



County Technical Assistance Service  
INSTITUTE *for* PUBLIC SERVICE

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# Private Acts of 1937 Chapter 689

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We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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## Private Acts of 1937 Chapter 689

**SECTION 1.** That in all counties in the State of Tennessee, having a population of not less than 159,000, nor more than 200,000, according to the Federal Census of 1930, or any subsequent Federal Census, the Board of Education and the Quarterly County Court, be and the same are hereby authorized and required to create a fund, in manner hereinafter provided, to be known as the Department of Education's Insurance and Pension Fund, which fund shall be for the benefit of the employees and their beneficiaries of the Department of Education of said counties as provided in this Act.

**SECTION 2.** That each year after the County has adopted a budget for the Department of Education, the County shall be required to place in the Department of Education Insurance and Pension Fund an amount which shall be not less than 9% of the payroll of the employees participating in the Department of Education Insurance and Pension Fund.

As amended by: Private Acts of 1945, Chapter 242  
Private Acts of 1951, Chapter 186

**SECTION 3.** That each and every employee of the Department of Education who shall elect to participate in said insurance and pension fund shall be assessed not to exceed 5% of his or her salary. Said amount shall be deducted from the monthly pay and so shown on the payroll and the total amount of deduction shall be made by the proper official and placed in the Department of Education's Insurance and Pension Fund to be kept by the county trustee as a separate account. The amount which the county shall be required to pay and contribute to said fund shall be not less than an annual tax of 4 cents on each \$100.00 of assessed valuation upon all taxable property and taxable privileges within the county in order to provide revenue for the payment of pensions to participating members of said Department of Education Insurance and Pension Fund. The Quarterly County Court of said county, or counties, and the County Council is hereby empowered and required to levy said tax and appropriate same; and, that the County Council shall at not time permit the minimum surplus of money in said insurance and pension fund to be less than \$10,000.00, and shall appropriate from time to time such amounts as may be necessary to maintain said minimum of surplus of \$10,000.00 from the miscellaneous funds of the county.

As amended by: Private Acts of 1951, Chapter 186

**SECTION 4.** That each and every employee of the Department of Education who shall elect to participate in said insurance and pension fund shall be assessed not to exceed 5% of his or her salary. Said amount shall be deducted from the monthly pay and so shown on the payroll and the total amount of deduction shall be made by the proper official and placed in the Department of Education's Insurance and Pension Fund to be kept by the county trustee as a separate account. The amount which the county shall be required to pay and contribute to said fund shall be not less than an annual tax of 4 cents on each \$100.00 of assessed valuation upon all taxable property and taxable privileges within the county in order to provide revenue for the payment of pensions to participating members of said Department of Education Insurance and Pension Fund. The Quarterly County Court of said county, or counties, and the County Council is hereby empowered and required to levy said tax and appropriate same; and, that the County Council shall at no time permit the minimum surplus of money in said insurance and pension fund to be less than \$10,000.00, and shall appropriate from time to time such amounts as may be necessary to maintain said minimum of surplus of \$10,000.00 from the miscellaneous funds of the county.

As amended by: Private Acts of 1945, Chapter 242  
Private Acts of 1951, Chapter 186

**SECTION 5.** That it shall be optional with the present employees of said Department of Education as to whether they shall participate in said Insurance and Pension Fund benefit; but each employee of the Department of Education on payroll at the time of the passage of this Act shall make known to the Superintendent of Education his or her intention to participate or not to participate in said fund by July 1, 1945, except that teachers who may wish to participate by July 1, 1945 may do so only after having paid a sum of money equal to the accumulated annual payments plus interest at 6% covering the period from the date of the Act instituting this retirement system plan to the date upon which payment is made that places them on the participation list, and that teachers serving regular probation period are entitled to participate at the termination of their probationary period, *Provided*, all persons employed after the passage of this Act who would be eligible to join the State of Tennessee Retirement System For Teachers will be ineligible to participate in the Hamilton County Teacher's Retirement Plan.

As amended by: Private Acts of 1945, Chapter 242

**SECTION 6.** That the said per cent which shall be added to the annual budget of the Department of Education as herein provided, shall be placed in said separate fund in four (4) equal installments, the first installment to be paid September 1st and the balance in three (3), six (6), and nine (9) months thereafter.

**SECTION 7.** That the said Pension Commission shall hear and decide all applications for pensions and

death benefits under this Act, and its decisions on such applications shall be final and conclusive. The Superintendent of Education, at any time an employee has become unfit for service, on account of disability, or age, after a total of twenty years of service, may, subject to the approval of the Board of Education, order the retirement of such employee on a full pension and pay him or her such an amount as he or she would be entitled to if he or she had made application to said Board of Education for retirement; *provided*, however, the Superintendent of Education must give such employee at least ten-day written notice before any action is taken on his or her enforced retirement, and during said ten-day period such employee may file written request with the Chairman of the Board of Education demanding a hearing before the Board of Education, and on such request being filed by such employee, he or she will be entitled to such hearing, which shall be held not earlier than ten-days after the request therefor has been filed. At such hearing either party will be entitled to introduce competent testimony and witnesses and be represented by counsel. Any such employee dissatisfied with the decision of the Board of Education may, within ten-days after such decision, file a petition for certiorari in the Chancery Court of said county or counties for the purpose of trial de nove, upon execution of bond for costs or in lieu thereof upon taking and filing pauper's oath, and unless such petition for certiorari is filed with said time the findings of the Board of Education shall be final; *provided*, however, that after an employee of the Department of Education has reached seventy (70) years of age his or her retirement shall be compulsory.

As amended by:

Private Acts of 1945, Chapter 242

**SECTION 8.** That after an employee of the Department of Education, who elects to participate in said fund, has served not less than twenty years and becomes physically disabled, he or she may, at the discretion of the Board of Education, be retired on a full pension and paid a sum equal to fifty per cent of the basic monthly salary based on his or her average monthly salary for the three highest consecutive years of his or her employment in said Department of Education. Any employee of the Department of Education who has served not less than Twenty-Five years and has reached the age of Fifty-Five (55) years may request and demand that he be retired on a pension and paid a sum equal to fifty per cent of his basic monthly salary based on his or her average monthly salary for the highest three consecutive (sic) years of his or her employment in the said Department of Education. *Provided*, that those who are now eligible or will be eligible by May 24, 1945 to retire on account of twenty-five years of service or have twenty years of service and are fifty-five (55) years of age, may request and demand that he or she be retired on a pension as provided under the original Act. After any employee of the Department of Education has served not less than ten years and becomes physically disabled, and because of such disability is unable to discharge the duties required of him or her, and has been dropped from the payroll of the County, such employee shall be retired on a partial pension at a sum equal to twenty-five per cent of his or her basic monthly salary based on his or her average monthly salary for the highest three consecutive years of his or her employment in said Department of Education. After any employee of said Department has served not less than fifteen years and becomes physically disabled, and because of such disability is unable to discharge the duties required of him, and has been dropped from the payroll of the County, such employee shall be retired on a partial pension at a sum equal to thirty-seven and one-half per cent of his or her basic monthly salary based on his or her average monthly salary for the highest three consecutive yearh (sic) of his or her employment in the said Department of Education. Except that no payment shall exceed the limit hereinafter set forth. At the death of any employee or pensioner of the Department of Education there shall be paid his or her beneficiary, or beneficiaries, the sum of Two Hundred and Fifty (\$250.00) Dollars.

As amended by:

Private Acts of 1945, Chapter 242

**SECTION 9.** That the full amount of pension any employee shall be entitled to, shall not be less than fifty per cent of the employee's basic monthly salary based on his or her average monthly salary for the highest three consecutive years of his or her employment in said Department of Education, and shall be paid monthly throughout the year; *provided*, however, that the maximum amount any employee shall receive as a pension shall be One Hundred and Twenty-five (\$125.00) Dollars per month. In computing the time served by an applicant for a pension, if such applicant has been employed in other departments of said county or in any special district of said county and has been employed as much as eight years in the Department of Education of either, such applicant shall be given credit for the time served in such other departments. Any applicant who has taught in a separate school system within said county or may so do and who at the time of application be a regular employee of the said County Board of Education, shall be given credit for the time served in the schools of the said system. In computing the time served by an applicant for a pension credit shall be given for the time employed by the Department of Education of any other City, County or State; *provided*, however, such applicant pay to said insurance and pension fund one per cent of his or her salary for each and every year of such service claimed, to be based on the salary paid such applicant for the first year of service in the county or counties affected by this Act, plus interest at six per cent covering the period from the date this Act becomes effective to the date upon which such payments are made; *provided*, however, that no applicant will be entitled to credit for the time employed by the Department of Education in any other City, County or State, unless he or she shall have

been employed for as much as fifteen (15) years by the Department of Education of the county or counties affected by this Act.

As amended by: Private Acts of 1945, Chapter 242

**SECTION 10.** That if any employee of the Department of Education while engaged in the discharge of his or her duties shall receive injuries resulting in such employee becoming disabled from performing his or her duties, he or she shall be placed on a full pension and paid the amount heretofore provided, regardless of the length of time served; provided, however, that before such injured employee shall be retired on a pension the Board of education shall have the right to have him or her examined by competent physicians to determine whether or not such disabled employee is unable to discharge his or her regular, or any other duty that may be required of him or her by officials of the Department of Education; and *provided*, further, that no disabled employee shall be retired on a pension because of injury until six months after such injury was received. Any employee retired on a pension because of any injury, in event of recovery to the extent that he or she is again able to perform any duty required of him or her shall be removed from the pension roll and reinstated in service, provided his or her salary shall not be less than it was at the time of injury. If such employee who has been placed upon the pension roll refuses to allow himself or herself to be examined by physicians selected by the Board, the Pension Commission shall suspend his pension until such times as he may permit an examination by the physicians selected by the Board of Education. Provided that the physician or physicians selected shall be agreeable to the teacher involved and the County School Board.

As amended by: Private Acts of 1945, Chapter 242

**SECTION 11.** That the insurance, or pension fund either before or after its distribution by the County Trustee to disabled or retired employees of said Department of Education, or to the beneficiary of any deceased employee or pensioner, shall be exempt from the debts of such employees and shall not be subject to attachment, garnishment, execution, or other legal process, but that the same shall be received by such employee, or beneficiary, free from the debts, judgments and demands of such employees or beneficiary.

**SECTION 12.** That any employee of the Department of Education who has served not less than twenty years shall not be deprived of his or her rights to a pension as provided for in this Act for any reason less than the conviction of a felony in a court of competent jurisdiction.

"Employees of the Department of Education" as used in this Act shall mean the Superintendent of Schools, Assistant Superintendent, Department Heads, Supervisors, Visiting Teachers, Teachers, Principals, Clerks employed in the office of the Department of Education, Attendance Officers, Librarians, Janitors and all others on the Department of Education payroll, or on the county payroll yet whose work is entirely in the Department of Education.

**SECTION 13.** That the Board of Education shall assemble and keep on file in the office of the Department of Education, the service records of all employees of the Department of Education. These records shall show years of employment, monthly salaries, and any other information deemed necessary by the Board of Education. Said service records shall be brought up to date each year.

**SECTION 14.** That a person receiving a pension from said county who accepts any position with any public tax supported organization (sic) within the county shall be removed from the Pension Roll during such time of employment; *Provided, however*, that upon the termination of such employment said pensioner shall receive the amount per month as originally awarded. That any person hereafter, retired on his own application under sixty years of age, receiving a pension from said County who accepts any teaching position with any other public or private school, shall be removed from the pension roll.

As amended by: Private Acts of 1945, Chapter 242

**SECTION 15.** That there shall be kept by Pension Commission a book to be known as *The List of Retired Employees of the Department of Education*. This book shall give full and complete record of the action of the Pension Commission in retiring any and all persons. Such records shall give names, date of retirement and the reasons therefor as to all persons retired. All employees seeking retirement or pensions for permanent disability shall make application to the Pension Commission on a form to be provided by the said Commission, which application shall be accompanied by proof of facts entitling retirement, or proper medical proof of disability. All applications and proofs shall be retained in the custody of the Pension Commission. Due notice of application shall be recorded by the Pension Commission and the applicant shall be notified five (5) days in advance of the hearing by the Commission of his or her application, should for any reason the Commission request further evidence of need for retirement.

As amended by: Private Acts of 1945, Chapter 242

**SECTION 16.** That every employee of the Department of Education having beneficiaries who, in event of his or her death may be entitled to any benefits, shall file with the Pension Commission the names of his or her beneficiaries in the order of their preference, stating the relationship of each to said employee. *Provided, however*, that failure to file the names required by this section shall not deprive the employee or

his legal beneficiaries of any rights under this Act.

As amended by: Private Acts of 1945, Chapter 242

**SECTION 17.** That this Act shall receive a liberal interpretation, and construction, and if any word, clause, paragraph, or section shall seem to deny the intent of this Act then such portion shall be ignored.

**SECTION 18.** That all laws and portions of laws in conflict with this Act be, and the same are, hereby repealed.

**SECTION 19.** That this Act take effect on the first day of July, 1937, the public welfare requiring it.

Passed: May 18, 1937.

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