

## **BILL ANALYSIS**

H.B. 1114  
By: Nixon  
Pensions & Investments  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Most state District and Appellate Judges are in the state retirement system, Judicial Retirement System II. Judges make contributions to the retirement system like state employees. However, a judge who serves twenty years is not required to make an additional contribution to the system and cannot receive any additional retirement credit for continuing to remain on the bench. The result of being unable to increase retirement service credit despite continuing to act as a state official is often cited as a reason for experienced judges to leave the bench after they have served 20 years.

H.B. 1114 would allow all Plan Two judges to continue to make contributions into their retirement system after twenty years and receive additional service credit.

### **RULEMAKING AUTHORITY**

This bill does not expressly delegate any additional rulemaking authority to a state officer, administration, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 839.102 (a) and adds (d) to the Government Code so that the service retirement annuity of a judge in Judicial Retirement System Two may be increased by two percent for each year of service over 20 years in which the affected judge continues to make contributions to JRS II. The percentage of the retirement annuity is limited to 80% of the applicable salary under Subsection (a).

SECTION 2. Amends Section 840.102(g) of the Government Code, except and provided under Section 840.1025 of the Government Code (as added by this act) to allow a judge to continue to make contributions to JRS II after the judge has accrued 20 years of service credit in the system.

SECTION 3. Amends Subchapter B, Chapter 840 of the Government Code by adding Section 840.1025, and describes the method a judge must use to elect to make additional contributions to JRS II and the manner in which the contributions must be made. The section requires that any additional contributions be made in the same manner as the original contribution to the system. The section also states that a member may not make contributions for more than 10 years of subsequent service credit.

SECTION 4. Provides that this Act will take effect on September 1, 2005.

### **EFFECTIVE DATE**

Provides that this Act will take effect on September 1, 2005.