

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 735, Page 1, Section A, Line 5, by
2 inserting after all of said section and line the following:

3
4 "50.1175. The right of a person to an annuity, pension benefit, funds, retirement allowance,
5 right to a return on accumulated contributions, allowance options, property, or right created by or
6 accrued, accruing or paid to any person pursuant to sections 50.1000 to 50.1300, including any
7 defined contribution account created pursuant to sections 50.1210 to 50.1260 and any deferred
8 compensation plan created pursuant to section 50.1300 shall not be subject to execution,
9 garnishment, attachment, writ of sequestration, the operation of bankruptcy or insolvency laws, a
10 qualified domestic relations order as defined in 26 U.S.C. Section 414(p) or 29 U.S.C. Section
11 1056(d), or any other domestic relations order or to any other claim or process of law whatsoever
12 except for the collection of child support and maintenance after a member begins receiving
13 payments, or, effective January 1, 2017, a domestic relations order issued under this section, and
14 shall be unassignable except as specifically provided in sections 50.1000 to 50.1300. A court of
15 competent jurisdiction may issue a domestic relations order dividing benefits and providing for
16 survivor benefits created under sections 50.1000 to 50.1300 between the parties to a dissolution of
17 marriage action if the court finds that it would be in the best interests of at least one of the parties to
18 issue a domestic relations order and such order complies with rules adopted by the board relating to
19 the division of benefits pursuant to a marital dissolution. The board shall adopt rules relating to the
20 division of benefits no later than December 31, 2016.

21 70.695. The right of a person to an allowance, to the return of accumulated contributions,
22 the allowance itself, any allowance option, and any other right accrued or accruing under the
23 provisions of sections 70.600 to 70.755, and all moneys belonging to the system shall not be subject
24 to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or to any
25 other process of law whatsoever, and shall be unassignable, except as is specifically provided in
26 sections 70.600 to 70.755; except that:

27 (1) Any political subdivision shall have the right of setoff for any claim arising from
28 embezzlement by or fraud of a member, retirant, or beneficiary;

29 (2) Such rights shall not be exempt from attachment or execution in a proceeding instituted
30 for the support and maintenance of children. In all such actions described in this subdivision, the
31 system shall be entitled to collect a fee of up to twenty dollars chargeable against the person for
32 each delinquent attachment, execution, sequestration or garnishment payment; [and]

33 (3) A retirant may authorize the board to have deducted from his or her allowance the
34 payments required of him or her to provide for health insurance or long-term care insurance
35 premiums in accordance with Section 402 of the Internal Revenue Code of 1986, as amended; and

36 (4) A division of benefits order in accordance with section 70.696 shall be recognized.

Standing Action Taken _____ Date _____

Select Action Taken _____ Date _____

1 70.696. 1. Any pension, annuity, life allowance, benefit, or right provided under this
 2 chapter is marital property and after January 1, 2017, a court of competent jurisdiction may divide
 3 the pension, annuity, life allowance, benefit, or right provided under this chapter between the parties
 4 to any action for dissolution of marriage. A division of benefits order under this section:

5 (1) Shall not require the system to provide any form or type of allowance or payment option
 6 not selected by the member and not normally made available by the system;

7 (2) Shall not require the system to commence payments until the member submits a valid
 8 application for an allowance and the allowance becomes payable in accordance with the application;

9 (3) Shall identify the monthly amount to be paid to the alternate payee, which shall be
 10 expressed as a percentage; and which shall be based on the member's vested life allowance on the
 11 date of the dissolution of marriage or an earlier date as specified in the order and shall be paid solely
 12 as a monthly life allowance, or which amount shall be adjusted proportionately if the member's life
 13 allowance is reduced due to early retirement under section 70.670, or under an allowance option in
 14 which the member named the alternate payee as an irrevocable beneficiary prior to the dissolution
 15 of marriage, or under section 70.660, and the percentage established shall be applied to the pro rata
 16 portion of any lump sum distribution under sections 70.676 accrued during the time while the
 17 member and alternate payee were married;

18 (4) Shall not require the payment of an allowance amount to the member and alternate
 19 payee which in total exceeds the amount which the member would have received without regard to
 20 the order;

21 (5) Shall provide that any benefit formula increases, additional years of credited service,
 22 increased average compensation, or other type of increases accrued after the date of the dissolution
 23 of marriage shall accrue solely to the benefit of the member; except that, on or after January 1,
 24 2017, any annual benefit increase under subsections 7 to 10 of section 70.655 shall not be
 25 considered to be an increase accrued after the date of termination of marriage and shall be part of
 26 the monthly amount subject to division pursuant to any order issued after January 1, 2017;

27 (6) Shall terminate upon the death of either the member or the alternate payee, whichever
 28 occurs first;

29 (7) Shall not create an interest which is assignable or subject to any legal process;

30 (8) Shall include the name, address, date of birth, and any other identifying information of
 31 both the member and the alternate payee as may be required by the system and the identity of the
 32 retirement system to which it applies;

33 (9) Shall be consistent with any other division of benefits orders that are applicable to the
 34 same member;

35 (10) Shall be payable the first calendar month after receipt of a valid division of benefits
 36 order from a court of competent jurisdiction if such order is received prior to the fifteenth of the
 37 preceding month; and

38 (11) Shall not require the retirement system to continue payments to the alternate payee if
 39 the member's retirement benefit is suspended as provided by this chapter or is forfeited pursuant to
 40 applicable law, but such payments shall resume when the retiree begins to receive retirement
 41 benefits in the future.

42 2. A system established by this chapter shall provide the court having jurisdiction of a
 43 dissolution of marriage proceeding or the parties to the proceeding with information necessary to
 44 issue a division of benefits order concerning a member of the system upon written request from the
 45 court, the member, or the member's spouse which cites this section and identifies the case number
 46 and parties.

47 3. Any retirement plan otherwise exempt from a qualified domestic relations order under
 48 federal law and not included in the provisions of this section or sections 104.312 or 104.1051 shall,

1 beginning January 1, 2017, recognize qualified domestic relations orders issued by a court of
2 competent jurisdiction in the state in the same manner as nonexempt retirement plans; provided that
3 this subsection shall not apply to a retirement plan established under chapter 169, RSMo."; and
4

5 Further amend said bill by amending the title, enacting clause, and intersectional references
6 accordingly.