



Qualified Domestic Relations Order

Effective July 1, 2016, the Tennessee Consolidated Retirement System ("TCRS") will accept and enforce Qualified Domestic Relations Orders ("QDRO") that are submitted in accordance with Chapter 1700-03-03 of the Official Compilation of Rules and Regulations of the State of Tennessee. The QDRO form prescribed by TCRS is located [here](#).

QDROs submitted on the TCRS form may pertain to prior divorces. However, they will only be administered prospectively from the effective date of the QDRO. TCRS will not accept a QDRO dated prior to the effective date of June 26, 2016. Tenn. Comp. R. & Reg. Chapter 1700-03-03.

Benefits Affected by a QDRO

Additionally, Tenn. Comp. R. & Reg. ("Rule") 1700-03-03-.09 provides:

(1) A QDRO may apply only to the following benefits administered by the retirement system:

- (a) A monthly retirement allowance; or
- (b) A member's refund of employee contributions.

(2) A QDRO shall not apply to any of the following:

- (a) A survivor benefit;
- (b) Any disability benefit;
- (c) An error refund; or
- (d) Any other benefit.

How a QDRO Benefit is Calculated

If the QDRO is to apply to the Member's monthly retirement allowance, the amount payable to the Alternate Payee will be a percentage* or exact dollar amount* of the member's monthly retirement benefit that was accrued during the period of marriage assuming the Member (i) was to retire at full retirement age and (ii) selects the regular service retirement allowance. This means that the QDRO benefit calculation is based on the Member's full unreduced benefit. If the Member chooses to retire early with a reduced benefit amount and/or selects a survivorship option, the Alternate Payee's amount comes out before the early and survivorship reductions. This could result in the Alternate Payee receiving more than the Member in the event the Alternate Payee receives a large portion of the full retirement benefit.

*Whether a percentage or exact dollar amount will be used in the calculation depends on which option is selected in Item 7 of the QDRO.

TCRS will not accept a QDRO that directs payment to an Alternate Payee of funds greater than the value accrued during the period of marriage assuming the Member was to retire at full retirement age utilizing the regular service retirement allowance. Additionally, TCRS will not process the selection of a Member's survivorship option at retirement when it results in the value of the Member's monthly allowance being less than the amount the QDRO orders TCRS to pay the Alternate Payee. TCRS will not make payment to an Alternate Payee until a Member applies for a monthly retirement allowance or, if applicable, a refund of employee contributions.

Instructions for Completion and Submission of a QDRO Form

TCRS encourages parties to request a benefit estimate prior to entering into a QDRO. Benefit estimates may be requested by contacting Retire Ready TN at 800-922-7772. A subpoena is not required to request a benefit estimate. The estimate of benefits is not binding upon TCRS, does not constitute a guarantee of benefits, and is subject to final verification by TCRS prior to payment of benefits. Plan provisions will prevail over a QDRO.

In Items 3 and 4 of the QDRO, include the full names, addresses, and social security numbers of the Alternate Payee and the Member. When notifying the Alternate Payee of an approved QDRO and/or when payments are to commence, TCRS will use the last address of the Alternate Payee reported to TCRS. Pursuant to Rule 1700-03-03-.13, it is the responsibility of the Alternate Payee to report to TCRS each and every change in his or her name, residence, mailing address, and direct deposit information.

For privacy concerns, the Member and/or Alternate Payee may choose to submit an alternate [Verification of Social Security Number Form](#) to verify social security number(s). If the alternate verification form is to be used, please check the box indicating so on the QDRO, and submit the Verification of Social Security Number form provided by TCRS at the same time as the QDRO is submitted to TCRS. To complete the Verification of Social Security Number form, include the Member's name and social security number, as well as the full name, social security number, and state of residence of the individual completing the form, and indicate whether the individual completing the form is the Member or the Alternate Payee. The Verification of Social Security Number form must be signed and notarized.

In Items 5 and 6 of the QDRO, include the month, day, and year of the date of marriage and the date the dissolution of marriage was entered.

Item 7 of the QDRO assigns a portion of the Member's monthly retirement allowance. If the QDRO is to apply to the Member's monthly retirement allowance, please select only ONE option under Item 7.

Item 8 of the QDRO assigns a portion of a member's refund of employee contributions. If the QDRO is to apply to the Member's refund of employee contributions, please designate the dollar amount or percentage of the refund to be payable to the Alternate Payee. Please note that Item 8 is only applicable to members who have made employee contributions to TCRS pursuant to their membership classification, and employee contributions are the only funds available for a refund. No other lump sum payment is available to the Member or the Alternate Payee.

If the Member is a contributory member, both Items 7 and 8 may be completed. However, please note that payment will only be made under *either* Item 7 or 8. If the Member applies for a monthly retirement allowance, the Alternate Payee will receive payment as described in Item 7. If the Member applies for a refund of employee contributions, the Alternate Payee will receive payment as described in Item 8. A Member who requests a refund of employee contributions forfeits his or her rights to receive a monthly retirement allowance.

Additional Information on QDROs

A certified copy of a QDRO, once entered by the Court, should be addressed to the Tennessee Consolidated Retirement System and mailed to 502 Deaderick Street; Nashville, TN 37243. Additionally, the QDRO can be e-mailed to TCRS.Member-Services@tn.gov. The QDRO will be reviewed for compliance with the Rules and the Member and Alternate Payee will be notified upon approval or rejection of the QDRO. If a QDRO is rejected, the Member and Alternate Payee will be notified of the reason for the rejection. If a QDRO is approved, then it will be placed in the Member's file if the Member has not yet retired. If the member is already retired, the QDRO becomes effective on the first of the month following the date of approval. TCRS will not apply a QDRO retroactively to benefits prior to the effective date of the QDRO. TCRS will not apply a QDRO to a refund of Member's contributions that has been made prior to receipt of a QDRO purporting to be applicable to such refund.

In the event the QDRO is amended, the Member or Alternate Payee must submit a certified copy of the amended order for review and approval by TCRS. TCRS will consider a QDRO in effect unless one of the following occurs: 1) receipt of a certified copy of a court order terminating the QDRO; 2) all amounts provided for in the QDRO have been paid; 3) the person to whom the QDRO applies (TCRS member) ceases to be an annuitant of TCRS; or 4) the death of the Alternate Payee or the Member. If the Alternate Payee dies prior to the Member, the benefit owed to the Alternate Payee in the month of his or her death will be paid to the Alternate Payee.

For additional questions, please contact Retire Ready TN at 800-922-7772.

QDROs for the State of Tennessee Deferred Compensation Plan(s)

The instructions above only pertain to TCRS, a defined benefit plan. Members of TCRS who are also participants in the State of Tennessee Deferred Compensation Program, will need a separate QDRO if Deferred Compensation Program benefits are desired.

The State of Tennessee Deferred Compensation Program will recognize QDROs dated on or after July 1, 2016. Processing of QDROs for Deferred Compensation will be done by the Deferred Compensation Program's third-party administrator, Empower Retirement. To obtain the Deferred Compensation Program's QDRO form, please contact Retire Ready TN at 800-922-7772.