

SUBJECT: Increasing the service retirement annuity of certain retired judges

COMMITTEE: Pensions — favorable, without amendment

VOTE: 5 ayes — Callegari, Alonzo, Frullo, P. King, Stephenson

0 nays

1 absent — Gutierrez

1 present, not voting — Branch

SENATE VOTE: On final passage, May 2 — 30-1 (Schwertner)

WITNESSES: (*On companion bill, HB 3525*)

For — None

Against — None

On — Justice Nathan Hecht; William (Shack) Nail, Employees Retirement System

DIGEST: SB 1436 would increase the maximum service retirement annuity of judges from 90 percent of applicable salary to 100 of applicable salary in the Judicial Retirement System of Texas Plan One.

The bill would take effect September 1, 2013. The changes to Plan One would apply only to a member who retired on or after the effective date.

SUPPORTERS SAY: SB 1436 would encourage knowledgeable and experienced judges to remain on the bench. Unlike many other state employees, judges often are lured away from the public sector to private practice by the vastly superior salaries they can command there. As such, it would be appropriate to incentivize their further service on the bench through an increase in retirement benefits. By improving judicial retention rates, SB 1436 would improve the administration of justice across Texas.

According to the fiscal note, the bill would not have a significant fiscal

impact on the state.

OPPONENTS
SAY:

It would be inappropriate to increase the retirement annuity benefits of judges at a time when the Legislature is not considering similar actions for other retired state employees.