

House Bill 3531

Sponsored by Representative WHITSETT

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies law regarding establishment and modification of spousal support awards in domestic relations proceedings. Limits duration and amount of spousal support that court may order. Automatically terminates obligation to pay spousal support upon death of either party, upon remarriage or cohabitation of obligee or upon obligor reaching retirement age. Requires obligee to repay certain spousal support if not used as ordered by court. Requires court to consider moneys received from judgment in favor of either party when establishing spousal or child support. Prescribes circumstances under which reinstatement of terminated spousal support may be ordered.

A BILL FOR AN ACT

1
2 Relating to domestic relations; creating new provisions; amending ORS 19.275, 107.104, 107.105,
3 107.135, 107.136, 107.407, 107.412, 107.434, 107.449 and 107.475; and repealing ORS 107.406.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Sections 2 and 3 of this 2013 Act are added to and made a part of ORS 107.093**
6 **to 107.449.**

7 **SECTION 2. (1) For purposes of this section:**

8 (a) **"Cohabitation" means a domestic arrangement between parties who are not married**
9 **to each other but who live as husband and wife or as domestic partners for more than three**
10 **months and who share a common domicile and living expenses.**

11 (b) **"Good faith retirement" means the retirement of the obligor at an age when the**
12 **obligor could first make application for retirement in accordance with the terms of the re-**
13 **irement plan under which the obligor is eligible, regardless of the obligor's ability to work**
14 **beyond that age.**

15 (2) **The court may order the payment of spousal support in a judgment of marital**
16 **annulment, dissolution or separation, subject to the provisions of this section.**

17 (3) **The court may not order the payment of spousal support for a period of time greater**
18 **than one-half the duration of the parties' marriage.**

19 (4) **The amount of spousal support ordered to be paid:**

20 (a) **May not exceed 25 percent of the obligor's gross annual income; and**

21 (b) **When applicable, must take into account the income and assets of the obligee's new**
22 **spouse or partner in cohabitation.**

23 (5) **The court may consider any money received by a party as a result of a judgment en-**
24 **tered in favor of the party before or during the marriage or after the date of separation.**

25 (6) **In making an order for payment of spousal support, the court shall designate one or**
26 **more of the following categories of spousal support and shall make findings of the relevant**
27 **factors in the decision:**

28 (a) **Transitional spousal support as needed for a party to attain education and training**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 necessary to allow the party to prepare for reentry into the job market or for advancement
2 therein. In awarding transitional spousal support, the court shall consider:

- 3 (A) The duration of the marriage;
- 4 (B) A party's training and employment skills;
- 5 (C) A party's work experience;
- 6 (D) The financial needs and resources of each party;
- 7 (E) The tax consequences to each party;
- 8 (F) A party's custodial and child support responsibilities; and
- 9 (G) Any other factors the court deems just and equitable.

10 (b) Compensatory spousal support if one party made a significant financial or other con-
11 tribution to the education, training, vocational skills, career or earning capacity of the other
12 party, when an order for compensatory spousal support is otherwise just and equitable. In
13 awarding compensatory spousal support, the court shall consider:

- 14 (A) The amount, duration and nature of the financial or other contribution;
- 15 (B) The duration of the marriage;
- 16 (C) The relative earning capacity of the parties;
- 17 (D) The extent to which the marital estate has already benefited from the contribution;
- 18 (E) The tax consequences to each party; and
- 19 (F) Any other factors the court deems just and equitable.

20 (c) Spousal maintenance as a contribution by one spouse to the support of the other. In
21 awarding spousal maintenance, the court shall consider:

- 22 (A) The duration of the marriage;
- 23 (B) The age of the parties;
- 24 (C) The health of the parties, including the physical, mental and emotional condition of
25 each party;
- 26 (D) The overall standard of living during the marriage;
- 27 (E) The relative income and earning capacity of the parties, recognizing that a wage
28 earner's continuing income may be a basis for support distinct from the income that a sup-
29 ported spouse may receive from the distribution of marital property;
- 30 (F) A party's training and employment skills;
- 31 (G) A party's work experience;
- 32 (H) The financial needs and resources of each party;
- 33 (I) The tax consequences to each party;
- 34 (J) A party's custodial and child support responsibilities; and
- 35 (K) Any other factors the court deems just and equitable.

36 (7) Except as otherwise agreed by the parties in writing, the obligation of an obligor un-
37 der an order to pay any category of spousal support terminates without further notice to the
38 obligee and without further order of the court:

- 39 (a) Upon the death of either party;
- 40 (c) Upon the remarriage or cohabitation of the obligee; or
- 41 (e) Upon the good faith retirement of the obligor.

42 (8) An order or judgment for payment of spousal support under this section must include
43 a provision that regulates the repayment of transitional spousal support that was received
44 by the obligee but not used in accordance with the order or judgment.

- 45 (9) An obligor may not be required to name the obligee on a life insurance policy of the

1 obligor for a period of time longer than the duration of the obligation to pay spousal support.

2 (10) The court may approve a marital support agreement between the parties for the
3 purpose of entering a judgment awarding spousal support.

4 (11) A general judgment entered under ORS 107.105 may include an amount for support
5 as requested in a petition filed under ORS 107.085 for which a limited judgment was not en-
6 tered, payment of which commences no earlier than the date the petition was served on the
7 nonrequesting party, and the amount shall be considered a request for relief that has been
8 decided by the general judgment for purposes of ORS 18.082 (3).

9 **SECTION 3.** (1) As used in this section, “substantial change in economic
10 circumstances” includes, but is not limited to:

11 (a) A substantial change in the cost of reasonable and necessary expenses to either party;

12 (b) A substantial change in income, benefits or income opportunities to either party; or

13 (c) The provisions for spousal support in a judgment entered prior to the effective date
14 of this 2013 Act that exceed the limits on duration or amount of spousal support that may
15 be ordered under section 2 of this 2013 Act.

16 (2) The court may, at any time after a judgment of marital annulment, dissolution or
17 separation has been entered, upon the motion of either party and after service of notice on
18 the other party in the manner provided by ORCP 7, set aside or modify any portion of the
19 judgment awarding spousal support or providing for life insurance under section 2 of this
20 2013 Act in accordance with this section.

21 (3)(a) A substantial change in economic circumstances of a party must exist and be
22 proved by the party seeking to set aside or modify the judgment.

23 (b) An order setting aside or modifying a provision for spousal support in a judgment is
24 subject to section 2 of this 2013 Act.

25 **SECTION 4.** ORS 107.105 is amended to read:

26 107.105. (1) Whenever the court renders a judgment of marital annulment, dissolution or sepa-
27 ration, the court may provide in the judgment:

28 (a) For the future care and custody, by one party or jointly, of all minor children of the parties
29 born, adopted or conceived during the marriage and for minor children born to the parties prior to
30 the marriage, as the court may deem just and proper under ORS 107.137. The court may hold a
31 hearing to decide the custody issue prior to any other issues. When appropriate, the court shall
32 recognize the value of close contact with both parents and encourage joint parental custody and
33 joint responsibility for the welfare of the children.

34 (b) For parenting time rights of the parent not having custody of such children and for visitation
35 rights pursuant to a petition filed under ORS 109.119. When a parenting plan has been developed
36 as required by ORS 107.102, the court shall review the parenting plan and, if approved, incorporate
37 the parenting plan into the court’s final order. When incorporated into a final order, the parenting
38 plan is determinative of parenting time rights. If the parents have been unable to develop a par-
39 enting plan or if either of the parents requests the court to develop a detailed parenting plan, the
40 court shall develop the parenting plan in the best interest of the child, ensuring the noncustodial
41 parent sufficient access to the child to provide for appropriate quality parenting time and ensuring
42 the safety of the parties, if implicated. The court shall deny parenting time to a parent under this
43 paragraph if the court finds that the parent has been convicted of rape under ORS 163.365 or 163.375
44 or other comparable law of another jurisdiction and the rape resulted in the conception of the child.
45 Otherwise, the court may deny parenting time to the noncustodial parent under this subsection only

1 if the court finds that parenting time would endanger the health or safety of the child. The court
 2 shall recognize the value of close contact with both parents and encourage, when practicable, joint
 3 responsibility for the welfare of such children and extensive contact between the minor children of
 4 the divided marriage and the parties. If the court awards parenting time to a noncustodial parent
 5 who has committed abuse, other than being convicted for rape as described in this paragraph, the
 6 court shall make adequate provision for the safety of the child and the other parent in accordance
 7 with the provisions of ORS 107.718 (6).

8 (c) For *[the support of the children of the marriage by the parties]* **child support**. In ordering child
 9 support, the formula established under ORS 25.275 shall apply. **The court may consider any money**
 10 **received by a parent as a result of a judgment entered in favor of the parent before or during**
 11 **the marriage or after the date of marital annulment, dissolution or separation**. The court may
 12 at any time require an accounting from the custodial parent with reference to the use of the money
 13 received as child support. The court is not required to order support for any minor child who has
 14 become self-supporting, emancipated or married or for any child who has ceased to attend school
 15 after becoming 18 years of age. A general judgment entered under this section may include an
 16 amount for support as requested in a petition filed under ORS 107.085 or under a motion for relief
 17 made pursuant to ORS 107.095 (1)(b) for which a limited judgment was not entered, payment of which
 18 commences no earlier than the date the petition or motion was served on the nonrequesting party,
 19 and the amount shall be considered a request for relief that has been decided by the general judg-
 20 ment for purposes of ORS 18.082 (3).

21 (d) For spousal support **awarded pursuant to section 2 of this 2013 Act**, *[an amount of money*
 22 *for a period of time as may be just and equitable for one party to contribute to the other, in gross or*
 23 *in installments or both. The court may approve an agreement for the entry of an order for the support*
 24 *of a party. A general judgment entered under this section may include an amount for support as re-*
 25 *quested in a petition filed under ORS 107.085 or under a motion for relief made pursuant to ORS*
 26 *107.095 (1)(b) for which a limited judgment was not entered, payment of which commences no earlier*
 27 *than the date the petition or motion was served on the nonrequesting party, and the amount shall be*
 28 *considered a request for relief that has been decided by the general judgment for purposes of ORS*
 29 *18.082 (3). In making the spousal support order, the court shall designate one or more categories of*
 30 *spousal support and shall make findings of the relevant factors in the decision. The court may order:]*

31 *[(A) Transitional spousal support as needed for a party to attain education and training necessary*
 32 *to allow the party to prepare for reentry into the job market or for advancement therein. The factors*
 33 *to be considered by the court in awarding transitional spousal support include but are not limited to:]*

34 *[(i) The duration of the marriage;]*

35 *[(ii) A party's training and employment skills;]*

36 *[(iii) A party's work experience;]*

37 *[(iv) The financial needs and resources of each party;]*

38 *[(v) The tax consequences to each party;]*

39 *[(vi) A party's custodial and child support responsibilities; and]*

40 *[(vii) Any other factors the court deems just and equitable.]*

41 *[(B) Compensatory spousal support when there has been a significant financial or other contribu-*
 42 *tion by one party to the education, training, vocational skills, career or earning capacity of the other*
 43 *party and when an order for compensatory spousal support is otherwise just and equitable in all of the*
 44 *circumstances. The factors to be considered by the court in awarding compensatory spousal support*
 45 *include but are not limited to:]*

- 1 *[(i) The amount, duration and nature of the contribution;]*
 2 *[(ii) The duration of the marriage;]*
 3 *[(iii) The relative earning capacity of the parties;]*
 4 *[(iv) The extent to which the marital estate has already benefited from the contribution;]*
 5 *[(v) The tax consequences to each party; and]*
 6 *[(vi) Any other factors the court deems just and equitable.]*
 7 *[(C) Spousal maintenance as a contribution by one spouse to the support of the other for either a*
 8 *specified or an indefinite period. The factors to be considered by the court in awarding spousal main-*
 9 *tenance include but are not limited to:]*
 10 *[(i) The duration of the marriage;]*
 11 *[(ii) The age of the parties;]*
 12 *[(iii) The health of the parties, including their physical, mental and emotional condition;]*
 13 *[(iv) The standard of living established during the marriage;]*
 14 *[(v) The relative income and earning capacity of the parties, recognizing that the wage earner's*
 15 *continuing income may be a basis for support distinct from the income that the supported spouse may*
 16 *receive from the distribution of marital property;]*
 17 *[(vi) A party's training and employment skills;]*
 18 *[(vii) A party's work experience;]*
 19 *[(viii) The financial needs and resources of each party;]*
 20 *[(ix) The tax consequences to each party;]*
 21 *[(x) A party's custodial and child support responsibilities; and]*
 22 *[(xi) Any other factors the court deems just and equitable.]*
 23 (e) For the delivery to one party of such party's personal property in the possession or control
 24 of the other at the time of the giving of the judgment.
 25 (f) For the division or other disposition between the parties of the real or personal property, or
 26 both, of either or both of the parties as may be just and proper in all the circumstances. In deter-
 27 mining the division of property under this paragraph, the following apply:
 28 (A) A retirement plan or pension or an interest therein shall be considered as property.
 29 (B) The court shall consider the contribution of a party as a homemaker as a contribution to
 30 the acquisition of marital assets.
 31 (C) Except as provided in subparagraph (D) of this paragraph, there is a rebuttable presumption
 32 that both parties have contributed equally to the acquisition of property during the marriage,
 33 whether such property is jointly or separately held.
 34 (D)(i) Property acquired by gift to one party during the marriage and separately held by that
 35 party on a continuing basis from the time of receipt is not subject to a presumption of equal con-
 36 tribution under subparagraph (C) of this paragraph.
 37 (ii) For purposes of this subparagraph, "property acquired by gift" means property acquired by
 38 one party through gift, devise, bequest, operation of law, beneficiary designation or inheritance.
 39 (E) Subsequent to the filing of a petition for annulment or dissolution of marriage or separation,
 40 the rights of the parties in the marital assets shall be considered a species of co-ownership, and a
 41 transfer of marital assets under a judgment of annulment or dissolution of marriage or of separation
 42 entered on or after October 4, 1977, shall be considered a partitioning of jointly owned property.
 43 (F) The court shall require full disclosure of all assets by the parties in arriving at a just
 44 property division.
 45 (G) In arriving at a just and proper division of property, the court shall consider reasonable

1 costs of sale of assets, taxes and any other costs reasonably anticipated by the parties.

2 (H)(i) If a party has been awarded spousal support in lieu of a share of property, the court shall
 3 so state on the record and shall order the obligor to provide for and maintain life insurance in an
 4 amount commensurate with the obligation and designating the obligee as beneficiary for the dura-
 5 tion of the obligation.

6 *[(ii) If the obligor dies prior to the termination of spousal support and life insurance is not in force*
 7 *as provided in sub-subparagraph (i) of this subparagraph, the court may modify the method of payment*
 8 *of spousal support under the judgment or order of support from installments to a lump sum payment*
 9 *to the obligee from the estate of the obligor in an amount commensurate with the present value of the*
 10 *spousal support at the time of death.]*

11 *[(iii) (ii) The obligee or attorney of the obligee shall cause a certified copy of the judgment to*
 12 *be delivered to the life insurance company or companies.*

13 *[(iv) (iii) If the obligee or the attorney of the obligee delivers a true copy of the judgment to*
 14 *the life insurance company or companies, identifying the policies involved and requesting such no-*
 15 *tification under this section, the company or companies shall notify the obligee, as beneficiary of the*
 16 *insurance policy, whenever the policyholder takes any action that will change the beneficiary or*
 17 *reduce the benefits of the policy. Either party may request notification by the insurer when premium*
 18 *payments have not been made. If the obligor is ordered to provide for and maintain life insurance,*
 19 *the obligor shall provide to the obligee a true copy of the policy. The obligor shall also provide to*
 20 *the obligee written notice of any action that will reduce the benefits or change the designation of*
 21 *the beneficiaries under the policy.*

22 (g) For the creation of trusts as follows:

23 (A) For the appointment of one or more trustees to hold, control and manage for the benefit of
 24 the children of the parties, of the marriage or otherwise such of the real or personal property of
 25 either or both of the parties, as the court may order to be allocated or appropriated to their support
 26 and welfare, and to collect, receive, expend, manage or invest any sum of money awarded for the
 27 support and welfare of minor children of the parties.

28 (B) For the appointment of one or more trustees to hold, manage and control such amount of
 29 money or such real or personal property of either or both of the parties, as may be set aside, allo-
 30 cated or appropriated for the support of a party.

31 (C) For the establishment of the terms of the trust and provisions for the disposition or distrib-
 32 ution of such money or property to or between the parties, their successors, heirs and assigns after
 33 the purpose of the trust has been accomplished. Upon petition of a party or a person having an in-
 34 terest in the trust showing a change of circumstances warranting a change in the terms of the trust,
 35 the court may make and direct reasonable modifications in its terms.

36 (h) To change the name of either spouse to a name the spouse held before the marriage. The
 37 court shall order a change if it is requested by the affected party.

38 (i) For a money award for any sums of money found to be then remaining unpaid upon any order
 39 or limited judgment entered under ORS 107.095. If a limited judgment was entered under ORS
 40 107.095, the limited judgment shall continue to be enforceable for any amounts not paid under the
 41 limited judgment unless those amounts are included in the money award made by the general judg-
 42 ment.

43 (j) For an award of reasonable attorney fees and costs and expenses reasonably incurred in the
 44 action in favor of a party or in favor of a party's attorney.

45 (2) In determining the proper amount of support and the proper division of property under sub-

1 section (1)(c), (d) and (f) of this section, the court may consider evidence of the tax consequences
 2 on the parties of its proposed judgment.

3 (3) Upon the filing of the judgment, the property division ordered shall be deemed effective for
 4 all purposes. This transfer by judgment, which shall affect solely owned property transferred to the
 5 other spouse as well as commonly owned property in the same manner as would a declaration of a
 6 resulting trust in favor of the spouse to whom the property is awarded, is not a taxable sale or ex-
 7 change.

8 (4) If an appeal is taken from a judgment of annulment or dissolution of marriage or of separa-
 9 tion or from any part of a judgment rendered in pursuance of the provisions of ORS 107.005 to
 10 107.086, 107.095, 107.105, 107.115 to 107.174, 107.405, 107.425, 107.445 to 107.520, 107.540 and 107.610,
 11 the court rendering the judgment may provide in a supplemental judgment for any relief provided
 12 for in ORS 107.095 and shall provide that the relief granted in the judgment is to be in effect only
 13 during the pendency of the appeal. A supplemental judgment under this subsection may be enforced
 14 as provided in ORS 33.015 to 33.155 and ORS chapter 18. A supplemental judgment under this sub-
 15 section may be appealed in the same manner as provided for supplemental judgments modifying a
 16 domestic relations judgment under ORS 19.275.

17 (5) If an appeal is taken from the judgment or other appealable order in a suit for annulment
 18 or dissolution of a marriage or for separation and the appellate court awards costs and disburse-
 19 ments to a party, the court may also award to that party, as part of the costs, such additional sum
 20 of money as it may adjudge reasonable as an attorney fee on the appeal.

21 (6) If, as a result of a suit for the annulment or dissolution of a marriage or for separation, the
 22 parties to such suit become owners of an undivided interest in any real or personal property, or
 23 both, either party may maintain supplemental proceedings by filing a petition in such suit for the
 24 partition of such real or personal property, or both, within two years from the entry of the judgment,
 25 showing among other things that the original parties to the judgment and their joint or several
 26 creditors having a lien upon any such real or personal property, if any there be, constitute the sole
 27 and only necessary parties to such supplemental proceedings. The procedure in the supplemental
 28 proceedings, so far as applicable, shall be the procedure provided in ORS 105.405 for the partition
 29 of real property, and the court granting the judgment shall have in the first instance and retain
 30 jurisdiction in equity therefor.

31 **SECTION 5.** ORS 107.135 is amended to read:

32 107.135. (1) The court may at any time after a judgment of annulment or dissolution of marriage
 33 or of separation is granted, upon the motion of either party and after service of notice on the other
 34 party in the manner provided by ORCP 7, and after notice to the Division of Child Support when
 35 required under subsection [(9)] (8) of this section:

36 (a) Set aside, alter or modify any portion of the judgment that provides for the appointment and
 37 duties of trustees, for the custody, parenting time, visitation, support and welfare of the minor
 38 children and the children attending school, as defined in ORS 107.108, including any health or life
 39 insurance provisions[, *for the support of a party*] or for life insurance under ORS 107.820 or 107.830;

40 (b) Make an order, after service of notice to the other party, providing for the future custody,
 41 support and welfare of minor children residing in the state, who, at the time the judgment was given,
 42 were not residents of the state, or were unknown to the court or were erroneously omitted from the
 43 judgment;

44 (c) Terminate a duty of support toward any minor child who has become self-supporting,
 45 emancipated or married;

1 (d) After service of notice on the child in the manner provided by law for service of a summons,
 2 suspend future support for any child who has ceased to be a child attending school as defined in
 3 ORS 107.108; and

4 (e) Set aside, alter or modify any portion of the judgment that provides for a property award
 5 based on the enhanced earning capacity of a party that was awarded before October 23, 1999. A
 6 property award may be set aside, altered or modified under this paragraph:

7 (A) When the person with the enhanced earning capacity makes a good faith career change that
 8 results in less income;

9 (B) When the income of the person with the enhanced earning capacity decreases due to cir-
 10 cumstances beyond the person's control; or

11 (C) Under such other circumstances as the court deems just and proper.

12 (2) When a party moves to set aside, alter or modify the child support provisions of the judg-
 13 ment:

14 (a) The party shall state in the motion, to the extent known:

15 (A) Whether there is pending in this state or any other jurisdiction any type of support pro-
 16 ceeding involving children of the marriage, including one brought under ORS 25.287, 107.431,
 17 109.100, 125.025, 416.400 to 416.465, 419B.400 or 419C.590 or ORS chapter 110; and

18 (B) Whether there exists in this state or any other jurisdiction a support order, as defined in
 19 ORS 110.303, involving children of the marriage, other than the judgment the party is moving to set
 20 aside, alter or modify.

21 (b) The party shall include with the motion a certificate regarding any pending support pro-
 22 ceeding and any existing support order other than the judgment the party is moving to set aside,
 23 alter or modify. The party shall use a certificate that is in a form established by court rule and in-
 24 clude information required by court rule and paragraph (a) of this subsection.

25 (3) In a proceeding under this section to reconsider the *[spousal or]* child support provisions of
 26 the judgment, *[the following provisions apply:]*

27 *[(a)] a substantial change in economic circumstances of a party, which may include, but is not*
 28 *limited to, a substantial change in the cost of reasonable and necessary expenses to either party, is*
 29 *sufficient for the court to reconsider its order of support.[, except that an order of compensatory*
 30 *spousal support may only be modified upon a showing of an involuntary, extraordinary and unantic-*
 31 *ipated change in circumstances that reduces the earning capacity of the paying spouse.]*

32 *[(b) If the judgment provided for a termination or reduction of spousal support at a designated age*
 33 *in anticipation of the commencement of pension, Social Security or other entitlement payments, and if*
 34 *the obligee is unable to obtain the anticipated entitlement payments, that inability is sufficient change*
 35 *in circumstances for the court to reconsider its order of support.]*

36 *[(c) If Social Security is considered in lieu of spousal support or partial spousal support, the court*
 37 *shall determine the amount of Social Security the party is eligible to collect. The court shall take into*
 38 *consideration any pension, retirement or other funds available to either party to effect an equitable*
 39 *distribution between the parties and shall also take into consideration any reduction of entitlement*
 40 *caused by taking early retirement.]*

41 (4) In considering under this section whether a change in circumstances exists sufficient for the
 42 court to reconsider *[spousal or]* **the** child support provisions of a judgment, the following provisions
 43 apply:

44 (a) The court or administrator, as defined in ORS 25.010, shall consider income opportunities and
 45 benefits of the respective parties from all sources, including but not limited to:

1 (A) The reasonable opportunity of each party, the obligor and obligee respectively, to acquire
 2 future income and assets.

3 (B) Retirement benefits available to the obligor and to the obligee.

4 (C) Other benefits to which the obligor is entitled, such as travel benefits, recreational benefits
 5 and medical benefits, contrasted with benefits to which the obligee is similarly entitled.

6 (D) Social Security benefits paid to a child, or to a representative payee administering the funds
 7 for the child's use and benefit, as a result of the obligor's disability or retirement if the benefits:

8 (i) Were not previously considered in the child support order; or

9 (ii) Were considered in an action initiated before May 12, 2003.

10 (E) Apportioned Veterans' benefits or Survivors' and Dependents' Educational Assistance under
 11 38 U.S.C. chapter 35 paid to a child, or to a representative payee administering the funds for the
 12 child's use and benefit, as a result of the obligor's disability or retirement if the benefits:

13 (i) Were not previously considered in the child support order; or

14 (ii) Were considered in an action initiated before May 12, 2003.

15 (b) If the motion for modification is one made by the obligor to reduce or terminate support, and
 16 if the obligee opposes the motion, the court [*shall*] **may** not find a change in circumstances sufficient
 17 for reconsideration of support provisions, if the motion is based upon a reduction of the obligor's
 18 financial status resulting from the obligor's taking voluntary retirement, partial voluntary retire-
 19 ment or any other voluntary reduction of income or self-imposed curtailment of earning capacity, if
 20 it is shown that such action of the obligor was not taken in good faith but was for the primary
 21 purpose of avoiding the support obligation. In any subsequent motion for modification, the court
 22 shall deny the motion if the sole basis of the motion for modification is the termination of volun-
 23 tarily taken retirement benefits and the obligor previously has been found not to have acted in good
 24 faith.

25 (c) The court shall consider the following factors in deciding whether the actions of the obligor
 26 were not in "good faith":

27 (A) Timing of the voluntary retirement or other reduction in financial status to coincide with
 28 court action in which the obligee seeks or is granted an increase in [*spousal*] support.

29 (B) [*Whether all or most of the income producing assets and property were awarded to the obligor,*
 30 *and spousal support in lieu of such property was awarded to the obligee*] **The availability of**
 31 **income-producing assets and property awarded to the obligor and obligee respectively.**

32 (C) Extent of the obligor's dissipation of funds and assets prior to the voluntary retirement or
 33 soon after filing for the change of circumstances based on retirement.

34 (D) If earned income is reduced and absent dissipation of funds or large gifts, whether the
 35 obligor has funds and assets from which the [*spousal*] support could have been paid.

36 [*(E) Whether the obligor has given gifts of substantial value to others, including a current spouse,*
 37 *to the detriment of the obligor's ability to meet the preexisting obligation of spousal support.*]

38 [(5) *Upon terminating a duty of spousal support, a court shall make specific findings of the basis*
 39 *for the termination and shall include the findings in the judgment.*]

40 [(6)] (5) Any modification of child [*or spousal*] support granted because of a change of circum-
 41 stances may be ordered effective retroactive to the date the motion for modification was served or
 42 to any date thereafter.

43 [(7)] (6) The judgment is final as to any installment or payment of money that has accrued up
 44 to the time the nonmoving party, other than the state, is served with a motion to set aside, alter
 45 or modify the judgment. The court may not set aside, alter or modify any portion of the judgment

1 that provides for any payment of money[, *either*] for minor children [*or for the support of a party,*]
2 that has accrued before the motion is served. However:

3 (a) The court may allow a credit against child support arrearages for periods of time, excluding
4 reasonable parenting time unless otherwise provided by order or judgment, during which the obligor,
5 with the knowledge and consent of the obligee or pursuant to court order, has physical custody of
6 the child; and

7 (b) The court may allow, as provided in the rules of the Child Support Program, a dollar-for-
8 dollar credit against child support arrearages for any Social Security or Veterans' benefits paid
9 retroactively to the child, or to a representative payee administering the funds for the child's use
10 and benefit, as a result of an obligor's disability or retirement.

11 [(8)] (7) In a proceeding under subsection (1) of this section, the court may assess against either
12 party a reasonable attorney fee and costs for the benefit of the other party. If a party is found to
13 have acted in bad faith, the court shall order that party to pay a reasonable attorney fee and costs
14 of the defending party.

15 [(9)] (8) Whenever a motion to establish, modify or terminate child support or satisfy or alter
16 support arrearages is filed and the child support rights of one of the parties or of a child of both
17 of the parties have been assigned to the state, a true copy of the motion shall be served by mail or
18 personal delivery on the Administrator of the Division of Child Support of the Department of Justice
19 or on the branch office providing support services to the county in which the motion is filed.

20 [(10)(a)] (9)(a) Except as provided in ORS 109.701 to 109.834, the courts of Oregon, having once
21 acquired personal and subject matter jurisdiction in a domestic relations action, retain such juris-
22 diction regardless of any change of domicile.

23 (b) The courts of Oregon, in a proceeding to establish, enforce or modify a child support order,
24 shall recognize the provisions of the federal Full Faith and Credit for Child Support Orders Act (28
25 U.S.C. 1738B).

26 [(11)] (10) In a proceeding under this section to reconsider provisions in a judgment relating to
27 custody or parenting time, the court may consider repeated and unreasonable denial of, or interfer-
28 ence with, parenting time to be a substantial change of circumstances.

29 [(12)] (11) In a proceeding under this section to reconsider provisions in a judgment relating to
30 parenting time, the court may suspend or terminate a parent's parenting time with a child if the
31 court finds that the parent has abused a controlled substance and that the parenting time is not in
32 the best interests of the child. If a court has suspended or terminated a parent's parenting time
33 with a child for reasons described in this subsection, the court may not grant the parent future
34 parenting time until the parent has shown that the reasons for the suspension or termination are
35 resolved and that reinstated parenting time is in the best interests of the child. Nothing in this
36 subsection limits the court's authority under subsection (1)(a) of this section.

37 [(13)] (12) In a proceeding under this section to reconsider provisions in a judgment relating to
38 custody, temporary placement of the child by the custodial parent pursuant to ORS 109.056 (3) with
39 the noncustodial parent as a result of military deployment of the custodial parent is not, by itself,
40 a change of circumstances. Any fact relating to the child and the parties occurring subsequent to
41 the last custody judgment, other than the custodial parent's temporary placement of the child pur-
42 suant to ORS 109.056 (3) with the noncustodial parent, may be considered by the court when making
43 a change of circumstances determination.

44 [(14)] (13) Within 30 days after service of notice under subsection (1) of this section, the party
45 served shall file a written response with the court.

1 [(15)(a)] (14)(a) It is the policy of this state:

2 (A) To encourage the settlement of cases brought under this section; and

3 (B) For courts to enforce the terms of settlements described in paragraph (b) of this subsection
4 to the fullest extent possible, except when to do so would violate the law or would clearly
5 contravene public policy.

6 (b) In a proceeding under subsection (1) of this section, the court may enforce the terms set
7 forth in a stipulated order or judgment signed by the parties, an order or judgment resulting from
8 a settlement on the record or an order or judgment incorporating a settlement agreement:

9 (A) As contract terms using contract remedies;

10 (B) By imposing any remedy available to enforce an order or judgment, including but not limited
11 to contempt; or

12 (C) By any combination of the provisions of subparagraphs (A) and (B) of this paragraph.

13 (c) A party may seek to enforce an agreement and obtain remedies described in paragraph (b)
14 of this subsection by filing a motion, serving notice on the other party in the manner provided by
15 ORCP 7 and, if a remedy under paragraph (b)(B) of this subsection is sought, complying with the
16 statutory requirements for that remedy. All claims for relief arising out of the same acts or omis-
17 sions must be joined in the same proceeding.

18 (d) Nothing in paragraph (b) or (c) of this subsection limits a party's ability, in a separate pro-
19 ceeding, to file a motion to modify an order or judgment under subsection (1) of this section or to
20 seek enforcement of an ancillary agreement to the order or judgment.

21 **SECTION 6.** ORS 107.136 is amended to read:

22 107.136. (1) When [*a court has terminated*] the duty of spousal support **has been terminated or**
23 **set aside** under [*ORS 107.135*] **section 3 of this 2013 Act**, the court may reinstate the remaining
24 duration and remaining amount of the support award if the moving party alleges and proves that:

25 (a) The basis for the termination **or set-aside** has ceased to exist; [*and*]

26 (b) **The basis for the termination or set-aside was not the death or good faith retirement**
27 **of the obligor or the remarriage or cohabitation of the obligee; and**

28 [*(b)*] (c) The reinstatement is just and equitable under all the circumstances.

29 (2) For the purposes of this section:

30 (a) The remaining duration of a support award is the term of the award remaining as if the
31 award had not been terminated **or set aside** and support had been paid from the date of termination
32 **or set-aside** to the date of reinstatement. For example, if the applicable judgment required payment
33 of spousal support for 10 years, the award was terminated **or set aside** in year three and rein-
34 statement of the award was sought at the end of year seven, the maximum remaining duration of the
35 support award that could be reinstated would be three years.

36 (b) The remaining amount of a support award is the amount of support owed as if the award had
37 not been terminated **or set aside** and support had been paid from the date of termination **or set-**
38 **aside** to the date of reinstatement. For example, if the applicable judgment required support pay-
39 ments of \$1,000 per month for five years and \$500 per month for the next five years, the award was
40 terminated **or set aside** in year three and reinstatement of the award was sought at the end of year
41 seven, the maximum remaining amount of the support award that could be reinstated would be \$500
42 per month.

43 (3) A motion for reinstatement of a spousal support award under this section must be brought
44 within the remaining duration of the award or within 10 years after the entry of the judgment ter-
45 minating **or setting aside** the award, whichever is sooner.

1 (4) In exercising the discretion granted under subsection (1) of this section, the court shall
 2 consider the basis for the spousal support award, the basis for the termination **or set-aside** of the
 3 award and the totality of the circumstances of each party existing since the termination **or set-**
 4 **aside** of the award.

5 (5) Either party may file a motion to modify spousal support under [ORS 107.135] **section 3 of**
 6 **this 2013 Act** in a proceeding to reinstate the spousal support award. In addition to considering the
 7 factors [under ORS 107.135 (3) and (4)] **described in sections 2 and 3 of this 2013 Act**, the court
 8 shall consider the factors described in subsection (4) of this section.

9 (6) At any time, the parties may waive their rights under this section in writing, signed by both
 10 parties and referencing this section.

11 (7) Any reinstatement of a spousal support award may be ordered effective retroactive to the
 12 date the motion was served or to any date thereafter.

13 **SECTION 7.** ORS 107.407 is amended to read:

14 107.407. If an individual has paid an amount of money in installments [*for more than 10 years*]
 15 for the support of a former spouse under a judgment of annulment or dissolution of marriage that
 16 ordered such payment, and when the former spouse has not made a reasonable effort during that
 17 period of time to become financially self-supporting and independent of the support provided under
 18 the judgment, the individual paying the support may petition the court that issued the judgment to
 19 set aside so much of the judgment as may provide for the support of the former spouse. The petition
 20 shall not be granted if spousal support was granted in the judgment in lieu of a share of property
 21 in order to provide the other spouse with a tax benefit.

22 **SECTION 8.** ORS 107.412 is amended to read:

23 107.412. (1) Upon petition of an individual **under ORS 107.407** and after service of notice on the
 24 other party in the manner provided by law for service of a summons, the court shall conduct a
 25 proceeding to determine whether so much of its judgment as provides for the support of a party shall
 26 be set aside.

27 (2) Except as provided in subsections (3) and (4) of this section, if the court finds that the party
 28 receiving support has not made a reasonable effort [*during the previous 10 years*] to become finan-
 29 cially self-supporting and independent of the support provided under the judgment, the court shall
 30 order that support terminated. In making its finding under this subsection, the court shall consider
 31 the following matters:

- 32 (a) The age of the party receiving support;
- 33 (b) The health, work experience and earning capacity of the party;
- 34 (c) The ages, health and dependency conditions of the minor children of the party; and
- 35 (d) Efforts made by the party [*during the previous 10 years*] to improve opportunities for gainful
 36 or improved employment including, but not limited to, attendance at any school, community college
 37 or university or attendance at courses of professional or technical training.

38 (3) A court does not have power under ORS 107.407 and this section to set aside any payment
 39 of money for the support of a party that has accrued prior to the filing of the petition under sub-
 40 section (1) of this section.

41 (4) ORS 107.407 and this section do not affect a judgment, or any portion of it, that provides for
 42 the payment of money for the support of minor children or for the support of a party who is 60 years
 43 of age or older when the proceeding under subsection (1) of this section is held.

44 (5) In a proceeding held under subsection (1) of this section, the court may assess against either
 45 party a reasonable attorney fee for the benefit of the other party.

SECTION 9. ORS 107.104 is amended to read:

107.104. (1) It is the policy of this state:

(a) To encourage the settlement of suits for marital annulment, dissolution or separation; [and]

(b) For courts to enforce the terms of settlements described in subsection (2) of this section to the fullest extent possible, except when to do so would violate the law or would clearly contravene public policy[.]; **and**

(c) To permit the reconsideration of a judgment for spousal support unless all parties specifically agree in writing that the judgment may not be reconsidered.

(2) In a suit for marital annulment, dissolution or separation, the court may enforce the terms set forth in a stipulated judgment signed by the parties, a judgment resulting from a settlement on the record or a judgment incorporating a marital settlement agreement:

(a) As contract terms using contract remedies;

(b) By imposing any remedy available to enforce a judgment, including but not limited to contempt; or

(c) By any combination of the provisions of paragraphs (a) and (b) of this subsection.

(3) A party may seek to enforce an agreement and obtain remedies described in subsection (2) of this section by filing a motion, serving notice on the other party in the manner provided by ORCP 7 and, if a remedy under subsection (2)(b) of this section is sought, complying with the statutory requirements for that remedy. All claims for relief arising out of the same acts or omissions must be joined in the same proceeding.

(4) Nothing in subsection (2) or (3) of this section limits a party's ability, in a separate proceeding, to file a motion to set aside, alter or modify a judgment under ORS 107.135 **or section 3 of this 2013 Act** or to seek enforcement of an ancillary agreement to the judgment.

SECTION 10. ORS 107.434 is amended to read:

107.434. (1) The presiding judge of each judicial district shall establish an expedited parenting time enforcement procedure that may or may not include a requirement for mediation. The procedure must be easy to understand and initiate. Unless the parties otherwise agree, the court shall conduct a hearing no later than 45 days after the filing of a motion seeking enforcement of a parenting time order. The court shall provide forms for:

(a) A motion filed by either party alleging a violation of parenting time or substantial violations of the parenting plan. When a person files this form, the person must include a copy of the order establishing the parenting time.

(b) An order requiring the parties to appear and show cause why parenting time should not be enforced in a specified manner. The party filing the motion shall serve a copy of the motion and the order on the other party. The order must include:

(A) A notice of the remedies imposable under subsection (2) of this section and the availability of a waiver of any mediation requirement; and

(B) A notice in substantially the following form:

When pleaded and shown in a separate legal action, violation of court orders, including visitation and parenting time orders, may also result in a finding of contempt, which can lead to fines, imprisonment or other penalties, including compulsory community service.

1 (c) A motion, affidavit and order that may be filed by either party and providing for waiver of
 2 any mediation requirement on a showing of good cause.

3 (2) In addition to any other remedy the court may impose to enforce the provisions of a judg-
 4 ment relating to the parenting plan, the court may:

5 (a) Modify the provisions relating to the parenting plan by:

6 (A) Specifying a detailed parenting time schedule;

7 (B) Imposing additional terms and conditions on the existing parenting time schedule; or

8 (C) Ordering additional parenting time, in the best interests of the child, to compensate for
 9 wrongful deprivation of parenting time;

10 (b) Order the party who is violating the parenting plan provisions to post bond or security;

11 (c) Order either or both parties to attend counseling or educational sessions that focus on the
 12 impact of violation of the parenting plan on children;

13 (d) Award the prevailing party expenses, including, but not limited to, attorney fees, filing fees
 14 and court costs, incurred in enforcing the party's parenting plan;

15 (e) Terminate, suspend or modify spousal support;

16 (f) Terminate, suspend or modify child support as provided in ORS 107.431; or

17 (g) Schedule a hearing for modification of custody as provided in ORS 107.135 [(11)] (10).

18 **SECTION 11.** ORS 107.475 is amended to read:

19 107.475. The court shall determine and fix in its judgment the duration of the separation. At the
 20 expiration of such time, the judgment shall have no further effect. However, no rights created or
 21 granted in the judgment which have vested shall be affected by its termination. Upon motion of a
 22 party and service upon the other party of notice in the manner provided by law for service of sum-
 23 mons, the court may renew or extend the duration. When the judgment is for unlimited separation,
 24 a party may by motion alleging that the cause for separation no longer exists and after due service
 25 of notice upon the other party in the manner provided by law for service of summons, apply for an
 26 order modifying or vacating the judgment, subject to the provisions of ORS 107.135 **and sections 2**
 27 **and 3 of this 2013 Act.**

28 **SECTION 12.** ORS 19.275 is amended to read:

29 19.275. (1) Any motion that requires a showing of a change of circumstances before the court
 30 may modify a judgment, including a motion to reconsider the spousal or child support provisions of
 31 a judgment pursuant to ORS 107.135 **and sections 2 and 3 of this 2013 Act**, may be filed with the
 32 trial court while an appeal from the judgment is pending before an appellate court. The filing of a
 33 motion under this subsection does not affect the right of the appellant to pursue the appeal of the
 34 judgment.

35 (2) The trial court in its discretion may proceed to hear and decide a motion under this section
 36 or may hold the motion in abeyance pending disposition of the appeal.

37 (3) Pursuant to the provisions of ORS 19.205, the court's decision on a motion under this section
 38 is a supplemental judgment. The appellate court in its discretion may consolidate an appeal from a
 39 supplemental judgment under this section with the pending appeal of the general judgment in the
 40 case, may direct that both appeals be heard at the same time or may allow the appeals to proceed
 41 independently.

42 **SECTION 13.** ORS 107.449 is amended to read:

43 107.449. (1) Upon motion of a party to a proceeding under ORS 107.135 (1) **or section 2 or 3**
 44 **of this 2013 Act** that is not otherwise covered under the provisions of ORS 25.100 (1), based upon
 45 convenience of the parties, the court that has entered the original judgment may order that the

1 matter be transferred to an auxiliary circuit court where either party resides for the purpose of
 2 hearing the matter.

3 (2) Upon entry of an order under this section and payment by the moving party of the copying
 4 and certification costs, the clerk of the court that ordered the transfer shall transmit certified copies
 5 of the files, records and prepared transcripts of testimony in the original proceeding to the clerk
 6 of the court receiving the matter. Upon receipt of such certified copies, the circuit court of the
 7 county to which such certified copies have been transmitted shall have jurisdiction the same as if
 8 it were the court that made and entered the original order or judgment.

9 (3) The only court having jurisdiction to modify any provision of the original order or judgment
 10 is the court having original jurisdiction of the cause in which such order or judgment was entered
 11 or the circuit court of the county in which either party resides if that court has received the cer-
 12 tified copies referred to in subsection (2) of this section. The provisions of ORS 25.100 (2) to (4) shall
 13 apply to all records maintained and orders issued in the auxiliary proceeding.

14 **SECTION 14. ORS 107.406 is repealed.**

15 **SECTION 15. Sections 2 and 3 of this 2013 Act, the amendments to ORS 19.275, 107.104,**
 16 **107.105, 107.135, 107.136, 107.407, 107.412, 107.434, 107.449 and 107.475 by sections 4 to 13 of this**
 17 **2013 Act and the repeal of ORS 107.406 by section 14 of this 2013 Act apply to spousal or child**
 18 **support proceedings that are pending or commenced on or after the effective date of this**
 19 **2013 Act.**

20 _____