

By: Ritter

H.B. No. 2916

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the purchase of creditable service time by members of  
3 Judicial Retirement System, Plan Two.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter E, Chapter 838, Government Code, is  
6 amended by adding Section 838.108 to read as follows:

7 Sec. 838.108. CREDIT PURCHASE OPTION. (a) An eligible  
8 member may establish not more than 60 months of equivalent  
9 membership service credit.

10 (b) A member is eligible to establish to establish service  
11 credit under this section if the member has at least 120 months of  
12 actual membership service of the type of service that the member  
13 seeks to establish.

14 (c) A member may establish service credit under this section  
15 by depositing with the retirement system, for each month of service  
16 credit, the actuarial present value, at the time of deposit, of the  
17 additional standard retirement annuity benefits that would be  
18 attributable to the purchase of the service credit under this  
19 section, based on rates and tables recommended by the retirement  
20 system's actuary and adopted by the board of trustees.

21 (d) After a member makes the deposits required by the  
22 section, the retirement system shall grant the member one month of  
23 equivalent membership service credit for each month of credit  
24 approved.

1       (e) The retirement system shall deposit the amount of the  
2 actuarial present value of the service credit purchased in the  
3 member's individual account in the employees saving account.

4       (f) The board of trustees may adopt rules to administer this  
5 section, including rules that impose restrictions on the  
6 application of this section necessary to cost-effectively  
7 administer this section.

8       SECTION 2. This Act takes effect September 1, 2003.