2 A. 34-23

LEGISLATIVE HISTORY CHECKLIST

NJSA: 2A:34-23

(divorce—equitable distributionexempt all inherited property.

LAWS OF: 1983

CHAPTER: 519

Bill No: A1896

Sponsor(s): Bryant and others

Date Introduced: September 30, 1982

Committee:

Assembly: Judiciary, Law, Public Safety and Defense

Senate: Judiciary

Amended during passage:

Yes

A mend ments denoted by asterisks

according to Governor's recommendation

Date of Passage:

Assembly: March 3, 1983 Re-enacted 12-12-83

Senate: July 11, 1983 Re-enacted 1-9-84

Date of Approval: January 17, 1984

Following statements are attached if available:

Sponsor statement:

Yes

Committee statement:

Assembly

Yes

Senate

Yes

Fiscal Note:

No

Veto Message:

Yes

Message on Signing:

_No

Following were printed:

Reports:

No

Hearings:

No

CHAPTER 5 19 LAWS OF N. J. 19 8 3 APPROVED 1-17-84

[SECOND OFFICIAL COPY REPRINT]

ASSEMBLY, No. 1896

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 30, 1982

By Assemblymen BRYANT, HERMAN, THOMPSON, MARSELLA, CHARLES, DOYLE, GORMAN, WATSON, NAPLES, MAZUR and RILEY

An Acr concerning equitable distribution of certain matrimonial property upon entry of judgments of divorce under certain circumstances, and amending N. J. S. 2A:34-23.

- 1 Be it enacted by the Senate and General Assembly of the State
- 2 of New Jersey:
- 1 1. N. J. S. 2A:34-23 is amended to read as follows:
- 2 2A:34-23. Pending any matrimonial action brought in this State
- 3 or elsewhere, or after judgment of divorce or maintenance, whether
- 4 obtained in this State or elsewhere, the court may make such order
- 5 as to the alimony or maintenance of the parties, and also as to
- 6 the care, custody, education and maintenance of the children, or
- 7 any of them, as the circumstances of the parties and the nature of
- 8 the case shall render fit, reasonable and just, and require reason-
- 9 able security for the due observance of such orders. Upon neglect
- 10 or refusal to give such reasonable security, as shall be required,
- 11 or upon default in complying with any such order, the court may
- 12 award and issue process for the immediate sequestration of the
- 13 personal estate, and the rents and profits of the real estate of the
- 14 party so charged, and appoint a receiver thereof, and cause such
- 15 personal estate and the rents and profits of such real estate, or
- 16 so much thereof as shall be necessary, to be applied toward such
- 17 alimony and maintenance as to the said court shall from time to
- 18 time seem reasonable and just; or the performance of the said

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

- *—Assembly committee amendment adopted January 27, 1983.
- **—Assembly amendment adopted in accordance with Governor's recommendations December 8, 1983.

19 orders may be enforced by other ways according to the practice of

20 the court. Orders so made may be revised and altered by the court

21 from time to time as circumstances may require.

22 In all actions brought for divorce, divorce from bed and board, or nullity the court may award alimony to either party, and in so 23 doing shall consider the actual need and ability to pay of the 24parties and the duration of the marriage. In all actions for divorce 25 other than those where judgment is granted solely on the ground 26 27of separation the court may consider also the proofs made in establishing such ground in determining an amount of alimony or main-28 29 tenance that is fit, reasonable and just. In all actions for divorce 30 or divorce from bed and board where judgment is granted on the 31 ground of institutionalization for mental illness the court may consider the possible burden upon the taxpayers of the State as well 32 as the ability of the plaintiff to pay in determining an amount of 33 maintenance to be awarded. 34

35 In all actions where a judgment of divorce or divorce from bed 36 and board is entered the court may make such award or awards to the parties, in addition to alimony and maintenance, to effectuate 37 an equitable distribution of the property, both real and personal, 38 39 which was legally and beneficially acquired by them or either of them during the marriage. However, all such property, real, per-40 sonal or otherwise, legally or beneficially acquired during the 41 marriage by either party by way of gift, devise, [or] ** [bequest, or 42descent *or other distribution*] ** **or intestate succession**, shall 43 44 not be subject to equitable distribution, except that interspousal gifts shall be subject to equitable distribution. 45

2. This act shall take effect immediately.

1

ASSEMBLY, No. 1896

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 30, 1982

By Assemblymen BRYANT, HERMAN, THOMPSON, MARSELLA, CHARLES, DOYLE, GORMAN, WATSON, NAPLES, MAZUR and RILEY

An Acr concerning equitable distribution of certain matrimonial property upon entry of judgments of divorce under certain circumstances, and amending N. J. S. 2A:34-23.

- 1 Be it enacted by the Senate and General Assembly of the State
- 2 of New Jersey:

Щ

- 1 1. N. J. S. 2A:34-23 is amended to read as follows:
- 2 2A:34-23. Pending any matrimonial action brought in this State
- 3 or elsewhere, or after judgment of divorce or maintenance, whether
- 4 obtained in this State or elsewhere, the court may make such order
- 5 as to the alimony or maintenance of the parties, and also as to
- 6 the care, custody, education and maintenance of the children, or
- 7 any of them, as the circumstances of the parties and the nature of
- 8 the case shall render fit, reasonable and just, and require reason-
- 9 able security for the due observance of such orders. Upon neglect
- 10 or refusal to give such reasonable security, as shall be required,
- 11 or upon default in complying with any such order, the court may
- 12 award and issue process for the immediate sequestration of the
- 13 personal estate, and the rents and profits of the real estate of the
- 14 party so charged, and appoint a receiver thereof, and cause such
- 15 personal estate and the rents and profits of such real estate, or
- 16 so much thereof as shall be necessary, to be applied toward such
- 17 alimony and maintenance as to the said court shall from time to
- 18 time seem reasonable and just; or the performance of the said

EXPLANATION—Matter enclosed in bold-faced brackets Ithus] in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics thus is new matter.

orders may be enforced by other ways according to the practice of the court. Orders so made may be revised and altered by the court

21 from time to time as circumstances may require.

22 In all actions brought for divorce, divorce from bed and board, or nullity the court may award alimony to either party, and in so 23 doing shall consider the actual need and ability to pay of the 24 parties and the duration of the marriage. In all actions for divorce 2526 other than those where judgment is granted solely on the ground 27 of separation the court may consider also the proofs made in estab-28 lishing such ground in determining an amount of alimony or maintenance that is fit, reasonable and just. In all actions for divorce 29 or divorce from bed and board where judgment is granted on the 30 ground of institutionalization for mental illness the court may con-31sider the possible burden upon the taxpayers of the State as well 3233 as the ability of the plaintiff to pay in determining an amount of maintenance to be awarded. 34

35 In all actions where a judgment of divorce or divorce from bed and board is entered the court may make such award or awards to 36 37 the parties, in addition to alimony and maintenance, to effectuate an equitable distribution of the property, both real and personal, 38 39 which was legally and beneficially acquired by them or either of them during the marriage. However, all such property, real, per-40 sonal or otherwise, legally or beneficially acquired during the 41 marriage by either party by way of gift, devise, [or] bequest, or 42descent shall not be subject to equitable distribution, except that 43 44 interspousal gifts shall be subject to equitable distribution.

2. This act shall take effect immediately.

1

STATEMENT

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 1896

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 30, 1982

By Assemblymen BRYANT, HERMAN, THOMPSON, MARSELLA, CHARLES, DOYLE, GORMAN, WATSON, NAPLES, MAZUR and RILEY

An Act concerning equitable distribution of certain matrimonial property upon entry of judgments of divorce under certain circumstances, and amending N. J. S. 2A:34-23.

- 1 Be it enacted by the Senate and General Assembly of the State
- 2 of New Jersey:
- 1. N. J. S. 2A:34-23 is amended to read as follows:
- 2 2A:34-23. Pending any matrimonial action brought in this State
- 3 or elsewhere, or after judgment of divorce or maintenance, whether
- 4 obtained in this State or elsewhere, the court may make such order
- 5 as to the alimony or maintenance of the parties, and also as to
- 6 the care, custody, education and maintenance of the children, or
- 7 any of them, as the circumstances of the parties and the nature of
- 8 the case shall render fit, reasonable and just, and require reason-
- 9 able security for the due observance of such orders. Upon neglect
- 10 or refusal to give such reasonable security, as shall be required,
- 11 or upon default in complying with any such order, the court may
- 12 award and issue process for the immediate sequestration of the
- 13 personal estate, and the rents and profits of the real estate of the
- party so charged, and appoint a receiver thereof, and cause such personal estate and the rents and profits of such real estate, or
- 16 so much thereof as shall be necessary, to be applied toward such
- 17 alimony and maintenance as to the said court shall from time to
- 18 time seem reasonable and just; or the performance of the said

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendment adopted January 27, 1933.

orders may be enforced by other ways according to the practice of the court. Orders so made may be revised and altered by the court

21 from time to time as circumstances may require.

22 In all actions brought for divorce, divorce from bed and board, 23or nullity the court may award alimony to either party, and in so doing shall consider the actual need and ability to pay of the 24 25 parties and the duration of the marriage. In all actions for divorce other than those where judgment is granted solely on the ground 26 of separation the court may consider also the proofs made in estab-27 lishing such ground in determining an amount of alimony or main-28 29 tenance that is fit, reasonable and just. In all actions for divorce 30 or divorce from bed and board where judgment is granted on the ground of institutionalization for mental illness the court may con-31 sider the possible burden upon the taxpayers of the State as well 32as the ability of the plaintiff to pay in determining an amount of 33 maintenance to be awarded. 34

In all actions where a judgment of divorce or divorce from bed 35 and board is entered the court may make such award or awards to 36 37 the parties, in addition to alimony and maintenance, to effectuate an equitable distribution of the property, both real and personal, 38 39 which was legally and beneficially acquired by them or either of 40 them during the marriage. However, all such property, real, personal or otherwise, legally or beneficially acquired during the 41 marriage by either party by way of gift, devise, [or] bequest, or 42 43 descent *or other distribution*, shall not be subject to equitable distribution, except that interspousal gifts shall be subject to 44 equitable distribution. 45

2. This act shall take effect immediately.

1

ASSEMBLY JUDICIARY, LAW, PUBLIC SAFETY AND DEFENSE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1896

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 20, 1983

The purpose of this bill is to clearly state the intent of the Legislature to exempt all inherited property from equitable distribution. This legislation is in response to the recent New Jersey Superior Courts' Appellate Division case Sleeper v. Sleeper, ______ N. J. Super. _____ (1982), which held that property acquired by intestate succession was not subject to the equitable distribution exemption of other inherited property. By the insertion of the word "descent" the statute would specifically include all means of property inheritance and would not distinguish between the circumstance of whether or not a will was involved in the property's acquisition. A technical amendment was made by the committee.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1896

STATE OF NEW JERSEY

DATED: JUNE 20, 1983

In a recent Appellate Division decision, Sleeper v. Sleeper 184 N.J. Super 544 (1982), the court ruled that while property acquired by a spouse through gift or under a will is exempt from equitable distribution, property acquired by a spouse through intestate succession is subject to equitable distribution. The purpose of Assembly Bill No. 1896 is to clarify that all inherited property, whether or not a will is involved in its acquisition, is exempt from equitable distribution.

September 6, 1983

ASSEMBLY BILL NO. 1896 (OCR)

To the General Assembly:

Pursuant to Article V, Section I, paragraph 14 of the Constitution, I herewith return Assembly Bill No. 1896 (OCR) with my recommendations for reconsideration.

Assembly Bill No. 1896 exempts property received by descent or other distribution from equitable distribution in divorce cases.

Under current law when parties become divorced, the property which they acquired during the marriage is divided between them. The allocation to each spouse of a share of the joint assets is known as "equitable distribution."

This bill addresses the issue of whether property inherited by intestate succession should be considered a joint asset eligible for equitable distribution.

A 1980 amendment to the law exempted from equitable distribution gifts, devises and bequests, with the exception of interspousal gifts which would remain subject to equitable distribution. These exemptions were authorized because in most cases, the gift, devise or bequest in question will be from parents or other relatives or persons who intend that the property belong to the recipient and not the recipient's spouse. To permit a compulsory division of the asset between the intended recipient and his spouse would be contrary to the natural expectations of the recipient and the giving parent, relative or other person. Since the efforts of neither spouse resulted in the gift, devise or bequest, in all fairness it need not be regarded as a marital asset.

The 1980 amendment inadvertently failed to refer to property received by intestate succession. This bill is intended to correct this oversight by specifically exempting from equitable distribution property acquired by descent or other distribution. This change is consistent with the principle behind existing law that family property which passes to a spouse should remain with that spouse and not be subject to equitable distribution in the event of divorce.

I am recommending a conditional veto to make technical corrections to the bill. As presently worded the bill would exempt property received by "devise, bequest, or descent or other distribution." The words "bequest" and "descent" are no longer meaningful under our revised probate code. The phrase "devise"

2

includes all property received under a will. To refer to property inherited where there is no will the appropriate reference is "by intestate succession."

The phrase "or other distribution" while intended to refer to estate distributions could be construed to refer to other kinds of distribution, such as distributions from a dissolved partnership or a bankrupt's estate. I recommend that the bill be amended to delete the reference to "bequest, or descent or other distribution" and insert "intestate succession" in its place.

Accordingly, I herewith return Assembly Bill No. 1896 (OCR) and recommend that it be amended as follows:

Respectfully,

/s/ Thomas H. Kean GOVERNOR

[seal]

Attest:

/s/ W. Cary Edwards

Chief Counsel

A-3468 SIGNED, ET AL.

PAGE SIX

JANUARY 17, 1984

A-2142, sponsored by Assemblyman Anthony Marsella, D-Camden, to prescribe the minimum penalty for intrusive or damaging acts on agricultural or horticultural lands.

 $\underline{A-2141}$, also sponsored by Assemblyman Marsella, to impose a minimum penalty of \$100 on any person who trespasses on agricultural or horticultural lands.

A-2021, sponsored by Assemblyman John Girgenti, D-Passaic, to require that first aid and emergency or volunteer ambulance or rescue squad associations receiving county or municipal contributions provide a copy of the association's certified audit to the chief financial officer of the county or municipality.

A-1896, sponsored by Assemblyman Wayne Bryant, D-Camden, to exempt all inherited property from equitable distribution in cases of divorce.

A-1442, sponsored by Assemblyman Walter Kern, R-Bergen, to outlaw the advertisement of the sale of machine guns and automatic or semi-automatic weapons.

A-4078, sponsored by Assemblyman Dennis Riley, D-Camden, to appropriate \$75,000 to the Borough of Chesilhurst for police and fire safety.

A-1055, sponsored by Assemblyman Joseph Doria, D-Hudson, to provide that New Jersey schools of professional nursing may receive State aid for part-time students who are New Jersey residents.

- more -

for enactment in all the states.