H. R. 1111

To amend title 10, United States Code, to revise the rules relating to the court-ordered apportionment of the retired pay of members of the uniformed services to former spouses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

March 6, 2003

Mr. Ballenger (for himself, Mr. Andrews, Mr. Sandlin, Mr. Souder, Mr. Beauprez, Mr. Goode, Mr. Grijalva, Mr. Lahood, Mrs. Myrick, Mr. Cunningham, and Mr. Hostettler) introduced the following bill; which was referred to the Committee on Armed Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 10, United States Code, to revise the rules relating to the court-ordered apportionment of the retired pay of members of the uniformed services to former spouses, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the "Uniformed Services
- 5 Divorce Equity Act of 2003".

1 SEC. 2. PROPORTIONATE DIVISION OF RETIRED PAY FOR

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2	FORMER SPOUSES.
3	Section 1408(c) of title 10, United States Code, is
4	amended by adding at the end the following new para-
5	graph:
6	"(5)(A) In the case of a court order issued on or after
7	the date of the enactment of the Uniformed Services Di-
8	vorce Equity Act of 2003 in which the court, pursuant
9	to paragraph (1), provides for treatment of the disposable
10	retired pay of a member as property of the member and
11	the member's spouse, the court (unless otherwise expressly
12	provided for by a spousal agreement) shall award the
13	spouse or former spouse a share of such retired pay as
14	follows:
15	"(i) If the spouse or former spouse was married
16	to the member throughout the service of the member
17	that is creditable for computation of retired pay, a
18	share equal to 50 percent of the disposable retired
19	pay of the member.
20	"(ii) If the spouse or former spouse was not
21	married to the member throughout the service of the
22	member that is creditable for computation of retired
23	pay, a share equal to that proportion of 50 percent
24	of the disposable retired pay of the member that is

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the proportion that—

1	"(I) the number of days of the marriage of
2	the former spouse to the participant during pe-
3	riods of such creditable service bears to the
4	total number of days of such creditable services
5	or
6	"(II) in the case of a member for whom re-
7	tired pay is payable under chapter 1223 of this
8	title, the number of points credited under sec-
9	tion 12733 of this title for computation of the
10	member's retired pay that accrued during the
11	period of marriage bears to the total number of
12	points credited under that section for computa-
13	tion of the member's retired pay.
14	"(B) In subparagraph (A), the term 'spousal agree-
15	ment' means an agreement between a member and the
16	member's spouse or former spouse that—
17	"(i) is in writing, is signed by the parties,
18	and is notarized; and
19	"(ii) has not been modified by court
20	order.".
21	SEC. 3. DURATION OF PAYMENT OF RETIRED PAY TO
22	FORMER SPOUSES.
23	(a) Limitation.—Section 1408(c) of title 10, United
24	States Code, is amended by adding after paragraph (5)
25	as added by section 2, the following new paragraph:

- 1 "(6)(A) If the period of the marriage during which
- 2 time the member was qualifying for retired pay through
- 3 military service is less than 240 months, payments under
- 4 paragraph (1) shall be made by the member to the former
- 5 spouse for a period equal to the number of months of the
- 6 marriage during which time the member was qualifying
- 7 for retired pay through military service, except that, in
- 8 the case of payments made pursuant a court order of di-
- 9 vorce, dissolution, annulment, or legal separation issued
- 10 after the date of the enactment of Uniformed Services Di-
- 11 vorce Equity Act of 2003, such payments shall terminate
- 12 upon the remarriage of the former spouse, if such remar-
- 13 riage occurs before the end of such period.
- 14 "(B) If the period of the marriage during which time
- 15 the member was qualifying for retired pay through mili-
- 16 tary service is 240 months or more, payments under para-
- 17 graph (1) shall terminate in accordance with the terms
- 18 of the applicable court order, but not later than the date
- 19 of the death of the member or the date of the death of
- 20 the spouse or former spouse to whom payments are being
- 21 made, whichever occurs first.".
- 22 (b) Termination of Department of Defense
- 23 Payments.—Section 1408(d)(4) of such title is amend-
- 24 ed—
- 25 (1) by inserting "(A)" after "(4)"; and

(2) by adding at the end the following:
"(B) In the case of payments from the disposable re-
tired pay of a member pursuant to this section that are
subject to termination by reason of subsection (c)(6)(A)
the Secretary concerned shall terminate such payments—
"(i) upon written request of the member, if in-
formation in possession of the Secretary or provided
by the member is sufficient for the Secretary to con-
clude that the provisions for termination under sub-
section (c)(6)(A) are satisfied; or
"(ii) upon effective service of a court order
modifying the court order under which the payments
to the member's spouse or former spouse have been
made.".
(c) Transition Provision.—
(1) Marriages terminated before enact-
MENT.—With respect to a court order issued before
the date of the enactment of this Act, if the length
of the marriage before the court order during which
time the member was qualifying for retired pay
through military service was less than 240 months—
(A) if payments by the member to the
spouse or former spouse as of the date of the
enactment of this Act have been made for less

than the number of months of the marriage

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during which time the member was qualifying for retired pay through military service, payments shall continue in the amount specified in the court order until such payments have been made for the number of months of the marriage during which time the members was qualifying for retired pay through military service, but in no event shall such payments terminate by reason of this paragraph sooner than the end of the 24-month period beginning on the date of the enactment of this Act; and

- (B) if payments by the member to the former spouse as of the date of the enactment of this Act have been made for a period equal to or greater than the number of months of the marriage during which time the member was qualifying for retired pay through military service, payments shall terminate 24 months after the date of the enactment of this Act, unless sooner terminated under some other provision of law.
- (2) APPLICABILITY OF DOD TERMINATION PRO-VISIONS.—Subparagraph (B) of subsection (d)(4) of section 1408 of title 10, United States Code, as added by subsection (b), shall apply to the provisions

- 1 of paragraph (1) of this subsection in the same man-
- 2 ner as to subsection (c)(6)(A) of such section 1408,
- as added by subsection (a).
- 4 (3) Court order defined.—In this sub-
- 5 section, the term "court order" has the meaning
- 6 given that term in section 1408(a)(2) of title 10,
- 7 United States Code.
- 8 SEC. 4. AWARD OF RETIRED PAY TO BE BASED ON RETIR-
- 9 EE'S LENGTH OF SERVICE AND PAY GRADE
- 10 **AT TIME OF DIVORCE.**
- 11 Section 1408(c) of title 10, United States Code, is
- 12 amended by adding after paragraph (6), as added by sec-
- 13 tion 3(a), the following new paragraph:
- 14 "(7) In the case of a member as to whom a final de-
- 15 cree of divorce, dissolution, annulment, or legal separation
- 16 is issued on or after the date of the enactment of the Uni-
- 17 formed Services Divorce Equity Act of 2003 and before
- 18 the date when the member begins to receive retired pay,
- 19 the disposable retired pay of the member that a court may
- 20 treat in the manner described in paragraph (1) shall be
- 21 computed based on the pay grade and the length of service
- 22 of the member while married to the spouse or former
- 23 spouse that are creditable toward entitlement to basic pay
- 24 and to retired pay as of the date of the final decree.
- 25 Amounts so calculated shall be increased by the cumu-

1	lative percentage of increases in retired pay between the
2	date of the final decree and the effective date of the mem-
3	ber's retirement.".
4	SEC. 5. PROHIBITION ON COURT ORDERING PAYMENTS BE-
5	FORE RETIREMENT BASED ON IMPUTATION
6	OF RETIRED PAY.
7	Section 1408(c)(3) of title 10, United States Code,
8	is amended—
9	(1) by inserting "(A)" after "(3)"; and
10	(2) by adding at the end the following:
11	"(B) After the date of the enactment of the Uni-
12	formed Services Divorce Equity Act of 2003, a court may
13	not order a member to make payments to a spouse or
14	former spouse before the date of the member's retirement
15	based upon an imputation of a property interest in future
16	retired pay.".
17	SEC. 6. LIMITATION ON TIME FOR SEEKING DIVISION OF
18	RETIRED PAY.
19	(a) In General.—Section 1408(c)(4) of title 10,
20	United States Code, is amended—
21	(1) by inserting "(A)" after "(4)"; and
22	(2) by adding at the end the following new sub-
23	paragraph:
24	"(B) In order to be eligible to receive payments from
25	the disposable retired pay of a member in the manner de-

- 1 scribed in paragraph (1), the member's spouse or former
- 2 spouse must obtain a court order for the treatment of the
- 3 disposable retired pay of the member as property of the
- 4 member and the member's spouse not later than two years
- 5 after the date of a final decree of divorce, dissolution, an-
- 6 nulment, or legal separation, including a court ordered,
- 7 ratified, or approved property settlement incident to such
- 8 a decree.".
- 9 (b) Prospective Application.—The amendment
- 10 made by subsection (a) shall apply with respect to final
- 11 decrees of divorce, dissolution, annulment, or legal separa-
- 12 tion issued on or after the date of the enactment of this
- 13 Act.
- (c) Implementation.—With respect to payments to
- 15 a spouse or former spouse from a member's disposable re-
- 16 tired pay pursuant to a final decree of divorce, dissolution,
- 17 annulment, or legal separation issued before the date of
- 18 the enactment of this Act, if more than two years have
- 19 elapsed between the date of the final decree of divorce,
- 20 dissolution, annulment, or legal separation and the
- 21 issuance of a court order for the apportionment of the dis-
- 22 posable retired pay of a member, a court may not order
- 23 that payments of retired pay to a former spouse be made
- 24 retroactive to the date of the final decree of divorce, dis-
- 25 solution, annulment, or legal separation.

1	SEC. 7. TERMINATION OF LIABILITY FOR PAYMENTS TO
2	FORMER SPOUSES.
3	Subsection 1408(d)(4)(A) of title 10, United States
4	Code, as redesignated by section 3(b)(1), is amended by
5	inserting "and liability therefor" after "section".
6	SEC. 8. PROHIBITION ON APPORTIONMENT OF DISABILITY
7	PAY.
8	(a) In General.—Subsection 1408(e)(4) of title 10,
9	United States Code, is amended by adding at the end the
10	following new subparagraph:
11	"(C) Notwithstanding any other provision of law, a
12	court may not treat as part of the disposable retired pay
13	of a member under this section or as part of amounts to
14	be paid by a member pursuant to legal processes under
15	section 459 of the Social Security Act (42 U.S.C. 659)
16	for the purpose of alimony payments to a former spouse,
17	amounts that—
18	"(i) are deducted from the retired pay of such
19	member as a result of a waiver of retired pay re-
20	quired by law in order to receive disability com-
21	pensation under title 38; or
22	"(ii) in the case of a member entitled to retired
23	pay under chapter 61 of this title, are equal to the
24	amount of retired pay of the member under that
25	chapter computed using the percentage of the mem-
26	ber's disability on the date when the member was re-

1	tired (or the date on which the member's name was
2	placed on the temporary disability list).".
3	(b) Amendments to Social Security Act.—Sec-
4	tion 459(h) of the Social Security Act (42 U.S.C. 659(h))
5	is amended—
6	(1) in paragraph (1)(A)(ii)(V), by striking all
7	that follows "Armed Forces" and inserting a semi-
8	colon; and
9	(2) by adding at the end the following new
10	paragraph:
11	"(3) Limitations with respect to com-
12	PENSATION PAID TO VETERANS FOR SERVICE-CON-
13	NECTED DISABILITIES.—Notwithstanding any other
14	provision of this subsection—
15	"(A) compensation described in paragraph
16	(1)(A)(ii)(V) shall not be subject to withholding
17	pursuant to this section—
18	"(i) for payment of alimony; or
19	"(ii) for payment of child support if
20	the individual is fewer than 60 days in ar-
21	rears in payment of the support; and
22	"(B) not more than 50 percent of any pay-
23	ment of compensation described in paragraph
24	(1)(A)(ii)(V) may be withheld pursuant to this
25	section "

- 1 (c) Effective Date.—The amendments made by 2 subsections (a) and (b) shall apply to court orders and 3 legal processes issued on or after June 25, 1981. In the 4 case of a court order or legal process issued before the 5 date of the enactment of this Act, such amendments shall apply only with respect to retired pay payable for months 6 beginning on or after the date of the enactment of this 8 Act. SEC. 9. TECHNICAL CORRECTIONS. 10 (a) Gender-Neutral References.—Section 1408 of title 10, United States Code, is amended as follows: 12 (1) Subsection (c)(1) is amended by striking "the member and his spouse" and inserting "the 13 14 member and the member's spouse". 15 (2) Subsection (c)(4)(A) is amended by striking "his" each place it appears and inserting "the mem-16 17 ber's". 18 (3) Subsection (d)(5) is amended by striking "the member and his spouse" and inserting "the 19 20 member and the member's spouse".
- 21 (4) Subsection (g) is amended by striking "his"
- and inserting "the member's".
- 23 (b) Date of Enactment Reference.—Subsection
- 24 (d)(6) of such section is amended by striking "on or after

- 1 the date of the enactment of this paragraph" and inserting
- 2 "after August 21, 1996,".
- 3 (c) Subsection Caption.—The heading for sub-
- 4 section (e) of such section is amended to read as follows:
- 5 "Multiple Court Orders.—".

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