



**House
Legislative
Analysis
Section**

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**PENSIONS; REVISE ELIGIBLE
DOMESTIC RELATIONS ORDERS**

House Bills 4388-4391

**Sponsor: Rep. Barbara Vander Veen
Committee: Senior Health, Security and
Retirement**

Complete to 3-9-01

A REVISED SUMMARY OF HOUSE BILLS 4388-4391 AS INTRODUCED 3-1-01

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 4388 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 4389 would amend the State Police Retirement Act (MCL 38.1643), House Bill 4390 would amend the State Employees' Retirement Act (MCL 38.40), and House Bill 4391 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 4388 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.

The bills are tie-barred to one another; none could become law unless all were enacted.

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