P.L.2014, CHAPTER 42, *approved September 10, 2014* Assembly Committee Substitute for Assembly, Nos. 845, 971, and 1649

1 AN ACT concerning alimony and amending N.J.S.2A:34-23. 2 3 **BE IT ENACTED** by the Senate and General Assembly of the State 4 of New Jersey: 5 6 1. N.J.S.2A:34-23 is amended to read as follows: 7 2A:34-23. Alimony, maintenance. 8 Pending any matrimonial action or action for dissolution of a 9 civil union brought in this State or elsewhere, or after judgment of 10 divorce or dissolution or maintenance, whether obtained in this 11 State or elsewhere, the court may make such order as to the alimony 12 or maintenance of the parties, and also as to the care, custody, 13 education and maintenance of the children, or any of them, as the 14 circumstances of the parties and the nature of the case shall render 15 fit, reasonable and just, and require reasonable security for the due observance of such orders, including, but not limited to, the creation 16 17 of trusts or other security devices, to assure payment of reasonably 18 foreseeable medical and educational expenses. Upon neglect or 19 refusal to give such reasonable security, as shall be required, or 20 upon default in complying with any such order, the court may 21 award and issue process for the immediate sequestration of the 22 personal estate, and the rents and profits of the real estate of the 23 party so charged, and appoint a receiver thereof, and cause such 24 personal estate and the rents and profits of such real estate, or so 25 much thereof as shall be necessary, to be applied toward such 26 alimony and maintenance as to the said court shall from time to 27 time seem reasonable and just; or the performance of the said orders 28 may be enforced by other ways according to the practice of the 29 court. Orders so made may be revised and altered by the court from 30 time to time as circumstances may require. 31 The court may order one party to pay a retainer on behalf of the other for expert and legal services when the respective financial

32 33 circumstances of the parties make the award reasonable and just. In 34 considering an application, the court shall review the financial 35 capacity of each party to conduct the litigation and the criteria for 36 award of counsel fees that are then pertinent as set forth by court 37 rule. Whenever any other application is made to a court which 38 includes an application for pendente lite or final award of counsel 39 fees, the court shall determine the appropriate award for counsel 40 fees, if any, at the same time that a decision is rendered on the other 41 issue then before the court and shall consider the factors set forth in

EXPLANATION – Matter enclosed in **bold-faced** brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

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the court rule on counsel fees, the financial circumstances of the

parties, and the good or bad faith of either party. The court may not

order a retainer or counsel fee of a party convicted of an attempt or

conspiracy to murder the other party to be paid by the party who

was the intended victim of the attempt or conspiracy.

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6 In determining the amount to be paid by a parent for support a. of the child and the period during which the duty of support is 8 owed, the court in those cases not governed by court rule shall 9 consider, but not be limited to, the following factors: 10 (1) Needs of the child; (2) Standard of living and economic circumstances of each 11 12 parent; 13 (3) All sources of income and assets of each parent; 14 (4) Earning ability of each parent, including educational 15 background, training, employment skills, work experience, 16 custodial responsibility for children including the cost of providing 17 child care and the length of time and cost of each parent to obtain 18 training or experience for appropriate employment; 19 (5) Need and capacity of the child for education, including 20 higher education; (6) Age and health of the child and each parent; 21 22 (7) Income, assets and earning ability of the child; (8) Responsibility of the parents for the court-ordered support of 24 others: 25 (9) Reasonable debts and liabilities of each child and parent; and 26 (10) Any other factors the court may deem relevant. The obligation to pay support for a child who has not been 28 emancipated by the court shall not terminate solely on the basis of 29 the child's age if the child suffers from a severe mental or physical 30 incapacity that causes the child to be financially dependent on a 31 parent. The obligation to pay support for that child shall continue 32 until the court finds that the child is relieved of the incapacity or is 33 no longer financially dependent on the parent. However, in 34 assessing the financial obligation of the parent, the court shall 35 consider, in addition to the factors enumerated in this section, the 36 child's eligibility for public benefits and services for people with disabilities and may make such orders, including an order involving 38 the creation of a trust, as are necessary to promote the well-being of 39 the child. 40 As used in this section "severe mental or physical incapacity" shall not include a child's abuse of, or addiction to, alcohol or 41 42 controlled substances. 43 b. In all actions brought for divorce, dissolution of a civil 44 union, divorce from bed and board, legal separation from a partner 45 in a civil union couple or nullity the court may award one or more of the following types of alimony: [permanent] open durational 46 alimony; rehabilitative alimony; limited duration alimony or 47

reimbursement alimony to either party. In so doing the court shall 1 2 consider, but not be limited to, the following factors: 3 (1) The actual need and ability of the parties to pay; 4 (2) The duration of the marriage or civil union; 5 (3) The age, physical and emotional health of the parties; 6 (4) The standard of living established in the marriage or civil 7 union and the likelihood that each party can maintain a reasonably 8 comparable standard of living, with neither party having a greater 9 entitlement to that standard of living than the other; 10 (5) The earning capacities, educational levels, vocational skills, 11 and employability of the parties; 12 (6) The length of absence from the job market of the party 13 seeking maintenance; 14 (7) The parental responsibilities for the children; 15 (8) The time and expense necessary to acquire sufficient education or training to enable the party seeking maintenance to 16 17 find appropriate employment, the availability of the training and 18 employment, and the opportunity for future acquisitions of capital 19 assets and income; 20 (9) The history of the financial or non-financial contributions to the marriage or civil union by each party including contributions to 21 22 the care and education of the children and interruption of personal 23 careers or educational opportunities; 24 (10) The equitable distribution of property ordered and any 25 payouts on equitable distribution, directly or indirectly, out of 26 current income, to the extent this consideration is reasonable, just 27 and fair; 28 (11) The income available to either party through investment of 29 any assets held by that party; 30 (12) The tax treatment and consequences to both parties of any 31 alimony award, including the designation of all or a portion of the 32 payment as a non-taxable payment; 33 (13) The nature, amount, and length of pendente lite support 34 paid, if any; and 35 **[**(13)**]** (14) Any other factors which the court may deem 36 relevant. 37 In each case where the court is asked to make an award of 38 alimony, the court shall consider and assess evidence with respect 39 to all relevant statutory factors. If the court determines that certain 40 factors are more or less relevant than others, the court shall make specific written findings of fact and conclusions of law on the 41 42 reasons why the court reached that conclusion. No factor shall be 43 elevated in importance over any other factor unless the court finds 44 otherwise, in which case the court shall make specific written findings of fact and conclusions of law in that regard. 45 When a share of a retirement benefit is treated as an asset for 46 47 purposes of equitable distribution, the court shall not consider

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income generated thereafter by that share for purposes of 1 2 determining alimony. 3 c. In any case in which there is a request for an award of 4 [permanent] alimony, the court shall consider and make specific 5 findings on the evidence about <u>all of</u> the <u>statutory factors set forth</u> 6 in subsection b. of this section [above factors. If the court 7 determines that an award of permanent alimony is not warranted, 8 the court shall make specific findings on the evidence setting out 9 the reasons therefor. The court shall then consider whether alimony 10 is appropriate for any or all of the following: (1) limited duration; (2) rehabilitative; (3) reimbursement. In so doing, the court shall 11 12 consider and make specific findings on the evidence about factors 13 set forth above. The court shall not award limited duration alimony 14 as a substitute for permanent alimony in those cases where 15 permanent alimony would otherwise be awarded]. For any marriage or civil union less than 20 years in duration, 16 the total duration of alimony shall not, except in exceptional 17 18 circumstances, exceed the length of the marriage or civil union. 19 Determination of the length and amount of alimony shall be made 20 by the court pursuant to consideration of all of the statutory factors 21 set forth in subsection b. of this section. In addition to those 22 factors, the court shall also consider the practical impact of the 23 parties' need for separate residences and the attendant increase in 24 living expenses on the ability of both parties to maintain a standard 25 of living reasonably comparable to the standard of living 26 established in the marriage or civil union, to which both parties are 27 entitled, with neither party having a greater entitlement thereto. 28 Exceptional circumstances which may require an adjustment to 29 the duration of alimony include: 30 (1) The ages of the parties at the time of the marriage or civil 31 union and at the time of the alimony award; 32 (2) The degree and duration of the dependency of one party on 33 the other party during the marriage or civil union; 34 (3) Whether a spouse or partner has a chronic illness or unusual 35 health circumstance; 36 (4) Whether a spouse or partner has given up a career or a career 37 opportunity or otherwise supported the career of the other spouse or 38 partner; 39 (5) Whether a spouse or partner has received a disproportionate 40 share of equitable distribution; 41 (6) The impact of the marriage or civil union on either party's 42 ability to become self-supporting, including but not limited to either 43 party's responsibility as primary caretaker of a child; 44 (7) Tax considerations of either party; 45 (8) Any other factors or circumstances that the court deems 46 equitable, relevant and material.

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1 An award of alimony for a limited duration may be modified 2 based either upon changed circumstances, or upon the 3 nonoccurrence of circumstances that the court found would occur at 4 the time of the award. The court may modify the amount of such an 5 award, but shall not modify the length of the term except in unusual 6 circumstances.

In determining the length of the term, the court shall consider the
length of time it would reasonably take for the recipient to improve
his or her earning capacity to a level where limited duration
alimony is no longer appropriate.

11 d. Rehabilitative alimony shall be awarded based upon a plan 12 in which the payee shows the scope of rehabilitation, the steps to be 13 taken, and the time frame, including a period of employment during 14 which rehabilitation will occur. An award of rehabilitative alimony 15 may be modified based either upon changed circumstances, or upon 16 the nonoccurrence of circumstances that the court found would 17 occur at the time of the rehabilitative award.

18 This section is not intended to preclude a court from modifying19 [permanent] alimony awards based upon the law.

e. Reimbursement alimony 20 may be awarded under 21 circumstances in which one party supported the other through an 22 advanced education, anticipating participation in the fruits of the 23 earning capacity generated by that education. An award of 24 reimbursement alimony shall not be modified for any reason.

f. Except as provided in subsection i., nothing in this section
shall be construed to limit the court's authority to award
[permanent] open durational alimony, limited duration alimony,
rehabilitative alimony or reimbursement alimony, separately or in
any combination, as warranted by the circumstances of the parties
and the nature of the case.

31 g. In all actions for divorce or dissolution other than those 32 where judgment is granted solely on the ground of separation the 33 court may consider also the proofs made in establishing such 34 ground in determining an amount of alimony or maintenance that is 35 fit, reasonable and just. In all actions for divorce, dissolution of 36 civil union, divorce from bed and board, or legal separation from a 37 partner in a civil union couple where judgment is granted on the 38 ground of institutionalization for mental illness the court may 39 consider the possible burden upon the taxpayers of the State as well 40 as the ability of the party to pay in determining an amount of 41 maintenance to be awarded.

h. Except as provided in this subsection, in all actions where a
judgment of divorce, dissolution of civil union, divorce from bed
and board or legal separation from a partner in a civil union couple
is entered the court may make such award or awards to the parties,
in addition to alimony and maintenance, to effectuate an equitable
distribution of the property, both real and personal, which was

legally and beneficially acquired by them or either of them during 1 2 the marriage or civil union. However, all such property, real, 3 personal or otherwise, legally or beneficially acquired during the 4 marriage or civil union by either party by way of gift, devise, or 5 intestate succession shall not be subject to equitable distribution, 6 except that interspousal gifts or gifts between partners in a civil 7 union couple shall be subject to equitable distribution. The court 8 may not make an award concerning the equitable distribution of 9 property on behalf of a party convicted of an attempt or conspiracy 10 to murder the other party.

11 of i. No person convicted Murder. N.J.S.2C:11-3; Manslaughter, N.J.S.2C:11-4; Criminal Homicide, N.J.S.2C:11-2; 12 13 Aggravated Assault, under subsection b. of N.J.S.2C:12-1; or a 14 substantially similar offense under the laws of another jurisdiction, 15 may receive alimony if: (1) the crime results in death or serious 16 bodily injury, as defined in subsection b. of N.J.S.2C:11-1, to a 17 family member of a divorcing party; and (2) the crime was 18 committed after the marriage or civil union. A person convicted of 19 an attempt or conspiracy to commit murder may not receive 20 alimony from the person who was the intended victim of the 21 Nothing in this subsection shall be attempt or conspiracy. 22 construed to limit the authority of the court to deny alimony for 23 other bad acts.

As used in this subsection:

"Family member" means a spouse, child, parent, sibling, aunt,
uncle, niece, nephew, first cousin, grandparent, grandchild, fatherin-law, mother-in-law, son-in-law, daughter-in-law, stepparent,
stepchild, stepbrother, stepsister, half brother, or half sister, whether
the individual is related by blood, marriage or civil union, or
adoption.

j. Alimony may be modified or terminated upon the
 prospective or actual retirement of the obligor.

(1) There shall be a rebuttable presumption that alimony shall
terminate upon the obligor spouse or partner attaining full
retirement age, except that any arrearages that have accrued prior to
the termination date shall not be vacated or annulled. The court may
set a different alimony termination date for good cause shown based
on specific written findings of fact and conclusions of law.

39 <u>The rebuttable presumption may be overcome if, upon</u>
 40 <u>consideration of the following factors and for good cause shown,</u>
 41 <u>the court determines that alimony should continue:</u>

42 (a) The ages of the parties at the time of the application for
43 retirement;

44 (b) The ages of the parties at the time of the marriage or civil
45 union and their ages at the time of entry of the alimony award;

46 (c) The degree and duration of the economic dependency of the

47 recipient upon the payor during the marriage or civil union;

1 (d) Whether the recipient has foregone or relinquished or 2 otherwise sacrificed claims, rights or property in exchange for a 3 more substantial or longer alimony award; 4 (e) The duration or amount of alimony already paid; 5 (f) The health of the parties at the time of the retirement 6 application; 7 (g) Assets of the parties at the time of the retirement 8 application; 9 (h) Whether the recipient has reached full retirement age as 10 defined in this section; 11 (i) Sources of income, both earned and unearned, of the parties; 12 (j) The ability of the recipient to have saved adequately for 13 retirement; and 14 (k) Any other factors that the court may deem relevant. 15 If the court determines, for good cause shown based on specific written findings of fact and conclusions of law, that the 16 17 presumption has been overcome, then the court shall apply the 18 alimony factors as set forth in subsection b. of this section to the 19 parties' current circumstances in order to determine whether modification or termination of alimony is appropriate. If the obligor 20 intends to retire but has not yet retired, the court shall establish the 21 22 conditions under which the modification or termination of alimony 23 will be effective. 24 (2) Where the obligor seeks to retire prior to attaining the full 25 retirement age as defined in this section, the obligor shall have the 26 burden of demonstrating by a preponderance of the evidence that 27 the prospective or actual retirement is reasonable and made in good 28 faith. Both the obligor's application to the court for modification or 29 termination of alimony and the obligee's response to the application 30 shall be accompanied by current Case Information Statements or 31 other relevant documents as required by the Rules of Court, as well 32 as the Case Information Statements or other documents from the 33 date of entry of the original alimony award and from the date of any 34 subsequent modification. 35 In order to determine whether the obligor has met the burden of 36 demonstrating that the obligor's prospective or actual retirement is 37 reasonable and made in good faith, the court shall consider the 38 following factors: 39 (a) The age and health of the parties at the time of the 40 application; 41 (b) The obligor's field of employment and the generally 42 accepted age of retirement for those in that field; 43 (c) The age when the obligor becomes eligible for retirement at 44 the obligor's place of employment, including mandatory retirement 45 dates or the dates upon which continued employment would no 46 longer increase retirement benefits;

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1 (d) The obligor's motives in retiring, including any pressures to 2 retire applied by the obligor's employer or incentive plans offered 3 by the obligor's employer; 4 (e) The reasonable expectations of the parties regarding 5 retirement during the marriage or civil union and at the time of the 6 divorce or dissolution; 7 (f) The ability of the obligor to maintain support payments 8 following retirement, including whether the obligor will continue to 9 be employed part-time or work reduced hours; (g) The obligee's level of financial independence and the 10 11 financial impact of the obligor's retirement upon the obligee; and 12 (h) Any other relevant factors affecting the obligor's decision to 13 retire and the parties' respective financial positions. 14 If the obligor intends to retire but has not yet retired, the court 15 shall establish the conditions under which the modification or 16 termination of alimony will be effective. 17 (3) When a retirement application is filed in cases in which 18 there is an existing final alimony order or enforceable written 19 agreement established prior to the effective date of this act, the obligor's reaching full retirement age as defined in this section shall 20 be deemed a good faith retirement age. Upon application by the 21 22 obligor to modify or terminate alimony, both the obligor's 23 application to the court for modification or termination of alimony 24 and the obligee's response to the application shall be accompanied 25 by current Case Information Statements or other relevant documents as required by the Rules of Court, as well as the Case Information 26 27 Statements or other documents from the date of entry of the original 28 alimony award and from the date of any subsequent modification. 29 In making its determination, the court shall consider the ability of 30 the obligee to have saved adequately for retirement as well as the 31 following factors in order to determine whether the obligor, by a 32 preponderance of the evidence, has demonstrated that modification 33 or termination of alimony is appropriate: (a) The age and health of the parties at the time of the 34 35 application; 36 (b) The obligor's field of employment and the generally 37 accepted age of retirement for those in that field; 38 (c) The age when the obligor becomes eligible for retirement at 39 the obligor's place of employment, including mandatory retirement 40 dates or the dates upon which continued employment would no 41 longer increase retirement benefits; 42 (d) The obligor's motives in retiring, including any pressures to 43 retire applied by the obligor's employer or incentive plans offered 44 by the obligor's employer; 45 (e) The reasonable expectations of the parties regarding 46 retirement during the marriage or civil union and at the time of the 47 divorce or dissolution;

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1 (f) The ability of the obligor to maintain support payments 2 following retirement, including whether the obligor will continue to 3 be employed part-time or work reduced hours; 4 (g) The obligee's level of financial independence and the 5 financial impact of the obligor's retirement upon the obligee; and 6 (h) Any other relevant factors affecting the parties' respective 7 financial positions. 8 (4) The assets distributed between the parties at the time of the 9 entry of a final order of divorce or dissolution of a civil union shall 10 not be considered by the court for purposes of determining the 11 obligor's ability to pay alimony following retirement. 12 k. When a non-self-employed party seeks modification of 13 alimony, the court shall consider the following factors: 14 (1) The reasons for any loss of income; 15 (2) Under circumstances where there has been a loss of 16 employment, the obligor's documented efforts to obtain 17 replacement employment or to pursue an alternative occupation; 18 (3) Under circumstances where there has been a loss of 19 employment, whether the obligor is making a good faith effort to find remunerative employment at any level and in any field; 20 21 (4) The income of the obligee; the obligee's circumstances; and 22 the obligee's reasonable efforts to obtain employment in view of 23 those circumstances and existing opportunities; 24 (5) The impact of the parties' health on their ability to obtain 25 employment; 26 (6) Any severance compensation or award made in connection 27 with any loss of employment; 28 (7) Any changes in the respective financial circumstances of the 29 parties that have occurred since the date of the order from which 30 modification is sought; 31 (8) The reasons for any change in either party's financial 32 circumstances since the date of the order from which modification 33 is sought, including, but not limited to, assessment of the extent to 34 which either party's financial circumstances at the time of the 35 application are attributable to enhanced earnings or financial 36 benefits received from any source since the date of the order; 37 (9) Whether a temporary remedy should be fashioned to provide 38 adjustment of the support award from which modification is sought, 39 and the terms of any such adjustment, pending continuing 40 employment investigations by the unemployed spouse or partner; 41 and 42 (10) Any other factor the court deems relevant to fairly and 43 equitably decide the application. 44 Under circumstances where the changed circumstances arise 45 from the loss of employment, the length of time a party has been 46 involuntarily unemployed or has had an involuntary reduction in 47 income shall not be the only factor considered by the court when an

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1 application is filed by a non-self-employed party to reduce alimony 2 because of involuntary loss of employment. The court shall 3 determine the application based upon all of the enumerated factors, 4 however, no application shall be filed until a party has been 5 unemployed, or has not been able to return to or attain employment 6 at prior income levels, or both, for a period of 90 days. The court 7 shall have discretion to make any relief granted retroactive to the 8 date of the loss of employment or reduction of income. 1. When a self-employed party seeks modification of alimony 9 because of an involuntary reduction in income since the date of the 10 11 order from which modification is sought, then that party's 12 application for relief must include an analysis that sets forth the 13 economic and non-economic benefits the party receives from the 14 business, and which compares these economic and non-economic 15 benefits to those that were in existence at the time of the entry of 16 the order. 17 m. When assessing a temporary remedy, the court may 18 temporarily suspend support, or reduce support on terms; direct that 19 support be paid in some amount from assets pending further 20 proceedings; direct a periodic review; or enter any other order the 21 court finds appropriate to assure fairness and equity to both parties. 22 n. Alimony may be suspended or terminated if the payee 23 cohabits with another person. Cohabitation involves a mutually 24 supportive, intimate personal relationship in which a couple has 25 undertaken duties and privileges that are commonly associated with 26 marriage or civil union but does not necessarily maintain a single 27 common household. 28 When assessing whether cohabitation is occurring, the court shall 29 consider the following: (1) Intertwined finances such as joint bank accounts and other 30 31 joint holdings or liabilities; 32 (2) Sharing or joint responsibility for living expenses; 33 (3) Recognition of the relationship in the couple's social and 34 family circle; 35 (4) Living together, the frequency of contact, the duration of the 36 relationship, and other indicia of a mutually supportive intimate 37 personal relationship; 38 (5) Sharing household chores; 39 (6) Whether the recipient of alimony has received an 40 enforceable promise of support from another person within the meaning of subsection h. of R.S.25:1-5; and 41 42 (7) All other relevant evidence. 43 In evaluating whether cohabitation is occurring and whether 44 alimony should be suspended or terminated, the court shall also 45 consider the length of the relationship. A court may not find an 46 absence of cohabitation solely on grounds that the couple does not live together on a full-time basis. 47

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1 As used in this section: 2 "Full retirement age" shall mean the age at which a person is 3 eligible to receive full retirement for full retirement benefits under 4 section 216 of the federal Social Security Act (42 U.S.C. s.416). 5 (cf: P.L.2009, c.43, s.1) 6 7 2. This act shall take effect immediately and shall not be construed either to modify the duration of alimony ordered or 8 agreed upon or other specifically bargained for contractual 9 provisions that have been incorporated into: 10 11 a. a final judgment of divorce or dissolution; b. a final order that has concluded post-judgment litigation; or 12 13 any enforceable written agreement between the parties. c. 14 15 16 17 18 Establishes durational limits and enumerates certain factors 19 concerning modification and termination of alimony; establishes 20 "open durational" alimony.