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California judges sue Calpers pension system over contributions

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By Tim Reid

(Reuters) - A group of judges is suing California's public pension system Calpers and the state of California over claims their pension contributions have been almost doubled unlawfully.

Under state pay grades, the six California Superior Court judges each earn more than \$181,000 a year. The lawsuit filed on Dec. 23 says their pension contributions should be lowered by about \$13,000 a year.

The six, who were elected in 2012, claim a pension reform law signed by Governor Jerry Brown which took effect Jan. 1, 2013 has raised their pension contributions to 15 percent from 8 percent of their salary. They say the 8 percent contribution was set in stone and should not have been raised by the new law retrospectively.

The California Public Employees Retirement System, or Calpers, said the lawsuit was so recently filed it was too early to comment on it. Calpers is America's biggest public pension fund, managing assets of \$300 billion.

Last January, a former California appeals court judge sued on behalf of 1,600 judges. He contends that California judges are owed pension increases and back pay because their salaries, frozen for five years, did not keep pace with increases to other state workers under state law.

If that lawsuit prevails it could wipe out a \$97 million reduction in the state's pension liability that had been gleaned from lower state salaries for other employers, according to Calpers's chief actuary Alan Milligan in comments made earlier this year.

Judges in both lawsuits have sued defendants including Calpers and John Chiang, the California state controller. A spokesman for Chiang said the controller was named in the lawsuits because his office processes the pension payments, but that Chiang had no role in calculating the payments.

The judges' action was earlier reported by legal news service the Courthouse News Service.

(Reporting by Tim Reid; Editing by Grant McCool and Cynthia Osterman)

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