

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1314

To amend the Internal Revenue Code of 1986 to modify the pension plan rules applicable to State judicial retirement plans.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 1995

Mr. ZIMMER (for himself and Mr. HYDE) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to modify the pension plan rules applicable to State judicial retirement plans.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. MODIFICATIONS RELATING TO STATE JUDI-**  
4 **CIAL RETIREMENT PLANS.**

5 (a) NONDISCRIMINATION REQUIREMENTS.—Para-  
6 graph (5) of section 401(a) of the Internal Revenue Code  
7 of 1986 (relating to qualified pension, profit-sharing, and  
8 stock bonus plans) is amended by adding at the end the  
9 following new subparagraph:

1           “(F) STATE JUDICIAL RETIREMENT  
2           PLANS.—A State judicial retirement plan (as  
3           defined in section 414(u)) shall not be consid-  
4           ered discriminatory within the meaning of para-  
5           graph (4).”

6           (b) ADDITIONAL PARTICIPATION REQUIREMENTS.—  
7           Paragraph (26) of section 401(a) of such Code is amended  
8           by redesignating subparagraphs (H) and (I) as subpara-  
9           graphs (I) and (J), respectively, and by inserting after  
10          subparagraph (G) the following new subparagraph:

11                   “(H) This paragraph shall not apply to  
12                   any State judicial retirement plan (as defined in  
13                   section 414(u)).”

14          (c) APPLICATION OF MINIMUM PARTICIPATION  
15          STANDARDS.—

16           (1) Subsection (c) of section 410 of such Code  
17           (relating to minimum participation standards) is  
18           amended by adding at the end the following new  
19           paragraph:

20                   “(3) A State judicial retirement plan (as de-  
21                   fined in section 414(u)) shall be treated as meeting  
22                   the requirements of this section for purposes of sec-  
23                   tion 401(a).”

24           (2) Paragraph (1) of section 410(c) of such  
25           Code is amended by striking “paragraph (2)” in the

1 material preceding subparagraph (A) and inserting  
2 “paragraphs (2) and (3)”.

3 (3) Paragraph (2) of section 410(c) of such  
4 Code is amended by striking “A plan” and inserting  
5 “Except as provided in paragraph (3), a plan”.

6 (d) STATE JUDICIAL RETIREMENT PLAN DE-  
7 FINED.—Section 414 of such Code is amended by adding  
8 at the end the following new subsection:

9 “(u) STATE JUDICIAL RETIREMENT PLAN.—For  
10 purposes of sections 401 and 410, the term ‘State judicial  
11 retirement plan’ means a plan (or any portion of a plan)  
12 established and maintained for its employees by the gov-  
13 ernment of any State or any political subdivision thereof,  
14 or by any agency or instrumentality of the foregoing, and  
15 which provides for participation, coverage, contributions,  
16 or benefits which are primarily for, by, or on behalf of  
17 judges or justices appointed or elected in accordance with  
18 the constitution and laws of such State, political subdivi-  
19 sion, or agency or instrumentality.”

20 (e) EFFECTIVE DATE.—

21 (1) IN GENERAL.—The amendments made by  
22 this section shall apply to taxable years beginning on  
23 or after the date of the enactment of this Act.

24 (2) TREATMENT FOR YEARS BEGINNING BE-  
25 FORE DATE OF ENACTMENT.—In the case of a State

1       judicial retirement plan (as defined in section 414(u)  
2       of the Internal Revenue Code of 1986), such plan  
3       shall be treated as satisfying the requirements of  
4       sections 401(a)(4), 401(a)(26), and 410 of such  
5       Code for all taxable years beginning before the date  
6       of the enactment of this Act.

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