

House Engrossed

~~technical correction; occupational safety; exemption~~  
(now: pensions; domestic relations orders)

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
First Regular Session  
2023

**CHAPTER 34**  
**HOUSE BILL 2433**

AN ACT

AMENDING SECTIONS 38-773, 38-822, 38-860 AND 38-910, ARIZONA REVISED  
STATUTES; RELATING TO STATE RETIREMENT PLANS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

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  
12 of ~~its~~ THE BOARD'S acceptance of the domestic relations order, and ASRS  
13 shall pay benefits in accordance with the applicable requirements of the  
14 order.

15 B. An acceptable domestic relations order shall:

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

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

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

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

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

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

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

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

34 1. Disposition or appointment of benefits made by a divorced member  
35 to that member's former spouse or to a relative of the divorced member's  
36 former spouse in an instrument executed by the member before the divorce  
37 or annulment of the member's marriage to the former spouse.

38 2. Provision in an instrument executed by the member before the  
39 divorce or annulment of the member's marriage to the former spouse  
40 conferring any power or right on the divorced member's former spouse or on  
41 a relative of the divorced member's former spouse.

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

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

4           2. In the case of a revoked power or right, as if the former spouse  
5 and relatives of the former spouse died immediately before the divorce or  
6 annulment.

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

10          G. If an alternate payee predeceases the member, amounts payable to  
11 the alternate payee cease on the death of the alternate payee. ASRS shall  
12 cause the amount formerly payable to the alternate payee to revert to the  
13 member.

14          H. For the purposes of this section:

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

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

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

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

26           2. "Relative of the divorced member's former spouse" means a person  
27 who is related to the divorced member's former spouse by blood, adoption  
28 or affinity and who, after the divorce or annulment, is not related to the  
29 divorced member by blood, adoption or affinity.

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

32           38-822. Domestic relations orders; procedures; payments

33           A. Notwithstanding any other law, in a judicial proceeding for  
34 annulment, dissolution of marriage or legal separation that provides for  
35 the distribution of community property, or in any judicial proceeding to  
36 amend or enforce such a property distribution, a court in this state may  
37 issue a domestic relations order that provides that all or any part of a  
38 participant's benefit or refund in the plan that would otherwise be  
39 payable to that participant shall instead be paid by the plan to an  
40 alternate payee. **THE VALUE OF A PARTICIPANT'S BENEFIT SHALL BE THE VALUE  
41 ON THE EARLIEST DATE OF SERVICE OF THE PETITION FOR ANNULMENT, DISSOLUTION  
42 OF MARRIAGE OR LEGAL SEPARATION.**

43           B. A domestic relations order is not effective against the plan  
44 unless the domestic relations order is approved by the plan and qualifies  
45 as a plan approved domestic relations order. To qualify as a plan

1 approved domestic relations order, a domestic relations order shall comply  
2 with any policies or procedures adopted pursuant to subsection K OF THIS  
3 SECTION and shall also meet all of the following requirements:

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

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

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

14 4. The domestic relations order shall state that the domestic  
15 relations order applies to the plan.

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

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

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

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

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

34 D. The plan has a determination period to issue a written  
35 determination indicating whether a domestic relations order qualifies as a  
36 plan approved domestic relations order. If the participant is receiving  
37 benefits during the determination period, and if the plan can determine  
38 the amount of the benefits that currently would be payable to the  
39 alternate payee if the domestic relations order were a plan approved  
40 domestic relations order, the plan shall hold the segregated funds and  
41 shall pay the remaining portion of the benefits to the participant. If  
42 the plan determines the domestic relations order is a plan approved  
43 domestic relations order, the plan shall pay the participant and alternate  
44 payee pursuant to the plan approved domestic relations order in the month  
45 following the month in which the determination was issued, or in the

1 month following the month in which a benefit is payable under the plan  
2 approved domestic relations order, whichever is later. If the plan  
3 determines the domestic relations order fails to qualify as a plan  
4 approved domestic relations order, the plan shall specify in its  
5 determination how the domestic relations order is deficient and how it may  
6 be amended to qualify as a plan approved domestic relations order. If the  
7 participant is currently receiving benefits, and if the plan can determine  
8 the amount of segregated funds that would be payable to the alternate  
9 payee if the domestic relations order were a plan approved domestic  
10 relations order, the plan shall hold the segregated funds during the cure  
11 period to allow the parties to submit a certified copy of an amended  
12 domestic relations order and a written request for a determination that  
13 the amended domestic relations order is a plan approved domestic relations  
14 order. During the cure period, the plan shall pay the participant's  
15 portion to the participant. At the end of the cure period, if the issue  
16 of whether an amended domestic relations order qualifies as a plan  
17 approved domestic relations order remains undetermined or if an amended  
18 domestic relations order is determined not to be a plan approved domestic  
19 relations order, the plan shall pay the segregated funds and the  
20 participant's portion to the participant. The participant shall hold the  
21 segregated funds in trust for the alternate payee as provided in  
22 subsection J OF THIS SECTION. If an amended domestic relations order that  
23 is submitted after the expiration of the cure period is determined to be a  
24 plan approved domestic relations order, the plan shall make payments to an  
25 alternate payee under the plan approved domestic relations order only  
26 prospectively. A determination by the plan that a domestic relations  
27 order is not a plan approved domestic relations order does not prohibit a  
28 participant or alternate payee from submitting an amended domestic  
29 relations order to the plan.

30 E. Each participant and alternate payee is responsible for  
31 maintaining a current mailing address on file with the plan. The plan has  
32 no duty to attempt to locate any participant or alternate payee. The plan  
33 has no duty to provide a notice of receipt or determination or pay  
34 benefits by means other than mailing the notice or payments to the  
35 participant or alternate payee at the last known address that is on file  
36 with the plan. If the address of an alternate payee is unknown to the  
37 plan, but benefits are payable to the alternate payee pursuant to a plan  
38 approved domestic relations order, the plan shall either:

39 1. Hold the alternate payee's portion until ~~such a time as~~ the  
40 alternate payee provides the plan with a current address. Once the plan  
41 is notified of the alternate payee's current address, the plan shall  
42 prospectively pay the alternate payee's portion to the alternate payee.

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

1 that time, the participant shall pay the alternate payee's portion  
2 directly to 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  
18 authorized to receive payments designated for the deceased alternate  
19 payee.

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

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

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

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

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

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

37 J. The plan is not liable to the participant, the alternate payee,  
38 any personal representative of the estate of an alternate payee or any  
39 other person for any amount paid, withheld or disbursed by the plan  
40 pursuant to this section. If one or more payments are made by the plan to  
41 a person not otherwise entitled to receive the payments, the recipient of  
42 the payment is designated a constructive trustee for the payment received  
43 and, together with the marital community, if any, is the sole party  
44 against whom an action may be brought to recover the payment.

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

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

5 38-860. Domestic relations orders; procedures; payments

6 A. Notwithstanding any other law, in a judicial proceeding for  
7 annulment, dissolution of marriage or legal separation that provides for  
8 the distribution of community property, or in any judicial proceeding to  
9 amend or enforce such a property distribution, a court in this state may  
10 issue a domestic relations order that provides that all or any part of a  
11 participant's benefit or refund in the system that would otherwise be  
12 payable to that participant shall instead be paid by the system to an  
13 alternate payee. **THE VALUE OF A PARTICIPANT'S BENEFIT SHALL BE THE VALUE  
14 ON THE EARLIEST DATE OF SERVICE OF THE PETITION FOR ANNULMENT, DISSOLUTION  
15 OF MARRIAGE OR LEGAL SEPARATION.**

16 B. A domestic relations order is not effective against the system  
17 unless the domestic relations order is approved by the system and  
18 qualifies as a plan approved domestic relations order. To qualify as a  
19 plan approved domestic relations order, a domestic relations order shall  
20 comply with any policies or procedures adopted pursuant to subsection K OF  
21 **THIS SECTION** and shall also meet all of the following requirements:

22 1. The domestic relations order shall state the name and the last  
23 known mailing address of the participant and the name and last known  
24 mailing address of the alternate payee that is covered by the domestic  
25 relations order.

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

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

32 4. The domestic relations order shall state that the domestic  
33 relations order applies to the system.

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

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

39 7. The domestic relations order shall not require the payment of  
40 benefits to an alternate payee if the benefits are required to be paid to  
41 another alternate payee under a separate plan approved domestic relations  
42 order.

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

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

7 D. The system 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 system can determine  
11 the amount of the benefits that currently would be payable to the  
12 alternate payee if the domestic relations order were a plan approved  
13 domestic relations order, the system shall hold the segregated funds and  
14 shall pay the remaining portion of the benefits to the participant. If  
15 the system determines the domestic relations order is a plan approved  
16 domestic relations order, the system shall pay the participant and  
17 alternate payee pursuant to the plan approved domestic relations order in  
18 the month following the month in which the determination was issued, or  
19 in the month following the month in which a benefit is payable under the  
20 plan approved domestic relations order, whichever is later. If the system  
21 determines the domestic relations order fails to qualify as a plan  
22 approved domestic relations order, the system shall specify in its  
23 determination how the domestic relations order is deficient and how it may  
24 be amended to qualify as a plan approved domestic relations order. If the  
25 participant is currently receiving benefits, and if the system can  
26 determine the amount of segregated funds that would be payable to the  
27 alternate payee if the domestic relations order were a plan approved  
28 domestic relations order, the system shall hold the segregated funds  
29 during the cure period to allow the parties to submit a certified copy of  
30 an amended domestic relations order and a written request for a  
31 determination that the amended domestic relations order is a plan approved  
32 domestic relations order. During the cure period, the system shall pay the  
33 participant's portion to the participant. At the end of the cure period,  
34 if the issue of whether an amended domestic relations order qualifies as a  
35 plan approved domestic relations order remains undetermined or if an  
36 amended domestic relations order is determined not to be a plan approved  
37 domestic relations order, the system shall pay the segregated funds and  
38 the participant's portion to the participant. The participant shall hold  
39 the segregated funds in trust for the alternate payee as provided in  
40 subsection J OF THIS SECTION. If an amended domestic relations order that  
41 is submitted after the expiration of the cure period is determined to be a  
42 plan approved domestic relations order, the system shall make payments to  
43 an alternate payee under the plan approved domestic relations order only  
44 prospectively. A determination by the system that a domestic relations  
45 order is not a plan approved domestic relations order does not prohibit a



1 participant or alternate payee from submitting an amended domestic  
2 relations order to the system.

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

12 1. Hold the alternate payee's portion until ~~such a time as~~ the  
13 alternate payee provides the system with a current address. Once the  
14 system is notified of the alternate payee's current address, the system  
15 shall prospectively pay the alternate payee's portion to the alternate  
16 payee.

17 2. Pay the alternate payee's portion to the participant, who shall  
18 hold the alternate payee's portion in trust as provided in subsection J OF  
19 THIS SECTION, until ~~such a time as~~ the alternate payee is located. At  
20 that time, the participant shall pay the alternate payee's portion  
21 directly to the alternate payee.

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

26 G. If the alternate payee identified in a plan approved domestic  
27 relations order predeceases the participant and the plan approved domestic  
28 relations order does not otherwise provide for the disposition of the  
29 alternate payee's interest, the system shall pay the alternate payee's  
30 portion to the personal representative of the deceased alternate payee  
31 pursuant to this subsection. The personal representative is responsible  
32 for maintaining a current mailing address on file with the system. The  
33 system has no duty to attempt to locate any personal representative. The  
34 system is not responsible for making benefit payments to a personal  
35 representative until the personal representative has both:

36 1. Persuaded the system that the personal representative is  
37 authorized to receive payments designated for the deceased alternate  
38 payee.

39 2. Provided the system with an address to which the payments should  
40 be sent.

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

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

4           2. Remit the alternate payee's portion to the participant, who  
5 shall hold the amounts in trust for the estate of the alternate payee  
6 until the personal representative is identified. At that time, the  
7 participant shall pay the alternate payee's portion paid by the system to  
8 the participant to the personal representative.  
9 Thereafter, the plan shall prospectively pay the alternate payee's portion  
10 to the personal representative.

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

13           J. The system is not liable to the participant, the alternate  
14 payee, any personal representative of the estate of an alternate payee or  
15 any other person for any amount paid, withheld or disbursed by the system  
16 pursuant to this section. If one or more payments are made by the system  
17 to a person not otherwise entitled to receive the payments, the recipient  
18 of the payment is designated a constructive trustee for the payment  
19 received and, together with the marital community, if any, is the sole  
20 party against whom an action may be brought to recover the payment.

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

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

25           38-910. Domestic relations orders; procedures; payments

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

36           B. A domestic relations order is not effective against the plan  
37 unless the domestic relations order is approved by the plan and qualifies  
38 as a plan approved domestic relations order. To qualify as a plan  
39 approved domestic relations order, a domestic relations order shall comply  
40 with any policies or procedures adopted pursuant to subsection K **OF THIS  
41 SECTION** and shall also meet all of the following requirements:

42           1. The domestic relations order shall state the name and the last  
43 known mailing address of the participant and the name and last known  
44 mailing address of the alternate payee that is covered by the domestic  
45 relations order.

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

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

7           4. The domestic relations order shall state that the domestic  
8 relations order applies to the plan.

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

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

14           7. The domestic relations order shall not require the payment of  
15 benefits to an alternate payee if the benefits are required to be paid to  
16 another alternate payee under a separate plan approved domestic relations  
17 order.

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

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

27           D. The plan has a determination period to issue a written  
28 determination indicating whether a domestic relations order qualifies as a  
29 plan approved domestic relations order. If the participant is receiving  
30 benefits during the determination period, and if the plan can determine  
31 the amount of the benefits that currently would be payable to the  
32 alternate payee if the domestic relations order were a plan approved  
33 domestic relations order, the plan shall hold the segregated funds and  
34 shall pay the remaining portion of the benefits to the participant. If  
35 the plan determines the domestic relations order is a plan approved  
36 domestic relations order, the plan shall pay the participant and alternate  
37 payee pursuant to the plan approved domestic relations order in the month  
38 following the month in which the determination was issued, or in the  
39 month following the month in which a benefit is payable under the plan  
40 approved domestic relations order, whichever is later. If the plan  
41 determines the domestic relations order fails to qualify as a plan  
42 approved domestic relations order, the plan shall specify in its  
43 determination how the domestic relations order is deficient and how it may  
44 be amended to qualify as a plan approved domestic relations order. If the  
45 participant is currently receiving benefits, and if the plan can

1 determine the amount of segregated funds that would be payable to the  
2 alternate payee if the domestic relations order were a plan approved  
3 domestic relations order, the plan shall hold the segregated funds during  
4 the cure period to allow the parties to submit a certified copy of an  
5 amended domestic relations order and a written request for a determination  
6 that the amended domestic relations order is a plan approved domestic  
7 relations order. During the cure period, the plan shall pay the  
8 participant's portion to the participant. At the end of the cure period,  
9 if the issue of whether an amended domestic relations order qualifies as a  
10 plan approved domestic relations order remains undetermined or if an  
11 amended domestic relations order is determined not to be a plan approved  
12 domestic relations order, the plan shall pay the segregated funds and the  
13 participant's portion to the participant. The participant shall hold the  
14 segregated funds in trust for the alternate payee as provided in  
15 subsection J OF THIS SECTION. If an amended domestic relations order that  
16 is submitted after the expiration of the cure period is determined to be a  
17 plan approved domestic relations order, the plan shall make payments to an  
18 alternate payee under the plan approved domestic relations order only  
19 prospectively. A determination by the plan that a domestic relations  
20 order is not a plan approved domestic relations order does not prohibit a  
21 participant or alternate payee from submitting an amended domestic  
22 relations order to the plan.

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

32 1. Hold the alternate payee's portion until ~~such a time as~~ the  
33 alternate payee provides the plan with a current address. Once the plan  
34 is notified of the alternate payee's current address, the plan shall  
35 prospectively pay the alternate payee's portion to the alternate payee.

36 2. Pay the alternate payee's portion to the participant, who shall  
37 hold the alternate payee's portion in trust as provided in subsection J OF  
38 THIS SECTION, until ~~such a time as~~ the alternate payee is located. At  
39 that time, the participant shall pay the alternate payee's portion  
40 directly to the alternate payee.

41 F. If the address of a participant is unknown to the plan, but  
42 benefits are payable to the participant pursuant to a plan approved  
43 domestic relations order, the plan shall hold the participant's portion  
44 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  
12 authorized to receive payments designated for the deceased alternate  
13 payee.

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

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

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

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

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

31 J. The plan is not liable to the participant, the alternate payee,  
32 any personal representative of the estate of an alternate payee or any  
33 other person for any amount paid, withheld or disbursed by the plan  
34 pursuant to this section. If one or more payments are made by the plan to  
35 a person not otherwise entitled to receive the payments, the recipient of  
36 the payment is designated a constructive trustee for the payment received  
37 and, together with the marital community, if any, is the sole party  
38 against whom an action may be brought to recover the payment.

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

APPROVED BY THE GOVERNOR APRIL 11, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2023.