

# HOUSE BILL No. 4388

March 1, 2001, Introduced by Reps. Vander Veen, Voorhees and Birkholz and referred to the Committee on Senior Health, Security and Retirement.

A bill to amend 1991 PA 46, entitled  
"Eligible domestic relations order act,"  
by amending section 1702 (MCL 38.1702).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 2. As used in this act:

2       (a) "Alternate payee" means a spouse of a participant under  
3 a judgment of separate maintenance, or a former spouse, child, or  
4 dependent of a participant, who is named in an eligible domestic  
5 relations order.

6       (b) "Benefit" means an annuity, a pension, a retirement  
7 allowance, or an optional benefit accrued or accruing to a par-  
8 ticipant under a retirement system or a postretirement subsidy  
9 payable to a participant under a retirement system.

10       (c) "Domestic relations order" means a judgment, decree, or  
11 order of a court made pursuant to the domestic relations law of

1 this state and relating to the provision of alimony payments,  
2 child support, or marital property rights to a spouse of a par-  
3 ticipant under a judgment of separate maintenance, or to a former  
4 spouse, child, or dependent of a participant.

5 (d) "Earliest retirement date" means the earliest date on  
6 which a participant meets all of the requirements for retirement  
7 under a retirement system except for termination of employment.

8 (e) "Eligible domestic relations order" or "EDRO" means a  
9 domestic relations order that is considered an eligible domestic  
10 relations order under section 11 or that meets all of the follow-  
11 ing requirements:

12 (i) The domestic relations order states the name, last known  
13 address, and social security number of the participant.

14 (ii) The domestic relations order states the name, last  
15 known address, and social security number of the alternate  
16 payee.

17 (iii) The domestic relations order states the amount or per-  
18 centage of the benefit to be paid to an alternate payee, or the  
19 manner under which the retirement system is to determine the  
20 amount or percentage of the benefit to be paid to an alternate  
21 payee.

22 (iv) The domestic relations order states that it applies to  
23 the retirement system and that the retirement system shall make  
24 payments to the alternate payee as required under the eligible  
25 domestic relations order and this act.

26 (v) The domestic relations order does not require the  
27 retirement system to provide a type or form of benefit not

1 provided by the retirement system or a form of payment not  
2 provided by this act.

3 (vi) The domestic relations order does not require the  
4 retirement system to provide an increased benefit determined on  
5 the basis of actuarial value.

6 (vii) The domestic relations order does not require the pay-  
7 ment of a benefit to an alternate payee that is required to be  
8 paid to another alternate payee under a previously filed eligible  
9 domestic relations order.

10 (viii) The domestic relations order is filed: ~~before~~

11 (A) BEFORE the participant's retirement allowance effective  
12 date.

13 (B) IF THE DOMESTIC RELATIONS ORDER IS FILED AFTER THE  
14 PARTICIPANT'S RETIREMENT ALLOWANCE EFFECTIVE DATE, IT IS FILED  
15 WITHIN 120 DAYS AFTER A FINAL JUDGMENT OF DIVORCE BETWEEN THE  
16 PARTICIPANT AND THE ALTERNATE PAYEE.

17 (f) "Participant" means a member, deferred member, vested  
18 former member, deceased former member, or retirant under the  
19 retirement system.

20 (g) "Postretirement subsidy" includes, but is not limited  
21 to, all of the following:

22 (i) A supplemental annuity.

23 (ii) A supplemental payment to a participant.

24 (iii) A percentage increase to a benefit payable to a  
25 participant.

26 (iv) Any other payment to a participant or increase to a  
27 benefit payable to a participant, excluding health benefits.

1 (h) "Retirement system" means a public employee retirement  
2 system created and established by this state or any political  
3 subdivision of this state.

4 Enacting section 1. This amendatory act does not take  
5 effect unless all of the following bills of the 91st Legislature  
6 are enacted into law:

7 (a) Senate Bill No. \_\_\_ or House Bill No. 4389 (request  
8 no. 00284'01 \*).

9 (b) Senate Bill No. \_\_\_ or House Bill No. 4390 (request  
10 no. 00284'01 a \*).

11 (c) Senate Bill No. \_\_\_ or House Bill No. 4391 (request  
12 no. 00285'01 \*).