

COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2433  
(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 38-773, Arizona Revised Statutes, is amended to  
3 read:

4 38-773. Benefit payments to alternate payee under acceptable  
5 domestic relations order; termination of marriage;  
6 revocation of beneficiary designation; definitions

7 A. The board shall review any domestic relations order to which a  
8 member is a party and that is submitted to the board to determine if the  
9 domestic relations order is acceptable under this section. After a  
10 determination that a domestic relations order is acceptable under this  
11 section, the board shall notify the member and the named alternate payee of  
12 ~~its~~ THE BOARD'S acceptance of the domestic relations order, and ASRS shall  
13 pay benefits in accordance with the applicable requirements of the order.

14 B. An acceptable domestic relations order shall:

15 1. Not require the board to provide any type, form or time of  
16 payment of severance, survivor or retirement benefits or any severance,  
17 survivor or retirement benefit option that is not provided under this  
18 article.

19 2. VALUE THE MEMBER'S BENEFIT ON THE EARLIEST DATE OF SERVICE OF THE  
20 PETITION FOR ANNULMENT, DISSOLUTION OF MARRIAGE OR LEGAL SEPARATION.

21 C. An acceptable domestic relations order shall specify all of the  
22 following:

23 1. The name and last known mailing address of the member.

1           2. The name and last known mailing address of each alternate payee  
2 WHO IS covered by the order.

3           3. The method of determining the amount of the member's severance,  
4 survivor or retirement benefits to be paid by ASRS to each alternate payee  
5 covered by the order.

6           4. The number of payments or period to which the order applies.

7           D. Except as provided by the express terms of a domestic relations  
8 order, the divorce or annulment of a member's marriage revokes any  
9 revocable:

10           1. Disposition or appointment of benefits made by a divorced member  
11 to that member's former spouse or to a relative of the divorced member's  
12 former spouse in an instrument executed by the member before the divorce or  
13 annulment of the member's marriage to the former spouse.

14           2. Provision in an instrument executed by the member before the  
15 divorce or annulment of the member's marriage to the former spouse  
16 conferring any power or right on the divorced member's former spouse or on  
17 a relative of the divorced member's former spouse.

18           E. ASRS shall give effect to provisions of an instrument executed by  
19 a member before the divorce or annulment of the member's marriage to a  
20 former spouse as follows:

21           1. In the case of disposition or appointment of benefits, as if the  
22 former spouse and relatives of the former spouse disclaimed all provisions  
23 revoked by this section.

24           2. In the case of a revoked power or right, as if the former spouse  
25 and relatives of the former spouse died immediately before the divorce or  
26 annulment.

27           F. Provisions of an instrument revoked solely as provided by this  
28 section are revived by the divorced member's remarriage to the former  
29 spouse or by a nullification of the member's divorce or annulment.

30           G. If an alternate payee predeceases the member, amounts payable to  
31 the alternate payee cease on the death of the alternate payee. ASRS shall

1 cause the amount formerly payable to the alternate payee to revert to the  
2 member.

3 H. For the purposes of this section:

4 1. "Domestic relations order" means any judgment, decree, order or  
5 approval of a property settlement agreement entered in a court of competent  
6 jurisdiction that:

7 (a) Relates to marital property rights of a spouse or former spouse.

8 (b) Creates or recognizes in the spouse or former spouse the  
9 existence of an alternate payee's right to severance, survivor or  
10 retirement benefits.

11 (c) Assigns the spouse or former spouse as alternate payee the right  
12 to receive all or part of the severance, survivor or retirement benefits  
13 payable to the member.

14 2. "Relative of the divorced member's former spouse" means a person  
15 who is related to the divorced member's former spouse by blood, adoption or  
16 affinity and who, after the divorce or annulment, is not related to the  
17 divorced member by blood, adoption or affinity.

18 Sec. 2. Section 38-822, Arizona Revised Statutes, is amended to  
19 read:

20 38-822. Domestic relations orders; procedures; payments

21 A. Notwithstanding any other law, in a judicial proceeding for  
22 annulment, dissolution of marriage or legal separation that provides for  
23 the distribution of community property, or in any judicial proceeding to  
24 amend or enforce such a property distribution, a court in this state may  
25 issue a domestic relations order that provides that all or any part of a  
26 participant's benefit or refund in the plan that would otherwise be payable  
27 to that participant shall instead be paid by the plan to an alternate  
28 payee. **THE VALUE OF A PARTICIPANT'S BENEFIT SHALL BE THE VALUE ON THE  
29 EARLIEST DATE OF SERVICE OF THE PETITION FOR ANNULMENT, DISSOLUTION OF  
30 MARRIAGE OR LEGAL SEPARATION.**

1           B. A domestic relations order is not effective against the plan  
2 unless the domestic relations order is approved by the plan and qualifies  
3 as a plan approved domestic relations order. To qualify as a plan approved  
4 domestic relations order, a domestic relations order shall comply with any  
5 policies or procedures adopted pursuant to subsection K **OF THIS SECTION** and  
6 shall also meet all of the following requirements:

7           1. The domestic relations order shall state the name and the last  
8 known mailing address of the participant and the name and last known  
9 mailing address of the alternate payee that is covered by the domestic  
10 relations order.

11           2. The domestic relations order shall clearly state the amount or  
12 percentage of the participant's benefits that is payable by the plan to the  
13 alternate payee or the precise manner in which the amount or percentage is  
14 to be determined.

15           3. The domestic relations order shall state the number of payments  
16 or periods to which the domestic relations order applies, if applicable.

17           4. The domestic relations order shall state that the domestic  
18 relations order applies to the plan.

19           5. The domestic relations order shall not require the plan to  
20 provide any type or form of benefit or any option not otherwise provided by  
21 this article.

22           6. The domestic relations order shall not require the plan to  
23 provide increased benefits determined on the basis of actuarial value.

24           7. The domestic relations order shall not require the payment of  
25 benefits to an alternate payee if the benefits are required to be paid to  
26 another alternate payee under a separate plan approved domestic relations  
27 order.

28           8. The domestic relations order shall have been issued by a court of  
29 competent jurisdiction of a state, territory or possession of the United  
30 States.

1           C. On receipt by the plan of a certified copy of a domestic  
2 relations order and a written request for a determination that the domestic  
3 relations order is a plan approved domestic relations order, the plan shall  
4 promptly issue a written notice of receipt stating that the domestic  
5 relations order and request were received to the participant and alternate  
6 payee at the addresses on file, if any.

7           D. The plan has a determination period to issue a written  
8 determination indicating whether a domestic relations order qualifies as a  
9 plan approved domestic relations order. If the participant is receiving  
10 benefits during the determination period,~~—~~ and if the plan can determine  
11 the amount of the benefits that currently would be payable to the alternate  
12 payee if the domestic relations order were a plan approved domestic  
13 relations order, the plan shall hold the segregated funds and shall pay the  
14 remaining portion of the benefits to the participant. If the plan  
15 determines the domestic relations order is a plan approved domestic  
16 relations order, the plan shall pay the participant and alternate payee  
17 pursuant to the plan approved domestic relations order in the month  
18 following the month in which the determination was issued,~~—~~ or in the month  
19 following the month in which a benefit is payable under the plan approved  
20 domestic relations order, whichever is later. If the plan determines the  
21 domestic relations order fails to qualify as a plan approved domestic  
22 relations order, the plan shall specify in its determination how the  
23 domestic relations order is deficient and how it may be amended to qualify  
24 as a plan approved domestic relations order. If the participant is  
25 currently receiving benefits, and if the plan can determine the amount of  
26 segregated funds that would be payable to the alternate payee if the  
27 domestic relations order were a plan approved domestic relations order, the  
28 plan shall hold the segregated funds during the cure period to allow the  
29 parties to submit a certified copy of an amended domestic relations order  
30 and a written request for a determination that the amended domestic  
31 relations order is a plan approved domestic relations order. During the

1 cure period, the plan shall pay the participant's portion to the  
2 participant. At the end of the cure period, if the issue of whether an  
3 amended domestic relations order qualifies as a plan approved domestic  
4 relations order remains undetermined or if an amended domestic relations  
5 order is determined not to be a plan approved domestic relations order, the  
6 plan shall pay the segregated funds and the participant's portion to the  
7 participant. The participant shall hold the segregated funds in trust for  
8 the alternate payee as provided in subsection J **OF THIS SECTION**. If an  
9 amended domestic relations order that is submitted after the expiration of  
10 the cure period is determined to be a plan approved domestic relations  
11 order, the plan shall make payments to an alternate payee under the plan  
12 approved domestic relations order only prospectively. A determination by  
13 the plan that a domestic relations order is not a plan approved domestic  
14 relations order does not prohibit a participant or alternate payee from  
15 submitting an amended domestic relations order to the plan.

16 E. Each participant and alternate payee is responsible for  
17 maintaining a current mailing address on file with the plan. The plan has  
18 no duty to attempt to locate any participant or alternate payee. The plan  
19 has no duty to provide a notice of receipt or determination or pay benefits  
20 by means other than mailing the notice or payments to the participant or  
21 alternate payee at the last known address that is on file with the plan.  
22 If the address of an alternate payee is unknown to the plan, but benefits  
23 are payable to the alternate payee pursuant to a plan approved domestic  
24 relations order, the plan shall either:

25 1. Hold the alternate payee's portion until ~~such a time as~~ the  
26 alternate payee provides the plan with a current address. Once the plan is  
27 notified of the alternate payee's current address, the plan shall  
28 prospectively pay the alternate payee's portion to the alternate payee.

29 2. Pay the alternate payee's portion to the participant, who shall  
30 hold the alternate payee's portion in trust as provided in subsection J **OF**  
31 **THIS SECTION**, until ~~such a time as~~ the alternate payee is located. At that

1 time, the participant shall pay the alternate payee's portion directly to  
2 the alternate payee.

3 F. If the address of a participant is unknown to the plan, but  
4 benefits are payable to the participant pursuant to a plan approved  
5 domestic relations order, the plan shall hold the participant's portion  
6 until the participant provides the plan with a current address.

7 G. If the alternate payee identified in a plan approved domestic  
8 relations order predeceases the participant and the plan approved domestic  
9 relations order does not otherwise provide for the disposition of the  
10 alternate payee's interest, the plan shall pay the alternate payee's  
11 portion to the personal representative of the deceased alternate payee  
12 pursuant to this subsection. The personal representative is responsible  
13 for maintaining a current mailing address on file with the plan. The plan  
14 has no duty to attempt to locate any personal representative. The plan is  
15 not responsible for making benefit payments to a personal representative  
16 until the personal representative has both:

17 1. Persuaded the plan that the personal representative is authorized  
18 to receive payments designated for the deceased alternate payee.

19 2. Provided the plan with an address to which the payments should be  
20 sent.

21 H. If, within thirty days after the date the plan verifies an  
22 alternate payee's death, a personal representative does not make demand on  
23 the plan for the alternate payee's portion, the plan shall either:

24 1. Hold the alternate payee's portion until the time a personal  
25 representative makes a proper demand for payment of the alternate payee's  
26 portion.

27 2. Remit the alternate payee's portion to the participant, who shall  
28 hold the amounts in trust for the estate of the alternate payee until the  
29 personal representative is identified. At that time, the participant shall  
30 pay the alternate payee's portion paid by the plan to the participant to  
31 the personal representative.

1       Thereafter, the plan shall prospectively pay the alternate payee's portion  
2       to the personal representative.

3             I. Amounts held or paid pursuant to this section shall not accrue  
4       interest unless otherwise prescribed by this article.

5             J. The plan is not liable to the participant, the alternate payee,  
6       any personal representative of the estate of an alternate payee or any  
7       other person for any amount paid, withheld or disbursed by the plan  
8       pursuant to this section. If one or more payments are made by the plan to  
9       a person not otherwise entitled to receive the payments, the recipient of  
10      the payment is designated a constructive trustee for the payment received  
11      and, together with the marital community, if any, is the sole party against  
12      whom an action may be brought to recover the payment.

13            K. The plan may adopt policies and procedures that govern the  
14      implementation of this section.

15            Sec. 3. Section 38-860, Arizona Revised Statutes, is amended to  
16      read:

17            38-860. Domestic relations orders; procedures; payments

18            A. Notwithstanding any other law, in a judicial proceeding for  
19      annulment, dissolution of marriage or legal separation that provides for  
20      the distribution of community property, or in any judicial proceeding to  
21      amend or enforce such a property distribution, a court in this state may  
22      issue a domestic relations order that provides that all or any part of a  
23      participant's benefit or refund in the system that would otherwise be  
24      payable to that participant shall instead be paid by the system to an  
25      alternate payee. **THE VALUE OF A PARTICIPANT'S BENEFIT SHALL BE THE VALUE  
26      ON THE EARLIEST DATE OF SERVICE OF THE PETITION FOR ANNULMENT, DISSOLUTION  
27      OF MARRIAGE OR LEGAL SEPARATION.**

28            B. A domestic relations order is not effective against the system  
29      unless the domestic relations order is approved by the system and qualifies  
30      as a plan approved domestic relations order. To qualify as a plan approved  
31      domestic relations order, a domestic relations order shall comply with any



1 policies or procedures adopted pursuant to subsection K **OF THIS SECTION** and  
2 shall also meet all of the following requirements:

3 1. The domestic relations order shall state the name and the last  
4 known mailing address of the participant and the name and last known  
5 mailing address of the alternate payee that is covered by the domestic  
6 relations order.

7 2. The domestic relations order shall clearly state the amount or  
8 percentage of the participant's benefits that is payable by the system to  
9 the alternate payee or the precise manner in which the amount or percentage  
10 is to be determined.

11 3. The domestic relations order shall state the number of payments  
12 or periods to which the domestic relations order applies, if applicable.

13 4. The domestic relations order shall state that the domestic  
14 relations order applies to the system.

15 5. The domestic relations order shall not require the system to  
16 provide any type or form of benefit or any option not otherwise provided by  
17 this article.

18 6. The domestic relations order shall not require the system to  
19 provide increased benefits determined on the basis of actuarial value.

20 7. The domestic relations order shall not require the payment of  
21 benefits to an alternate payee if the benefits are required to be paid to  
22 another alternate payee under a separate plan approved domestic relations  
23 order.

24 8. The domestic relations order shall have been issued by a court of  
25 competent jurisdiction of a state, territory or possession of the United  
26 States.

27 C. On receipt by the system of a certified copy of a domestic  
28 relations order and a written request for a determination that the domestic  
29 relations order is a plan approved domestic relations order, the system  
30 shall promptly issue a written notice of receipt stating that the domestic

1 relations order and request were received to the participant and alternate  
2 payee at the addresses on file, if any.

3 D. The system has a determination period to issue a written  
4 determination indicating whether a domestic relations order qualifies as a  
5 plan approved domestic relations order. If the participant is receiving  
6 benefits during the determination period, and if the system can determine  
7 the amount of the benefits that currently would be payable to the alternate  
8 payee if the domestic relations order were a plan approved domestic  
9 relations order, the system shall hold the segregated funds and shall pay  
10 the remaining portion of the benefits to the participant. If the system  
11 determines the domestic relations order is a plan approved domestic  
12 relations order, the system shall pay the participant and alternate payee  
13 pursuant to the plan approved domestic relations order in the month  
14 following the month in which the determination was issued, or in the month  
15 following the month in which a benefit is payable under the plan approved  
16 domestic relations order, whichever is later. If the system determines the  
17 domestic relations order fails to qualify as a plan approved domestic  
18 relations order, the system shall specify in its determination how the  
19 domestic relations order is deficient and how it may be amended to qualify  
20 as a plan approved domestic relations order. If the participant is  
21 currently receiving benefits, and if the system can determine the amount  
22 of segregated funds that would be payable to the alternate payee if the  
23 domestic relations order were a plan approved domestic relations order, the  
24 system shall hold the segregated funds during the cure period to allow the  
25 parties to submit a certified copy of an amended domestic relations order  
26 and a written request for a determination that the amended domestic  
27 relations order is a plan approved domestic relations order. During the  
28 cure period, the system shall pay the participant's portion to the  
29 participant. At the end of the cure period, if the issue of whether an  
30 amended domestic relations order qualifies as a plan approved domestic  
31 relations order remains undetermined or if an amended domestic relations

1 order is determined not to be a plan approved domestic relations order, the  
2 system shall pay the segregated funds and the participant's portion to the  
3 participant. The participant shall hold the segregated funds in trust for  
4 the alternate payee as provided in subsection J **OF THIS SECTION**. If an  
5 amended domestic relations order that is submitted after the expiration of  
6 the cure period is determined to be a plan approved domestic relations  
7 order, the system shall make payments to an alternate payee under the plan  
8 approved domestic relations order only prospectively. A determination by  
9 the system that a domestic relations order is not a plan approved domestic  
10 relations order does not prohibit a participant or alternate payee from  
11 submitting an amended domestic relations order to the system.

12 E. Each participant and alternate payee is responsible for  
13 maintaining a current mailing address on file with the system. The system  
14 has no duty to attempt to locate any participant or alternate payee. The  
15 system has no duty to provide a notice of receipt or determination or pay  
16 benefits by means other than mailing the notice or payments to the  
17 participant or alternate payee at the last known address that is on file  
18 with the system. If the address of an alternate payee is unknown to the  
19 system, but benefits are payable to the alternate payee pursuant to a plan  
20 approved domestic relations order, the system shall either:

21 1. Hold the alternate payee's portion until ~~such a time as~~ the  
22 alternate payee provides the system with a current address. Once the  
23 system is notified of the alternate payee's current address, the system  
24 shall prospectively pay the alternate payee's portion to the alternate  
25 payee.

26 2. Pay the alternate payee's portion to the participant, who shall  
27 hold the alternate payee's portion in trust as provided in subsection J **OF**  
28 **THIS SECTION**, until ~~such a time as~~ the alternate payee is located. At that  
29 time, the participant shall pay the alternate payee's portion directly to  
30 the alternate payee.

1           F. If the address of a participant is unknown to the system, but  
2 benefits are payable to the participant pursuant to a plan approved  
3 domestic relations order, the system shall hold the participant's portion  
4 until the participant provides the system with a current address.

5           G. If the alternate payee identified in a plan approved domestic  
6 relations order predeceases the participant and the plan approved domestic  
7 relations order does not otherwise provide for the disposition of the  
8 alternate payee's interest, the system shall pay the alternate payee's  
9 portion to the personal representative of the deceased alternate payee  
10 pursuant to this subsection. The personal representative is responsible  
11 for maintaining a current mailing address on file with the system. The  
12 system has no duty to attempt to locate any personal representative. The  
13 system is not responsible for making benefit payments to a personal  
14 representative until the personal representative has both:

15           1. Persuaded the system that the personal representative is  
16 authorized to receive payments designated for the deceased alternate payee.

17           2. Provided the system with an address to which the payments should  
18 be sent.

19           H. If, within thirty days after the date the system verifies an  
20 alternate payee's death, a personal representative does not make demand on  
21 the system for the alternate payee's portion, the system shall either:

22           1. Hold the alternate payee's portion until the time a personal  
23 representative makes a proper demand for payment of the alternate payee's  
24 portion.

25           2. Remit the alternate payee's portion to the participant, who shall  
26 hold the amounts in trust for the estate of the alternate payee until the  
27 personal representative is identified. At that time, the participant shall  
28 pay the alternate payee's portion paid by the system to the participant to  
29 the personal representative.

30           Thereafter, the plan shall prospectively pay the alternate payee's portion  
31 to the personal representative.

1 I. Amounts held or paid pursuant to this section shall not accrue  
2 interest unless otherwise prescribed by this article.

3 J. The system is not liable to the participant, the alternate payee,  
4 any personal representative of the estate of an alternate payee or any  
5 other person for any amount paid, withheld or disbursed by the system  
6 pursuant to this section. If one or more payments are made by the system  
7 to a person not otherwise entitled to receive the payments, the recipient  
8 of the payment is designated a constructive trustee for the payment  
9 received and, together with the marital community, if any, is the sole  
10 party against whom an action may be brought to recover the payment.

11 K. The system may adopt policies and procedures that govern the  
12 implementation of this section.

13 Sec. 4. Section 38-910, Arizona Revised Statutes, is amended to  
14 read:

15 38-910. Domestic relations orders; procedures; payments

16 A. Notwithstanding any other law, in a judicial proceeding for  
17 annulment, dissolution of marriage or legal separation that provides for  
18 the distribution of community property, or in any judicial proceeding to  
19 amend or enforce such a property distribution, a court in this state may  
20 issue a domestic relations order that provides that all or any part of a  
21 participant's benefit or refund in the plan that would otherwise be payable  
22 to that participant shall instead be paid by the plan to an alternate  
23 payee. **THE VALUE OF A PARTICIPANT'S BENEFIT SHALL BE THE VALUE ON THE  
24 EARLIEST DATE OF SERVICE OF THE PETITION FOR ANNULMENT, DISSOLUTION OF  
25 MARRIAGE OR LEGAL SEPARATION.**

26 B. A domestic relations order is not effective against the plan  
27 unless the domestic relations order is approved by the plan and qualifies  
28 as a plan approved domestic relations order. To qualify as a plan approved  
29 domestic relations order, a domestic relations order shall comply with any  
30 policies or procedures adopted pursuant to subsection K **OF THIS SECTION** and  
31 shall also meet all of the following requirements:

1           1. The domestic relations order shall state the name and the last  
2 known mailing address of the participant and the name and last known  
3 mailing address of the alternate payee that is covered by the domestic  
4 relations order.

5           2. The domestic relations order shall clearly state the amount or  
6 percentage of the participant's benefits that is payable by the plan to the  
7 alternate payee or the precise manner in which the amount or percentage is  
8 to be determined.

9           3. The domestic relations order shall state the number of payments  
10 or periods to which the domestic relations order applies, if applicable.

11           4. The domestic relations order shall state that the domestic  
12 relations order applies to the plan.

13           5. The domestic relations order shall not require the plan to  
14 provide any type or form of benefit or any option not otherwise provided by  
15 this article.

16           6. The domestic relations order shall not require the plan to  
17 provide increased benefits determined on the basis of actuarial value.

18           7. The domestic relations order shall not require the payment of  
19 benefits to an alternate payee if the benefits are required to be paid to  
20 another alternate payee under a separate plan approved domestic relations  
21 order.

22           8. The domestic relations order shall have been issued by a court of  
23 competent jurisdiction of a state, territory or possession of the United  
24 States.

25           C. On receipt by the plan of a certified copy of a domestic  
26 relations order and a written request for a determination that the domestic  
27 relations order is a plan approved domestic relations order, the plan shall  
28 promptly issue a written notice of receipt stating that the domestic  
29 relations order and request were received to the participant and alternate  
30 payee at the addresses on file, if any.

1           D. The plan has a determination period to issue a written  
2 determination indicating whether a domestic relations order qualifies as a  
3 plan approved domestic relations order. If the participant is receiving  
4 benefits during the determination period, and if the plan can determine the  
5 amount of the benefits that currently would be payable to the alternate  
6 payee if the domestic relations order were a plan approved domestic  
7 relations order, the plan shall hold the segregated funds and shall pay the  
8 remaining portion of the benefits to the participant. If the plan  
9 determines the domestic relations order is a plan approved domestic  
10 relations order, the plan shall pay the participant and alternate payee  
11 pursuant to the plan approved domestic relations order in the month  
12 following the month in which the determination was issued,~~—~~ or in the month  
13 following the month in which a benefit is payable under the plan approved  
14 domestic relations order, whichever is later. If the plan determines the  
15 domestic relations order fails to qualify as a plan approved domestic  
16 relations order, the plan shall specify in its determination how the  
17 domestic relations order is deficient and how it may be amended to qualify  
18 as a plan approved domestic relations order. If the participant is  
19 currently receiving benefits,~~—~~ and if the plan can determine the amount of  
20 segregated funds that would be payable to the alternate payee if the  
21 domestic relations order were a plan approved domestic relations order, the  
22 plan shall hold the segregated funds during the cure period to allow the  
23 parties to submit a certified copy of an amended domestic relations order  
24 and a written request for a determination that the amended domestic  
25 relations order is a plan approved domestic relations order. During the  
26 cure period, the plan shall pay the participant's portion to the  
27 participant. At the end of the cure period, if the issue of whether an  
28 amended domestic relations order qualifies as a plan approved domestic  
29 relations order remains undetermined or if an amended domestic relations  
30 order is determined not to be a plan approved domestic relations order, the  
31 plan shall pay the segregated funds and the participant's portion to the

1 participant. The participant shall hold the segregated funds in trust for  
2 the alternate payee as provided in subsection J **OF THIS SECTION**. If an  
3 amended domestic relations order that is submitted after the expiration of  
4 the cure period is determined to be a plan approved domestic relations  
5 order, the plan shall make payments to an alternate payee under the plan  
6 approved domestic relations order only prospectively. A determination by  
7 the plan that a domestic relations order is not a plan approved domestic  
8 relations order does not prohibit a participant or alternate payee from  
9 submitting an amended domestic relations order to the plan.

10 E. Each participant and alternate payee is responsible for  
11 maintaining a current mailing address on file with the plan. The plan has  
12 no duty to attempt to locate any participant or alternate payee. The plan  
13 has no duty to provide a notice of receipt or determination or pay benefits  
14 by means other than mailing the notice or payments to the participant or  
15 alternate payee at the last known address that is on file with the plan.  
16 If the address of an alternate payee is unknown to the plan, but benefits  
17 are payable to the alternate payee pursuant to a plan approved domestic  
18 relations order, the plan shall either:

19 1. Hold the alternate payee's portion until ~~such a time as~~ the  
20 alternate payee provides the plan with a current address. Once the plan is  
21 notified of the alternate payee's current address, the plan shall  
22 prospectively pay the alternate payee's portion to the alternate payee.

23 2. Pay the alternate payee's portion to the participant, who shall  
24 hold the alternate payee's portion in trust as provided in subsection J **OF**  
25 **THIS SECTION**, until ~~such a time as~~ the alternate payee is located. At that  
26 time, the participant shall pay the alternate payee's portion directly to  
27 the alternate payee.

28 F. If the address of a participant is unknown to the plan, but  
29 benefits are payable to the participant pursuant to a plan approved  
30 domestic relations order, the plan shall hold the participant's portion  
31 until the participant provides the plan with a current address.



1           G. If the alternate payee identified in a plan approved domestic  
2 relations order predeceases the participant and the plan approved domestic  
3 relations order does not otherwise provide for the disposition of the  
4 alternate payee's interest, the plan shall pay the alternate payee's  
5 portion to the personal representative of the deceased alternate payee  
6 pursuant to this subsection. The personal representative is responsible  
7 for maintaining a current mailing address on file with the plan. The plan  
8 has no duty to attempt to locate any personal representative. The plan is  
9 not responsible for making benefit payments to a personal representative  
10 until the personal representative has both:

11           1. Persuaded the plan that the personal representative is authorized  
12 to receive payments designated for the deceased alternate payee.

13           2. Provided the plan with an address to which the payments should be  
14 sent.

15           H. If, within thirty days after the date the plan verifies an  
16 alternate payee's death, a personal representative does not make demand on  
17 the plan for the alternate payee's portion, the plan shall either:

18           1. Hold the alternate payee's portion until the time a personal  
19 representative makes a proper demand for payment of the alternate payee's  
20 portion.

21           2. Remit the alternate payee's portion to the participant, who shall  
22 hold the amounts in trust for the estate of the alternate payee until the  
23 personal representative is identified. At that time, the participant shall  
24 pay the alternate payee's portion paid by the plan to the participant to  
25 the personal representative.

26           Thereafter, the plan shall prospectively pay the alternate payee's portion  
27 to the personal representative.

28           I. Amounts held or paid pursuant to this section shall not accrue  
29 interest unless otherwise prescribed by this article.

30           J. The plan is not liable to the participant, the alternate payee,  
31 any personal representative of the estate of an alternate payee or any

1 other person for any amount paid, withheld or disbursed by the plan  
2 pursuant to this section. If one or more payments are made by the plan to  
3 a person not otherwise entitled to receive the payments, the recipient of  
4 the payment is designated a constructive trustee for the payment received  
5 and, together with the marital community, if any, is the sole party against  
6 whom an action may be brought to recover the payment.

7 K. The plan may adopt policies and procedures that govern the  
8 implementation of this section."

9 Amend title to conform

And, as so amended, it do pass

DAVID LIVINGSTON  
CHAIRMAN

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