# FAMILY LAW SECTION Respectfully submits the following position on:

HB 5682

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The Family Law Section is not the State Bar of Michigan itself, but rather a Section which members of the State Bar choose voluntarily to join, based on common professional interest.

The position expressed is that of the Family Law Section only and is not the position of the State Bar of Michigan.

To date, the State Bar does not have a position on this matter.

The total membership of the Family Law Section is 2,481.

The position was adopted after discussion and vote at a scheduled meeting. The number of members in the decision-making body is 21. The number who voted in favor to this position was 18. The number who voted opposed to this position was 0.

## **Report on Public Policy Position**

## Name of section:

Family Law Section

## Contact person:

Kent Weichmann

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#### Bill Number:

<u>HB 5682</u> (Heise) Family law; other; definition of eligible domestic relations order; modify. Amends sec. 2 of <u>1991</u> <u>PA 46</u> (MCL <u>38.1702</u>).

## Date position was adopted:

April 14, 2012

## Process used to take the ideological position:

Position adopted after discussion and vote at a scheduled meeting.

## Number of members in the decision-making body:

21

## Number who voted in favor and opposed to the position:

18 Voted for position

0 Voted against position

0 Abstained from vote

3 Did not vote

#### **Position:**

Support

## Explanation of the position, including any recommended amendments:

Michigan law currently provides mechanisms whereby members of both public and private pension systems can, in the case of a divorce, designate how pension benefits are to flow in order to comply with an already issued judgment of divorce. Once a divorce is final, the parties submit documents to the pension plan administrator directing how the pension benefits are to be assigned. However, due to technical timing issues with the current statutory language, members of public pension systems can be denied the right to direct their plan administrator as to how their benefits are to be assigned.

The problem occurs when the plan administrator does not complete its review of the court order prior to a retiree's retirement date. Under current law, when that happens (in a public pension plan only) it negates the ability for the pension to be assigned as the parties have agreed, or, as the court has ordered.

This bill would clarify that the wishes of the parties and/or the order of the court will be recognized by public retirement plan administrators, just as they currently are for parties who are members of private retirement plans. The Family Law Section supports this bill.

The text of any legislation, court rule, or administrative regulation that is the subject of or referenced in this report.

http://legislature.mi.gov/doc.aspx?2012-HB-5682