

# Protecting Your Future



## FPPA proposes legislation to provide long-term retirement plan stability

In 2020, FPPA convened a Task Force to study potential issues with one of our retirement plans, the Statewide Hybrid Plan. The Task Force's charge was to evaluate the current and future health of the Hybrid Plan, and if necessary, make recommendations to the Board on how to maintain the stability of the Plan going forward.

In April 2021, the Task Force delivered a recommendation to merge the assets and liabilities of the Statewide Hybrid Plan with those of the Statewide Defined Benefit Plan, creating the new Statewide Retirement Plan. This action, along with other measures in the proposal, will ensure the stability of all affected Plans.

After receiving the Task Force's recommendation, the FPPA Board directed staff to pursue legislation to enact the changes outlined on this document during the 2022 Colorado legislative session.

## What's in the proposal? The component provisions of FPPA's planned legislation are described below.



**Plans Merger**  
Combines the assets and liabilities of two existing plans; the Statewide Defined Benefit Plan (SWDB) and the Statewide Hybrid Plan (SWH); to form, the Statewide Retirement Plan. Also expands the Money Purchase Component to allow for excess contributions from all other components



**Hybrid Defined Benefit Component: Multiplier Adjustment**  
Reduces excess funding level to 100% by awarding a one-time benefit adjustment on all service accrued prior to the date of merger to current retirees, deferred vested and active members who are enrolled in the Plan



**Hybrid Component: Contribution Increase**  
Increases minimum required contributions into the Hybrid Defined Benefit and Money Purchase Components (Formerly the Statewide Hybrid Plan) by a combined 2% over 8 years for a total of 18% (9% member / 9% employer). No action will be required of departments who already meet this requirement

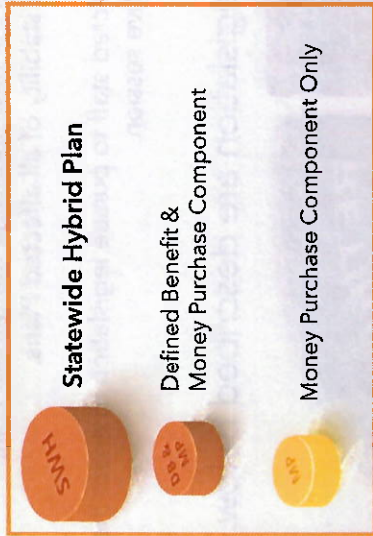
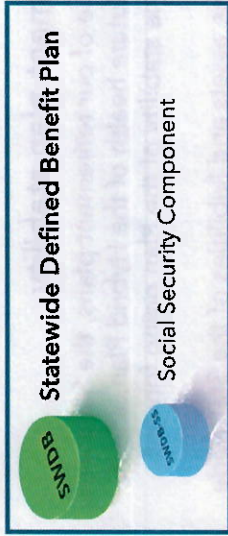


**Hybrid Defined Benefit Component: Rule of 80**  
Provides for Normal Retirement as early as age 50, if a member's combined years of service and age equals 80 or more

Learn more about these proposals at [ForwardWithFPPA.org](https://ForwardWithFPPA.org)

## FPPA DEFINED BENEFIT SYSTEM

BEFORE: 2 Plans



## FPPA DEFINED BENEFIT SYSTEM

AFTER: 1 Plan, 4 Components



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