

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1587 – HB 1870

February 17, 2016

SUMMARY OF ORIGINAL BILL: Specifies that money received as pension benefits from the state or a political subdivision is not exempt from execution, attachment, or garnishment issued under a qualified domestic relations order (QDRO). Deletes the exemption of public retirement plans from the claims of alternate payees under a QDRO. Deletes requirement indicating that a local government with an established qualified plan must honor claims under a QDRO under certain conditions.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (011985): Changes the effective date provision from upon becoming law to July 1, 2016.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to the Tennessee Consolidated Retirement System (TCRS), payments are made through a custom pension administration system called Concord.
- The TCRS has been in the process of developing administrative rules and design elements to enable the Concord system to process QDROs. This work is projected to be completed by July 1, 2016.
- Based on information provided by the TCRS, there will be no impact to the pension fund or unfunded liability.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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