

NJ ALIMONY BILL EXPLAINED

Bill A845

Signed by Governor Chris Christie 9/10/2014

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Bill A845, the Alimony Bill, makes drastic changes to the way alimony is awarded in divorce cases, and is designed to give judges, lawyers and litigants a set of guidelines to follow when determining how much alimony should be awarded and for how long.

There are changes in FIVE major areas:

- **Retirement** – what happens when the person who is paying alimony wants to retire
- **Habitation** – what happens if you are receiving alimony but want to live with a new person
- **Loss of income** – how can you modify alimony due to loss of job and/or reduction of income
- **Length of alimony** – how long someone can receive payments
- **Impact of separate homes** – the need, expense, and ability of both parties to maintain standard of living

MAJOR KEY POINTS

- If your marriage or civil union was less than 20 years, the length of alimony cannot exceed the length of marriage or civil union, unless the judge decides there are “exceptional circumstances.” (See bottom of 2nd page)
 - Example: If you were married for 18 years, you can only receive up to 18 years of alimony. If your marriage lasted for 10 years, you can only receive up to 10 years of alimony, and so on and so forth.
- If you are receiving alimony and engage in an intimate, long-term, marital-like relationship with a new person, the paying spouse can argue in court to terminate or suspend alimony
 - The payer does not have to prove that the payee is living in the new person’s home, it’s about the relationship
 - Judges must analyze, among other factors, the cohabitants' joint finances, recognition of the relationship in the couple's social and family circle, duration of the relationship and sharing of household chores. A judge will not be able to reject a claim of cohabitation solely on the grounds that the couple does not live together on a full-time basis.

- Judges will have to consider the ages of the parties when they were married and when the relationship ended, the need for separate homes, the ability of both parties to maintain a standard of living, the dependency of one party on the other, whether one party has particular health problems and other relevant issues.
- Alimony payments may now be modified or terminated when they payer reaches full retirement age.
- The law applies to people who are not yet divorced. Although, if you already have a divorce judgment or a written property settlement and going to court to modify your alimony, then the new laws will apply to you.
 - Example – Cohabitation, retirement
- The new rules give judges greater authority to modify alimony awards if the payer becomes unemployed involuntarily or sees a dramatic change in his or her financial circumstances. A payer who loses his or her job will be allowed to apply for a modification in payments after being unemployed for a minimum of 90 days.
- The term “permanent alimony” is replaced with “open durational alimony.”

A non-inclusive list of "**exceptional circumstances**" is set forth in the proposed law and includes:

- The ages of the parties at the time of the marriage or civil union and at the time of the alimony award;
- The degree and duration of the dependency of one party on the other party during the marriage or civil union;
- Whether a spouse or partner has a chronic illness or unusual health circumstance;
- Whether a spouse or partner has given up a career or a career opportunity or otherwise supported the career of the other spouse or partner;
- Whether a spouse or partner has received a disproportionate share of the marital estate;
- The impact of the marriage or civil union on either party's ability to become self-supporting, including but not limited to either party's responsibility as primary caretaker of a child;
- Tax considerations of either party; and
- Any other factors or circumstances that the court deems equitable, relevant and material.