As Reported by the Senate Judiciary--Civil Justice Committee

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Am. Sub. H. B. No. 395

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Representative Hughes

Cosponsors: Representatives Flowers, Wagoner, Evans, Yuko, Williams, S., Bacon, Combs, DeBose, McGregor, J., Stebelton

A BILL

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:							
benefits from a divorce court's jurisdiction.	3						
generally exclude a spouse's social security	2						
To amend section 3105.171 of the Revised Code to	1						

section 1. That section 3105.171 of the Revised Code be
amended to read as follows:

Sec. 3105.171. (A) As used in this section:

- (1) "Distributive award" means any payment or payments, in 7 real or personal property, that are payable in a lump sum or over 8 time, in fixed amounts, that are made from separate property or 9 income, and that are not made from marital property and do not 10 constitute payments of spousal support, as defined in section 11 3105.18 of the Revised Code.
- (2) "During the marriage" means whichever of the following is 13 applicable:
- (a) Except as provided in division (A)(2)(b) of this section, 15 the period of time from the date of the marriage through the date 16 of the final hearing in an action for divorce or in an action for 17

legal separation;	18
(b) If the court determines that the use of either or both of	19
the dates specified in division (A)(2)(a) of this section would be	20
inequitable, the court may select dates that it considers	21
equitable in determining marital property. If the court selects	22
dates that it considers equitable in determining marital property,	23
"during the marriage" means the period of time between those dates	24
selected and specified by the court.	25
(3)(a) "Marital property" means, subject to division	26
(A)(3)(b) of this section, all of the following:	27
(i) All real and personal property that currently is owned by	28
either or both of the spouses, including, but not limited to, the	29
retirement benefits of the spouses, and that was acquired by	30
either or both of the spouses during the marriage;	31
(ii) All interest that either or both of the spouses	32
currently has in any real or personal property, including, but not	33
limited to, the retirement benefits of the spouses, and that was	34
acquired by either or both of the spouses during the marriage;	35
(iii) Except as otherwise provided in this section, all	36
income and appreciation on separate property, due to the labor,	37
monetary, or in-kind contribution of either or both of the spouses	38
that occurred during the marriage;	39
(iv) A participant account, as defined in section 148.01 of	40
the Revised Code, of either of the spouses, to the extent of the	41
following: the moneys that have been deferred by a continuing	42
member or participating employee, as defined in that section, and	43
that have been transmitted to the Ohio public employees deferred	44
compensation board during the marriage and any income that is	45
derived from the investment of those moneys during the marriage;	46
the moneys that have been deferred by an officer or employee of a	47

municipal corporation and that have been transmitted to the

governing board, administrator, depository, or trustee of the	49
deferred compensation program of the municipal corporation during	50
the marriage and any income that is derived from the investment of	51
those moneys during the marriage; or the moneys that have been	52
deferred by an officer or employee of a government unit, as	53
defined in section 148.06 of the Revised Code, and that have been	54
transmitted to the governing board, as defined in that section,	55
during the marriage and any income that is derived from the	56
investment of those moneys during the marriage.	57
(b) "Marital property" does not include any separate	58
property.	59
(4) "Passive income" means income acquired other than as a	60
result of the labor, monetary, or in-kind contribution of either	61
spouse.	62
(5) "Personal property" includes both tangible and intangible	63
personal property.	64
(6)(a) "Separate property" means all real and personal	65
property and any interest in real or personal property that is	66
found by the court to be any of the following:	67
(i) An inheritance by one spouse by bequest, devise, or	68
descent during the course of the marriage;	69
(ii) Any real or personal property or interest in real or	70
personal property that was acquired by one spouse prior to the	71
date of the marriage;	72
(iii) Passive income and appreciation acquired from separate	73
property by one spouse during the marriage;	74
(iv) Any real or personal property or interest in real or	75
personal property acquired by one spouse after a decree of legal	76
separation issued under section 3105.17 of the Revised Code;	77

(v) Any real or personal property or interest in real or

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personal	property	that i	s excluded	by a	a valid	antenuptial	7	79
agreement	.;						3	30

- (vi) Compensation to a spouse for the spouse's personal
 injury, except for loss of marital earnings and compensation for
 expenses paid from marital assets;
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- (vii) Any gift of any real or personal property or of an 84 interest in real or personal property that is made after the date 85 of the marriage and that is proven by clear and convincing 86 evidence to have been given to only one spouse. 87
- (b) The commingling of separate property with other property
 of any type does not destroy the identity of the separate property
 as separate property, except when the separate property is not
 traceable.
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- (B) In divorce proceedings, the court shall, and in legal separation proceedings upon the request of either spouse, the court may, determine what constitutes marital property and what constitutes separate property. In either case, upon making such a determination, the court shall divide the marital and separate property equitably between the spouses, in accordance with this section. For purposes of this section, the court has jurisdiction over all property, excluding the social security benefits of a spouse other than as set forth in division (F)(9) of this section, in which one or both spouses have an interest.
- (C)(1) Except as provided in this division or division (E) of 102 this section, the division of marital property shall be equal. If 103 an equal division of marital property would be inequitable, the 104 court shall not divide the marital property equally but instead 105 shall divide it between the spouses in the manner the court 106 determines equitable. In making a division of marital property, 107 the court shall consider all relevant factors, including those set 108 forth in division (F) of this section. 109

burdensome.

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(2) Each spouse shall be considered to have contributed 110 equally to the production and acquisition of marital property. 111 (3) The court shall provide for an equitable division of 112 marital property under this section prior to making any award of 113 spousal support to either spouse under section 3105.18 of the 114 Revised Code and without regard to any spousal support so awarded. 115 (4) If the marital property includes a participant account, 116 as defined in section 148.01 of the Revised Code, the court shall 117 not order the division or disbursement of the moneys and income 118 described in division (A)(3)(a)(iv) of this section to occur in a 119 manner that is inconsistent with the law, rules, or plan governing 120 the deferred compensation program involved or prior to the time 121 that the spouse in whose name the participant account is 122 maintained commences receipt of the moneys and income credited to 123 the account in accordance with that law, rules, and plan. 124 (D) Except as otherwise provided in division (E) of this 125 section or by another provision of this section, the court shall 126 disburse a spouse's separate property to that spouse. If a court 127 does not disburse a spouse's separate property to that spouse, the 128 court shall make written findings of fact that explain the factors 129 that it considered in making its determination that the spouse's 130 separate property should not be disbursed to that spouse. 131 (E)(1) The court may make a distributive award to facilitate, 132 effectuate, or supplement a division of marital property. The 133 court may require any distributive award to be secured by a lien 134 on the payor's specific marital property or separate property. 135 (2) The court may make a distributive award in lieu of a 136 division of marital property in order to achieve equity between 137 the spouses, if the court determines that a division of the 138 marital property in kind or in money would be impractical or 139

(3) If a spouse has engaged in financial misconduct,	141
including, but not limited to, the dissipation, destruction,	142
concealment, or fraudulent disposition of assets, the court may	143
compensate the offended spouse with a distributive award or with a	144
greater award of marital property.	145
(F) In making a division of marital property and in	146
determining whether to make and the amount of any distributive	147
award under this section, the court shall consider all of the	148
following factors:	149
(1) The duration of the marriage;	150
(2) The assets and liabilities of the spouses;	151
(3) The desirability of awarding the family home, or the	152
right to reside in the family home for reasonable periods of time,	153
to the spouse with custody of the children of the marriage;	154
(4) The liquidity of the property to be distributed;	155
(5) The economic desirability of retaining intact an asset or	156
an interest in an asset;	157
(6) The tax consequences of the property division upon the	158
respective awards to be made to each spouse;	159
(7) The costs of sale, if it is necessary that an asset be	160
sold to effectuate an equitable distribution of property;	161
(8) Any division or disbursement of property made in a	162
separation agreement that was voluntarily entered into by the	163
spouses;	164
(9) Any retirement benefits of the spouses, excluding the	165
social security benefits of a spouse except as may be relevant for	166
purposes of dividing a public pension;	167
(10) Any other factor that the court expressly finds to be	168

relevant and equitable.

is hereby repealed.

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(G) In any order for the division or disbursement of property	170
or a distributive award made pursuant to this section, the court	171
shall make written findings of fact that support the determination	172
that the marital property has been equitably divided and shall	173
specify the dates it used in determining the meaning of "during	174
the marriage."	175
(H) Except as otherwise provided in this section, the holding	176
of title to property by one spouse individually or by both spouses	177
in a form of co-ownership does not determine whether the property	178
is marital property or separate property.	179
(I) A division or disbursement of property or a distributive	180
award made under this section is not subject to future	181
modification by the court.	182
(J) The court may issue any orders under this section that it	183
determines equitable, including, but not limited to, either of the	184
following types of orders:	185
(1) An order granting a spouse the right to use the marital	186
dwelling or any other marital property or separate property for	187
any reasonable period of time;	188
(2) An order requiring the sale or encumbrancing of any real	189
or personal property, with the proceeds from the sale and the	190
funds from any loan secured by the encumbrance to be applied as	191
determined by the court.	192
Section 2. That existing section 3105.171 of the Revised Code	193