

SENATE BILL 1575

By Yager

AN ACT to amend Tennessee Code Annotated, Section 8-35-253 and Section 8-37-214, relative to eligibility for service credit in an employer's plan with the Tennessee Consolidated Retirement System.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-35-253, is amended by adding the following new subsection:

(j) In the event a political subdivision participating in the retirement system changes to any other plan offered by the retirement system pursuant to chapters 34-37 of this title, a person hired by that political subdivision after the effective date of the change will not be eligible for the political subdivision's former plan unless the person participated in the former plan as an employee of that political subdivision before the effective date of the change to the new plan and has not otherwise lost membership in the retirement system. Any employee serving a temporary employment period pursuant to § 8-35-107 on the effective date of the change will be eligible for the plan in effect as of the date the employee becomes eligible to join the retirement system.

SECTION 2. Tennessee Code Annotated, Section 8-37-214, is amended by adding the following new subsection:

(h) Any person who desires to establish credit pursuant to chapters 34-37 of this title, shall establish such service under the terms of the retirement system plan that existed at the time the service was established and not at the time the service was rendered, unless the person is still eligible to participate in the former plan and has not lost membership in the retirement system.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring
it.