

# SENATE BILL No. 559

October 13, 2015, Introduced by Senator JONES and referred to the Committee on Judiciary.

A bill to amend 1909 PA 259, entitled

"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,"

by amending section 1 (MCL 552.101), as amended by 2006 PA 288.

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

1           Sec. 1. ~~(1) When any judgment of divorce or judgment of~~  
2 ~~separate maintenance is granted in any of the courts of this state,~~  
3 ~~the court granting the judgment shall include in it a provision in~~  
4 ~~lieu of the dower of the wife in the property of the husband, which~~

1 ~~shall be in full satisfaction of all claims that the wife may have~~  
2 ~~in any property that the husband owns or may own in the future or~~  
3 ~~in which he may have any interest.~~

4 (1) ~~(2)~~ Each judgment of divorce or judgment of separate  
5 maintenance shall determine all rights of the wife in and to the  
6 proceeds of any policy or contract of life insurance, endowment, or  
7 annuity upon the life of the husband in which the wife was named or  
8 designated as beneficiary, or to which the wife became entitled by  
9 assignment or change of beneficiary during the marriage or in  
10 anticipation of marriage. If the judgment of divorce or judgment of  
11 separate maintenance does not determine the rights of the wife in  
12 and to a policy of life insurance, endowment, or annuity, the  
13 policy shall be payable to the estate of the husband or to the  
14 named beneficiary if the husband so designates. ~~However, the~~ **THE**  
15 company issuing the policy ~~shall be~~ **IS** discharged of all liability  
16 on the policy by payment of its proceeds in accordance with the  
17 terms of the policy unless before the payment the company receives  
18 written notice, by or on behalf of the insured or the estate of the  
19 insured, 1 of the heirs of the insured, or any other person having  
20 an interest in the policy, of a claim under the policy and the  
21 divorce.

22 (2) ~~(3)~~ Each judgment of divorce or judgment of separate  
23 maintenance shall determine all rights of the husband in and to the  
24 proceeds of any policy or contract of life insurance, endowment, or  
25 annuity upon the life of the wife in which the husband was named or  
26 designated as beneficiary, or to which he became entitled by  
27 assignment or change of beneficiary during the marriage or in

1 anticipation of marriage. If the judgment of divorce or judgment of  
2 separate maintenance does not determine the rights of the husband  
3 in and to the policy of life insurance, endowment, or annuity, the  
4 policy shall be payable to the estate of the wife, or to the named  
5 beneficiary if the wife so designates. ~~However, the~~ **THE** company  
6 issuing the policy ~~shall be~~ **IS** discharged of all liability on the  
7 policy by payment of the proceeds in accordance with the terms of  
8 the policy unless before the payment the company receives written  
9 notice, by or on behalf of the insured or the estate of the  
10 insured, 1 of the heirs of the insured, or any other person having  
11 an interest in the policy, of a claim under the policy and the  
12 divorce.

13 (3) ~~(4)~~ Each judgment of divorce or judgment of separate  
14 maintenance shall determine all rights, including any contingent  
15 rights, of the husband and wife in and to all of the following:

16 (a) Any vested pension, annuity, or retirement benefits.

17 (b) Any accumulated contributions in any pension, annuity, or  
18 retirement system.

19 (c) In accordance with section 18 of 1846 RS 84, MCL 552.18,  
20 any unvested pension, annuity, or retirement benefits.

21 (4) ~~(5)~~ For any divorce or separate maintenance action filed  
22 on or after September 1, 2006, if a judgment of divorce or judgment  
23 of separate maintenance provides for the assignment of any rights  
24 in and to any pension, annuity, or retirement benefits, a  
25 proportionate share of all components of the pension, annuity, or  
26 retirement benefits shall be included in the assignment unless the  
27 judgment of divorce or judgment of separate maintenance expressly

1 excludes 1 or more components. Components include, but are not  
2 limited to, supplements, subsidies, early retirement benefits,  
3 postretirement benefit increases, surviving spouse benefits, and  
4 death benefits. This subsection ~~shall apply~~ **APPLIES** regardless of  
5 the characterization of the pension, annuity, or retirement benefit  
6 as regular retirement, early retirement, disability retirement,  
7 death benefit, or any other characterization or classification,  
8 unless the judgment of divorce or judgment of separate maintenance  
9 expressly excludes a particular characterization or classification.

10 Enacting section 1. This amendatory act takes effect 90 days  
11 after the date it is enacted into law.