

HOUSE BILL 249

By Farmer

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 34; Title 8, Chapter 35 and Section 26-2-105, relative to enforceability of qualified domestic relations orders against governmental pension and retirement plans.

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

SECTION 1. Tennessee Code Annotated, Section 26-2-105, is amended by adding the following new subsection:

(d)

(1) Notwithstanding subsections (a)–(c), a local government that establishes and maintains for its employees a qualified plan, and the qualified plan’s administrator, shall honor claims under a qualified domestic relations order, if the order relates only to the provision of marital property rights for the benefit of the former spouse of the qualified plan’s participant.

(2) As used in this subsection (d):

(A) “Local government” means any county, city, or town other than a county, city, or town participating in the Tennessee consolidated retirement system pursuant to title 8, chapter 35;

(B) “Qualified domestic relations order” has the same meaning as provided in Section 414(p), Internal Revenue Code (26 U.S.C. § 414(p));  
and

(C) “Qualified plan” means a retirement or pension plan that is qualified under Section 401 or Section 403, Internal Revenue Code (26 U.S.C. § 401 or § 403).

SECTION 2. This act shall take effect July 1, 2015, the public welfare requiring it.