By: McCall, Gallego H.B. No. 617

## A BILL TO BE ENTITLED

AN ACT

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- 2 relating to contributions made by and the service retirement
- 3 annuity paid to certain members of the Judicial Retirement System
- 4 of Texas Plan Two.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 840.102, Government Code, is amended by
- 7 amending Subsection (a) and adding Subsection (h) to read as
- 8 follows:

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- 9 (a) Except as provided by Subsections [Subsection] (g) and
- 10 (h), each payroll period, a judicial officer who is a member of the
- 11 retirement system is required to contribute six percent of the
- 12 officer's state compensation for the period to the retirement
- 13 system.
- 14 (h) If a member has served at least 12 years on an appellate
- 15 court and the sum of the member's age and amount of service credited
- in the retirement system equals or exceeds the number 70, the member
- 17 ceases making contributions under this section. A member described
- 18 by this subsection is considered a contributing member for all
- other purposes under this subtitle.
- SECTION 2. Subchapter B, Chapter 840, Government Code, is
- 21 amended by adding Section 840.1027 to read as follows:
- Sec. 840.1027. CONTRIBUTIONS AFTER ATTAINING RULE OF 70.
- 23 (a) Notwithstanding Section 840.102(h), a judicial officer who is
- 24 a member of the retirement system and who has served at least 12

- 1 years on an appellate court and the sum of the member's age and
- 2 amount of service credited in the retirement system equals or
- 3 <u>exceeds the number 70 may elect to make contributions for each</u>
- 4 subsequent year of service credit that the member accrues by filing
- 5 an application with the retirement system.
- 6 (b) A member who elects to make contributions under
- 7 Subsection (a) shall contribute six percent of the member's state
- 8 compensation for each payroll period in the manner provided by
- 9 Sections 840.102(b)-(f). Section 840.105 does not apply to a
- 10 contribution under this section.
- 11 (c) A member may not make contributions under this section
- 12 <u>for more than 10 years of subsequent service credit that the member</u>
- 13 <u>accrues.</u>
- SECTION 3. Section 839.102, Government Code, is amended by
- 15 amending Subsection (a) and adding Subsection (f) to read as
- 16 follows:
- 17 (a) Except as provided by Subsections (b), [and] (c), and
- 18 (f), the standard service retirement annuity is an amount equal to
- 19 50 percent of the state salary being paid at the time the member
- 20 retires to a judge of a court of the same classification as the last
- 21 court to which the retiring member was elected or appointed.
- 22 (f) The service retirement annuity of a member qualifying
- for retirement under Section 839.101(a)(4) is the applicable state
- 24 salary under Subsection (a) multiplied by a percentage amount that
- is the sum of 50 percent plus the product of two percent multiplied
- 26 by the number of years of subsequent service credit the member
- 27 accrues under Section 840.1027. After including any increase under

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- 1 <u>Subsection</u> (b), the service retirement annuity under this
- 2 subsection may not be an amount that is greater than 80 percent of
- 3 the applicable salary under Subsection (a).
- 4 SECTION 4. This Act takes effect September 1, 2005.