5/8/95

- SUBJECT: Modifying final divorce or annulment orders COMMITTEE: Juvenile Justice and Family Issues — committee substitute recommended VOTE: 9 ayes — Goodman, Cook, Brady, H. Cuellar, De La Garza, Naishtat, Puente, Van de Putte, Williamson 0 nays WITNESSES: None BACKGROUND: The federal Employee Retirement Income Security Act (ERISA) of 1974 provides for division of pension plans for couples who divorce under a QDRO, Qualified Domestic Relations Order. For couples who divorced prior to the act, attorneys may ask the court to clarify and modify the original order for the division of the retirement plan to be a QDRO. Individuals usually face long delays in getting QDROs approved by companies. In addition, only the Government Code expressly authorizes a trial court to amend orders related to state pensions. Finally the court needs authority to resolve issues when plans are merged after an order has been entered. DIGEST: CSHB 603 would add a section to the Family Code authorizing a court that has already rendered a final order in a divorce or annulment that provides for the division of a beneficial interest in a pension or other retirement plan to clarify or modify the final order by rendering a Qualified Domestic Relations Order, as defined by the Internal Revenue Code, for the purpose of complying with provisions of ERISA that are applicable to the property division. The bill would take effect on September 1, 1995.
- NOTES: The committee substitute changed the phrase "final divorce decree" with "final divorce order."