

FINAL BILL REPORT

SB 5918

C 108 L 07
Synopsis as Enacted

Brief Description: Revising retirement benefits for judges.

Sponsors: Senators Fraser and Delvin; by request of Board For Judicial Administration.

Senate Committee on Ways & Means

House Committee on Appropriations

Background: Since 1988, newly elected or appointed judges have been enrolled in the Public Employees' Retirement System (PERS). In addition to a PERS benefit, state-employed judges are eligible for a supplemental defined contribution benefit through the Judicial Retirement Account (JRA) program, which is managed by the Administrative Office of the Courts (AOC). The state and the employee each contribute 2.5 percent of the employee's gross pay to the JRA. Upon retirement, the JRA funds are distributed in addition to the member's PERS benefits.

The statutes governing the various retirement systems administered by the state include language authorizing the division of a member's benefits pursuant to a court-ordered division of marital property. The JRA program does not currently include provisions for such a division. Under current law, if a court were to divide a member's benefit as part of a divorce decree, the plan would not administer the division.

Summary: JRA distributions are subject to division pursuant to a divorce decree or judgment that awards part of a member's account balance to an ex-spouse. Distributions are also subject to state community property laws. Technical clarifications are made to the statutes that govern the administration of other types of claims against a JRA, such as bankruptcy.

The total benefits payable from a member's account are not altered

Votes on Final Passage:

Senate	49	0
House	97	0

Effective: July 22, 2007