



**House  
Legislative  
Analysis  
Section**

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**EDRO: LEGISLATIVE RETIREMENT**

**House Bill 4824 (Substitute H-1)  
First Analysis (6-16-93)**

**Sponsor: Rep. Frank M. Fitzgerald  
Committee: Public Retirement**

***THE APPARENT PROBLEM:***

The Michigan Legislative Retirement System Act provides for retirement benefits to be paid out to a member, the surviving spouse or child(ren) of a deceased member, a deferred vested member, and certain other qualified retirants. Also, a member who has made contributions into the retirement system but who, upon leaving service, does not meet certain requirements under the act, as well as a deferred vested member who is no longer a member and has paid into the system, must be refunded with interest all of his or her contributions. In 1991, the legislature created the Eligible Domestic Relations Order (EDRO) Act to ensure that pensions and retirement income earned by public employees are subject to marital property settlements and child support orders, as is generally required under federal law. When the new act was created, all the retirement system acts were amended to conform to the provisions of the EDRO Act, except for the Legislative Retirement System Act. Legislation is needed to bring this act into conformity with the other retirement system acts with regard to eligible domestic relations orders.

***THE CONTENT OF THE BILL:***

The bill would amend the Legislative Retirement System Act (MCL 38,1023) to specify that all retirement allowances and other benefits payable under the act and all accumulated contributions of members, deferred vested members and retirants in the retirement system would be subject to an eligible domestic relations order (EDRO) under the Eligible Domestic Relations Order Act. (This act specifies that a spouse under a judgment of separate maintenance, a former spouse, a child, or a dependent of a member, deferred member, vested former member, deceased former member, or retirant of a public employee retirement system is entitled to an interest in the member's retirement benefit if so provided in an EDRO.)

***FISCAL IMPLICATIONS:***

Fiscal information is not available.

***ARGUMENTS:***

***For:***

The bill would simply bring the Legislative Retirement System Act into conformance with the Eligible Domestic Relations Order Act, which was created in 1991 to ensure that retirement benefits paid to public employees are subject to an eligible domestic relations order (which requires payment of child support, alimony or marital property rights to a spouse under a judgment of separate maintenance, or a former spouse, child or other dependent named in an EDRO). When the EDRO Act was created, most of the public retirement system acts were amended to conform with its provisions; because the Legislative Retirement System Act was not amended at that time, it needs to be amended now.

***POSITIONS:***

There are no positions on the bill.