

## JUDICIAL RETIREMENT FUNDS

### *Payment to Judiciary Trust Funds*

## SUMMARY STATEMENT OF ACCOUNT REQUIREMENTS

<b>Fiscal Year 2024 Assumed Appropriation</b>	<b>\$251,900,000</b>
<b>Fiscal Year 2025 Requested Appropriation</b>	<b>\$292,900,000</b>
<b>Requested Increase from Fiscal Year 2024 Assumed Appropriation</b>	<b>\$41,000,000</b>

### **Title VI General Provisions**

Sec. [618]\_\_\_\_. (a) There are appropriated for the following activities the amounts required under current law:

(1) Compensation of the President (3 U.S.C. 102).

(2) Payments to--

(A) the Judicial Officers' Retirement Fund (28 U.S.C. 377(o));

(B) the Judicial Survivors' Annuities Fund (28 U.S.C. 376(c)); and

(C) the United States Court of Federal Claims Judges' Retirement Fund (28 U.S.C. 178(l)).

(3) Payment of Government contributions--

(A) with respect to the health benefits of retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849); and

(B) with respect to the life insurance benefits for employees retiring after December 31, 1989 (5 U.S.C. ch. 87).

(4) Payment to finance the unfunded liability of new and increased annuity benefits under the Civil Service Retirement and Disability Fund (5 U.S.C. 8348).

(5) Payment of annuities authorized to be paid from the Civil Service Retirement and Disability Fund by statutory provisions other than subchapter III of chapter 83 or chapter 84 of title 5, United States Code.

(b) Nothing in this section may be construed to exempt any amount appropriated by this section from any otherwise applicable limitation on the use of funds contained in this Act.

### **Explanation**

The highlighted section provides appropriations for payments to the Judicial Officers' Retirement Fund, the Judicial Survivors' Annuities Fund, and the United States Court of Federal Claims Judges' Retirement Fund. The judiciary proposes to retain this language in Title VI of the Financial Services and General Government appropriations bill.

**SUMMARY OF REQUEST  
 JUDICIAL RETIREMENT FUNDS  
 PAYMENT TO JUDICIARY TRUST FUNDS  
 FISCAL YEAR 2025  
 (Dollar amounts in thousands)**

**Fiscal Year 2025 Resource Requirements:**

	<u>FTEs</u>	<u>Amount</u>
<b>Fiscal Year 2024 Assumed Appropriation .....</b>	-	<b>\$251,900</b>
<b>Page</b>		
<b><u>No.</u></b>		
<b><u>Adjustments to Base</u></b>		
13.6 1. Increase in payment to the Judicial Officers' Retirement Fund.....	-	21,600
13.6 2. Increase in payment to the Judicial Survivors' Annuities Fund.....	-	16,900
13.6 3. Increase in payment to the Court of Federal Claims Judges' Retirement Fund.....	-	2,500
<b>Subtotal, Adjustments to Base.....</b>	-	<b>41,000</b>
<b>Total Appropriation Required, Fiscal Year 2025.....</b>	-	<b>\$292,900</b>
<b>Total Appropriation Increase, Fiscal Year 2024 to Fiscal Year 2025.....</b>	-	<b>\$41,000</b>

**PAYMENT TO JUDICIARY TRUST FUND**  
**Obligations by activity (\$000)**

Activity	FY 2023 Actual	FY 2024 Assumed	FY 2025 Request
<b>Trust Fund, Total Obligations</b>	<b>251,800</b>	<b>251,900</b>	<b>292,900</b>
<b>Available Appropriation</b>	<b>251,800</b>	<b>251,900</b>	<b>292,900</b>

**Object Classification (\$000)**

Description	FY 2023 Actual	FY 2024 Assumed	FY 2025 Request
25 Other services	251,800	251,900	292,900
<b>Total Obligations</b>	<b>251,800</b>	<b>251,900</b>	<b>292,900</b>

**PAYMENT TO JUDICIARY TRUST FUND**  
**Relation of Direct Obligations to Outlays (\$000)**

	<b>FY 2023 Actual</b>	<b>FY 2024 Assumed</b>	<b>FY 2025 Request</b>
Obligations incurred	251,800	251,900	292,900
Obligated balance, start of year	-	-	-
Obligated balance, end of year	-	-	-
<b>Outlays</b>	<b>251,800</b>	<b>251,900</b>	<b>292,900</b>

## **GENERAL STATEMENT AND INFORMATION**

This appropriation is divided among three trust funds that finance payments to (1) retired bankruptcy and magistrate judges, (2) spouses and dependent children of deceased judges, and (3) retired Court of Federal Claims judges. This account is categorized as a mandatory appropriation by Congress.

Statutes governing the three funds authorize the appropriation of amounts necessary to support the liability that accrues each year and to pay an installment on any unfunded liability. Although the funds (except for the Court of Federal Claims fund) receive participant contributions and earn interest on investment holdings, the purpose of the appropriation provision is to ensure that sufficient funds are deposited annually to support anticipated benefit payments in the distant future as well as in the short-term. The appropriation request is calculated annually by an enrolled actuary pursuant to 31 U.S.C. § 9503.

### **The Three Trust Funds**

- 1) The Judicial Officers' Retirement Fund was established in 1988 to provide a pension to bankruptcy and full-time magistrate judges (28 U.S.C. § 377(o)).
- 2) The Judicial Survivors' Annuities Fund was established in 1956 to provide annuities to widows, widowers, and dependent children of judges and other officials who have elected to participate in the program: Justices and judges of the United States, to include Guam, the Northern Mariana Islands, and the Virgin Islands; full-time bankruptcy judges; full-time United States magistrate judges; judges of the United States Court of Federal Claims; Directors of the Federal Judicial Center and the Administrative Office of the United States Courts; and the Counselor to the Chief Justice of the United States (28 U.S.C. § 376(c)).
- 3) The Court of Federal Claims Judges' Retirement Fund was established in 1990 to provide a pension plan to retired United States Court of Federal Claims judges (28 U.S.C. § 178(l)). Appointment under Chapter 7 of Title 28 or service under section 167 of the Federal Courts Improvements Act of 1982 automatically qualifies a judge to participate.

## **FISCAL YEAR 2024 APPROPRIATIONS**

In the absence of an enacted appropriation, the judiciary built the FY 2025 mandatory budget request for the Judicial Retirement Funds on the FY 2024 assumed level of \$251,900,000. This amount would fully fund FY 2024 requirements for the three retirement trust funds. For bill language, the judiciary used the relevant language from H.R. 4664, which is the House version of the Financial Services and General Government appropriations bill, 2024, as the closest approximation of the eventual enacted FY 2024 appropriations language.

## JUSTIFICATION OF CHANGES

The appropriation request for FY 2025 is \$292,900,000, an increase of \$41,000,000 above the assumed appropriation level in FY 2024. This increase includes an increase of \$21,600,000 for the Judicial Officers' Retirement Fund, an increase of \$16,900,000 for the Judicial Survivors' Annuities Fund, and an increase of \$2,500,000 for the Court of Federal Claims Judges' Retirement Fund.

### ADJUSTMENTS TO BASE

#### *1. Increase in payment to the Judicial Officers' Retirement Fund*

**Mandatory Increase: \$21,600,000**

The assumed appropriation for FY 2024 is \$220,900,000. Based on actuarial calculations, \$242,500,000, an increase of \$21,600,000, is sufficient to draw down the unfunded liability in FY 2025.

#### *2. Increase in payment to the Judicial Survivors' Annuities Fund*

**Mandatory Increase: \$16,900,000**

The assumed appropriation for FY 2024 is \$27,700,000. Based on actuarial calculations, \$44,600,000, an increase of \$16,900,000, is sufficient to draw down the unfunded liability in FY 2025.

#### *3. Increase in payment to the Court of Federal Claims Judges' Retirement Fund*

**Mandatory Increase: \$2,500,000**

The assumed appropriation for FY 2024 is \$3,300,000. Based on actuarial calculations, \$5,800,000, an increase of \$2,500,000, is sufficient to draw down the unfunded liability in FY 2025.