

SB 1114 by *White

(HB 0171) by *Sparks

Pensions and Retirement Benefits - As enacted, authorizes a correctional officer of a local government who is a member of the state retirement system to retire under the state retirement system upon completion of 25 years of creditable service; authorizes local governments participating in TCRS to adopt a mandatory age of retirement for correctional officers. - Amends TCA Title 8, Chapter 36.

SB1114 has been assigned Public Chapter Number 486 by the Secretary of State.

Summary

FISCAL SUMMARY

Other Fiscal Impact - Shifts of payments for retirement benefits from later years to earlier years. The extent and timing of such benefit payment shifts cannot be determined for they are dependent upon unknown factors. However, the net overall impact on retirement plan liability is not significant due to accelerated benefit payments for formative years being offset by equal and reduced benefit payments in later years.

BILL SUMMARY

Under this bill, a correctional officer employed by a local government who is a member of the state's consolidated retirement system, regardless of the officer's participation in the legacy pension plan, the hybrid plan, or any other alternative plan, will be eligible for early service retirement upon attainment of 25 years of creditable service. The retirement allowance will be computed as the actuarial equivalent of the benefit that would have been payable under a service retirement allowance. This bill does not require a correction officer to retire upon attainment of 25 years. This bill will apply only to correctional officers who retire on or after the effective date of this bill. This bill provides that it does not constitute a change in formula under the present law provisions governing recomputation of benefits under certain superseded systems.

This bill authorizes the local government to require a correctional officer who voluntarily chooses to retire pursuant to this bill to pay a pro rata share of the cost of any insurance coverage otherwise provided to members who are 100 percent vested in the service retirement benefit based on the time the officer voluntarily chooses to retire pursuant to this bill until the date that the officer would have become 100 percent vested in the service retirement benefit pursuant to the present law provisions governing eligibility to retire. A correction officer who voluntarily chooses to retire pursuant to this bill will be entitled to any insurance coverage otherwise provided to members who are 100 percent vested in the member's service retirement benefit on the date that the correction officer would have become 100 percent vested in the service retirement benefit pursuant to present law.

ON MAY 3, 2021, THE SENATE ADOPTED AMENDMENT #1 AND PASSED SENATE BILL 1114, AS AMENDED.

AMENDMENT #1 adds authorization for local governments participating in TCRS to adopt a mandatory age of retirement for correctional officers in the same manner as local governments are authorized to adopt mandatory retirement agencies for firefighters and police officers under present law.

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Tenn. Code Ann. § 8-36-205

Copy Citation

Current through the 2021 Regular and First, Second, and Third Extraordinary Sessions of the 112th General Assembly.

[TN - Tennessee Code Annotated](#) [Title 8 Public Officers And Employees](#) [Chapter 36 Retirement Benefits](#) [Part 2 Service Retirement](#)

8-36-205. Mandatory retirement age — Exceptions. [Effective on January 1, 2022. See the version effective until January 1, 2022.]

(a) There shall not be a mandatory age requirement for any member of the Tennessee consolidated retirement system, except for the following:

(1) Members who are employed as state police officers, wildlife officers or commissioned members of the alcoholic beverage commission and who are engaged in law enforcement activities on a day-to-day basis, or who have been transferred from law enforcement activities to a supervisory or administrative position within the same department or agency for which they served as state police officers, wildlife officers or commissioned members of the alcoholic beverage commission; provided, that the mandatory retirement of those members does not violate the Age Discrimination in Employment Act (29 U.S.C. § 621 et seq.). A mandatory age requirement shall also apply for commissioned instructors employed at the Tennessee law enforcement training academy and members who are employed with the wildlife resources agency as commissioned wildlife area managers, commissioned wildlife lake managers, commissioned boating chiefs, commissioned boating assistant chiefs, commissioned wildlife safety officers, commissioned habitat biologists, commissioned enforcement chiefs or commissioned assistant enforcement chiefs; provided, that the mandatory retirement of those members does not violate the Age Discrimination in Employment Act. In cases of doubt, the Tennessee department of human resources shall determine whether the member is employed in a position requiring the mandatory retirement of the member under this subdivision (a)(1). In making that determination, the department shall apply the applicable definitions contained in chapters 34-37 of this title and in the Age Discrimination in Employment Act. Any member employed in a position requiring mandatory retirement under this subsection (a) shall be retired on the first day of the month following the month in which the member attains sixty (60) years of age; and



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such a position to a supervisory or administrative position within the police or fire department; provided the political subdivision has adopted a mandatory retirement age requirement pursuant to this subdivision (a)(2), and provided that the mandatory retirement of any such member does not violate the Age Discrimination in Employment Act. In cases of doubt, the respective political subdivision shall determine whether the member is employed in a position requiring the mandatory retirement of such member under this subdivision (a)(2). In making any such determination, the political subdivision shall apply the applicable definitions contained in chapters 34-37 of this title and in the Age Discrimination in Employment Act. Any political subdivision participating in the retirement system may establish a mandatory retirement age requirement for all its firefighters, police officers, and correctional officers and for all its employees who have been transferred from the position of a firefighter, police officer, or correctional officer to a supervisory or administrative position within their respective agency; provided, that:

- (A)** The terms and conditions of the requirement shall be the same for all such employees within its employ;
- (B)** The mandatory age requirement shall not be less than sixty (60) years of age;
- (C)** Each such employee shall be retired on the first day of the month following the month in which the employee attains the age requirement established by the political subdivision;
- (D)** If the mandatory age requirement established by the political subdivision is less than the age requirement for receipt of old age and survivors benefits under Title II of the Federal Social Security Act (42 U.S.C. §§ 401-425), each such employee shall be entitled to the supplemental bridge benefit established pursuant to § 8-36-211; and
- (E)** The chief governing body of the political subdivision passes a resolution authorizing the establishment of the mandatory retirement age requirement. If the mandatory age requirement established by the political subdivision is less than the age requirement for receipt of old age and survivors benefits under Title II of the Federal Social Security Act, such resolution must further contain an authorization granting the supplemental bridge benefit and the acceptance by the political subdivision of the liability associated with the bridge benefit. All costs associated with providing the supplemental benefit shall be paid by the political subdivision and not by the state. Notwithstanding this section or any other law to the contrary, the terms of any resolution to adopt a mandatory retirement age requirement pursuant to this subdivision (a)(2) may include, at the option of the political subdivision, the deferral of the effective date of the mandatory retirement requirement up to the July 1 next following the passage of twelve (12) months from the effective date of the resolution; provided, however, that no such deferral shall impact the right, if any, that a member may otherwise have to receive the supplemental bridge benefit provided for in § 8-36-211.

(3)

(A) Notwithstanding this section to the contrary, any member employed in a position requiring mandatory retirement under subdivision (a)(1) shall be retired on the first day of the month following the month in which the member attains sixty (60) years of age, unless the department of human resources determines that such member serves in a supervisory or administrative position which requires less than fifty percent (50%) of the member's duties to be involved in day-to-day law enforcement activities. Upon such determination by the department, the member may continue in service until the first day of the month following the month in which the member reaches the age requirement for receipt of old age and survivors benefits under Title II of the Federal Social Security Act; provided, that such member acknowledges that by continuing in service the member forfeits any rights to retirement



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division on or before the first day of the month prior to the month in which the member attains sixty (60) years of age. Any such

member who fails to file the acknowledgment at the time and in the manner prescribed by this subdivision (a)(3)(A) shall be retired on the first day of the month following the month in which the member attains sixty (60) years of age.

(B) Notwithstanding this section to the contrary, any member employed in a position requiring mandatory retirement under subdivision (a)(2) shall be retired on the first day of the month following the month in which the member attains the age requirement established by the political subdivision under subdivision (a)(2), unless the respective political subdivision determines that such member serves in a supervisory or administrative position which requires less than fifty percent (50%) of the member's duties to be involved in day-to-day law enforcement or firefighting activities. Upon such determination by the respective political subdivision, the member may continue in service until the first day of the month following the month in which the member reaches the age requirement for receipt of old age and survivors benefits under Title II of the Federal Social Security Act; provided, that such member acknowledges that by continuing in service the member forfeits any rights to retirement benefits, including the supplemental bridge benefit provided for in § 8-36-211, during the period of the member's continued service. The acknowledgment must be made in the manner prescribed by the retirement division and must be filed with the retirement division on or before the first day of the month prior to the month in which the member attains the age requirement established by the political subdivision under subdivision (a)(2). Any such member who fails to file the acknowledgment at the time and in the manner prescribed by this subdivision (a)(3)(B) shall be retired on the first day of the month following the month in which the member attains the age requirement established by the political subdivision under subdivision (a)(2).

(C) Notwithstanding any other provision of the law to the contrary, any member who would otherwise be covered under the mandatory retirement provisions of this section and who serves as the commissioner of safety, the director of the Tennessee bureau of investigation, the director of the Tennessee wildlife resources agency, the director of the Tennessee alcoholic beverage commission, or as the chief of a police department or of a fire department, may continue in service beyond the age requirement for receipt of old age and survivors benefits under Title II of the Federal Social Security Act.

(b) This section shall not be construed to render ineffectual the mandatory retirement of any member occurring prior to July 1, 1998.

History



Acts 1972, ch. 814, § 5; impl. am. Acts 1974, ch. 481, § 16; Acts 1974, ch. 505, § 1; 1974, ch. 630, § 2; 1978, ch. 516, § 1; 1978, ch. 717, § 1; 1979, ch. 288, § 1; T.C.A., § 8-3905(b); Acts 1988, ch. 973, § 9; 1993, ch. 67, § 23; 1997, ch. 240, § 1; 1998, ch. 1011, § 1; 2005, ch. 204, §§ 12-15; 2006, ch. 870, § 19; 2007, ch. 418, § 4; 2008, ch. 674, § 11; 2010, ch. 777, § 29; 2016, ch. 962, §§ 31, 32; 2021, ch. 486, § 2.

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Tenn. Code Ann. § 8-36-211

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Current through the 2021 Regular and First, Second, and Third Extraordinary Sessions of the 112th General Assembly.

[TN - Tennessee Code Annotated](#) [Title 8 Public Officers And Employees](#) [Chapter 36 Retirement Benefits](#) [Part 2 Service Retirement](#)

8-36-211. Supplemental bridge benefit.

(a) Any Group 1 member who retires on a service retirement allowance with creditable service in a Group 1 position covered by the mandatory retirement provisions of § 8-36-205(a)(1) shall receive, in addition to that member's service retirement allowance, a supplemental bridge benefit calculated as follows:

(1) For any such member retiring on a service retirement allowance pursuant to § 8-36-201, the supplemental bridge benefit shall be equal to three fourths of one percent (0.75%) of the member's average final compensation, multiplied by the member's years of creditable service established while the member was in a Group 1 position covered by the mandatory retirement provisions of § 8-36-205(a)(1); or

(2) For any such member retiring on an early service retirement allowance pursuant to § 8-36-301, the supplemental bridge benefit shall be computed in accordance with subdivision (a)(1), but shall be reduced by four tenths of one percent (0.4%) for each month by which the member's date of early service retirement precedes the member's service retirement date.

(b) A supplemental bridge benefit shall further be paid to any Group 1 member who retires on a service retirement allowance with creditable service in a Group 1 position covered by the mandatory retirement provisions of § 8-36-205(a)(2), if the political subdivision for which the service was rendered adopts a mandatory retirement age requirement pursuant to § 8-36-205. The supplemental benefit shall only be paid if the mandatory retirement age requirement adopted by the political subdivision is sixty (60) years of age or older, but less than the age requirement for receipt of old age and survivors benefits under Title II of the Federal Social Security Act (42 U.S.C. § 401 et seq.). The supplemental benefit shall be calculated as follows:

(1) For any such member retiring on a service retirement allowance pursuant to § 8-36-201, the supplemental bridge benefit shall be equal to three fourths of one percent (0.75%) of the member's average final compensation, multiplied by the member's years of



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(c) For any such member retiring on an early service retirement allowance pursuant to § 8-36-301, the supplemental bridge benefit shall be computed in accordance with subdivision (b)(1), but shall be reduced by four tenths of one percent (0.4%) for each month

by which the member's date of early service retirement precedes the member's service retirement date.

(c) Notwithstanding subsection (a) or (b), the supplemental bridge benefit shall not exceed twenty-two and one-half percent (22.5%) of the member's average final compensation. Such limit shall not apply to any cost-of-living increases to which the member is entitled under subsection (d).

(d) Any retired member covered by this section shall be entitled to receive an adjustment in the retiree's supplemental bridge benefit pursuant to § 8-36-701. Any such adjustment to the bridge benefit shall be computed separately from the member's service retirement allowance.

(e) Sections 8-36-102 and 8-36-208(a) shall not be construed to reduce or eliminate the supplemental bridge benefit provided by this section, nor shall the supplemental benefit be reduced as a result of any optional retirement allowance selected by the member pursuant to § 8-36-601.

(f) The supplemental bridge benefit shall commence and end as follows:

(1) The supplemental bridge benefit shall commence on the member's effective date of retirement or on the first day of the month following the month the member reaches age sixty (60), whichever is later;

(2) Effective July 1, 2007, the supplemental bridge benefit shall commence on the member's effective date of retirement or on the first day of the month following the month the member reaches age fifty-five (55), whichever is later; provided, that this subdivision (f)(2) shall not apply to any member who is eligible for the supplemental bridge benefit based solely on creditable service rendered pursuant to § 8-36-205(a)(2), unless the chief governing body of the political subdivision passes a resolution accepting the associated liability and cost to provide those benefits; and

(3) The supplemental bridge benefit and any cost-of-living adjustments attributable to that benefit shall cease on the first day of the month following the month in which the member dies, or on the first day of the month following the month in which the member reaches the age requirement for receipt of old age and survivors benefits under Title II of the federal Social Security Act, whichever occurs first.

(g) The supplemental bridge benefit provided by this section shall apply to all current and future retired members; provided, that the benefit shall not be paid retroactively. Subdivision (f)(1) shall become effective on July 1, 1998, for service covered under subsection (a), or upon the effective date of the mandatory retirement age provision for service covered under subsection (b). Subdivision (f)(2) shall become effective on July 1, 2007, for service covered under subsection (a), or upon the effective date of the resolution adopted pursuant to subdivision (f)(2) for service covered under subsection (b).

(h) All costs associated with providing the supplemental bridge benefit shall be paid by the respective state agencies and political subdivisions for which the service covered by this section was rendered.



History