

As Introduced

**128th General Assembly
Regular Session
2009-2010**

H. B. No. 238

Representative Harwood

**Cosponsors: Representatives Murray, Williams, B., Pillich, Yuko, Chandler,
Huffman, Letson**

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A B I L L

To amend section 3105.171 of the Revised Code to 1
require the court in divorce or legal separation 2
proceedings to require the spouses to fully 3
disclose their assets and to include nondisclosure 4
of assets as financial misconduct. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3105.171 of the Revised Code be 6
amended to read as follows: 7

Sec. 3105.171. (A) As used in this section: 8

(1) "Distributive award" means any payment or payments, in 9
real or personal property, that are payable in a lump sum or over 10
time, in fixed amounts, that are made from separate property or 11
income, and that are not made from marital property and do not 12
constitute payments of spousal support, as defined in section 13
3105.18 of the Revised Code. 14

(2) "During the marriage" means whichever of the following is 15
applicable: 16

(a) Except as provided in division (A)(2)(b) of this section, 17

the period of time from the date of the marriage through the date 18
of the final hearing in an action for divorce or in an action for 19
legal separation; 20

(b) If the court determines that the use of either or both of 21
the dates specified in division (A)(2)(a) of this section would be 22
inequitable, the court may select dates that it considers 23
equitable in determining marital property. If the court selects 24
dates that it considers equitable in determining marital property, 25
"during the marriage" means the period of time between those dates 26
selected and specified by the court. 27

(3)(a) "Marital property" means, subject to division 28
(A)(3)(b) of this section, all of the following: 29

(i) All real and personal property that currently is owned by 30
either or both of the spouses, including, but not limited to, the 31
retirement benefits of the spouses, and that was acquired by 32
either or both of the spouses during the marriage; 33

(ii) All interest that either or both of the spouses 34
currently has in any real or personal property, including, but not 35
limited to, the retirement benefits of the spouses, and that was 36
acquired by either or both of the spouses during the marriage; 37

(iii) Except as otherwise provided in this section, all 38
income and appreciation on separate property, due to the labor, 39
monetary, or in-kind contribution of either or both of the spouses 40
that occurred during the marriage; 41

(iv) A participant account, as defined in section 148.01 of 42
the Revised Code, of either of the spouses, to the extent of the 43
following: the moneys that have been deferred by a continuing 44
member or participating employee, as defined in that section, and 45
that have been transmitted to the Ohio public employees deferred 46
compensation board during the marriage and any income that is 47
derived from the investment of those moneys during the marriage; 48

the moneys that have been deferred by an officer or employee of a municipal corporation and that have been transmitted to the governing board, administrator, depository, or trustee of the deferred compensation program of the municipal corporation during the marriage and any income that is derived from the investment of those moneys during the marriage; or the moneys that have been deferred by an officer or employee of a government unit, as defined in section 148.06 of the Revised Code, and that have been transmitted to the governing board, as defined in that section, during the marriage and any income that is derived from the investment of those moneys during the marriage.

(b) "Marital property" does not include any separate property.

(4) "Passive income" means income acquired other than as a result of the labor, monetary, or in-kind contribution of either spouse.

(5) "Personal property" includes both tangible and intangible personal property.

(6)(a) "Separate property" means all real and personal property and any interest in real or personal property that is found by the court to be any of the following:

(i) An inheritance by one spouse by bequest, devise, or descent during the course of the marriage;

(ii) Any real or personal property or interest in real or personal property that was acquired by one spouse prior to the date of the marriage;

(iii) Passive income and appreciation acquired from separate property by one spouse during the marriage;

(iv) Any real or personal property or interest in real or personal property acquired by one spouse after a decree of legal

separation issued under section 3105.17 of the Revised Code;	79
(v) Any real or personal property or interest in real or personal property that is excluded by a valid antenuptial agreement;	80 81 82
(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;	83 84 85
(vii) Any gift of any real or personal property or of an interest in real or personal property that is made after the date of the marriage and that is proven by clear and convincing evidence to have been given to only one spouse.	86 87 88 89
(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.	90 91 92 93
(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.	94 95 96 97 98 99 100 101 102 103
(C)(1) Except as provided in this division or division (E) of this section, the division of marital property shall be equal. If an equal division of marital property would be inequitable, the court shall not divide the marital property equally but instead shall divide it between the spouses in the manner the court determines equitable. In making a division of marital property,	104 105 106 107 108 109

the court shall consider all relevant factors, including those set forth in division (F) of this section.

(2) Each spouse shall be considered to have contributed equally to the production and acquisition of marital property.

(3) The court shall provide for an equitable division of marital property under this section prior to making any award of spousal support to either spouse under section 3105.18 of the Revised Code and without regard to any spousal support so awarded.

(4) If the marital property includes a participant account, as defined in section 148.01 of the Revised Code, the court shall not order the division or disbursement of the moneys and income described in division (A)(3)(a)(iv) of this section to occur in a manner that is inconsistent with the law, rules, or plan governing the deferred compensation program involved or prior to the time that the spouse in whose name the participant account is maintained commences receipt of the moneys and income credited to the account in accordance with that law, rules, and plan.

(D) Except as otherwise provided in division (E) of this section or by another provision of this section, the court shall disburse a spouse's separate property to that spouse. If a court does not disburse a spouse's separate property to that spouse, the court shall make written findings of fact that explain the factors that it considered in making its determination that the spouse's separate property should not be disbursed to that spouse.

(E)(1) The court may make a distributive award to facilitate, effectuate, or supplement a division of marital property. The court may require any distributive award to be secured by a lien on the payor's specific marital property or separate property.

(2) The court may make a distributive award in lieu of a division of marital property in order to achieve equity between the spouses, if the court determines that a division of the

marital property in kind or in money would be impractical or 141
burdensome. 142

(3) The court shall require each spouse to disclose in a full 143
and complete manner all marital property, separate property, and 144
other assets of the spouse. 145

(4) If a spouse has engaged in financial misconduct, 146
including, but not limited to, the dissipation, destruction, 147
concealment, nondisclosure, or fraudulent disposition of assets, 148
the court may compensate the offended spouse with a distributive 149
award or with a greater award of marital property. 150

(F) In making a division of marital property and in 151
determining whether to make and the amount of any distributive 152
award under this section, the court shall consider all of the 153
following factors: 154

(1) The duration of the marriage; 155

(2) The assets and liabilities of the spouses; 156

(3) The desirability of awarding the family home, or the 157
right to reside in the family home for reasonable periods of time, 158
to the spouse with custody of the children of the marriage; 159

(4) The liquidity of the property to be distributed; 160

(5) The economic desirability of retaining intact an asset or 161
an interest in an asset; 162

(6) The tax consequences of the property division upon the 163
respective awards to be made to each spouse; 164

(7) The costs of sale, if it is necessary that an asset be 165
sold to effectuate an equitable distribution of property; 166

(8) Any division or disbursement of property made in a 167
separation agreement that was voluntarily entered into by the 168
spouses; 169

(9) Any retirement benefits of the spouses, excluding the social security benefits of a spouse except as may be relevant for purposes of dividing a public pension;

(10) Any other factor that the court expressly finds to be relevant and equitable.

(G) In any order for the division or disbursement of property or a distributive award made pursuant to this section, the court shall make written findings of fact that support the determination that the marital property has been equitably divided and shall specify the dates it used in determining the meaning of "during the marriage."

(H) Except as otherwise provided in this section, the holding of title to property by one spouse individually or by both spouses in a form of co-ownership does not determine whether the property is marital property or separate property.

(I) A division or disbursement of property or a distributive award made under this section is not subject to future modification by the court.

(J) The court may issue any orders under this section that it determines equitable, including, but not limited to, either of the following types of orders:

(1) An order granting a spouse the right to use the marital dwelling or any other marital property or separate property for any reasonable period of time;

(2) An order requiring the sale or encumbrancing of any real or personal property, with the proceeds from the sale and the funds from any loan secured by the encumbrance to be applied as determined by the court.

Section 2. That existing section 3105.171 of the Revised Code is hereby repealed.