



Senate

General Assembly

File No. 72

January Session, 2001

Substitute Senate Bill No. 1109

Senate, March 29, 2001

The Committee on Judiciary reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING INCENTIVE FOR PROBATE COURT MERGERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 45a-36a of the general statutes is repealed and the following
2 is substituted in lieu thereof:

3 (a) Any judge of probate in office on or after October 1, 1997, whose
4 probate district is merged with another district and who has not been
5 elected to a term which begins at the time of, or subsequent to, such
6 consolidation, (1) may elect to receive four years of credited service, as
7 defined in subdivision (2) of section 45a-34, (2) may elect to receive a
8 reduction of [his] such judge's retirement age of not more than four
9 years pursuant to subsection (a) of section 45a-36, or (3) may elect any
10 combination of subdivisions (1) and (2) of this [section] subsection,
11 provided such combination shall not exceed four years in total.

12 (b) Any judge of probate in office on or after the effective date of

13 this act, whose probate district is merged with another district not later
14 than January 1, 2007, and who has not been elected to a term which
15 begins at the time of, or subsequent to, such consolidation, (1) may
16 elect to increase such retired judge's annual pension by a maximum of
17 five thousand dollars, provided the total annual pension shall not
18 exceed eighty per cent of the retired judge's average final
19 compensation, as defined in subdivision (1) of section 45a-34, or (2)
20 may elect to receive a reduction in such judge's retirement age of not
21 more than eight years pursuant to subsection (a) of section 45a-36, after
22 making a retirement contribution of six hundred twenty-five dollars
23 for each year, or (3) may elect any combination of subdivisions (1) and
24 (2) of this subsection, provided no such judge of probate shall elect to
25 receive any increase under subdivision (1) of this subsection if the
26 annual retirement allowance of such judge under this chapter is more
27 than twenty thousand dollars.

Statement of Legislative Commissioners:

In subsection (b) "section" was changed to "act" for accuracy and "any annual increase of a maximum of five thousand dollars" was changed to "any increase under subdivision (1) of this subsection" for clarity.

JUD **JOINT FAVORABLE SUBST.-LCO**

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Yes (Probate Judges and Employees Retirement Fund and Probate Court Administration Fund)

Affected Agencies: Probate Court (Judicial Department)

Municipal Impact: None

Explanation

State Impact:

The Probate Judges and Employees Retirement Fund (PJERF) is a separate fund administered by the state's retirement division. The fund balance as of June 30, 2000 was \$33,016,700. While the benefit enhancements described in the bill would have an impact on the PJERF, there would be no fiscal impact to the state. All costs associated with the funding and administration of the PJERF are borne by the Probate Court Administration Fund (PCAF), which is a non-General Fund account. Each probate judge is assessed a percentage of the probate district's annual income to support this fund.

Assuming that 10 to 15 courts merge and using the most recent actuarial valuation, it is estimated that the liability to the PJERF would be approximately \$700,000 - \$800,000. While there will be increased liability to the PJERF, it is anticipated that any consolidation of courts will reduce various costs associated with the administration of a

system that currently maintains 130 probate courts. Passage of the bill would result in future indeterminate savings to the PCAF.

OLR Bill Analysis

sSB 1109

AN ACT CONCERNING INCENTIVE FOR PROBATE COURT MERGERS.**SUMMARY:**

This bill increases the financial incentive for probate court districts to merge and judges in these districts to leave office. Under the bill, a judge (1) whose district merges with another between October 1, 2001 and January 1, 2007 and (2) who is not re-elected to a term beginning on or after the merger date, may qualify for enhanced retirement benefits.

A judge whose annual pension under current rules is \$20,000 or less has the option of up to a \$5,000 increase, or retiring up to eight years early, or both. The increased pension amount cannot exceed 80% of the judge's final average salary. Thus, only judges with final salaries of \$31,250 or less could qualify for the full \$5,000 increase.

Judges with pensions currently worth more than \$20,000 per year are eligible only for the bill's early retirement option. And any judge who selects this option, regardless of pension value, must pay the retirement fund \$625 for each year's reduction in retirement age.

The bill's enhancements are in addition to the current law, which permits judges whose districts merge and are not reelected after merger to choose either (1) four years of additional credited service, (2) a four-year reduction in retirement age, or (3) a combination of the first two, up to a total of four years.

EFFECTIVE DATE: October 1, 2001

BACKGROUND***Probate Judge Retirement Rules***

By law, probate court judges qualify for a retirement benefit after 10 years of credited service. They may retire on or after age 62. The monthly benefit is based on a formula that multiplies their years of service by a percentage of their final salary. The final salary is the average of their three highest-paid years.

COMMITTEE ACTION

Judiciary Committee

Joint Favorable Report

Yea 35 Nay 1