MISSISSIPPI LEGISLATURE

To: Judiciary A

## HOUSE BILL NO. 751

AN ACT TO CREATE THE UNIFORM PREMARITAL AGREEMENT ACT; TO 1 AUTHORIZE AGREEMENTS BETWEEN PROSPECTIVE SPOUSES MADE IN 2 CONTEMPLATION OF MARRIAGE; TO SPECIFY THE MATTERS WITH RESPECT TO 3 WHICH PARTIES MAY CONTRACT IN PREMARITAL AGREEMENTS; TO SPECIFY 4 THE EFFECTIVE DATE OF A PREMARITAL AGREEMENT AND THE MANNER IN 5 WHICH SUCH AN AGREEMENT MAY BE AMENDED OR REVOKED; TO SPECIFY 6 7 CONDITIONS UNDER WHICH A PREMARITAL AGREEMENT IS NOT ENFORCEABLE; TO PROVIDE AN EXCEPTION FOR PERSONS AGED SIXTY-FIVE YEARS OR 8 OLDER; TO AMEND SECTIONS 93-3-7, 93-5-2 AND 93-5-23, MISSISSIPPI 9 CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES. 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 11 SECTION 1. Sections 1 through 12 of this act may be cited as 12 the "Uniform Premarital Agreement Act." 13 14 SECTION 2. As used in Sections 1 through 12 of this act: (a) "Premarital agreement" means an agreement between 15 16 prospective spouses made in contemplation of marriage and to be 17 effective upon marriage. (b) "Property" means an interest, present or future, 18 19 legal or equitable, vested or contingent, in real or personal property, including income and earnings. 20 21 SECTION 3. A premarital agreement must be in writing and signed by both parties. Such agreement is enforceable without 22 23 consideration. 24 SECTION 4. (1) Parties to a premarital agreement may contract with respect to: 25 (a) The rights and obligations of each of the parties 26 27 in any of the property of either or both of them whenever and 28 wherever acquired or located; 29 (b) The right to buy, sell, use, transfer, exchange, 30 abandon, lease, consume, expend, assign, create a security \*HR03/R890\* H. B. No. 751 G1/2 01/HR03/R890 PAGE 1 (TBLH)

31 interest in, mortgage, encumber, dispose of, or otherwise manage 32 and control property;

33 (c) The disposition of property upon separation, 34 marital dissolution, death, or the occurrence or nonoccurrence of 35 any other event;

36 (d) The modification or elimination of spousal support;
37 (e) The making of a will, trust, or other arrangement
38 to carry out the provisions of the agreement;

39 (f) The ownership rights in and disposition of the40 death benefit from a life insurance policy;

41 (g) The choice of law governing the construction of the 42 agreement; and

43 (h) Any other matter, including their personal rights
44 and obligations, not in violation of public policy or a statute
45 imposing a criminal penalty.

46 (2) The right of a child to support may not be adversely47 affected by a premarital agreement.

48 <u>SECTION 5.</u> A premarital agreement becomes effective upon
49 marriage.

50 <u>SECTION 6.</u> After marriage, a premarital agreement may be 51 amended or revoked only by a written agreement signed by the 52 parties. The amended agreement or the revocation is enforceable 53 without consideration.

54 <u>SECTION 7.</u> (1) A premarital agreement is not enforceable if 55 the party against whom enforcement is sought proves that:

56 (a) That party did not execute the agreement57 voluntarily; or

(b) The agreement was unconscionable when it was executed and, before execution of the agreement, that party: (i) Was not provided a fair and reasonable disclosure of the property or financial obligations of the other party;

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64 writing, any right to disclosure of the property or financial
65 obligations of the other party beyond the disclosure provided; and
66 (iii) Did not have, or reasonably could not have

67 had, an adequate knowledge of the property or financial 68 obligations of the other party.

69 (2) If a provision of the premarital agreement modifies or 70 eliminates spousal support and that modification or elimination 71 causes one (1) party to the agreement to be eligible for support 72 under a program of public assistance at the time of separation or 73 marital dissolution, a court, notwithstanding the terms of the 74 agreement, may require the other party to provide support to the 75 extent necessary to avoid that eligibility.

76 (3) An issue of unconscionability of a premarital agreement77 shall be decided by the court as a matter of law.

78 <u>SECTION 8.</u> If a marriage is determined to be void, an 79 agreement that otherwise would have been a premarital agreement is 80 enforceable only to the extent necessary to avoid an inequitable 81 result.

82 <u>SECTION 9.</u> Any statute of limitations applicable to an 83 action asserting a claim for relief under a premarital agreement 84 is tolled during the marriage of the parties to the agreement. 85 However, equitable defenses limiting the time for enforcement, 86 including laches and estoppel, shall be available to either party.

87 <u>SECTION 10.</u> All written agreements entered into before the 88 effective date of this act between prospective spouses for the 89 purpose of affecting any of the subjects specified in Section 4 of 90 this act shall be valid and enforceable if otherwise valid as 91 contracts.

92 <u>SECTION 11.</u> Sections 1 through 12 of this act shall be 93 applied and construed to effectuate its general purposes to make 94 uniform the law with respect to the subject of Sections 1 through 95 12 of this act among states enacting it.

H. B. No. 751 \*HRO3/R890\* 01/HR03/R890 PAGE 3 (TB\LH) 96 <u>SECTION 12.</u> Notwithstanding any other provisions of this act 97 to the contrary, when two (2) persons aged sixty-five (65) or 98 older marry after attaining such age and execute an agreement as 99 provided under this act, the assets of one (1) party shall not be 100 used for Medicaid nursing home coverage for the other party unless 101 both parties specifically agree to provide such Medicaid nursing 102 home coverage.

103 SECTION 13. Section 93-3-7, Mississippi Code of 1972, is 104 amended as follows:

105 93-3-7. (1) Except as otherwise provided in subsection (2), 106 husband and wife shall not contract with each other, so as to entitle the one to claim or receive any compensation from the 107 108 other for work and labor, and any contract between them whereby 109 one shall claim or shall receive compensation from the other for services rendered, shall be void. It shall not be lawful for the 110 husband to rent the wife's plantation, houses, horses, mules, 111 wagons, carts, or other implements, and with them, or with any of 112 113 her means, to operate and carry on business in his own name or on his own account, but all business done with the means of the wife 114 115 by the husband shall be deemed and held to be on her account and for her use, and by the husband as her agent and manager in 116 117 business, as to all persons dealing with him without notice, unless the contract between the husband and wife which changes 118 this relation, be evidenced by writing, subscribed by them, duly 119 120 acknowledged, and filed with the chancery clerk of the county 121 where such business may be done, to be recorded as other 122 instruments.

## 123 (2) Nothing in this section shall prohibit or restrict the 124 subject of any premarital agreement executed under the provisions 125 of Sections 1 through 12 of this act.

SECTION 14. Section 93-5-2, Mississippi Code of 1972, is amended as follows:

H. B. No. 751 \*HRO3/R890\* 01/HR03/R890 PAGE 4 (TB\LH) 128 93-5-2. (1) Divorce from the bonds of matrimony may be 129 granted on the ground of irreconcilable differences, but only upon 130 the joint complaint of the husband and wife or a complaint where 131 the defendant has been personally served with process or where the 132 defendant has entered an appearance by written waiver of process.

(2) If the parties provide by written agreement for the custody and maintenance of any children of that marriage and for the settlement of any property rights between the parties and the court finds that such provisions are adequate and sufficient, the agreement may be incorporated in the judgment, and such judgment may be modified as other judgments for divorce.

(3) If the parties are unable to agree upon adequate and 139 140 sufficient provisions for the custody and maintenance of any 141 children of that marriage or any property rights between them, they may consent to a divorce on the ground of irreconcilable 142 143 differences and permit the court to decide the issues upon which 144 they cannot agree. Such consent must be in writing, signed by 145 both parties personally, must state that the parties voluntarily consent to permit the court to decide such issues, which shall be 146 147 specifically set forth in such consent, and that the parties understand that the decision of the court shall be a binding and 148 lawful judgment. Such consent may not be withdrawn by a party 149 150 without leave of the court after the court has commenced any 151 proceeding, including the hearing of any motion or other matter 152 pertaining thereto. The failure or refusal of either party to agree as to adequate and sufficient provisions for the custody and 153 154 maintenance of any children of that marriage or any property 155 rights between the parties, or any portion of such issues, or the failure or refusal of any party to consent to permit the court to 156 157 decide such issues, shall not be used as evidence, or in any 158 manner, against such party. No divorce shall be granted pursuant 159 to this subsection until all matters involving custody and 160 maintenance of any child of that marriage and property rights \*HR03/R890\* H. B. No. 751 01/HR03/R890

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between the parties raised by the pleadings have been either adjudicated by the court or agreed upon by the parties and found to be adequate and sufficient by the court and included in the judgment of divorce. Appeals from any orders and judgments rendered pursuant to this subsection may be had as in other cases in chancery court only insofar as such orders and judgments relate to issues that the parties consented to have decided by the court.

168 (4) Complaints for divorce on the ground of irreconcilable 169 differences must have been on file for sixty (60) days before being heard. Except as otherwise provided in subsection (3) of 170 171 this section, a joint complaint of husband and wife or a complaint where the defendant has been personally served with process or 172 173 where the defendant has entered an appearance by written waiver of 174 process, for divorce solely on the ground of irreconcilable 175 differences, shall be taken as proved and a final judgment entered 176 thereon, as in other cases and without proof or testimony in termtime or vacation, the provisions of Section 93-5-17 to the 177 178 contrary notwithstanding.

(5) Except as otherwise provided in subsection (3) of this 179 180 section, no divorce shall be granted on the ground of 181 irreconcilable differences where there has been a contest or 182 denial; provided, however, that a divorce may be granted on the 183 grounds of irreconcilable differences where there has been a contest or denial, if the contest or denial has been withdrawn or 184 185 cancelled by the party filing same by leave and order of the 186 court.

187 (6) Irreconcilable differences may be asserted as a sole
188 ground for divorce or as an alternate ground for divorce with any
189 other cause for divorce set out in Section 93-5-1.

190(7) Nothing in subsections (2) and (3) of this section shall191prohibit or restrict the subject of any premarital agreement

192 executed under the provisions of Sections 1 through 12 of this

193 <u>act.</u>

194 SECTION 15. Section 93-5-23, Mississippi Code of 1972, is 195 amended as follows:

93-5-23. When a divorce shall be decreed from the bonds of 196 197 matrimony, the court \* \* \*, in its discretion, and having regard 198 to the circumstances of the parties and the nature of the case, as 199 may seem equitable and just, may make all orders touching the 200 care, custody and maintenance of the children of the marriage, and 201 also touching the maintenance and alimony of the wife or the 202 husband, or any allowance to be made to her or him, and \* \* \*, if need be, shall require bond, sureties or other guarantee for the 203 payment of the sum so allowed. Except as may be otherwise 204 205 provided in a premarital agreement executed under the provisions 206 of Sections 1 through 12 of this act, the court may make orders 207 touching the maintenance and alimony of the wife or the husband, 208 or any allowance to be made to her or him, and if need be, shall 209 require bond, sureties or other guarantee for the payment of the 210 sum so allowed. Orders touching on the custody of the children of 211 the marriage shall be made in accordance with the provisions of Section 93-5-24. The court may afterwards, on petition, change 212 213 the decree, and make from time to time such new decrees as the case may require. However, where proof shows that both parents 214 215 have separate incomes or estates, the court may require that each 216 parent contribute to the support and maintenance of the children of the marriage in proportion to the relative financial ability of 217 218 In the event a legally responsible parent has health each. insurance available to him or her through an employer or 219 220 organization that may extend benefits to the dependents of such 221 parent, any order of support issued against such parent may require him or her to exercise the option of additional coverage 222 223 in favor of such children as he or she is legally responsible to 224 support.

Whenever the court has ordered a party to make periodic
payments for the maintenance or support of a child, but no bond,
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H. B. No. 751 01/HR03/R890 PAGE 7 (TB\LH) 227 sureties or other guarantee has been required to secure such 228 payments, and whenever such payments as have become due remain 229 unpaid for a period of at least thirty (30) days, the court may, 230 upon petition of the person to whom such payments are owing, or 231 such person's legal representative, enter an order requiring that 232 bond, sureties or other security be given by the person obligated 233 to make such payments, the amount and sufficiency of which shall be approved by the court. The obligor shall, as in other civil 234 actions, be served with process and shall be entitled to a hearing 235 236 in such case.

237 Whenever in any proceeding in the chancery court concerning the custody of a child a party alleges that the child whose 238 239 custody is at issue has been the victim of sexual or physical 240 abuse by the other party, the court may, on its own motion, grant 241 a continuance in the custody proceeding only until such allegation has been investigated by the Department of Human Services. 242 At the 243 time of ordering such continuance the court may direct the party, 244 and his attorney, making such allegation of child abuse to report in writing and provide all evidence touching on the allegation of 245 246 abuse to the Department of Human Services. The Department of 247 Human Services shall investigate such allegation and take such 248 action as it deems appropriate and as provided in such cases under 249 the Youth Court Law (being Chapter 21 of Title 43, Mississippi 250 Code of 1972) or under the laws establishing family courts (being 251 Chapter 23 of Title 43, Mississippi Code of 1972).

If after investigation by the Department of Human Services or final disposition by the youth court or family court allegations of child abuse are found to be without foundation, the chancery court shall order the alleging party to pay all court costs and reasonable attorney's fees incurred by the defending party in responding to such allegation.

The court may investigate, hear and make a determination in a custody action when a charge of abuse and/or neglect arises in the H. B. No. 751 \*HRO3/R890\* 01/HR03/R890 PAGE 8 (TB\LH) 260 course of a custody action as provided in Section 43-21-151, and 261 in such cases the court shall appoint a guardian ad litem for the child as provided under Section 43-21-121, who shall be an 262 263 attorney. Unless the chancery court's jurisdiction has been 264 terminated, all disposition orders in such cases for placement 265 with the Department of Human Services shall be reviewed by the 266 court or designated authority at least annually to determine if 267 continued placement with the department is in the best interest of 268 the child or public.

The duty of support of a child terminates upon the emancipation of the child. The court may determine that emancipation has occurred and no other support obligation exists when the child:

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(a) Attains the age of twenty-one (21) years, or(b) Marries, or

(c) Discontinues full-time enrollment in school and obtains full-time employment prior to attaining the age of twenty-one (21) years, or

(d) Voluntarily moves from the home of the custodial
parent or guardian and establishes independent living arrangements
and obtains full-time employment prior to attaining the age of
twenty-one (21) years.

282 SECTION 16. This act shall take effect and be in force from 283 and after passage, and shall apply to any premarital agreement 284 executed on or after that date.