dissolution of marriage; annulment

State of Arizona Senate Fifty-fifth Legislature Second Regular Session 2022

# **SENATE BILL 1383**

#### AN ACT

AMENDING SECTIONS 25-311, 25-312, 25-313 AND 25-314, ARIZONA REVISED STATUTES; AMENDING TITLE 25, CHAPTER 3, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 25-314.01; AMENDING SECTION 25-315, ARIZONA REVISED STATUTES; REPEALING SECTION 25-316, ARIZONA REVISED STATUTES; AMENDING TITLE 25, CHAPTER 3, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 25-316; AMENDING SECTIONS 25-317, 25-318 AND 25-319, ARIZONA REVISED STATUTES; RELATING TO DISSOLUTION OF MARRIAGE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 25-311, Arizona Revised Statutes, is amended to read:

# 25-311. <u>Jurisdiction</u>; filing of petition

- A. The superior court is vested with original jurisdiction to hear and decide all matters arising pursuant to this chapter and pursuant to chapter 4, article 1 of this title.
- B. A proceeding for dissolution of marriage, ANNULMENT or legal separation shall be entitled, "in re the marriage of \_\_\_\_\_\_ and \_\_\_\_\_." A custody or support proceeding shall be entitled, "in re the (custody) (support) of \_\_\_\_\_\_." FILED IN ACCORDANCE WITH THE ARIZONA RULES OF FAMILY LAW PROCEDURE.
- C. The initial pleading in all proceedings under this chapter and under chapter 4, article 1 of this title shall be denominated a petition. A responsive pleading shall be denominated a response.
- D. A decree of dissolution or of legal separation, if made, shall not be awarded to one of the parties but shall provide that it affects the status previously existing between the parties in the manner decreed.
- Sec. 2. Section 25-312, Arizona Revised Statutes, is amended to read:

# 25-312. <u>Dissolution of marriage; findings necessary</u>

- A. The court shall enter a decree of dissolution of marriage if it finds each of the following:
- 1. That one of the parties, at the time the action was commenced, was domiciled in this state, or was stationed in this state while a member of the armed services, and that in either case the domicile or military presence has been maintained for ninety days prior to BEFORE filing the petition for dissolution of marriage.
- 2. The conciliation provisions of section 25-381.09 and the provisions of article 5 of this chapter either do not apply or have been met.
  - 3. The marriage is irretrievably broken.
- 4. or, If the marriage is a covenant marriage, any of the grounds prescribed in section 25-903.
- B. IF BOTH OF THE PARTIES BY PETITION OR OTHERWISE STATE UNDER OATH OR AFFIRMATION THAT THE MARRIAGE IS IRRETRIEVABLY BROKEN OR IF ONE OF THE PARTIES SO STATES AND THE OTHER DOES NOT DENY IT, THE COURT SHALL MAKE A FINDING AS TO WHETHER THE MARRIAGE IS IRRETRIEVABLY BROKEN.
- C. IF ONE OF THE PARTIES DENIES UNDER OATH OR AFFIRMATION THAT THE MARRIAGE IS IRRETRIEVABLY BROKEN, THE COURT SHALL HOLD A HEARING TO CONSIDER ALL RELEVANT FACTORS AS TO THE PROSPECT OF RECONCILIATION AND SHALL DO EITHER OF THE FOLLOWING:
- 1. MAKE A FINDING AS TO WHETHER THE MARRIAGE IS IRRETRIEVABLY BROKEN.

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- 2. CONTINUE THE MATTER FOR NOT MORE THAN SIXTY DAYS FOR A FURTHER HEARING. AT THE REQUEST OF EITHER PARTY OR ON ITS OWN MOTION, THE COURT MAY ORDER A CONCILIATION CONFERENCE. AT THE NEXT HEARING THE COURT SHALL MAKE A FINDING AS TO WHETHER THE MARRIAGE IS IRRETRIEVABLY BROKEN.
- D. A FINDING THAT THE MARRIAGE IS IRRETRIEVABLY BROKEN IS A DETERMINATION THAT THERE IS NO REASONABLE PROSPECT OF RECONCILIATION.
- 4. E. To the extent it has jurisdiction to do so, the court has considered, approved and made provision SHALL MAKE PROVISIONS for child custody LEGAL DECISION-MAKING AND PARENTING TIME, the support of any natural or adopted child common to the parties of the marriage entitled to support, the maintenance of either spouse and the disposition of property.
- Sec. 3. Section 25-313, Arizona Revised Statutes, is amended to read:

# 25-313. <u>Decree of legal separation: findings necessary</u>

- A. The court shall enter a decree of legal separation if it finds each of the following:
- 1. That one of the parties, at the time the action was commenced, was domiciled in this state or was stationed in this state while a member of the armed services.
- 2. The conciliation provisions of section 25-381.09 and the provisions of article 5 of this chapter either do not apply or have been met.
- 3. The marriage is irretrievably broken AS PRESCRIBED IN SECTION 25-312 or one or both of the parties desire to live separate and apart.
- 4. If the marriage is a covenant marriage, any of the grounds prescribed in section 25-904.
- 4. 5. The other party does not object to a decree of legal separation. If the other party objects to a decree of legal separation, on one of the parties meeting the required domicile for dissolution of marriage, the court shall direct that the pleadings be amended to seek a dissolution of the marriage.
- 5. B. To the extent it has jurisdiction to do so, the court has considered, approved or made SHALL MAKE provisions for child custody LEGAL DECISION-MAKING AND PARENTING TIME, the support of any natural or adopted child common to the parties of the marriage entitled to support, the maintenance of either spouse and the disposition of the property.
- C. AT ANY TIME AFTER ENTRY OF A FINAL DECREE OF LEGAL SEPARATION THAT HAS NOT SUBSEQUENTLY BEEN CONVERTED INTO A DECREE OF DISSOLUTION OF MARRIAGE, THE PARTIES MAY STIPULATE TO TERMINATION OF THE DECREE OF LEGAL SEPARATION. THE STIPULATED ORDER SHALL BE FILED UNDER THE SAME CAUSE NUMBER AS THE LEGAL SEPARATION ACTION AND SHALL INCLUDE THE FOLLOWING:
- 1. THAT BOTH PARTIES AGREE TO TERMINATE THE LEGAL SEPARATION, THAT THEY DESIRE TO RESTORE THEIR STATUS TO LEGALLY MARRIED AND THAT THEY DO SO

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 INTELLIGENTLY, VOLUNTARILY AND WITHOUT DURESS, COERCION OR UNDUE INFLUENCE.

- 2. THAT ON ENTRY OF THE STIPULATED ORDER TERMINATING THE DECREE OF LEGAL SEPARATION, THE MARITAL COMMUNITY IS RE-FORMED AS IF THE PARTIES BECAME MARRIED ON THE DATE OF THE ENTRY OF THE TERMINATION ORDER, AT WHICH TIME THE LEGAL SEPARATION NO LONGER EXISTS.
- 3. THAT ANY PROPERTY AWARDED TO EITHER PARTY AS SOLE AND SEPARATE PROPERTY UNDER THE TERMS OF THE DECREE OF LEGAL SEPARATION AS WELL AS ANY PROPERTY ACQUIRED OR DEBTS INCURRED FROM THE DATE OF THE ENTRY OF THE DECREE OF LEGAL SEPARATION THROUGH THE DATE OF TERMINATION ARE THE SOLE AND SEPARATE PROPERTY OF THE ACQUIRING PARTY AND THE SOLE AND SEPARATE DEBT OF THE INCURRING PARTY.
- 4. THAT ANY PROPERTY PAYMENTS DUE FROM ONE PARTY TO THE OTHER UNDER THE TERMS OF THE DECREE OF LEGAL SEPARATION ARE DEEMED WAIVED, UNLESS OTHERWISE SPECIFIED IN THE TERMINATION ORDER.
- 5. THAT ANY PARENTING ORDERS ENTERED IN THE DECREE OF LEGAL SEPARATION UNDER CHAPTER 4 OF THIS TITLE NO LONGER APPLY.
- 6. THAT ANY PROVISIONS FOR CHILD SUPPORT OR SPOUSAL MAINTENANCE ENTERED IN THE DECREE OF LEGAL SEPARATION NO LONGER APPLY. EXCEPT AS TO ANY SUM OWED TO THE STATE PURSUANT TO SECTION 46-407 AND UNLESS OTHERWISE AGREED, EACH PARTY IS WAIVING ANY CLAIMS FOR AMOUNTS THAT MAY REMAIN DUE AND OWING FROM THE TIME PERIOD IN WHICH THE SUPPORT PROVISIONS UNDER THE DECREE OF LEGAL SEPARATION WERE IN EFFECT.
- 7. THAT BOTH PARTIES ACKNOWLEDGE THAT TERMINATION OF THE LEGAL SEPARATION DOES NOT IMPACT THE RIGHTS OF CREDITORS THAT MAY HAVE RELIED ON THE TERMS OF THE DECREE OF LEGAL SEPARATION.
- Sec. 4. Section 25-314, Arizona Revised Statutes, is amended to read:

# 25-314. <u>Pleadings; contents; defense; joinder of parties; confidentiality</u>

- A. The verified petition in a proceeding for dissolution of marriage, ANNULMENT or legal separation shall allege that the marriage is irretrievably broken or VOID, that one or both of the parties desire to live separate and apart, or, if the marriage is a covenant marriage, any of the grounds prescribed in section 25-903 or 25-904, whichever is appropriate, and shall set forth:
- 1. The birth date, occupation and address of each party and the length of domicile in this state.
- 2. The date of the marriage, the place at which it was performed and whether the marriage is a covenant marriage.
- 3. The names, birth dates and addresses of all living children, natural or adopted, common to the parties and whether the wife is pregnant.

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- 4. The details of any agreements between the parties as to support, custody LEGAL DECISION-MAKING and parenting time of the children and maintenance of a spouse.
  - 5. The relief sought.
  - B. Either party to the marriage may initiate the proceeding.
  - C. The only defense to a petition IS:
- 1. For the dissolution of a marriage or legal separation,  $\frac{1}{15}$  that the marriage is not irretrievably broken.
- 2. If the marriage is FOR a covenant marriage, it is a defense that none of the grounds alleged for a dissolution of marriage or legal separation prescribed in section 25-903 or 25-904 are IS met.
  - 3. FOR ANNULMENT, THAT THE MARRIAGE IS NOT VOID.
- D. The court may join additional parties necessary for the exercise of its authority.
- E. This section does not require a victim of domestic violence or a resident of a domestic violence shelter as defined in section 36-3001 to divulge the person's address, except that a means of communicating with the resident, such as a post office box or address of the person's attorney, must be disclosed.
- Sec. 5. Title 25, chapter 3, article 2, Arizona Revised Statutes, is amended by adding section 25-314.01, to read:
  - 25-314.01. Summary consent petition and decree
- A. IF THE PARTIES REACH A COMPREHENSIVE SETTLEMENT OF ALL ISSUES BEFORE EITHER PARTY INITIATES FORMAL DISSOLUTION OF MARRIAGE OR LEGAL SEPARATION PROCEEDINGS, THE PARTIES MAY JOINTLY ELECT TO PROCEED WITH THE DISSOLUTION OR LEGAL SEPARATION ACTION AS A SUMMARY CONSENT DECREE PROCEEDING. THE PARTIES SHALL FILE A COMBINED PETITION AND RESPONSE FOR DISSOLUTION OF MARRIAGE OR LEGAL SEPARATION PURSUANT TO SECTION 25-314. THE PETITION SHALL STATE THAT FORMAL SERVICE OF PROCESS IS WAIVED AND THAT ALL ISSUES ARE RESOLVED BY AGREEMENT.
- B. THE FILING FEE FOR THE SUMMARY CONSENT DECREE IS FIFTY PERCENT OF THE COMBINED FILING FEE FOR A PETITION AND ANSWER, TOGETHER WITH ANY ADDITIONAL FILING FEES ASSESSED BY THE COUNTY.
- C. AT THE TIME OF THE FILING OF THE COMBINED PETITION AND RESPONSE, OR AT ANY TIME WITHIN SIXTY DAYS AFTER THE DATE OF FILING, THE PARTIES SHALL SUBMIT TO THE COURT ALL REQUIRED FINAL SETTLEMENT DOCUMENTS, INCLUDING THEIR WRITTEN AGREEMENTS AND PROPOSED DECREE.
- D. THE COURT MAY NOT ENTER THE FINAL DECREE EARLIER THAN SIXTY DAYS AFTER THE DATE OF FILING PURSUANT TO SECTION 25-329.
- E. AT ANY TIME BEFORE ENTRY OF THE DECREE, EITHER PARTY MAY SUBMIT A NOTICE OF INTENT TO WITHDRAW FROM THE SUMMARY CONSENT DECREE AGREEMENT, WHICH SHALL THEN BE CONSIDERED AS A WITHDRAWAL FROM AN AGREEMENT IN ACCORDANCE WITH THE ARIZONA RULES OF FAMILY LAW PROCEDURE. IF THE PARTIES JOINTLY WITHDRAW FROM THE SUMMARY CONSENT DECREE AGREEMENT, THE COURT SHALL DISMISS THE CASE.

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Sec. 6. Section 25-315, Arizona Revised Statutes, is amended to read:

#### 25-315. Preliminary injunction; effect

- A. In all actions for dissolution of marriage, for legal separation or for annulment, the clerk of the court shall pursuant to order of the superior court issue a preliminary injunction in the following manner:
- 1. The preliminary injunction shall be directed to each party to the action and contain the following orders:
- (a) That both parties are enjoined from transferring, encumbering, concealing, selling or otherwise disposing of any of the joint, common or community property of the parties except if related to the usual course of business, the necessities of life or court fees and reasonable attorney fees associated with an action filed under this article, without the written consent of the parties or the permission of the court.
  - (b) That both parties are enjoined from:
- (i) Molesting, harassing, disturbing the peace of or committing an assault or battery on the person of the other party or any natural or adopted child of the parties.
- (ii) Removing any natural or adopted child of the parties then residing in Arizona from the jurisdiction of the court THIS STATE without the prior written consent of the parties or the permission of the court.
- (iii) Removing or causing to be removed the other party or the children of the parties from any existing insurance coverage, including medical, hospital, dental, automobile and disability insurance.
- (c) That both parties shall maintain all insurance coverage in full force and effect.
- 2. The preliminary injunction shall include the following statement:

# Warning

This is an official court order. If you disobey this order the court may find you in contempt of court. You may also be arrested and prosecuted for the crime of interfering with judicial proceedings and any other crime you may have committed in disobeying this order.

You or your spouse may file a certified copy of this order with your local law enforcement agency. A certified copy may be obtained from the clerk of the court that issued this order. If you are the person that brought this action, you must also file evidence with the law enforcement agency that this order was served on your spouse.

This court order is effective until a final decree of dissolution, legal separation or annulment is filed or the action is dismissed.

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- 3. B. The preliminary injunction is effective against the petitioner when the petition is filed and against the respondent on service of a copy of the order or on actual notice of the order, whichever is sooner. If service is by registered mail under the Arizona rules of family law procedure, the order is effective on receipt of the order. The order remains effective until further order of the court or the entry of a decree of dissolution, legal separation or annulment.
- 4. C. At the time of filing the petition for dissolution, legal separation or annulment, the copies of the preliminary injunction shall be issued to the petitioner or the agent, servant or employee filing the petition for dissolution, legal separation or annulment. The petitioner is deemed to have accepted service of the petitioner's copy of the preliminary injunction and to have actual notice of its contents by filing or causing to be filed a petition for dissolution, legal separation or annulment. The petitioner shall cause a copy of the preliminary injunction to be served on the respondent with a copy of the summons and petition for dissolution, legal separation or annulment.
- 5. D. The preliminary injunction has the force and effect of an order of the superior court signed by a judge and is enforceable by all remedies made available by law, including contempt of court.
- B. In a proceeding for dissolution of marriage, for legal separation, for annulment or for maintenance or support following dissolution of the marriage by a court that lacked personal jurisdiction over the absent spouse, either party may move for an order for equal possession of the liquid assets of the marital property, temporary maintenance or temporary support of a child, natural or adopted, common to the parties entitled to support. The court shall provide for an order for equal possession of the liquid assets of the marital property that existed as of the date the petition for dissolution or legal separation or annulment was served, unless the court finds that there is good cause not to divide those assets. The court's division of liquid assets held by financial institutions does not invalidate applicable law or any provision of an account agreement that assesses penalties against the account holder for premature or unscheduled withdrawals of account funds. The motion shall be accompanied by an affidavit setting forth the factual basis for the motion and the amounts requested and, if appropriate, the liquid assets of the parties. An order for equal possession of the liquid assets of the marital property does not prejudice any final division of the marital community. This subsection does not eliminate the application of the preliminary injunction.
- C. As a part of a motion for temporary maintenance or support or by independent motion accompanied by affidavit, either party may request the court to issue a temporary restraining order or preliminary injunction for any of the following relief:

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 1. Excluding a party from the family home or from the home of the other party on a showing that physical or emotional harm may otherwise result.

2. Providing other injunctive relief proper in the circumstances.

D. The court may issue a temporary restraining order without requiring notice to the other party only if it finds on the basis of the moving affidavit or other evidence that irreparable injury will result to the moving party if no order is issued until the time for responding has elapsed. A bond is not required unless the court deems it appropriate.

E. On the basis of the showing made, and in conformity with sections 25-318 and 25-319, the court may issue a preliminary injunction and an order for temporary maintenance or support in amounts and on terms just and proper in the circumstances. The court may also make temporary orders respecting the property of the parties, as may be necessary.

F. A temporary order or preliminary injunction:

1. Does not prejudice the rights of the parties or of any child that are to be adjudicated at the subsequent hearings in the proceeding.

2. May be revoked or modified before final decree on a showing by affidavit of the facts necessary to revocation or modification of a final decree under section 25-327.

3. That provided for equal possession of liquid assets of the marital property does not prejudice either party's claim for temporary maintenance, child support or attorney fees.

4. Terminates when the final decree is entered or when the petition for dissolution, legal separation or annulment is dismissed.

6. F. A person who disobeys or resists an injunction issued pursuant to subsection A, paragraph 1, subdivision (b) or subsection C, paragraph 1 of this section is subject to arrest and prosecution for interference with judicial proceedings pursuant to section 13-2810 and the following procedures apply:

1. Any party may cause a certified copy of the injunction and return of service on the other party to be registered with the sheriff having jurisdiction of the area in which the party resides. The party originally registering the injunction shall register any changes or modifications of the injunction with the sheriff. For enforcement by arrest and prosecution for interference with judicial proceedings, a certified copy of the injunction, whether or not registered with the sheriff, is presumed to be a valid existing order of the court until a final decree of dissolution, legal separation or annulment is entered or the action for dissolution or legal separation is dismissed.

2. A peace officer, with or without a warrant, may arrest a person if the peace officer has probable cause to believe that an offense under this subsection has been committed and has probable cause to believe that the person to be arrested has committed the offense, whether the offense is a felony or a misdemeanor and whether such offense was committed within

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 or without the presence of the peace officer. The release procedures available under section 13-3883, subsection A, paragraph 4 and section 13-3903 are not applicable DO NOT APPLY to arrests made pursuant to this subsection.

- 3. A peace officer making an arrest pursuant to this subsection is not civilly or criminally liable for the arrest if the officer acts on probable cause and without malice.
- 4. A person WHO IS arrested pursuant to this subsection may be released from custody in accordance with the rules of criminal procedure or other applicable statute. An order for release, with or without an appearance bond, shall include pretrial release conditions necessary to provide for the protection of the alleged victim and other specifically designated persons and may provide additional conditions that the court deems appropriate, including participation in any counseling programs available to the defendant.
- 5. The remedies provided in this subsection for enforcement of the preliminary injunction are in addition to any other civil or criminal remedies available, including civil contempt of court. The use of one remedy does not prevent the simultaneous or subsequent use of any other.
  - H. For the purposes of this section, "liquid assets" means:
  - 1. Cash.
    - 2. Traveler's checks.
    - 3. Cash in financial institutions.
  - 4. Lottery winnings.
  - Sec. 7. Repeal
  - Section 25-316, Arizona Revised Statutes, is repealed.
- Sec. 8. Title 25, chapter 3, article 2, Arizona Revised Statutes, is amended by adding a new section 25-316, to read:
  - 25-316. Temporary orders; definition
- A. IN A PROCEEDING FOR DISSOLUTION OF MARRIAGE, LEGAL SEPARATION OR ANNULMENT OR FOR MAINTENANCE OR SUPPORT FOLLOWING A DISSOLUTION OF MARRIAGE BY A COURT THAT LACKED PERSONAL JURISDICTION OVER AN ABSENT SPOUSE, EITHER PARTY MAY MOVE FOR TEMPORARY ORDERS SEEKING ANY OF THE FOLLOWING:
- 1. AN ORDER FOR EQUAL POSSESSION OF THE LIQUID ASSETS OF THE MARITAL PROPERTY.
  - 2. TEMPORARY SPOUSAL MAINTENANCE.
- 3. TEMPORARY LEGAL DECISION-MAKING AND PARENTING TIME OF A CHILD COMMON TO THE PARTIES.
- 4. TEMPORARY SUPPORT OF A CHILD, NATURAL OR ADOPTED, COMMON TO THE PARTIES ENTITLED TO SUPPORT.
- 5. EXCLUSIVE USE AND POSSESSION OF THE FAMILY HOME OR THE HOME OF THE MOVING PARTY.
  - 6. EXCLUSIVE USE AND POSSESSION OF OTHER PROPERTY OF THE PARTIES.
  - 7. AN INTERIM AWARD OF ATTORNEY FEES AND COSTS.

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- 8. OTHER RELIEF DEEMED NECESSARY PENDING FINAL RESOLUTION OF THE ISSUES OF THE PARTIES.
- B. A PARTY WHO SEEKS AN ORDER FOR EQUAL POSSESSION OF LIQUID ASSETS SHALL FILE A MOTION THAT IS ACCOMPANIED BY AN AFFIDAVIT SETTING FORTH THE FACTUAL BASIS FOR THE MOTION, THE AMOUNTS REQUESTED AND, IF APPROPRIATE, THE LIQUID ASSETS OF THE PARTIES, IF GRANTED, THE COURT SHALL PROVIDE AN ORDER FOR EQUAL POSSESSION OF THE LIQUID ASSETS OF THE MARITAL PROPERTY THAT EXISTED AS OF THE DATE THE PETITION FOR DISSOLUTION, LEGAL SEPARATION OR ANNULMENT WAS SERVED, UNLESS THE COURT FINDS THAT THERE IS GOOD CAUSE NOT TO DIVIDE THOSE ASSETS. THE COURT'S DIVISION OF LIQUID ASSETS HELD BY FINANCIAL INSTITUTIONS DOES NOT INVALIDATE APPLICABLE LAW OR ANY PROVISION OF AN ACCOUNT AGREEMENT THAT ASSESSES PENALTIES AGAINST THE ACCOUNT HOLDER FOR PREMATURE OR UNSCHEDULED WITHDRAWALS OF ACCOUNT MONIES. AN ORDER FOR EQUAL POSSESSION OF THE LIQUID ASSETS OF THE MARITAL PROPERTY DOES NOT PREJUDICE ANY FINAL DIVISION OF THE MARITAL COMMUNITY. THIS SUBSECTION DOES NOT ELIMINATE THE APPLICATION OF THE PRELIMINARY INJUNCTION.
- C. THE COURT MAY ISSUE A TEMPORARY ORDER WITHOUT REQUIRING NOTICE TO THE OTHER PARTY ONLY IF IT FINDS, ON THE BASIS OF THE MOVING AFFIDAVIT OR OTHER EVIDENCE, THAT IRREPARABLE INJURY WILL RESULT TO THE MOVING PARTY OR A MINOR CHILD OF THE PARTIES IF AN ORDER IS NOT ISSUED UNTIL THE TIME FOR RESPONDING HAS ELAPSED. A BOND IS NOT REQUIRED UNLESS THE COURT DEEMS IT APPROPRIATE.
  - D. A TEMPORARY ORDER:
- 1. DOES NOT PREJUDICE THE RIGHTS OF THE PARTIES OR OF ANY CHILD THAT ARE TO BE ADJUDICATED AT SUBSEQUENT HEARINGS IN THE PROCEEDINGS.
  - 2. MAY BE REVOKED OR MODIFIED BEFORE THE FINAL DECREE.
- 3. THAT PROVIDED FOR EQUAL POSSESSION OF THE LIQUID ASSETS OF THE MARITAL PROPERTY DOES NOT PREJUDICE EITHER PARTY'S CLAIM FOR TEMPORARY MAINTENANCE, CHILD SUPPORT OR ATTORNEY FEES.
- 4. TERMINATES WHEN THE FINAL DECREE IS ENTERED OR WHEN THE PETITION FOR DISSOLUTION, LEGAL SEPARATION OR ANNULMENT IS DISMISSED.
  - E. FOR THE PURPOSES OF THIS SECTION, "LIQUID ASSETS" INCLUDES:
  - 1. CASH.
  - 2. TRAVELER'S CHECKS.
  - 3. NONRETIREMENT FUNDS IN FINANCIAL INSTITUTIONS.
  - 4. LOTTERY WINNINGS.
  - CRYPTOCURRENCY.
  - 6. COINS AND PRECIOUS METALS.
- Sec. 9. Section 25-317, Arizona Revised Statutes, is amended to read:

# 25-317. <u>Separation agreement: effect</u>

A. To promote amicable settlement of disputes between parties to a marriage attendant on their separation OR ANNULMENT or the dissolution of their marriage, the parties may enter into a written separation agreement containing provisions for disposition of any property owned by either of

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 them, maintenance of either of them, and support, custody LEGAL DECISION-MAKING and parenting time of their children. A separation agreement may provide that its maintenance terms shall not be modified.

- B. In a proceeding for dissolution of marriage, FOR ANNULMENT or for legal separation, the terms of the separation agreement, except those providing for the support, custody LEGAL DECISION-MAKING and parenting time of children, are binding on the court unless it finds, after considering the economic circumstances of the parties and any other relevant evidence produced by the parties, on their own motion or on request of the court, that the separation agreement is unfair.
- C. If the court finds the separation agreement unfair as to disposition of property or maintenance, it may request the parties to submit a revised separation agreement or may make orders for the disposition of property or maintenance.
- D. If the court finds that the separation agreement is not unfair as to disposition of property or maintenance and that it is reasonable as to support, custody LEGAL DECISION-MAKING and parenting time of children, the separation agreement shall be set forth or incorporated by reference in the decree of dissolution, ANNULMENT or legal separation and the parties shall be ordered to perform them. If the separation agreement provides that its terms shall not be set forth in the decree, the decree shall identify the separation agreement as incorporated by reference and state that the court has found the terms as to property disposition and maintenance not unfair and the terms as to support, custody LEGAL DECISION-MAKING and parenting time of children reasonable.
- E. Terms of the agreement set forth or incorporated by reference in the decree are enforceable by all remedies available for enforcement of a judgment, including contempt.
- F. Except for terms concerning the maintenance of either party and the support, custody LEGAL DECISION-MAKING or parenting time of children, entry of the decree shall thereafter preclude the modification of the terms of the decree and the property settlement agreement, if any, set forth or incorporated by reference.
- G. Notwithstanding subsection F OF THIS SECTION, entry of a decree that sets forth or incorporates by reference a separation agreement that provides that its maintenance terms shall not be modified prevents the court from exercising jurisdiction to modify the decree and the separation agreement regarding maintenance, including a decree entered before July 20, 1996.

Sec. 10. Section 25-318, Arizona Revised Statutes, is amended to read:

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25-318. <u>Disposition of property; retroactivity; notice to creditors; assignment of debts; contempt of court</u>
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A. In a proceeding for dissolution of the marriage, FOR ANNULMENT or for legal separation, or in a proceeding for disposition of property

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following dissolution of the marriage by a court that previously lacked personal jurisdiction over the absent spouse or previously lacked jurisdiction to dispose of the property, the court shall assign each spouse's sole and separate property to such spouse. Except as provided in section 25-318.02, it THE COURT shall also divide the community, joint tenancy and other property held in common equitably, though not necessarily in kind, without regard to marital misconduct. For the purposes of this section only, property acquired by either spouse outside this state shall be deemed to be community property if the property would have been community property if acquired in this state.

- B. In dividing property, the court may consider all debts and obligations that are related to the property, including accrued or accruing taxes that would become due on the receipt, sale or other disposition of the property. The court may also consider the exempt status of particular property pursuant to title 33, chapter 8.
- C. This section does not prevent the court from considering all actual damages and judgments from conduct that resulted in criminal conviction of either spouse in which the other spouse or a child was the victim or excessive or abnormal expenditures, destruction, concealment or fraudulent disposition of community, joint tenancy and other property held in common.
- D. The community, joint tenancy and other property held in common for which no provision is made in the decree shall be from the date of the decree held by the parties as tenants in common, each possessed of an undivided one-half interest.
- E. The court may impress a lien on the separate property of either party or the marital property awarded to either party in order to secure the payment of:
- 1. Any interest or equity the other party has in or to the property.  $\hspace{1.5cm}$
- 2. Community debts that the court has ordered to be paid by the parties.
  - 3. An allowance for child support or spousal maintenance, or both.
- 4. All actual damages and judgments from conduct that resulted in criminal conviction of either spouse in which the other spouse or a child was the victim.
- F. The decree or judgment shall specifically describe by legal description any real property affected and shall specifically describe any other property affected.
- G. This section applies through both prospective and retrospective operation to property without regard to the date of acquisition.
- H. In all actions for the dissolution of marriage, ANNULMENT or legal separation, the court shall require the following statement in the materials provided to the petitioner and to be served on the respondent:

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#### Notice

In your property settlement agreement or decree of dissolution, ANNULMENT or legal separation, the court may assign responsibility for certain community debts to one spouse or the other. Please be aware that a court order that does this is binding on the spouses only and does not necessarily relieve either of you from your responsibility for these community debts. These debts are matters of contract between both of you and your creditors (such as banks, credit unions, credit card issuers, finance companies, utility companies, medical providers and retailers).

Since your creditors are not parties to this court case, they are not bound by court orders or any agreements you and your spouse reach in this case. On request, the court may impose a lien against the separate property of a spouse to secure payment of debts that the court orders that spouse to pay.

You may want to contact your creditors to discuss your debts as well as the possible effects of your court case on your debts. To assist you in identifying your creditors, you may obtain a copy of your spouse's credit report by making a written request to the court for an order requiring a credit reporting agency to release the report to you. Within thirty days after receipt of a request from a spouse who is party to a dissolution of marriage or legal separation action, which includes the court and case number of the action, creditors are required by law to provide information as to the balance and account status of any debts for which the requesting spouse may be liable to the creditor. You may wish to use the following form, or one that is similar, to contact your creditors:

# Creditor notification

Creditor name and Address:	- -
Within thirty days after receipt of requested to provide the balance and a debt identified by account number for party may be liable to you.  Name:  Address:	account status of any
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1 2 (signature) 3 4 (printed name) 5 I. On the written request of any party to a pending dissolution of 6 marriage, ANNULMENT or legal separation action, the court, except for good cause shown, shall issue an order requiring any credit reporting agency to 7 8 release the credit report as to the spouse of the requesting party on 9 payment by the requesting party of any customary fee for providing the 10 credit report. 11 J. On the request of either party and except for good cause shown, the court shall require the parties to submit a debt distribution plan 12 that states the following: 13 1. How community creditors will be paid. 14 2. Whether any agreements have been entered into between the 15 16 parties as to responsibility for the payment of community debts, including what, if any, collateral will secure the payment of the debt. 17 18 3. Whether the parties have entered into agreements with creditors through which a community debt will be the sole responsibility of one 19 20 party. 21 K. The following form may be used to verify agreements with 22 creditors: 23 Agreement with creditor 24 The parties to this agreement include \_\_\_\_ and \_\_\_\_\_ who are parties to a dissolution of 25 26 marriage action filed in \_\_\_\_\_ county superior court, Arizona, case number \_\_\_\_\_ and \_\_\_\_ 27 who is a duly authorized representative of \_\_\_\_\_ 28 29 (creditor). 30 The undersigned parties agree that the debt owed by the parties to \_\_\_\_\_ (creditor) is to be disposed of 31 32 as follows (check one): 33 \_\_\_ The debt is the joint responsibility of the 34 parties, with payment to be made on the following 35 terms: 36 37 \_\_\_ The balance of the debt is the sole responsibility 38 39 \_\_\_\_ and the creditor releases \_\_\_\_ from any further liability for that debt, 40 41 with payment to be made on the following terms: 42 43 44 45 \_\_\_ The debt has been paid in full as of this date.

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1	We the undersigned acknowledge this agreement.
2	Dated:
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5	Debtor Debtor
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7	Creditor's representative
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9	Subscribed and sworn to before me this day of
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12	Notary Public

- Notary Public
- L. If the parties are not able to agree to a joint debt distribution plan pursuant to subsection J of this section, the court may order each party to submit a proposed debt distribution plan to the court. In its orders relating to the division of property, the court shall reflect the debt distribution plan approved by the court and shall confirm that any community debts that are made the sole responsibility of one of the parties by agreement with a creditor are the sole responsibility of that party.
- M. An agreement with a creditor pursuant to subsection K of this section that assigns or otherwise modifies repayment responsibility for community debts secured by real property located in this state shall include all of the following:
  - 1. A legal description of the real property.
- 2. A copy of the note and recorded security instrument, the repayment of which is to be assigned or modified by the agreement with a creditor.
- 3. A written and notarized acknowledgment that is executed by all parties to the debt, including the lender, and that states one of the following:
  - (a) The terms for the repayment of the debt remain unchanged.
- (b) The terms for the repayment of the debt have been modified and, beginning on the date of the execution of the acknowledgment, the creditor has agreed that one of the debtors assumes the sole responsibility for the debt and that the other debtor is released from any further liability on the debt.
- (c) The debt is paid in full and all parties to the debt are released from any further liability.
- N. An agreement executed pursuant to subsection M of this section shall be recorded by either party in the county in which the real property is located.
- O. After an agreement is recorded pursuant to subsection N of this section, either party may request that on payment of the title company's fees for the document a title company authorized to do business in this

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state provide the requesting party with a lien search report or other documentary evidence of liens and other agreements of record in the title to the property.

- P. If a party fails to comply with an order to pay debts, the court may enter orders transferring property of that spouse to compensate the other party. If the court finds that a party is in contempt as to an order to pay community debts, the court may impose appropriate sanctions under the law. A party must bring an action to enforce an order to pay a debt pursuant to this subsection within two years after the date in which the debt should have been paid in full.
- Q. Within thirty days after receipt of a written request for information from a spouse who is a party to a dissolution of marriage or legal separation action, which includes the court and case number of the action, a creditor shall provide the balance and account status of any debts of either or both spouses identified by account number for which the requesting spouse may be liable to the creditor.
- R. If any part of the court's division of joint, common or community property is in the nature of child support or spousal maintenance, the court shall make specific findings of fact and supporting conclusions of law in its decree.
- Sec. 11. Section 25-319, Arizona Revised Statutes, is amended to read:

# 25-319. <u>Maintenance: guidelines: computation factors</u>

- A. In a proceeding for dissolution of marriage or legal separation, or a proceeding for maintenance following dissolution of the marriage by a court that lacked personal jurisdiction over the absent spouse, the court may grant a maintenance order for either spouse. for any of the following reasons if it finds that the spouse seeking maintenance:
- 1. Lacks sufficient property, including property apportioned to the spouse, to provide for that spouse's reasonable needs.
- 2. Is unable to be self-sufficient through appropriate employment or LACKS EARNING ABILITY IN THE LABOR MARKET THAT IS ADEQUATE TO BE SELF-SUFFICIENT.
- 3. Is the <del>custodian</del> PARENT of a child whose age or condition is such that the <del>custodian</del> PARENT should not be required to seek employment outside the home <del>or lacks earning ability in the labor market adequate to be self-sufficient</del>.
- 3. 4. Has made a significant financial or other contribution to the education, training, vocational skills, career or earning ability of the other spouse OR HAS SIGNIFICANTLY REDUCED THAT SPOUSE'S INCOME OR CAREER OPPORTUNITIES FOR THE BENEFIT OF THE OTHER SPOUSE.
- 4.5. Had a marriage of long duration and is of an age that may preclude the possibility of gaining employment adequate to be self-sufficient.

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- 5. Has significantly reduced that spouse's income or career opportunities for the benefit of the other spouse.
- B. The maintenance order shall be in an amount and for a period of time as the court deems just, without regard to marital misconduct, and after considering all relevant factors, including:
- B. THE SUPREME COURT SHALL ESTABLISH GUIDELINES FOR DETERMINING AND AWARDING SPOUSAL MAINTENANCE. THE COURT MAY AWARD SPOUSAL MAINTENANCE PURSUANT TO THE GUIDELINES ONLY FOR A PERIOD OF TIME AND IN AN AMOUNT NECESSARY TO ENABLE THE RECEIVING SPOUSE TO BECOME SELF-SUFFICIENT. THE AMOUNT OF SPOUSAL MAINTENANCE RESULTING FROM THE APPLICATION OF THE GUIDELINES SHALL BE THE AMOUNT OF SPOUSAL MAINTENANCE ORDERED BY THE COURT, UNLESS THE COURT FINDS IN WRITING THAT APPLYING THE GUIDELINES WOULD BE INAPPROPRIATE OR UNJUST. THE SUPREME COURT SHALL BASE THE GUIDELINES AND CRITERIA FOR DEVIATION FROM THE GUIDELINES ON THE FOLLOWING RELEVANT FACTORS LISTED IN PARAGRAPHS 1 THROUGH 13 OF THIS SUBSECTION AND CONSIDERED TOGETHER AND WEIGHED IN CONJUNCTION WITH EACH OTHER:
  - 1. The standard of living established during the marriage.
  - 2. The duration of the marriage.
- 3. The age, employment history, earning ability and physical and emotional condition of the spouse seeking maintenance.
- 4. The ability of the spouse from whom maintenance is sought to meet that spouse's needs while meeting those of the spouse seeking maintenance.
- 5. The comparative financial resources of the spouses, including their comparative earning abilities in the labor market.
- 6. The contribution of the spouse seeking maintenance to the earning ability of the other spouse.
- 7. The extent to which the spouse seeking maintenance has reduced that spouse's income or career opportunities for the benefit of the other spouse.
- 8. The ability of both parties after the dissolution to contribute to the future educational costs of their mutual children.
- 9. The financial resources of the party seeking maintenance, including marital property apportioned to that spouse, and that spouse's ability to meet that spouse's own needs independently.
- 10. The time necessary to acquire sufficient education or training to enable the party seeking maintenance to find appropriate employment and whether such education or training is readily available.
- 11. Excessive or abnormal expenditures, destruction, concealment or fraudulent disposition of community, joint tenancy and other property held in common.
- 12. The cost for the spouse who is seeking maintenance to obtain health insurance and the reduction in the cost of health insurance for the spouse from whom maintenance is sought if the spouse from whom maintenance

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is sought is able to convert family health insurance to employee health insurance after the marriage is dissolved.

- 13. All actual damages and judgments from conduct that resulted in criminal conviction of either spouse in which the other spouse or a child was the victim.
- C. A MAINTENANCE ORDER SHALL BE MADE WITHOUT REGARD TO MARITAL MISCONDUCT.
- C. D. If both parties agree, the maintenance order and a decree of dissolution of marriage or of legal separation may state that its maintenance terms shall not be modified.
- $\frac{D}{C}$  E. Except as provided in subsection  $\frac{C}{C}$  D of this section or section 25-317, subsection G, the court shall maintain continuing jurisdiction over the issue of maintenance for the period of time maintenance is awarded.

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