

**Joint Pensions and Insurance 1**

**Amendment No. 1 to HB2627**

**Lynn  
Signature of Sponsor**

**AMEND Senate Bill No. 2813**

**House Bill No. 2627\***

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 8-25-104, is amended by adding the following as a new subsection:

Notwithstanding any law to the contrary, a political subdivision, or an instrumentality of a political subdivision that has at least one thousand (1,000) employees, may implement, adopt, or administer an automatic deferred or tax-sheltered compensation plan for employees of that political subdivision that constitutes an eligible automatic contribution arrangement under § 414(w) of the Internal Revenue Code of 1986, codified in 26 U.S.C. § 414(w). Such deferred or tax-sheltered compensation plan may provide, subject to the notice, election to withdraw, and other requirements of § 414(w) of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, that employees or a classification of employees eligible to participate in the plan on or after implementation of the plan shall participate in the plan as a condition of employment unless such covered employee files notice with the sponsoring employer indicating that person's election not to participate in the manner and in the time period prescribed by the sponsoring employer.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.