCOMPLISH LONG-TERM OBJECTIVES;

20 (i) PROVIDING OPTIONS FOR RETIREMENT BENEFITS TO BE  
21 DISBURSED AS GUARANTEED, LIFETIME, MONTHLY AMOUNTS;

22 (j) PROVIDING FOR DISTRIBUTIONS OF RETIREMENT BENEFITS IN  
23 THE EVENT OF PARTICIPANT RETIREMENT, DISABILITY, OR DEATH; ■

24 (k) OPTIONS THAT MAY INCLUDE A DEFINED CONTRIBUTION  
25 STRUCTURE FOR RETIREMENT SAVINGS; AND

26 (l) ANY OTHER FACTORS THE TASK FORCE DEEMS RELEVANT OR  
27 NECESSARY.

1 (3) IN CONNECTION WITH MAKING ITS RECOMMENDATIONS FOR  
2 ESTABLISHING A COLORADO SECURE RETIREMENT PLAN, THE TASK FORCE  
3 SHALL ANALYZE THE POTENTIAL STATE SAVINGS IN PUBLIC ASSISTANCE  
4 EXPENDITURES THAT WOULD RESULT FROM THE ADOPTION OF THE PLAN.

5 (4) IN DEVELOPING ITS RECOMMENDATIONS PURSUANT TO THIS  
6 SECTION, THE TASK FORCE SHALL NOT:

7 (a) INCLUDE ANY GUARANTEE BY THE STATE OR CAUSE THE STATE  
8 TO INCUR ANY LIABILITY OR OBLIGATION FOR ANY CONTRIBUTIONS OR ANY  
9 DISBURSEMENTS TO PLAN PARTICIPANTS;

10 (b) INCLUDE ANY FINANCIAL OBLIGATION OR LIABILITY ON  
11 PRIVATE SECTOR EMPLOYERS WHOSE EMPLOYEES PARTICIPATE IN THE  
12 PLAN WITH REGARD TO INVESTMENT OR INVESTMENT PERFORMANCE OF  
13 THE PLAN; OR

14 (c) INCLUDE ANY RECOMMENDATION THAT CONFLICTS WITH  
15 FEDERAL LAW.

16 **2-2-1803. Colorado retirement security task force - creation.**

17 (1) THE COLORADO RETIREMENT SECURITY TASK FORCE IS HEREBY  
18 CREATED IN THE LEGISLATIVE BRANCH. THE TASK FORCE CONSISTS OF  
19 NINE MEMBERS AS FOLLOWS:

20 (a) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LABOR AND  
21 EMPLOYMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

22 (b) THE EXECUTIVE DIRECTOR OF THE PUBLIC EMPLOYEES'  
23 RETIREMENT ASSOCIATION OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

24 (c) ONE PERSON WHO HAS EXPERIENCE WORKING IN HUMAN  
25 SERVICES TO BE APPOINTED BY THE GOVERNOR;

26 (d) THREE MEMBERS TO BE APPOINTED BY THE SPEAKER OF THE  
27 HOUSE OF REPRESENTATIVES AS FOLLOWS:

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(I) ONE PERSON WHO IS A PRIVATE SECTOR EMPLOYER IN THE STATE WITH FEWER THAN FIFTY EMPLOYEES;

(II) ONE PERSON WHO IS AN EMPLOYEE OF A PRIVATE SECTOR EMPLOYER IN THE STATE AND WHO IS OVER FORTY YEARS OF AGE;

(III) ONE PERSON WHO IS A REPRESENTATIVE OF AN ORGANIZATION THAT REPRESENTS EMPLOYERS;

(e) THREE MEMBERS TO BE APPOINTED BY THE PRESIDENT OF THE SENATE AS FOLLOWS:

(I) ONE PERSON WHO IS A PRIVATE SECTOR EMPLOYER IN THE STATE WITH MORE THAN ONE HUNDRED EMPLOYEES;

(II) ONE PERSON WHO IS AN EMPLOYEE OF A PRIVATE SECTOR EMPLOYER IN THE STATE AND WHO IS UNDER FORTY YEARS OF AGE AT THE TIME OF HIS OR HER APPOINTMENT; AND

(III) ONE PERSON WHO IS A REPRESENTATIVE OF AN ORGANIZATION THAT REPRESENTS EMPLOYEES.

(2) IN ADDITION TO THE TASK FORCE MEMBERS SPECIFIED IN SUBSECTION (1) OF THIS SECTION, THE STATE DEMOGRAPHER SHALL BE AN EX OFFICIO MEMBER OF THE TASK FORCE. THE STATE DEMOGRAPHER MAY SIT WITH THE TASK FORCE AND PARTICIPATE IN DISCUSSIONS OF THE TASK FORCE BUT IS NOT ALLOWED TO VOTE OR MAKE A MOTION ON ANY MATTER THAT COMES BEFORE THE TASK FORCE.

(3) ALL APPOINTMENTS TO THE TASK FORCE AS REQUIRED BY SUBSECTION (1) OF THIS SECTION SHALL BE MADE BY JULY 1, 2014. IN MAKING APPOINTMENTS AS REQUIRED BY SUBSECTION (1) OF THIS



1 SECTION, THE GOVERNOR, THE SPEAKER OF THE HOUSE OF  
2 REPRESENTATIVES, AND THE PRESIDENT OF THE SENATE SHALL SEEK  
3 APPOINTEES WITH FINANCIAL AND FISCAL EXPERTISE.

4 (4) IF THERE IS A VACANCY ON THE TASK FORCE FOR ANY CAUSE,  
5 THE APPOINTING AUTHORITY DESIGNATED IN SUBSECTION (1) OF THIS  
6 SECTION SHALL MAKE AN APPOINTMENT AS SOON AS POSSIBLE TO BECOME  
7 IMMEDIATELY EFFECTIVE.

8 (5) A MAJORITY OF THE MEMBERS OF THE TASK FORCE  
9 CONSTITUTES A QUORUM FOR THE TRANSACTION OF BUSINESS.

10 (6) THE MEMBERS OF THE TASK FORCE SELECT A CHAIR AND  
11 VICE-CHAIR OF THE TASK FORCE.

12 (7) THE TASK FORCE SHALL MEET AS NECESSARY, AS DETERMINED  
13 BY THE MEMBERS OF THE TASK FORCE, BEGINNING AFTER THE SECOND  
14 REGULAR SESSION OF THE SIXTY-NINTH GENERAL ASSEMBLY AND  
15 THROUGH DECEMBER 2015. THE TASK FORCE SHALL HOLD ITS FIRST  
16 MEETING ON OR BEFORE AUGUST 1, 2014.

17 (8) THE TASK FORCE SHALL INVITE PRIVATE CITIZENS,  
18 REPRESENTATIVES FROM STATE AND LOCAL GOVERNMENTAL ENTITIES,  
19 AND REPRESENTATIVES FROM PUBLIC OR PRIVATE ORGANIZATIONS TO  
20 PARTICIPATE AND ASSIST IN THE MEETINGS OF THE TASK FORCE, AS  
21 DEEMED NECESSARY AND APPROPRIATE BY THE MEMBERS OF THE TASK  
22 FORCE. THE TASK FORCE MAY ALSO SOLICIT AND ACCEPT REPORTS,  
23 WRITTEN COMMENTS, PUBLIC TESTIMONY, AND OTHER INFORMATION,  
24 ADVICE, OR DATA AS THE MEMBERS OF THE TASK FORCE DEEM RELEVANT  
25 AND NECESSARY TO PERFORM THE DUTIES OF THE TASK FORCE.

26 (9) NONLEGISLATIVE MEMBERS OF THE TASK FORCE SERVE  
27 WITHOUT COMPENSATION AND ARE NOT ENTITLED TO REIMBURSEMENT

1 FOR EXPENSES. THIS SUBSECTION (9) DOES NOT PREVENT MEMBERS OF THE  
2 TASK FORCE FROM RECEIVING THEIR REGULAR SALARY IF THEY  
3 PARTICIPATE IN TASK FORCE MEETINGS DURING THEIR REGULAR BUSINESS  
4 HOURS.

5 (10) THE LEGISLATIVE MEMBERS OF THE TASK FORCE SHALL BE  
6 COMPENSATED FOR ATTENDANCE AT MEETINGS OF THE TASK FORCE AND  
7 SHALL RECEIVE REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES  
8 INCURRED IN THE PERFORMANCE OF THEIR DUTIES AS MEMBERS OF THE  
9 TASK FORCE, AS PROVIDED IN SECTION 2-2-307.

10 (11) THE LEGISLATIVE COUNCIL STAFF SHALL PROVIDE STAFF  
11 SUPPORT TO THE TASK FORCE.

12 **2-2-1804. Report.** (1) ON OR BEFORE DECEMBER 1, 2015, THE  
13 TASK FORCE SHALL SUBMIT A REPORT TO THE MEMBERS OF THE GENERAL  
14 ASSEMBLY WITH THE RECOMMENDATIONS AND ANALYSES REQUIRED BY  
15 SECTION 2-2-1802. IN ADDITION, THE TASK FORCE SHALL MAKE  
16 RECOMMENDATIONS FOR LEGISLATION NECESSARY TO IMPLEMENT THE  
17 RECOMMENDATIONS CONTAINED IN THE REPORT.

18 (2) THE TASK FORCE MAY WORK WITH, CONTRACT WITH, AND  
19 ENTER INTO AGREEMENTS TO DEVELOP ITS RECOMMENDATIONS UNDER  
20 THIS SECTION.

21 **2-2-1805. Repeal of part.** THIS PART 18 IS REPEALED, EFFECTIVE  
22 JUNE 30, 2016.

23 **SECTION 2. Appropriation.** In addition to any other  
24 appropriation, there is hereby appropriated, out of any moneys in the  
25 general fund not otherwise appropriated, to the legislative department, for  
26 the fiscal year beginning July 1, 2014, the sum of \$21,816 and 0.3 FTE,  
27 or so much thereof as may be necessary, to be allocated for

1 implementation of this act as follows:

2 (a) \$18,414 and 0.3 FTE for legislative council for personal  
3 services; and

4 (b) \$3,402 for the general assembly for legislator reimbursement.

5 **SECTION 3. Safety clause.** The general assembly hereby finds,  
6 determines, and declares that this act is necessary for the immediate  
7 preservation of the public peace, health, and safety.