

URS Fiscal Analysis of 2015 S.B. 236

Summary of Fiscal Impact

If enacted, S.B. 236, Justice Court Judges Retirement Amendments, does not have a material fiscal impact on the Utah Retirement Systems (URS).

Proposed Legislative Provisions

S.B. 236 provides that a justice court judge will be considered as a full-time member for retirement allowance calculations if the judge: 1) is certified as full-time by an employer; or 2) has service with more than one employer and is certified as full-time by the Office of the State Court Administrator, based on the judge's total workload. Provisions also clarify the retirement allowance computation for justice court judges.

Discussion and Actuarial Analysis

The actuary considers proposed legislation to have a fiscal impact when the provisions alter benefits or entice changes in retirement behavior. In the actuary's opinion, S.B. 236 is clarifying current practices and does not modify how justice court judges earn retirement benefits. Some critical provisions in the proposed legislation are: 1) the limitation on only receiving one-year of service credit each year, which is a restatement of current applicable statutory provisions; 2) preserving having a separate allowance computed for part-time years of service; and 3) keeping final average salary based on the judge's actual compensation received during part-time and full-time periods of service. These methods for determining the member's benefit are consistent with current administration procedures for these types of members who may have part-time and full-time periods of service. Accordingly, S.B. 236 is not expected to have a material fiscal impact on the retirement systems.