A bill to be entitled An act relating to dissolution of marriage; amending s. 61.075, F.S.; redefining the term "marital assets and liabilities" to include the value of the marital portion of the passive appreciation of nonmarital real property; authorizing a court to require security and the payment of a reasonable rate of interest if installment payments are required for the distribution of marital assets and liabilities; requiring the court to provide written findings regarding any installment payments; creating s. 61.0765, F.S.; providing formulas for the calculation of the value of the marital portion of nonmarital real property subject to equitable distribution; requiring the court in the dissolution action to use the formulas unless sufficient evidence is presented showing that the application of the formulas is not equitable; amending s. 61.08, F.S.; revising factors to be considered for alimony awards; revising factors to be considered in whether to award alimony or maintenance; requiring written findings regarding the standard of living of the parties after dissolution of marriage; amending s. 61.14, F.S.; revising provisions relating to the effect of a supportive relationship on an award of alimony; requiring refund of alimony paid and an award of costs and fees if the recipient of alimony denies the existence of a supportive relationship that is later found to exist or denies material facts relating

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to a supportive relationship that are later found to be true; requiring a court to require an obligee to maximize both his or her reasonable potential for rehabilitation and reasonable earning capacity to impute all income to the obligee that could be reasonably earned after achieving maximum rehabilitation and reasonably increasing earning capacity; requiring written findings regarding rehabilitation; amending s. 61.19, F.S.; requiring bifurcation of a dissolution of marriage case if the case is more than 180 days past filing; providing legislative intent; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (a) of subsection (6) and subsection (10) of section 61.075, Florida Statutes, are amended to read: 61.075 Equitable distribution of marital assets and

(6) As used in this section:

(a)1. "Marital assets and liabilities" include:

 a. Assets acquired and liabilities incurred during the marriage, individually by either spouse or jointly by them.

b. The enhancement in value and appreciation of nonmarital assets resulting either from the efforts of either party during the marriage or from the contribution to or expenditure thereon of marital funds or other forms of marital assets, or both.

c. The value of the marital portion of the passive

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liabilities.-

appreciation of nonmarital real property as provided in s. 61.0765(2).

- d.c. Interspousal gifts during the marriage.
- <u>e.d.</u> All vested and nonvested benefits, rights, and funds accrued during the marriage in retirement, pension, profitsharing, annuity, deferred compensation, and insurance plans and programs.
- 2. All real property held by the parties as tenants by the entireties, whether acquired <u>before</u> prior to or during the marriage, shall be presumed to be a marital asset. If, in any case, a party makes a claim to the contrary, the burden of proof shall be on the party asserting the claim that the subject property, or some portion thereof, is nonmarital.
- 3. All personal property titled jointly by the parties as tenants by the entireties, whether acquired <u>before</u> prior to or during the marriage, shall be presumed to be a marital asset. In the event a party makes a claim to the contrary, the burden of proof shall be on the party asserting the claim that the subject property, or some portion thereof, is nonmarital.
- 4. The burden of proof to overcome the gift presumption shall be by clear and convincing evidence.
- (10) (a) To do equity between the parties, the court may, in lieu of or to supplement, facilitate, or effectuate the equitable division of marital assets and liabilities, order a monetary payment in a lump sum or in installments paid over a fixed period of time.
- (b) If installment payments are ordered, the court may require security and a reasonable rate of interest, or otherwise

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| recognize the time value of money in determining the amount of |
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| the installments. If security or interest is required, the cour |
| shall make written findings relating to any deferred payments, |
| the amount of any security required, and the interest. This |
| paragraph does not preclude the application of chapter 55, |
| relating to judgments, to any subsequent default. |

- Section 2. Section 61.0765, Florida Statutes, is created to read:
- 61.0765 Valuation of marital portion of nonmarital real property.—
- (1) (a) The total value of the marital portion of nonmarital real property consists of the sum of the following:
- 1. The value of the active appreciation of the property as described in s. 61.075(6)(a)1.b.
- 2. The amount of the mortgage principal paid from marital funds.
- 3. A portion of any passive appreciation of the property, if the mortgage principal was paid from marital funds.
- (b) The value of the marital portion of nonmarital real property may not exceed the total net equity of the property on the valuation date in the dissolution action.
- (2) The marital portion of the passive appreciation as provided in subparagraph (1)(a)3. is calculated by multiplying the passive appreciation of the property by the marital fraction.
- (a) The passive appreciation of the property is calculated by subtracting all of the following from the value of the property on the valuation date in the dissolution action:

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- 1. The gross value of the property on the date of the marriage or on the date the property was acquired, whichever is later.
- 2. The value of the active appreciation of the property during the marriage as described in s. 61.075(6)(a)1.b.
- 3. The amount of any additional debts secured by the property during the marriage.
- (b) The numerator of the marital fraction consists of the amount of the mortgage principal paid on any mortgage on the property from marital funds. The denominator consists of the value of the property on the date of the marriage, the date of acquisition of the property, or the date the property was first encumbered by a mortgage on which principal was paid from marital funds, whichever is later.
- (3) The court in a dissolution action must apply the formulas provided in this section to determine the value of the marital portion of nonmarital real property subject to equitable dissolution unless a party presents sufficient evidence to establish that the application of these formulas is not equitable under the particular circumstances of the case.
- Section 3. Subsections (7) and (9) of section 61.08, Florida Statutes, are amended to read:
 - 61.08 Alimony.—
- (7) There shall be a presumption in favor of durational alimony over may be awarded when permanent periodic alimony is inappropriate. The purpose of durational alimony is to provide a party with economic assistance for a set period of time following a marriage of short or moderate duration or following

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a marriage of long duration if there is no ongoing need for support on a permanent basis. An award of durational alimony terminates upon the death of either party or upon the remarriage of the party receiving alimony. The amount of an award of durational alimony shall may be modified or terminated based upon a substantial change in circumstances or upon the existence of a supportive relationship in accordance with s. 61.14.

However, The length of an award of durational alimony may not be modified except under exceptional circumstances and may not exceed the length of the marriage.

- (9) Notwithstanding any other law to the contrary, an The award of alimony may not leave the payor with significantly less net income or with a lower standard of living than the net income of the recipient unless there are written findings of exceptional circumstances. The court shall make written findings regarding the relative incomes and standards of living citing to evidence in the record and to this subsection.
- Section 4. Paragraph (b) of subsection (1) of section 61.14, Florida Statutes, is amended, and subsection (12) is added to that section, to read:
- 61.14 Enforcement and modification of support, maintenance, or alimony agreements or orders.—

(1)

(b)1. The court $\underline{\text{must}}$ $\underline{\text{may}}$ reduce or terminate an award of alimony upon specific written findings by the court that since the granting of a divorce and the award of alimony a supportive relationship has existed between the obligee and a person with whom the obligee resides. On the issue of whether alimony should

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be reduced or terminated under this paragraph, the burden is on the obligor to prove by a preponderance of the evidence that a supportive relationship exists.

- 2. In determining whether an existing award of alimony should be reduced or terminated because of an alleged supportive relationship between an obligee and a person who is not related by consanguinity or affinity and with whom the obligee resides, the court shall elicit the nature and extent of the relationship in question. The court shall give consideration, without limitation, to circumstances, including, but not limited to, the following, in determining the relationship of an obligee to another person:
- a. The extent to which the obligee and the other person have held themselves out as a married couple by engaging in conduct such as using the same last name, using a common mailing address, referring to each other in terms such as "my husband" or "my wife," or otherwise conducting themselves in a manner that evidences a permanent supportive relationship.
- b. The period of time that the obligee has resided with the other person in a permanent place of abode.
- c. The extent to which the obligee and the other person have pooled their assets or income or otherwise exhibited financial interdependence.
- d. The extent to which the obligee or the other person has supported the other, in whole or in part.
- e. The extent to which the obligee or the other person has performed valuable services for the other.

- f. The extent to which the obligee or the other person has performed valuable services for the other's company or employer.
- g. Whether the obligee and the other person have worked together to create or enhance anything of value.
- h. Whether the obligee and the other person have jointly contributed to the purchase of any real or personal property.
- i. Evidence in support of a claim that the obligee and the other person have an express agreement regarding property sharing or support.
- j. Evidence in support of a claim that the obligee and the other person have an implied agreement regarding property sharing or support.
- k. Whether the obligee and the other person have provided support to the children of one another, regardless of any legal duty to do so.
- 3. This paragraph does not abrogate the requirement that every marriage in this state be solemnized under a license, does not recognize a common law marriage as valid, and does not recognize a de facto marriage. This paragraph recognizes only that relationships do exist that provide economic support equivalent to a marriage and that alimony terminable on remarriage may be reduced or terminated upon the establishment of equivalent equitable circumstances as described in this paragraph. The existence of a conjugal relationship, though it may be relevant to the nature and extent of the relationship, is not necessary for the application of the provisions of this paragraph.

- 4. If the obligee denies or fails to admit any material fact regarding the existence of a supportive relationship in circumstances where the obligee knew or should have known about the material fact and the obligor subsequently proves the existence of the material fact, the court shall, in the form of a civil judgment:
- a. Order modification of the alimony award retroactive to the beginning of the supportive relationship.
- b. Award to the obligor a refund of all of the alimony the obligor actually paid to the obligee from the beginning of the supportive relationship.
- <u>c.</u> Award to the obligor reasonable costs and attorney fees incurred in proving the fact.
- 5. If the obligee denies the existence of a supportive relationship and the obligor subsequently proves the existence of a supportive relationship, the court shall order termination of the alimony award retroactive to the beginning of the supportive relationship, award to the obligor a refund of all of the alimony the obligor actually paid to the obligee from the beginning of the supportive relationship, and award to the obligor reasonable costs and attorney fees incurred in proving the existence of the supportive relationship. An award under this subparagraph shall be a civil judgment.
- obligee to maximize both his or her reasonable potential for rehabilitation and reasonable earning capacity and shall impute all income to the obligee that could be reasonably earned after achieving maximum rehabilitation and reasonably increasing

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earning capacity. The court shall make written findings of fact concerning the reasonable potential of the obligee for rehabilitation and the amount of income that should be imputed to the obligee.

Section 5. Section 61.19, Florida Statutes, is amended to read:

- 61.19 Entry of judgment of dissolution of marriage: $\overline{\cdot}_{7}$ delay period; bifurcation.
- $\underline{(1)}$ A No final judgment of dissolution of marriage may not be entered until at least 20 days have elapsed from the date of filing the original petition for dissolution of marriage, $\dot{\tau}$ but the court, on a showing that injustice would result from this delay, may enter a final judgment of dissolution of marriage at an earlier date.
- (2) If more than 180 days has elapsed since the filing of an action for dissolution of marriage, upon the request of either spouse the court shall enter an order bifurcating the action and, if legal grounds for dissolution are proved, shall enter a judgment dissolving the marriage and reserving jurisdiction to determine all issues other than dissolution. It is the intent of the Legislature that the decision in Claughton v. Claughton, 393 So.2d 1061 (Fla. 1981), shall not prevent bifurcation or entry of a final judgment pursuant to this subsection.
 - Section 6. This act shall take effect July 1, 2012.

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