

## HOUSE BILL No. 5442

November 30, 1995, Introduced by Reps. Pitoniak, DeMars, Varga, Bobier, Scott and Hanley and referred to the Committee on Judiciary and Civil Rights.

A bill to amend the title and section 1 of Act No. 259 of

the Public Acts of 1909, entitled as amended

"An act to provide that judgments of divorce and judgments of separate maintenance shall make provision in satisfaction of the claims of the wife in the property of the husband and in satisfaction of the claims of the husband and wife in contracts of insurance and annuity upon the life of the husband or wife, and in satisfaction of claims of the husband and wife in or to any pension, annuity, retirement allowance, or accumulated contributions in any pension, annuity, or retirement system, including any rights or contingent rights in and to unvested pension, annuity, or retirement benefits; and to change the tenure of lands owned by husband and wife in case of divorce, and to provide for the disposition or partition of such lands or the proceeds thereof,"

as amended by Act No. 42 of the Public Acts of 1985, being section 552.101 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. The title and section 1 of Act No. 259 of the
 Public Acts of 1909, as amended by Act No. 42 of the Public Acts

1 of 1985, being section 552.101 of the Michigan Compiled Laws, are 2 amended to read as follows:

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## TITLE

An act to provide that judgments of divorce and judgments of 5 separate maintenance shall make provision in satisfaction of the 6 claims of the HUSBAND OR wife in the property of <u>the husband</u>. 7 HIS OR HER SPOUSE and in satisfaction of the claims of the hus-8 band and wife in contracts of insurance and annuity upon the life 9 of the husband or wife, and in satisfaction of claims of the hus-10 band and wife in or to any pension, annuity, retirement allow-11 ance, or accumulated contributions in <u>any</u> A pension, annuity, 12 or retirement system, including <u>any</u> ALL rights or contingent 13 rights in and to unvested pension, annuity, or retirement bene-14 fits; and to change the tenure of lands owned by THE husband and 15 wife in case of divorce, and to provide for the disposition or 16 partition of <u>such</u> THE lands or the proceeds <u>thereof</u> FROM THE 17 DISPOSITION OR PARTITION OF THE LANDS.

18 Sec. 1. (1) When <u>any</u> A judgment of divorce or judgment of 19 separate maintenance is granted in <u>any of the courts</u> A COURT of 20 this state, <u>it shall be the duty of</u> the court granting the 21 judgment <u>to</u> SHALL include in it a provision in lieu of the 22 dower of <u>the</u> A HUSBAND OR wife in the property of <u>the husband</u>, 23 which provision shall be in full satisfaction of HIS OR HER 24 SPOUSE THAT FULLY SATISFIES all claims <u>that the wife may have in</u> 25 any. THE HUSBAND OR WIFE HAS IN THE property <u>which the husband</u>. 26 THAT HIS OR HER SPOUSE owns or may own in the future, or in which 27 <u>he may have any</u> HIS OR HER SPOUSE HAS AN interest.

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(2) Each judgment of divorce or judgment of separate 1 2 maintenance shall determine all rights of the HUSBAND OR wife in 3 and to the proceeds of -any- EACH policy or contract of life 4 insurance, endowment, or annuity upon the life of -the husband-5 HIS OR HER SPOUSE in which the HUSBAND OR wife was named or des-6 ignated as beneficiary, or to which the HUSBAND OR wife became 7 entitled by assignment or change of beneficiary during the mar-8 riage or in anticipation of marriage. If the judgment of divorce 9 or judgment of separate maintenance does not determine the rights 10 of the HUSBAND OR wife in and to a policy of life insurance, 11 endowment, or annuity, the policy shall be payable to the estate 12 of -the husband HIS OR HER SPOUSE or to the named beneficiary if 13 -the-husband- HIS OR HER SPOUSE so designates. However, the com-14 pany issuing the policy -shall-be- IS discharged of all liability 15 on the policy by payment of its proceeds in accordance with the 16 terms of the policy, unless before the payment the company 17 receives written notice -, by or on behalf of the insured or the 18 estate of the insured or + of the heirs of the insured, or any 19 other person having an interest in the policy, of a claim under 20 the policy and the divorce BY OR ON BEHALF OF THE INSURED, THE 21 INSURED'S ESTATE, 1 OF THE INSURED'S HEIRS, OR ANOTHER PERSON 22 HAVING AN INTEREST IN THE POLICY.

(3) Each judgment of divorce or judgment of separate maintenance shall determine all rights of the husband in and to the
proceeds of any policy or contract of life insurance, endowment,
or annuity upon the life of the wife in which the husband was
named or designated as beneficiary, or to which he became

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1 entitled by assignment or change of beneficiary during the 2 marriage or in anticipation of marriage. If the judgment of 3 divorce or judgment of separate maintenance does not determine 4 the rights of the husband in and to the policy of life insurance, 5 endowment, or annuity, the policy shall be payable to the estate 6 of the wife, or to the named beneficiary if the wife so

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7 designates. However, the company issuing the policy shall be 8 discharged of all liability on the policy by payment of the pro-9 ceeds in accordance with the terms of the policy, unless before 10 the payment the company receives written notice, by or on behalf 11 of the insured or the estate of the insured or 1 of the heirs of 12 the insured, or any other person having an interest in the

13 policy, of a claim under the policy and the divorce.

14 (3) -(4) Each judgment of divorce or judgment of separate
15 maintenance shall determine all rights of the husband and wife in
16 and to all of the following:

17 (a) Any pension PENSION, annuity, or retirement benefits.

(b) Any accumulated ACCUMULATED contributions in any A
pension, annuity, or retirement system.

20 (c) Any A right or contingent right in and to unvested
21 pension, annuity, or retirement benefits.

22 Section 2. This amendatory act shall not take effect unless
23 Senate Bill No. \_\_\_\_\_ or House Bill No. \_\_\_\_\_ (request
24 no. 03904'95) of the 88th Legislature is enacted into law.

Final page.

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