H	HF2895 SECOND ENGROSSME	NT REVISOR	BD	H2895-2
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HOUSE OF REPRESENTATIVES NINETY-THIRD SESSION H. F. No. 2895				
02/15/2022			H. F. No.	2095
03/15/2023	Authored by Scott and Franson The bill was read for the first time and ref	erred to the Committee on Judiciary Finar	ice and Civil Law	
04/02/2024	Adoption of Report: Placed on the Genera Read for the Second Time	l Register as Amended		

Calendar for the Day, Amended Read Third Time as Amended Passed by the House as Amended and transmitted to the Senate to include Floor Amendments 04/24/2024

1.1	A bill for an act
1.2 1.3 1.4 1.5 1.6	relating to judiciary; modifying spousal maintenance; modifying child support provisions; amending Minnesota Statutes 2022, sections 518.552, subdivisions 1, 2, 3, 6, by adding subdivisions; 518A.39, subdivision 1; Minnesota Statutes 2023 Supplement, section 518A.39, subdivision 2; repealing Minnesota Statutes 2022, section 518A.39, subdivision 3.
1.7	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.8	Section 1. Minnesota Statutes 2022, section 518.552, subdivision 1, is amended to read:
1.9	Subdivision 1. Grounds. In a proceeding for dissolution of marriage or legal separation,
1.10	or in a proceeding for maintenance following dissolution of the marriage by a court which
1.11	lacked personal jurisdiction over the absent spouse and which has since acquired jurisdiction,
1.12	the court may grant a maintenance order for either spouse if it finds that the spouse seeking
1.13	maintenance:
1.14	(a) lacks sufficient property, including marital property apportioned to the spouse, to
1.15	provide for reasonable needs of the spouse considering the standard of living established
1.16	during the marriage, especially, but not limited to, a period of training or education, or
1.17	(b) is unable to provide adequate self-support, after considering the standard of living
1.18	established during the marriage and all relevant circumstances, through appropriate
1.19	employment, or
1.20	(c) is the custodian of a child whose condition or circumstances make it appropriate that
1.21	the custodian not be required to seek employment outside the home.

2.1 Sec. 2. Minnesota Statutes 2022, section 518.552, subdivision 2, is amended to read:

Subd. 2. Amount; duration of maintenance. The maintenance order shall be in amounts
and for periods of time, either temporary transitional or permanent indefinite, as the court
deems just, without regard to marital misconduct, and after considering all relevant factors
including:

(a) the financial resources of the party seeking maintenance, including marital property
apportioned to the party, and the party's ability to meet needs independently, including the
extent to which a provision for support of a child living with the party includes a sum for
that party as custodian;

(b) the time necessary to acquire sufficient education or training to enable the party
seeking maintenance to find appropriate employment, and the probability, given the party's
age and skills, of completing education or training and becoming fully or partially
self-supporting;

- 2.14 (c) the standard of living established during the marriage and the extent to which the
 2.15 standard of living was funded by debt;
- 2.16 (d) the duration of the marriage and, in the case of a homemaker, the earnings, seniority,
 2.17 benefits, and other employment opportunities forgone by the spouse seeking maintenance
 2.18 to support the other spouse or children and the length of absence from employment and the
 2.19 extent to which any education, skills, or experience have become outmoded and earning
 2.20 capacity has become permanently diminished;
- 2.21 (e) the loss of earnings, seniority, retirement benefits, and other employment opportunities
 2.22 forgone by the spouse seeking spousal maintenance;
- 2.23 (f) (e) the age, and the physical and emotional condition, mental, or chemical health of
 2.24 the spouse seeking maintenance both spouses;
- 2.25 $(\underline{g})(\underline{f})$ the ability of the spouse from whom maintenance is sought to meet needs while 2.26 meeting those of the spouse seeking maintenance; and
- 2.27 (h) (g) the contribution of each party in the acquisition, preservation, depreciation, or
- 2.28 appreciation in the amount or value of the marital property, as well as the contribution of a
- 2.29 spouse as a homemaker or in furtherance of the other party's employment or business-; and
- 2.30 (h) the need and ability of each spouse to prepare for retirement and the anticipated time
- 2.31 of retirement.

3.1	Sec. 3. Minnesota Statutes 2022, section 518.552, subdivision 3, is amended to read:
3.2	Subd. 3. Permanency of award Duration of maintenance. Nothing in this section shall
3.3	be construed to favor a temporary award of maintenance over a permanent award, where
3.4	the factors under subdivision 2 justify a permanent award.
3.5	Where there is some uncertainty as to the necessity of a permanent award, the court shall
3.6	order a permanent award leaving its order open for later modification. (a) A maintenance
3.7	award may be transitional or indefinite. An award of temporary maintenance issued before
3.8	August 1, 2024, is deemed transitional maintenance. An award of permanent maintenance
3.9	issued before August 1, 2024, is deemed indefinite maintenance. Maintenance awarded
3.10	during the pendency of an initial proceeding for dissolution or legal separation pursuant to
3.11	section 518.131 is deemed temporary maintenance.
3.12	(b) For purposes of this subdivision, "length of the marriage" means the period from the
3.13	date of the marriage until the date of the commencement of the action.
3.14	(c) The court must determine the duration of maintenance based on the length of the
3.15	marriage as follows:
3.16	(1) when the length of the marriage is less than five years, it is rebuttably presumed that
3.17	no maintenance should be awarded;
3.18	(2) when the length of the marriage is at least five years and less than 20 years, it is
3.19	rebuttably presumed that transitional maintenance should be awarded with a duration of no
3.20	longer than one-half the length of the marriage if the factors set forth in subdivision 1 support
3.21	an award of maintenance; and
3.22	(3) when the length of the marriage is 20 years or more, it is rebuttably presumed that
3.23	indefinite maintenance should be awarded if the factors set forth in subdivision 1 support
3.24	an award of maintenance.
3.25	Sec. 4. Minnesota Statutes 2022, section 518.552, is amended by adding a subdivision to
3.26	read:
3.27	Subd. 5a. Maintenance on death or remarriage. Unless otherwise agreed in writing
3.28	or expressly provided in the decree, the obligation to pay future maintenance is terminated
3.29	upon the death of either party or the remarriage of the party receiving maintenance.

4.1	Sec. 5. Minnesota Statutes 2022, section 518.552, is amended by adding a subdivision to
4.2	read:
4.3	Subd. 5b. Modification. (a) Upon the motion of either of the parties, the court may
4.4	modify the amount and duration of maintenance and may issue an order that the court might
4.5	have issued in the original proceeding, except as otherwise provided in this subdivision.
4.6	(b) The terms of a maintenance order may be modified upon a showing of one or more
4.7	of the following circumstances that make the terms of the existing order unreasonable and
4.8	<u>unfair:</u>
4.9	(1) substantially increased or decreased gross income of an obligor or obligee;
4.10	(2) substantially increased or decreased need of an obligor or obligee; or
4.11	(3) substantial changes in the federal or state tax laws that affect spousal maintenance.
4.12	(c) Upon a motion to modify maintenance, including a motion to extend the duration of
4.13	a maintenance award, the court shall apply, in addition to all other relevant factors, the
4.14	factors for an award of maintenance under subdivisions 1 to 3 that exist at the time of the
4.15	motion.
4.16	(d) Unless the court adopts an alternative effective date under paragraph (f), a
4.17	modification of maintenance, including interest that accrued pursuant to section 548.091,
4.18	may be made retroactive:
4.19	(1) for any period during which the petitioning party has a motion for modification that
4.20	is pending;
4.21	(2) from the date that the notice of the motion to modify was served on the responding
4.22	party;
4.23	(3) from the date that the notice of the motion to modify was served on the public
4.24	authority if public assistance is being received; or
4.25	(4) from the date that the notice of the motion to modify was served on the county
4.26	attorney if the county attorney is the attorney of record.
4.27	(e) The court need not hold an evidentiary hearing on a motion to modify maintenance.
4.28	(f) The court may select an alternative effective date for a maintenance order if the parties
4.29	enter into a binding agreement for an alternative effective date. The court's adoption of an
4.30	alternative effective date under this paragraph must not be considered a retroactive
4.31	modification of maintenance.

5.1	Sec. 6. Minnesota Statutes 2022, section 518.552, subdivision 6, is amended to read:
5.2	Subd. 6. Cohabitation. (a) Spousal maintenance may be modified pursuant to section
5.3	518A.39, subdivision 2, subdivision 5b based on the cohabitation by the maintenance obligee
5.4	with another adult following dissolution of the marriage. The modification may consist of
5.5	a reduction, suspension, reservation, or termination of maintenance. In determining if
5.6	maintenance should be modified due to cohabitation, the court shall consider:
5.7	(1) whether the obligee would marry the cohabitant but for the maintenance award;
5.8	(2) the economic benefit the obligee derives from the cohabitation;
5.9	(3) the length of the cohabitation and the likely future duration of the cohabitation; and
5.10	(4) the economic impact on the obligee if maintenance is modified and the cohabitation
5.11	ends.
5.12	(b) The court must not modify a maintenance award based solely on cohabitation if a
5.13	marriage between the obligee and the cohabitant would be prohibited under section 517.03,
5.14	subdivision 1, clause (2) or (3). A modification under this subdivision must be precluded
5.15	or limited to the extent the parties have entered into a private agreement under subdivision
5.16	5.
5.17	(c) A motion to modify a spousal maintenance award on the basis of cohabitation may
5.18	not be brought within one year of the date of entry of the decree of dissolution or legal
5.19	separation that orders spousal maintenance, unless the parties have agreed in writing that a
5.20	motion may be brought or the court finds that failing to allow the motion to proceed would
5.21	create an extreme hardship for one of the parties.
5.22	Sec. 7. Minnesota Statutes 2022, section 518.552, is amended by adding a subdivision to
5.23	read:
5.24	Subd. 7. Retirement. (a) If a party retires, spousal maintenance may be modified. The
5.25	modification of maintenance may consist of a reduction, suspension, reservation, or
5.26	termination of maintenance.
5.27	(b) In determining if maintenance should be modified due to a party's retirement, the
5.28	court shall consider:
5.29	(1) whether the retirement is in good faith or is an unjustifiable self-limitation of income;
5.30	(2) whether the party has attained the age to receive the party's full retirement benefits
5.31	under section 216 of the Social Security Act, United States Code, title 42, section 416, or
5.32	the customary age for retirement in the party's occupation;

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6.1	(3) whether a party has reasonably and prudently managed the party's assets since the
6.2	dissolution of the marriage; and
6.3	(4) the financial resources available to both parties.
6.4	(c) It is presumed that when a party has attained the age to receive the party's full
6.5	retirement benefits under section 216 of the Social Security Act, United States Code, title
6.6	42, section 416, or the customary age for retirement in the party's occupation, the party will
6.7	use both income and assets to meet the party's needs.
6.8	(d) A party must not be presumed to have retired in bad faith or to have unjustifiably
6.9	self-limited the party's income in the event that the party's retirement is occurring on or after
6.10	the party attains the age to receive full retirement benefits under section 216 of the Social
6.11	Security Act, United States Code, title 42, section 416, or the customary age for retirement
6.12	in the party's occupation.
6.13	(e) A motion to modify maintenance due to retirement may be brought before a party
6.14	actually retires provided that the moving party specifies the date by which the party's
6.15	retirement will occur. The court may then make the modification effective as of the actual
6.16	date of retirement.
6.17	Sec. 8. Minnesota Statutes 2022, section 518.552, is amended by adding a subdivision to
6.18	read:
6.19	Subd. 8. Form. The state court administrator's office shall prepare and make available
6.20	to court administrators, obligors, and persons to whom spousal maintenance is owed a form
6.21	to be submitted in support of a motion for a modification of an order for maintenance or
6.22	for contempt of court.
6.23	Sec. 9. Minnesota Statutes 2022, section 518A.39, subdivision 1, is amended to read:
6.24	Subdivision 1. Authority. After an order under this chapter or chapter 518 for
6.25	maintenance or support money, temporary or permanent child support, or for the appointment
6.26	of trustees to receive property awarded as maintenance or support money, the court may
6.27	from time to time, on motion of either of the parties, a copy of which is served on the public
6.28	authority responsible for child support enforcement if payments are made through it, or on
6.29	motion of the public authority responsible for support enforcement, modify the order
6.30	respecting the amount of maintenance or support money or medical support, and the payment
6.31	of it, and also respecting the appropriation and payment of the principal and income of
6.32	property held in trust, and may make an order respecting these matters which it might have

made in the original proceeding, except as herein otherwise provided. A party or the public
authority also may bring a motion for contempt of court if the obligor is in arrears in support
or maintenance payments.

7.4 Sec. 10. Minnesota Statutes 2023 Supplement, section 518A.39, subdivision 2, is amended
7.5 to read:

Subd. 2. Modification. (a) The terms of an order respecting maintenance or child support 7.6 may be modified upon a showing of one or more of the following, any of which makes the 7.7 terms unreasonable and unfair: (1) substantially increased or decreased gross income of an 7.8 obligor or obligee; (2) substantially increased or decreased need of an obligor or obligee or 7.9 the child or children that are the subject of these proceedings; (3) receipt of assistance under 7.10 the AFDC program formerly codified under sections 256.72 to 256.87 or 256B.01 to 256B.39, 7.11 or chapter 256J or 256K; (4) a change in the cost of living for either party as measured by 7.12 the federal Bureau of Labor Statistics; (5) extraordinary medical expenses of the child not 7.13 provided for under section 518A.41; (6) a change in the availability of appropriate health 7.14 care coverage or a substantial increase or decrease in health care coverage costs; (7) the 7.15 addition of work-related or education-related child care expenses of the obligee or a 7.16 substantial increase or decrease in existing work-related or education-related child care 7.17 expenses; or (8) upon the emancipation of the child, as provided in subdivision 5. 7.18

(b) It is presumed that there has been a substantial change in circumstances under
paragraph (a) and the terms of a current support order shall be rebuttably presumed to be
unreasonable and unfair if:

(1) the application of the child support guidelines in section 518A.35, to the current
circumstances of the parties results in a calculated court order that is at least 20 percent and
at least \$75 per month higher or lower than the current support order or, if the current support
order is less than \$75, it results in a calculated court order that is at least 20 percent per
month higher or lower;

7.27 (2) the medical support provisions of the order established under section 518A.41 are
7.28 not enforceable by the public authority or the obligee;

(3) health coverage ordered under section 518A.41 is not available to the child for whom
the order is established by the parent ordered to provide;

(4) the existing support obligation is in the form of a statement of percentage and not aspecific dollar amount;

8.1 (5) the gross income of an obligor or obligee has decreased by at least 20 percent through
8.2 no fault or choice of the party; or

(6) a deviation was granted based on the factor in section 518A.43, subdivision 1, clause
(4), and the child no longer resides in a foreign country or the factor is otherwise no longer
applicable.

(c) A child support order is not presumptively modifiable solely because an obligor or
obligee becomes responsible for the support of an additional nonjoint child, which is born
after an existing order. Section 518A.33 shall be considered if other grounds are alleged
which allow a modification of support.

(d) If child support was established by applying a parenting expense adjustment or
presumed equal parenting time calculation under previously existing child support guidelines
and there is no parenting plan or order from which overnights or overnight equivalents can
be determined, there is a rebuttable presumption that the established adjustment or calculation
will continue after modification so long as the modification is not based on a change in
parenting time. In determining an obligation under previously existing child support
guidelines, it is presumed that the court shall:

8.17 (1) if a 12 percent parenting expense adjustment was applied, multiply the obligor's
8.18 share of the combined basic support obligation calculated under section 518A.34, paragraph
8.19 (b), clause (5), by 0.88; or

8.20 (2) if the parenting time was presumed equal but the parents' parental incomes for8.21 determining child support were not equal:

8.22 (i) multiply the combined basic support obligation under section 518A.34, paragraph
8.23 (b), clause (5), by 0.75;

8.24 (ii) prorate the amount under item (i) between the parents based on each parent's
8.25 proportionate share of the combined PICS; and

8.26 (iii) subtract the lower amount from the higher amount.

8.27 (e) On a motion for modification of maintenance, including a motion for the extension
8.28 of the duration of a maintenance award, the court shall apply, in addition to all other relevant
8.29 factors, the factors for an award of maintenance under section 518.552 that exist at the time
8.30 of the motion. On a motion for modification of support, the court:

8.31 (1) shall apply section 518A.35, and shall not consider the financial circumstances of
8.32 each party's spouse, if any; and

9.1 (2) shall not consider compensation received by a party for employment in excess of a
9.2 40-hour work week, provided that the party demonstrates, and the court finds, that:

9.3 (i) the excess employment began after entry of the existing support order;

9.4 (ii) the excess employment is voluntary and not a condition of employment;

9.5 (iii) the excess employment is in the nature of additional, part-time employment, or
9.6 overtime employment compensable by the hour or fractions of an hour;

9.7 (iv) the party's compensation structure has not been changed for the purpose of affecting
9.8 a support or maintenance obligation;

9.9 (v) in the case of an obligor, current child support payments are at least equal to the
9.10 guidelines amount based on income not excluded under this clause; and

9.11 (vi) in the case of an obligor who is in arrears in child support payments to the obligee,
9.12 any net income from excess employment must be used to pay the arrearages until the
9.13 arrearages are paid in full.

(f) A modification of support or maintenance, including interest that accrued pursuant 9.14 to section 548.091, may be made retroactive only with respect to any period during which 9.15 the petitioning party has pending a motion for modification but only from the date of service 9.16 of notice of the motion on the responding party and on the public authority if public assistance 9.17 is being furnished or the county attorney is the attorney of record, unless the court adopts 9.18 an alternative effective date under paragraph (1). The court's adoption of an alternative 9.19 effective date under paragraph (1) shall not be considered a retroactive modification of 9.20 maintenance or support. 9.21

(g) Except for an award of the right of occupancy of the homestead, provided in section 9.22 518.63, all divisions of real and personal property provided by section 518.58 shall be final, 9.23 and may be revoked or modified only where the court finds the existence of conditions that 9.24 justify reopening a judgment under the laws of this state, including motions under section 9.25 518.145, subdivision 2. The court may impose a lien or charge on the divided property at 9.26 9.27 any time while the property, or subsequently acquired property, is owned by the parties or either of them, for the payment of maintenance or support money, or may sequester the 9.28 property as is provided by section 518A.71. 9.29

9.30 (h) The court need not hold an evidentiary hearing on a motion for modification of9.31 maintenance or support.

9.32 (i) Sections 518.14 and 518A.735 shall govern the award of attorney fees for motions9.33 brought under this subdivision.

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(j) An enactment, amendment, or repeal of law constitutes a substantial change in the
circumstances for purposes of modifying a child support order when it meets the standards
for modification in this section.

(k) On the first modification following implementation of amended child support
guidelines, the modification of basic support may be limited if the amount of the full variance
would create hardship for either the obligor or the obligee. Hardship includes, but is not
limited to, eligibility for assistance under chapter 256J.

(1) The court may select an alternative effective date for a maintenance or support orderif the parties enter into a binding agreement for an alternative effective date.

10.10 Sec. 11. <u>**REPEALER.**</u>

10.11 Minnesota Statutes 2022, section 518A.39, subdivision 3, is repealed.

APPENDIX Repealed Minnesota Statutes: H2895-2

518A.39 MODIFICATION OF ORDERS OR DECREES.

Subd. 3. **Maintenance on death or remarriage.** Unless otherwise agreed in writing or expressly provided in the decree, the obligation to pay future maintenance is terminated upon the death of either party or the remarriage of the party receiving maintenance.