

BILL ANALYSIS

Senate Research Center

S.B. 1434
By: Averitt
Jurisprudence
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As Filed

DIGEST AND PURPOSE

Currently, a judge who retires after 20 years of service is eligible to receive a pension equal to 60 percent of the salary he or she collected while seated on the bench. As proposed, S.B. 1434 allows judges who are in Plan One or Plan Two of the Judicial Retirement System of Texas to extend their retirement benefits after 20 years of service by two percent per year for each additional year of service, and provides that benefits would no longer accrue after 30 years is completed.

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 834.102, Government Code, by adding Subsection (c), to require the Judicial Retirement System of Texas (retirement system) to increase by two percent of the amount of the applicable state salary on which an annuity is based under Subsection (a) for each year of service credit in excess of 20 years performed by a member who has made an election under Section 835.101(c). Authorizes the resulting annuity to include a computation under Subsection (b) but prohibits it from exceeding 80 percent of the salary described by Subsection (a).

SECTION 2. Amends Section 835.101(c), Government Code, to provide that a member who accrues 20 years of service credit in the retirement system ceases making contributions under this section, unless the member elects, on a form the retirement system prescribes, to continue making contributions for the member's entire period of service. Provides that an election under this subsection is irrevocable.

SECTION 3. Amends Section 839.102, Government Code, by adding Subsection (d), to require the retirement system to increase by two percent of the amount of the applicable state salary on which an annuity is based under Subsection (a) for each year of service credit in excess of 20 years performed by a member who has made an election under Section 840.102(g). Authorizes the resulting annuity to include a computation under Subsection (b) but prohibits it from exceeding 80 percent of the salary described by Subsection (a).

SECTION 4. Amends Section 840.102(g), Government Code, to provide that a member who accrues 20 years of service credit in the retirement system ceases making contributions under this section, unless the member elects, on a form the retirement system prescribes, to continue making contributions for the member's entire period of service. Provides that an election under this subsection is irrevocable. Provides that a member who makes an election under this subsection is considered a contributing member for all other purposes under this subtitle.

SECTION 5. Effective date: September 1, 2003.