

BILL ANALYSIS

Senate Research Center
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S.B. 2207
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under the current judicial retirement system, an appellate justice is eligible for a full annuity if the justice has served on an appellate court for 12 years and the sum of the justice's age and amount of service credited in the retirement system equals or exceeds the number 70, regardless of whether the justice currently holds judicial office. A district judge is eligible for a full annuity if the judge has 20 years of service credited in the retirement system, regardless of whether the judge currently holds judicial office. While the rules appear to treat judges and justices in the same manner, they in fact treat appellate justices who previously served on a district court bench differently. The current retirement rules compel district judges who have ascended to an appellate court to remain in a district judge's retirement scheme or, in order to enter an appellate justice's retirement scheme, forgo retirement credit earned as a district judge. For example, a two-term appellate court justice who previously served a single term as a district judge will have contributed 16 years into the same retirement system. That justice, however, must forgo the four years of "district judge credit" in order to increase the justice's annuity, or must work another four years in order to vest with a district judge's baseline annuity. Current law provides a disincentive for a presiding district judge to seek higher judicial office at a time when as many qualified candidates as possible are needed. District judges bring problem-solving skills and practical experience that balance the appellate decision-making process and increase the efficiency of higher courts.

This bill provides that prior service credit is included in the formula calculating the service retirement annuity of certain Judicial Retirement System of Texas Plan Two members who have served at least 12 years on an appellate court.

As proposed, S.B. 2207 amends current law relating to retirement qualifications for appellate judges.

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 (f) and adding Subsection (g), as follows:

(f) Provides that the service retirement annuity of a member qualifying for retirement under Section 839.101(a)(4) (relating to service retirement annuity eligibility under certain conditions) is the applicable state salary under Subsection (a) (relating to the amount of a standard service retirement annuity) multiplied by a percentage amount that is the sum of 50 percent plus the product of 2.3 percent multiplied by the number of years of prior service credit under Subsection (g) and subsequent service credit the member accrues under Section 840.1027 (Contributions After Attaining Rule of 70).

(g) Provides that for purposes of Subsection (f), a member's prior service credit is the amount of service credit that the member earned in the retirement system prior to serving on an appellate court that is in excess of the amount of service credit that the member requires to be eligible to retire and receive a service retirement annuity under Section 839.101(a)(4).

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.