



## Correctional Officers & Emergency Medical Services Personnel 25-Year Retirement in the Tennessee Consolidated Retirement System (TCRS) - Public Chapter 784

The 111th General Assembly enacted new legislation that adds the ability for correctional officers and emergency medical services personnel to retire with 25 years of service effective January 1, 2021. This document contains general information of the impact that Public Chapter 784 will have on the retirement benefit provided to correctional officers and emergency medical services personnel through the Tennessee Consolidated Retirement System (TCRS).



### What is the impact of the new 25-year early retirement provision (Public Chapter 784) for correctional officers and emergency medical services personnel?

TCRS participating correctional officers and emergency medical services personnel retiring on or after January 1, 2021 shall be eligible for an early retirement option in any type of plan offered by the Tennessee Consolidated Retirement System (TCRS), upon completion of 25 years of service and irrespective of the age of the correctional officer and emergency medical services personnel at the time of retirement. This early service retirement allowance is a permanently reduced actuarially equivalent retirement benefit.

### For purposes of this law, who is defined in law as correctional officers and emergency medical services personnel?

A "correctional officer" is defined as a person who is employed by the department of corrections and satisfies that requirements of Tennessee Code Annotated § 41-1-116. 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.

### 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. The projected amount of benefits payable under this early retirement is the actuarial equivalent of the projected amount of benefits payable had the member waited to begin receiving their benefit until they were eligible for a full (unreduced) retirement benefit.

A comparison of an actuarially reduced benefit to an unreduced service retirement benefit for a hybrid member is below.

Retirement Age	Total Service	Lifetime Reduction Factor	Monthly Lifetime Benefit
65	25 years	0	\$625.00
60	25 years	0.612933	\$383.08
55	25 years	0.388320	\$242.70
50	25 years	0.252065	\$157.54

*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.*

### Does this legislation allow correctional officers and emergency medical services personnel to be eligible for the bridge benefit?

No, this new law does not provide a bridge benefit to correctional officers and emergency medical services personnel.

### Has mandatory retirement changed?

No. Correctional officers and emergency medical services personnel are not subject to the mandatory retirement age of 60 that some employers have adopted for police officers and/or firefighters.

### 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 correctional officer or emergency medical services employee 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 Allowance if I am a correctional officer or an emergency medical services personnel?

No. Correctional officers and emergency medical services personnel are not eligible under the Age 55/25 Year Service provision available to some police and firefighters.

### We are a political subdivision employer participating in the Legacy plan. How does this 25-year retirement for police, firefighters or EMS personnel differ from the 25-year early provision that is available to us through adoption?

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, Public Chapter 784, only applies to EMS personnel working for political subdivision employers. This benefit does not require the employer to adopt a provision as there is an actuarial reduction applied to the member's benefit.

#### Contact Us

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

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