

PENSIONS; REVISE ELIGIBLE DOMESTIC RELATIONS ORDERS

House Bill 6133-6136
Sponsor: Rep. Jon Jellema
Committee: Senior Health, Security and
Retirement

Complete to 11-17-00

A SUMMARY OF HOUSE BILL 6133-6136 AS INTRODUCED 11-9-00

Under current law, retirement benefits are subject to divorce and separate maintenance agreements and family support orders. The Eligible Domestic Relations Order Act establishes a process that allows a court to order a retirement system established by the state or a local unit of government to pay a portion of a member's pension to an alternate payee (a former spouse or dependent child).

House Bill 6133 would amend the Eligible Domestic Relations Act (MCL 38.1702). Currently that act requires that a domestic relations order be filed before the effective date of a person's retirement (in other words, the act applies only to divorces that occur before retirement). The bill would amend the act to extend its application to divorces that occur after a person retires, and would require that a domestic relations order be filed within 120 days after a final judgement for divorce.

House Bill 6134 would amend the State Police Retirement Act (MCL 38.1643), House Bill 6135 would amend the State Employees' Retirement Act (MCL 38.40), and House Bill 6136 would amend the Public School Employees Retirement Act (MCL 38.1346). Each of these acts provide that benefits paid under the act are subject to eligible domestic relations orders (so the effect of House Bill 6133 would be that divorces that occur after retirement would subject benefits payable under each of these retirement systems to a marital property agreement and family support orders). In addition, each bill would require that a retiree who divorced his or her spouse after retirement and before the effective date of the bill to present to the retirement system a court order to pay his or her divorced spouse a retirement benefit, and would require the retirement system to pay the benefit as the court directs.

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