

SENATE BILL No. 362

April 12, 2005, Introduced by Senator BASHAM and referred to the Committee on Appropriations.

A bill to amend 1991 PA 46, entitled
"Eligible domestic relations order act,"
by amending section 2 (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 a
3 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
8 participant under a retirement system or a postretirement subsidy
9 payable to a participant under a retirement system.

1 (c) "Domestic relations order" means a judgment, decree, or
2 order of a court made pursuant to the domestic relations law of
3 this state and relating to the provision of alimony payments, child
4 support, or marital property rights to a spouse of a participant
5 under a judgment of separate maintenance, or to a former spouse,
6 child, or dependent of a participant.

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

10 (e) "Eligible domestic relations order" or "EDRO" means a
11 domestic relations order that is considered an eligible domestic
12 relations order under section 11 or that meets all of the following
13 requirements:

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

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

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

22 (iv) The domestic relations order states that it applies to the
23 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 provided

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

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

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

10 (viii) The domestic relations order is filed before the
11 participant's retirement allowance effective date **OR, IF THE**
12 **DOMESTIC RELATIONS ORDER IS FILED AFTER THE PARTICIPANT'S**
13 **RETIREMENT ALLOWANCE EFFECTIVE DATE, THE DOMESTIC RELATIONS ORDER**
14 **IS FILED NO LATER THAN 120 DAYS AFTER A FINAL JUDGMENT OF DIVORCE**
15 **BETWEEN THE PARTICIPANT AND THE ALTERNATE PAYEE.**

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

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

21 (i) A supplemental annuity.

22 (ii) A supplemental payment to a participant.

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

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

27 (h) "Retirement system" means a public employee retirement

- 1 system created and established by this state or any political
- 2 subdivision of this state.