

## **BILL ANALYSIS**

Senate Research Center  
80R9098 SGA-D

S.B. 1298  
By: Wentworth  
State Affairs  
4/13/2007  
As Filed

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

Under current judicial retirement plans, the service retirement annuity of a member who elects to make contributions after 20 years of service or after reaching the Rule of 70 with twelve years on an appellate court, is based on 60 percent of the state salary received by the member plus two percent for each subsequent year of service, not to exceed 80 percent of the state salary. The average service time of a Texas judge is eight years. Providing additional compensation in the form of retirement benefits for extended service could encourage experienced judges to remain on the bench for longer periods.

As proposed, S.B. 1298 would increase the accrual rate for extra years of service from two percent to three percent. Members could earn up to 90 percent of the state salary, rather than a maximum of 80 percent.

### **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(c), Government Code, to increase from two percent to three percent the amount of the multiplier in determining the retirement annuity for certain judicial officers and to increase from 80 percent to 90 percent of the applicable salary the maximum amount of a retirement annuity for such officers.

SECTION 2. Amends Section 839.102(d) and (f), Government Code, to make conforming changes.

SECTION 3. (a) Makes application of this Act prospective.

(b) Requires the board of trustees of the Employees Retirement System of Texas to recompute an annuity that first became payable before September 1, 2007, as though the changes in law made by this Act to Sections 834.102(c) and 839.102(d) and (f), Government Code, were in effect on the date the annuity first became payable.

(c) Provides that the first payment of the recomputed annuity under Subsection (b) of this section is payable on the first payment date occurring on or after September 1, 2007.

SECTION 4. Effective date: September 1, 2007.