

## **BILL ANALYSIS**

Senate Research Center  
79R4824 DLF-D

H.B. 1114  
By: Nixon (Duncan)  
State Affairs  
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Engrossed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Most state district and appellate judges are in the state retirement system, Judicial Retirement System II. Like state employees, judges make contributions to the retirement system. 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 allows all Plan II judges to continue to make contributions into their retirement system after 20 years of service and allows them to receive additional service credit.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 839.102, Government Code, by amending Subsection (a) and adding Subsection (d), as follows:

(a) Makes a conforming change.

(d) Provides that the service retirement annuity of a member qualifying for retirement under Section 839.101(a) is the applicable state salary under Subsection (a) multiplied by a percentage amount that is the sum of 50 percent plus the product of two percent multiplied by the number of years of subsequent service credit the member accrues under Section 840.1025(a). Prohibits, after including any increase under Subsection (b), the service retirement annuity under this subsection from being an amount that is greater than 80 percent of the applicable salary under Subsection (a).

SECTION 2. Amends Section 840.102(g), Government Code, provide that a member, except as provided by Section 840.1025, who accrues 20 years of service credit in the retirement system ceases making contributions under this section but is considered a contributing member for all other purposes under this subtitle.

SECTION 3. Amends Subchapter B, Chapter 840, Government Code, by adding Section 840.1025, as follows:

Sec. 840.1025. CONTRIBUTIONS AFTER 20 YEARS OF SERVICE CREDIT. (a) Authorizes a judicial officer who is a member of the retirement system and who accrues 20 years of service credit in the retirement system to elect to make contributions for each subsequent year of service credit that the member accrues by filing an application with the Judicial Retirement System II.

(b) Requires a member who elects to make contributions under Subsection (a) to contribute two percent of the member's state compensation for each payroll period in the manner provided by Sections 840.102(b)-(f). Provides that Section 840.105 does not apply to a contribution under this section.

(c) Prohibits a member from making contributions under this section for more than 10 years of subsequent service credit that the member accrues.

SECTION 4. Effective date: September 1, 2005.