

SENATE BILL No. 607

November 14, 1991, Introduced by Senator N. SMITH and referred to the Committee on Finance.

A bill to amend section 26 of Act No. 198 of the Public Acts of 1951, entitled as amended
"Judges' retirement act,"
as amended by Act No. 52 of the Public Acts of 1991, being section 38.826 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 26 of Act No. 198 of the Public Acts of
2 1951, as amended by Act No. 52 of the Public Acts of 1991, being
3 section 38.826 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 26. (1) The right of a person to an annuity, to the
6 return of accumulated contributions, the annuity itself, any
7 optional benefit, any other right accrued or accruing to any
8 member or beneficiary under this act, and the money belonging to
9 the retirement system, are unassignable and are not subject to

1 execution, garnishment, attachment, the operation of bankruptcy
2 or insolvency law, or any other process of law, except as other-
3 wise provided in this act. A PENSION, A RETIREMENT BENEFIT OR
4 ALLOWANCE, AN ANNUITY, THE RETURN OF ACCUMULATED CONTRIBUTIONS,
5 AN OPTIONAL BENEFIT, OR ANY OTHER BENEFIT ACCRUED OR ACCRUING TO
6 A PERSON UNDER THIS ACT IS SUBJECT TO TAXATION UNDER THE INCOME
7 TAX ACT OF 1967, ACT NO. 281 OF THE PUBLIC ACTS OF 1967, BEING
8 SECTIONS 206.1 TO 206.532 OF THE MICHIGAN COMPILED LAWS.

9 (2) The right of a member, former member who meets the
10 requirements of section 13a, or retired member to an annuity or
11 deferred annuity, to the return of accumulated contributions, the
12 annuity itself, any optional benefit, or any other benefit under
13 this act is subject to award by a court pursuant to section 18 of
14 chapter 84 of the Revised Statutes of 1846, being section 552.18
15 of the Michigan Compiled Laws, and to any other order of a court
16 pertaining to alimony or child support. The right of a member,
17 former member who meets the requirements of section 13a, or
18 retired member to an annuity, or deferred annuity, to the return
19 of accumulated contributions, the annuity itself, any optional
20 benefit, or any other benefit under this act is subject to an
21 eligible domestic relations order under the eligible domestic
22 relations order act, ACT NO. 46 OF THE PUBLIC ACTS OF 1991, BEING
23 SECTIONS 38.1701 TO 38.1711 OF THE MICHIGAN COMPILED LAWS.

24 (3) If an award or order described in subsection (2)
25 requires the retirement system to withhold payment of an annuity,
26 deferred annuity, accumulated contributions, or other benefit
27 from the person to whom it is due or requires the retirement

1 system to make payment or requires the person to request that the
2 retirement system make payment of an annuity, deferred annuity,
3 accumulated contributions, or other benefit, for the purpose of
4 meeting the person's obligations to a spouse, former spouse or
5 child, as provided in subsection (2), the withholding or payment
6 provisions of the award or order is effective only against those
7 amounts as they become payable to the person receiving an annuity
8 unless otherwise provided in an eligible domestic relations order
9 under the eligible domestic relations order act, ACT NO. 46 OF
10 THE PUBLIC ACTS OF 1991. The limitation contained in this sub-
11 section does not apply to the accumulated contributions of a
12 person who has terminated employment before acquiring a vested
13 member status.

14 Section 2. This amendatory act shall not take effect unless
15 Senate Bill No. 131 of the 86th Legislature is enacted into
16 law.