



Public Safety: 25-Year Actuarially Reduced Retirement in the Tennessee Consolidated Retirement System (TCRS)

The Tennessee General Assembly enacted legislation that creates an early retirement option for police officers, firefighters, state correctional officers, emergency communications and medical services personnel, and local government correctional officers. This document contains general information on the impact the legislation has on retirement benefits provided to these groups of employees through the Tennessee Consolidated Retirement System (TCRS).



Note: The majority of legacy plan members can retire under existing 25-year early rules that were established prior to this legislation. If you are a member of the legacy plan and your employer does not offer 25-year early retirement to all employees, then please contact our office for an estimate.

What is the impact of the recent 25-year early retirement provisions?

Police officers, firefighters, state correctional officers, emergency communications and medical services personnel, and local government correctional officers retiring on or after the dates listed below shall be eligible for an early service retirement benefit option in any type of plan offered by TCRS, upon completion of 25 years of service and irrespective of the age of the member at the time of retirement. The service retirement allowance will be permanently reduced to be actuarially equivalent to the member's projected service retirement allowance. This benefit is available to the following members:

- Police officers and firefighters retiring on or after January 1, 2020.
- State correctional officers and emergency medical services personnel retiring on or after January 1, 2021.
- Local government correctional officers retiring on or after January 1, 2022.
- Emergency communications personnel retiring on or after January 1, 2023.

For purposes of this law, what are the applicable definitions of a police officer and firefighter?

Tennessee Code Annotated § 8-34-101 defines "Police officer" to include any person employed by a political subdivision participating in TCRS who is actively engaged in police work as well as any commissioned member of the Department of Safety and any agent of the Tennessee Bureau of Investigation. "Firefighter" means any person employed by a political subdivision participating in TCRS who derives his or her primary livelihood from firefighting work.

For purposes of this law, what are the applicable definitions of state correctional officers and emergency medical services personnel?

A “state correctional officer” is defined as a person who is employed by the Department of Correction and satisfies the requirements of Tennessee Code Annotated § 41-1-116. For local government correctional officers, the definition includes persons who oversee those who have been arrested and are awaiting trial or who have been sentenced to serve time in jail or prison.

This law also applies to emergency medical services personnel as defined in Tennessee Code Annotated § 68-140-302. “Emergency medical services personnel” means individuals certified or licensed by the emergency medical services board in accordance with various categories and classifications of licenses or certificates that the board establishes.

“Emergency communications personnel” is defined in Tennessee Code Annotated § 8-36-308 as a person employed as an emergency communications worker, public safety dispatcher, emergency communications telecommunicator, or emergency call taker.

What does actuarial equivalent of a service retirement allowance mean?

Actuarial equivalent means the benefit is permanently reduced because the member retired before reaching eligibility for a full (unreduced) retirement benefit.

Does this legislation change when a member is eligible for the bridge benefit?

No. For police officers and/or firefighters previously eligible for a bridge benefit, the legislation does not impact the start date for the bridge benefit. The earliest the bridge benefit will begin is at age 55, regardless of whether the police officer and/or firefighter chooses to retire on the reduced allowance after 25 years of service. Additionally, this new law does not provide a bridge benefit if the employer has not adopted the bridge benefit provision.

Has mandatory retirement changed?

For most employees this legislation does not change the mandatory retirement age of 60 that some employers have adopted for police officers and/or firefighters, and it does not change the mandatory retirement benefit improvement which includes a bridge benefit.

Do local governments have to take any action to offer the 25-year reduced retirement option?

No.

If I retire after 25 years of service on the reduced allowance, will my allowance increase to a service retirement allowance later?

No. If a member chooses to retire on the reduced allowance after 25 years of service, the allowance will be reduced permanently.

Does this legislation mean I am eligible for the Age 55/25-Year Service Retirement?

No. To be eligible for an unreduced service retirement allowance under the Age 55/25-Year Service provision, your employer must have adopted the 55/25 provision, and you must meet both the age 55 and 25 years of service requirements.

I am an employer in the Legacy plan. What is the difference for me in adopting the 25-year early provision vs. the provisions of this legislation?

The 25-year early provision, if adopted by the employer, applies to all of an employer's employees and provides employees with the ability to receive a reduced retirement allowance upon 25 years of service.

This new legislation only applies to police officers, firefighters, correctional officers, and emergency communications and medical service personnel employed by an employer participating in TCRS and does not require the employer to adopt any resolutions.

Key Terms

The following are definitions of terms used in this document. These provisions are not impacted by the legislation that implements a 25-year actuarially reduced benefit option.

Mandatory Retirement: Requires retirement on the first day of the month following the month in which the member attains a certain age. This age may be between 60 or 62, depending on the election of the employer.

Bridge Benefit: If the employer elects a mandatory retirement age earlier than age 62, the current age requirement for Social Security benefits, a supplemental bridge is payable to the member. This bridge benefit is payable from age 60 or the mandatory retirement age to age 62. For example, if an employer has elected a mandatory retirement age of 60, the supplemental bridge will be payable to the member from age 60 until age 62. The benefit is temporary and in addition to the member's monthly retirement benefit.

Age 55/25-Year Service Retirement: This is an enhanced provision that provides the mandatory retirement at age 60 for all public safety officers including a bridge benefit. Additionally, it adds the option of an unreduced service retirement benefit to these members upon attainment of age 55 with 25 years of public safety officer service. The bridge benefit begins at the date of retirement or age 55, whichever is later, and continues until the age the member meets the requirements for Social Security benefits, currently age 62.

Contact Us

Call (800) 922-7772 Monday through Friday 8:00 a.m. to 7:00 p.m. CT

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