



**SENATE BILL 2017**

By Reeves

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 34, Part 6, relative to creditable service for a period of disability.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-34-625, is amended by deleting the section and substituting instead:

(a) Subject to the approval of the board of trustees, a member, other than an employee of a political subdivision, who receives temporary disability benefits under a workers' compensation program administered by or on behalf of an employer is entitled to establish retirement credit at any time during or after the period of disability.

(b) Upon the member's submission of an application to establish retirement credit for a period of disability, the member's employing department or agency shall provide certification, in a manner prescribed by the state treasurer, of the period of disability and salary in effect immediately prior to the disability. Contributions by, or on behalf of, a member must be remitted to the retirement system in a manner prescribed by the state treasurer based on the member's salary in effect immediately prior to the period of disability, plus interest at the rate provided in § 8-37-214, if applicable. Retirement credit established pursuant to this section for state police officers must be at no cost to the state police officer member; provided, that the member submits an application for retirement credit to the retirement system on or after July 1, 2026, to establish retirement credit for the member's period of disability. This subsection (b) does not apply to members who received retirement credit for a period of disability pursuant to this section before July 1, 2026.

(c) Notwithstanding § 8-35-217, participating political subdivisions may adopt this section for its employees; provided, that the chief governing body of the political subdivision passes a resolution allowing its members to establish retirement credit for a period of disability and accepting the liability for its employees to establish this credit. The resolution adopting this section for participating political subdivision employees on or after July 1, 2026, may include the establishment of retirement credit for police officers at no cost to the police officer members. If a political subdivision passed a resolution to establish retirement credit for its members prior to July 1, 2026, and if the establishment of this credit had an associated cost, then the political subdivision may pass a subsequent resolution to permit the establishment of retirement credit for its police officers at no cost to the police officer members. This subsection (c) is available for adoption by political subdivisions on or after July 1, 2026, and becomes effective on the effective date of the resolution to adopt the establishment of retirement credit for a member's period of disability.

(d) Upon the member's submission of an application to establish retirement credit for a period of disability, the member's employing political subdivision shall provide certification, in a manner prescribed by the state treasurer, of the period of disability and salary in effect immediately prior to the disability. Contributions by, or on behalf of, a member must be remitted to the retirement system in a manner prescribed by the state treasurer based on the member's salary in effect immediately prior to the period of disability, plus interest at the rate provided in § 8-37-214, if applicable.

(e) A member must not be credited with the temporary disability as creditable service at a rate exceeding one (1) year per occurrence of temporary disability.

SECTION 2. This act takes effect July 1, 2026, the public welfare requiring it.

Amendment No. 1 to SB2017

Briggs  
Signature of Sponsor

**AMEND Senate Bill No. 2017\***

**House Bill No. 1906**

by deleting the third sentence in subsection (b) of Section 1 and substituting instead:

Retirement credit established pursuant to this section for members who are subject to mandatory retirement pursuant to § 8-36-205 must be at no cost to the member; provided, that the member submits an application for retirement credit to the retirement system on or after July 1, 2026, to establish retirement credit for the member's period of disability.

**AND FURTHER AMEND** by deleting the second and third sentences in subsection (c) of Section 1 and substituting instead:

The resolution adopting this section for participating political subdivision employees on or after July 1, 2026, may include the establishment of retirement credit for members subject to mandatory retirement pursuant to § 8-36-205 and as authorized by the employer, at no cost to the members. If a political subdivision passed a resolution to establish retirement credit for its members prior to July 1, 2026, and if the establishment of this credit had an associated cost, then the political subdivision may pass a subsequent resolution to permit the establishment of retirement credit for its members subject to mandatory retirement pursuant to § 8-36-205 at no cost to the members.