

Superseded 5/10/2016

49-18-102 Definitions.

As used in this chapter:

- (1)
 - (a) "Compensation" means the total amount of payments which are currently includable in gross income made by a participating employer to a member of this system for services rendered to the participating employer.
 - (b) "Compensation" includes:
 - (i) performance-based bonuses;
 - (ii) cost-of-living adjustments;
 - (iii) payments subject to Social Security deductions;
 - (iv) any payments in excess of the maximum amount subject to deduction under Social Security law; and
 - (v) amounts which the member authorizes to be deducted or reduced for salary deferral or other benefits authorized by federal law.
 - (c) "Compensation" for purposes of this chapter may not exceed the amount allowed under Internal Revenue Code Section 401(a)(17).
 - (d) "Compensation" does not include:
 - (i) the monetary value of remuneration paid in kind, such as a residence or use of equipment;
 - (ii) all contributions made by a participating employer under a system or plan for the benefit of a member or participant;
 - (iii) salary paid to a temporary or exempt employee;
 - (iv) payments upon termination or any other special payments including early retirement inducements; or
 - (v) uniform, travel, or similar payments.
- (2) "Final average salary" means the amount computed by averaging the highest two years of annual compensation preceding retirement, subject to Subsections (2)(a) and (b).
 - (a) Except as provided in Subsection (2)(b), the percentage increase in annual compensation in any one of the years used may not exceed the previous year's compensation by more than 10% plus a cost-of-living adjustment equal to the decrease in the purchasing power of the dollar during the previous year, as measured by a United States Bureau of Labor Statistics Consumer Price Index average as determined by the board.
 - (b) In cases where the participating employer provides acceptable documentation to the board, the limitation in Subsection (2)(a) may be exceeded if:
 - (i) the member has transferred from another agency; or
 - (ii) the member has been promoted to a new position.
- (3) "Judge" means a judge or justice of the courts of record as enumerated in Section 78A-1-101.
- (4) "Participating employer" means the state.
- (5) "System" means the Judges' Noncontributory Retirement System created under this chapter.
- (6) "Years of service credit" means the number of periods, each to consist of 12 full months or as determined by the board, whether consecutive or not, during which a judge was employed by a participating employer.