
AN ACT

To establish a Commonwealth Marital Property Act and
for other purposes.

BE IT ENACTED BY THE NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1 Section 1. Short Title. This act shall be known as the
2 "Commonwealth Marital Property Act of 1990."

3 Section 2. Purpose. The purpose of this act is to
4 affirm and clarify the property rights of married persons in
5 the Commonwealth.

6 Section 3. Findings. The legislature finds that the
7 Commonwealth lacks statutory law which defines the respective
8 property rights of married persons in the Commonwealth. This
9 lack has opened the door to grave injustice in the
10 distribution of marital property upon the dissolution of
11 marriage or death, and in the exercise of property rights by
12 spouses during marriage.

13 Section 4. General Definitions.

14 (a) "Acquire" in relation to property means to
15 obtain by any means and includes reducing indebtedness
16 on encumbered property and obtaining a lien on or
17 security interest in property.

18 (b) "Appreciation" means a realized or unrealized
19 increase in the value of property.

1 (c) "Decredd" means a judgment or other order of a
2 court.

3 (d) "Deferred employment benefit" means a benefit
4 under a plan, fund, program, or other arrangement under
5 which compensation or benefits from employment are
6 expressly, or as a result of surrounding circumstances,
7 deferred to a later date or the happening of a future
8 event. Such an arrangement includes a pension, profit
9 sharing, or stock-purchase plan; a savings or thrift
10 plan; an annuity plan; a qualified bond-purchase plan; a
11 self-employed retirement plan; a simplified employee
12 pension; and a deferred compensation agreement or plan.
13 It does not include life, health, accident, or other
14 insurance, or a plan, fund, program, or other
15 arrangement providing benefits comparable to insurance
16 benefits, except to the extent that benefits under the
17 arrangement: (i) have a present value that is
18 immediately realizable in cash at the option of the
19 employee; (ii) constitute an unearned premium for the
20 coverage; (iii) represent a right to compensation for
21 loss of income during disability; or (iv) represent a
22 right to payment of expenses incurred before time of
23 valuation.

24 (e) "Determination date" means the last to occur of
25 the following: (i) marriage; (ii) 12:01 a.m. on the
26 date of establishment of a marital domicile in this

1 Commonwealth; or (iii) 12:01 a.m. on the effective date
2 of this Act.

3 (f) "Disposition at death" means transfer of
4 property by will, intestate succession, nontestamentary
5 transfer, or other means that take effect at the
6 transferrers's death.

7 (g) "Dissolution" means: (i) termination of a
8 marriage by a decree of dissolution, divorce, annulment,
9 or declaration of invalidity; or (ii) entry of a decree
10 of legal separation or separation maintenance.

11 (h) "During marriage" means a period from the date
12 of marriage to the date of separation, dissolution or
13 the death of a spouse.

14 "Date of Separation" requires inquiry into the
15 subjective nature of the parties' separation. A
16 temporary separation for economic or social reasons is
17 not enough. There must be a true breakdown of the
18 marriage relationship, with the parties living separate
19 and apart and with no present intent to resume the
20 marriage relationship.

21 (i) Property is "held" by a person only if a
22 document of title to the property is registered,
23 recorded, or filed in a public office in the name of the
24 person or a writing that customarily operates as a
25 document of title to the type of property is issued for
26 the property in the person's name.

1 (j) "Income" means wages, salaries, commissions,
2 bonuses, gratuities, payments in kind, deferred
3 employment benefits, proceeds, other than death
4 benefits, of a health, accident, or disability insurance
5 policy, or of a plan, fund, program, or other
6 arrangement providing benefits comparable to those forms
7 of insurance, other economic benefits having value which
8 are attributable to the effort of a spouse, dividends,
9 interest, income from trusts, and net rents and other
10 net returns attributable to investment, rental,
11 licensing, or other use of property, unless attributable
12 to a return of capital or to appreciation.

13 (k) "Management and control" means the right to
14 buy, sell, use, transfer, exchange, abandon, lease,
15 consume, expend, assign, create a security interest in,
16 mortgage, encumber, dispose of, institute, or defend a
17 civil action regarding, or otherwise deal with, property
18 as if it were property of an unmarried person.

19 (1) "Marital property agreement^M means an agreement
20 that complies with Section 13.

21 (m) A person has "notice" of a fact if the person
22 has knowledge of it, receives a notification of it, or
23 has reason to know that it exists from the facts and
24 circumstances known to the person.

25 (n) "Presumption" or a "presumed" fact means the
26 imposition on the person against whom the presumption or

1 presumed fact is directed of the burden of proving that
2 the nonexistence of the presumed condition or fact is
3 more probable than its existence.

4 (o) "Property" means an interest, present, or
5 future, legal or equitable, vested or contingent, in
6 real or personal property.

7 (p) "Written consent" means a document signed by a
8 person against whose interests it is sought to be
9 enforced.

10 Section 5. Responsibility Between Spouses.

11 (a) Each spouse shall act in good faith with
12 respect to the other spouse in matters involving marital
13 property or other property of the other spouse. This
14 obligation may not be lessened by a marital property
15 agreement.

16 (b) Management and control by a spouse of his or
17 her property that is not marital property in a manner
18 that limits, diminishes, or fails to produce income from
19 that property does not violate subsection (a).

20 Section 6. Variation By Marital Property Agreement.

21 Except as provided in Sections 5, 8(d) and (e), 9,
22 11(e), 12(c) and 13(b), a marital property agreement may vary
23 the effect of this Act.

24 Section 7. Classification Of Property Of Spouses.

25 (a) All property of spouses is marital property
26 except that which is classified otherwise by this Act.

1 (b) All property of spouses is presumed to be
2 marital property.

3 (c) Each spouse has a present undivided one-half
4 interest in marital property, subject, however, to the
5 restrictions of **Article XII** of the Commonwealth
6 constitution.

7 (d) Income earned or accrued by a spouse or
8 attributable to property of a spouse during marriage and
9 after the determination date is marital property.

10 (e) Marital property transferred to a trust remains
11 marital property.

12 (f) Property owned by a spouse at the **determination**
13 date is individual property.

14 (g) Property acquired by a spouse during marriage
15 and after the determination date is individual property
16 if acquired:

17 (1) by gift or a disposition at death made by
18 a third person to the spouse and not to both
19 spouses;

20 (2) in exchange for or with the proceeds of
21 other individual property of the spouse;

22 (3) from appreciation of the **spouse's**
23 individual property except to the extent that the
24 appreciation is classified as marital property
25 under Section 17;

1 (4) by a decree, marital property agreement,
2 written consent, or reclassification under Section
3 10(b) designating it as the individual property of
4 the spouse;

5 (5) as a recovery for damage to property under
6 Section 18, except as specifically provided
7 otherwise in a decree, marital property agreement,
8 or written consent; or

9 (6) as a recovery for personal injury except
10 for the amount of that recovery attributable to
11 expenses paid or otherwise satisfied from marital
12 property.

13 (h) Except as provided otherwise in this Act, the
14 enactment of this Act does not alter the classification
15 and ownership rights of property acquired before the
16 determination date.

17 (i) Except as provided otherwise in this Act and
18 except to the extent it would affect the ownership
19 rights of the spouse that existed in the property before
20 the determination date, during marriage the interest of
21 a spouse in property owned immediately before the
22 determination date is treated as if it were individual
23 property.

24 Section 8. Manaaement And Control Of Property Of
25 Spouses.

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- 1 (a) A spouse acting alone may manage and control:
2 (1) that spouse's property that is not marital
3 property;
4 (2) except as provided in subsections (b) and
5 (c), marital property held in that spouse's name
6 alone or not held in the name of either spouse;
7 (3) a policy of insurance if that spouse is
8 designated as the owner on the records of the
9 issuer of it;
10 (4) the rights of an employee under an
11 arrangement for deferred employment benefits that
12 accrue as a result of that spouse's employment;
13 (5) a claim for relief vested in that spouse
14 by other law; and
15 (6) marital property held in the names of both
16 spouses in the alternative, including a manner of
17 holding using the names of both spouses and the
18 word "or".
19 (b) Spouses may manage and control marital property
20 held in the names of both spouses other than in the
21 alternative only if they act together.
22 (c) The right to manage and control marital
23 property transferred to a trust is determined by the
24 terms of the trust.
25 (d) The spouse with the right to management and
26 control of real property must obtain the written consent

1 of the other spouse in order to sell, convey or lease
2 for more than one year any real property in which the
3 other spouse has any legal or equitable interest.
4 Absent the required consent, the transaction is voidable
5 at the option of the non-consenting spouse.

6 (e) If any conveyance or transfer of marital real
7 property is made in violation of subsection 8(d) of this
8 Act, the non-consenting spouse may bring an action to
9 recover the property or a compensatory judgment in place
10 of the property to the extent of the non-consenting
11 spouse's interest in the real property. The
12 non-consenting spouse may bring the action against the
13 grantor spouse or the grantee of the interest in the
14 real property, or both. The action must be commenced
15 within the earlier of one year after the non-consenting
16 spouse has notice of the transfer or conveyance or three
17 years after the transfer or conveyance.

18 (f) The right to manage and control marital
19 property does not determine the classification of
20 property of the spouses and does not rebut the
21 presumption of Section 7(b).

22 (g) The right to manage and control marital
23 property permits gifts of that property only to the
24 extent provided in Section 9.

25 (h) The right to manage and control any property of
26 spouses acquired before the determination date is not
27 affected by this Act.

1 (i) A court may appoint a conservator or guardian
2 to exercise a disabled spouse's right to manage and
3 control marital property.

4 Section 9. Gifts Of Marital Property To Third Persons.

5 (a) A spouse acting alone may give to a third
6 person marital property that the spouse has the right to
7 manage and control only if the value of the marital
8 property given to the third person does not aggregate
9 more than \$500 in a calendar year, or a larger amount
10 if, when made, the gift is reasonable in amount
11 considering the economic position of the spouses. Any
12 other gift of marital property to a third person is
13 subject to subsection (b) unless both spouses act
14 together in making the gift.

15 (b) If a gift of marital property by a spouse does
16 not comply with subsection (a), the other spouse may
17 bring an action to recover the property or a
18 compensatory judgment in place of the property, to the
19 extent of noncompliance. The other spouse may bring the
20 action against the donating spouse, the recipient of the
21 gift, or both. The action must be commenced within the
22 earlier of one year after the other spouse has notice of
23 the gift or 3 years after the gift. If the recovery
24 occurs during marriage, it is marital property. If the
25 recovery occurs after a dissolution or the death of
26 either spouse, it is limited to one-half of the value of
27 the gift and is individual property.

1 section 10. Property Transactions Between Spouses.

2 (a) Restrictions on the power of spouses to enter
3 into property transactions with each other are
4 abolished.

5 (b) Spouses may reclassify their property by gift
6 or marital property agreement.

7 section 11. Obliaations of Spouses.

8 (a) An obligation incurred by a spouse during
9 marriage, including one attributable to an act or
10 omission during marriage, is presumed to be incurred in
11 the interest of the marriage or the family.

12 (b) After the determination date:

13 (1) a spouse's obligation to satisfy a duty of
14 support owed to the other spouse or to a child of
15 the marriage may be satisfied only from all marital
16 property and all other property of the obligated
17 spouse that is not marital property unless
18 otherwise ordered by the Court;

19 (2) an obligation incurred by a spouse in the
20 interest of the marriage or the family may be
21 satisfied only from all marital property and all
22 other property of that spouse that is not marital
23 property.

24 (3) an obligation incurred by a spouse before
25 or during marriage that is attributable to an
26 obligation arising before marriage or to an act or
27 omission occurring before marriage may be satisfied

1 only from property of that spouse that is not
2 marital property and that part of marital property
3 which would have been the property of that spouse,
4 but for the marriage; and

5 (4) any other obligation incurred by a spouse
6 during marriage, including one attributable to an
7 act or omission during marriage, may be satisfied
8 only from property of that spouse that is not
9 marital property and that spouse's interest in
10 marital property and in that order.

11 (c) This Act does not alter the relationship
12 between spouses and their creditors with respect to any
13 property or obligation in existence on the determination
14 date.

15 (d) Provisions of a written consent signed by a
16 creditor which diminishes the rights of the creditor
17 provided in this section are binding on the creditor.

18 (e) No provision of a marital property agreement
19 adversely affects the interest of a creditor unless the
20 creditor had actual knowledge of that provision when the
21 obligation to that creditor was incurred. The effect of
22 this subsection may not be varied by a marital property
23 agreement.

24 (f) This Act does not affect the exemption of any
25 property of spouses under other law.

26 Section 12. Protection Of Bona Fide Purchasers Dealing
27 With Spouses.

1 (a) In this section:

2 (1) "Bona fide purchaser" means a purchaser of
3 property for value who: (i) has not knowingly been
4 a party to fraud or illegality affecting the
5 interest of the spouses or other parties to the
6 transaction; (ii) does not have notice of an
7 adverse claim by a spouse; and (iii) has acted in
8 the transaction in good faith.

9 (2) "Purchase" means to acquire property by
10 sale, lease, discount, negotiation, mortgage,
11 pledge, or lien or otherwise to deal with property
12 in a voluntary transaction other than a gift.

13 (3) A purchaser gives "value" for property
14 acquired: (i) in return for a binding commitment
15 to extend credit; (ii) as security for or in total
16 or partial satisfaction of a pre-existing claim;
17 (iii) by accepting delivery pursuant to a
18 pre-existing contract for purchase; or (iv)
19 generally, in return for any other consideration
20 sufficient to support a simple contract.

21 (b) Notice of the existence of a marital property
22 agreement, a marriage, or the termination of a marriage
23 does not affect the status of a purchaser as a bona fide
24 purchaser.

25 (c) Marital property purchased by a bona fide
26 purchaser from a spouse having the right to manage and
27 control the property under Section 8 is acquired free of

1 any claim of the other spouse as long as subsection 8(d)
2 of this Act is complied with. The effect of this
3 subsection may not be varied by a marital property
4 agreement.

5 Section 13. Marital Property Agreement.

6 (a) A marital property agreement must be in writing
7 and signed by both spouses. It is enforceable without
8 consideration.

9 (b) A marital property agreement may not adversely
10 affect the right of a child to support.

11 (c) Except as provided in Sections 5, 8 (d) and
12 (e), 9, 11(e), 12(c) and in subsection (b) of this
13 section, in a marital property agreement spouses may
14 agree with respect to:

15 (1) rights and obligations in any of their
16 property whenever and wherever acquired or located;

17 (2) management and control of any of their
18 property;

19 (3) disposition of any of their property on
20 dissolution, death, or the occurrence or
21 nonoccurrence of any other event;

22 (4) modification or elimination of spousal
23 support;

24 (5) making a will, trust, or other arrangement
25 to carry out the agreement;

26 (6) a provision that upon the death of either
27 of them, any of their property, including

1 after-acquired property, will pass without probate
2 to a designated person, trust, or other entity by
3 non-testamentary disposition;

4 (7) choice of law governing construction of
5 the agreement; and

6 (8) any other matter affecting their property
7 not in violation of public policy, Article XII of
8 the CNMI Constitution or a statute imposing a
9 criminal penalty.

10 (d) A marital property agreement may be amended or
11 revoked only by a later marital property agreement. The
12 amended agreement or the revocation is enforceable
13 without consideration.

14 (e) Persons intending to marry each other may enter
15 into a marital property agreement as if married, but the
16 agreement becomes effective only upon their marriage.

17 (f) A marital property agreement executed during
18 marriage is not enforceable if the spouse against whom
19 enforcement is sought proves that:

20 (1) the agreement was unconscionable when
21 made; or

22 (2) that spouse did not execute the agreement
23 voluntarily; or

24 (3) before execution of the agreement, that
25 spouse:

1 (i) was not provided a fair and
2 reasonable disclosure of the property or
3 financial obligations of the other spouse;

4 (ii) did not voluntarily sign a written
5 consent expressly waiving any right to
6 disclosure of the property or financial
7 obligations of the other spouse beyond the
8 disclosure provided; and

9 (iii) did not have notice of the property
10 or financial obligations of the other spouse.

11 (g) A marital property agreement executed before
12 marriage is not enforceable if the spouse against whom
13 enforcement is sought proves that:

14 (1) that spouse did not execute the agreement
15 voluntarily; or

16 (2) the agreement was unconscionable when made
17 and before execution of the agreement that spouse:

18 (i) was not provided a fair and
19 reasonable disclosure of the property or
20 financial obligations of the other spouse;

21 (ii) did not voluntarily sign a written
22 consent expressly waiving any right to
23 disclosure of the property or financial
24 obligations of the other spouse beyond the
25 disclosure provided; and

26 (iii) did not have notice of the property
27 or financial obligations of the other spouse.

1 (h) An issue of unconscionability of a marital
2 property agreement is for decision by the court as a
3 matter of law.

4 (i) If a provision of a marital property agreement
5 modifies or eliminates spousal support and that
6 modification or elimination causes one spouse to be
7 eligible for support under a program of public
8 assistance at the time of dissolution, the court may
9 require the other spouse to provide support to the
10 extent necessary to avoid that eligibility,
11 notwithstanding the terms of the agreement.

12 (j) A document signed before the effective date of
13 this Act by spouses or unmarried persons who
14 subsequently married each other which affects the
15 property of either of them and is enforceable by either
16 of them without reference to this Act is not affected by
17 this Act except as provided otherwise in a marital
18 property agreement made after the determination date.

19 Section 14. Optional Forms Of Holding Property,
20 Includina Use Of "And" Or "Or"; Survivorship Ownership.

21 (a) Spouses may hold marital property in a form
22 that designates the holders of it by the words "(name of
23 one spouse) or (name of other spouse) as marital
24 property." Marital property held in that form is subject
25 to Section 8(a)(6).

26 (b) Spouses may hold marital property in a form
27 that designates the holder of it by the words "(name of

1 one spouse) and (name of other spouse) as marital
2 property." Marital property held in that form is subject
3 to Section 8(b).

4 (c) A spouse may hold individual property in a form
5 that designates the holder of it by the words "(name of
6 spouse) as individual property." Individual property
7 held in that form is subject to Section 8(a)(1).

8 (d) Spouses may hold property in any other form
9 permitted by law, including a concurrent form or a form
10 that provides for survivorship ownership.

11 (e) If the words "survivorship marital property"
12 are used instead of the words "marital property" in the
13 form described in subsection (a) or (b), marital
14 property so held is survivorship marital property. On
15 the death of a spouse, the ownership rights of that
16 spouse in survivorship marital property vest solely in
17 the surviving spouse by nontestamentary disposition at
18 death. The first deceased spouse does not have a right
19 of disposition at death of any interest in survivorship
20 marital property. Holding marital property in a form
21 described in subsection (a) or (b) does not alone
22 establish survivorship ownership between the spouses
23 with respect to the property held in that form.

24 Section 15. Classification of Life Insurance Policies
25 and Proceeds.

26 (a) In this section:

27 (1) "Owner means a person appearing on the

1 records of the policy issuer as the person having
2 the ownership interest or, if no person other than
3 the insured appears on those records as a person
4 having that interest, it means the insured.

5 (2) "Ownership interest" means the rights of
6 an owner under a policy.

7 (3) "Policy" means an insurance policy
8 insuring the life of a spouse and providing for
9 payment of death benefits at the spouse's death.

10 (4) "Proceeds" means the death benefit from a
11 policy and all other economic benefits from it,
12 whether they accrue or become payable as a result
13 of the death of an insured person or upon the
14 occurrence of nonoccurrence of another event.

15 (b) If a policy issuer makes payments or takes
16 actions in accordance with the policy and the issuer's
17 records, the issuer is not liable because of those
18 payments or actions unless, at the time of the payments
19 or actions, it had actual knowledge of inconsistent
20 provisions of a decree or marital property agreement or
21 of an adverse claim by a spouse, former spouse,
22 surviving spouse, or persons claiming under a deceased
23 spouse's disposition at death.

24 (c) Except as provided in subsection (d), (e), and
25 (f):

26 (1) The ownership interest and proceeds of a
27 policy issued after the determination date which

1 designates the insured as the owner are marital
2 property without regard to the classification of
3 property used to pay premiums on the policy.

4 (2) The ownership interest and proceeds of a
5 policy issued before the determination date which
6 designates the insured as the owner are mixed
7 property if a premium on the policy is paid from
8 marital property after the determination date
9 without regard to the classification of property
10 used to pay premium on that policy after the
11 initial payment of a premium on it from marital
12 property. The marital property component of the
13 ownership interest and proceeds is the part
14 resulting from multiplying the entire ownership
15 interest and proceeds by a fraction of which the
16 numerator is the period during the marriage that
17 the policy was in effect after the date on which a
18 premium was paid from marital property and the
19 denominator is the entire period the policy was in
20 effect.

21 (3) The ownership interest and proceeds of a
22 policy issued during marriage which designates the
23 spouse of the insured as the owner are individual
24 property of its owner without regard to the
25 classification of property used to pay premiums on
26 the policy.

27 (4) The ownership interest and proceeds of a

1 policy that designates a person other than either
2 of the spouses as the owner are not affected by
3 this Act if no premium on the policy is paid from
4 marital property after the determination date. If
5 a premium on the policy is paid from marital
6 property after the determination date, the
7 ownership interest and proceeds of the policy are
8 in part property of the designated owner of the
9 policy and in part marital property of the spouses
10 without regard to the classification of property
11 used to pay premiums on that policy after the
12 initial payment of a premium on it from marital
13 property. The marital property component of the
14 ownership interest and proceeds is the part
15 resulting from multiplying the entire ownership
16 interest and proceeds by a fraction of which the
17 numerator is the period during marriage that the
18 policy was in effect after the date on which a
19 premium was paid from marital property and the
20 denominator is the entire period the policy was in
21 effect.

22 (5) Written consent by a spouse to the
23 designation of another person as the beneficiary of
24 the proceeds of a policy is effective to relinquish
25 that spouse's interest in the ownership interest
26 and proceeds of the policy without regard to the
27 classification of property used by a spouse or

1 another to pay premiums on that policy. A
2 designation made at the issuance of the policy by
3 either spouse of a parent or child of either of the
4 spouses as the beneficiary of the proceeds of a
5 policy is presumed to have been made with the
6 consent of the other spouse.

7 (6) Unless the spouses provide otherwise in a
8 marital property agreement, designation of a trust
9 as the beneficiary of the proceeds of a policy with
10 a marital property component does not reclassify
11 that component.

12 (d) This section does not affect a creditor's
13 interest in the ownership interest or proceeds of a
14 policy assigned or made payable to the creditor as
15 security.

16 (e) The interest of a person as owner or
17 beneficiary of a policy acquired under a decree or
18 property settlement agreement incident to a prior
19 marriage or parenthood is not marital property without
20 regard to the classification of property used to pay
21 premiums on that policy.

22 (f) This section does not affect the ownership
23 interest or proceeds of a policy if neither spouse is
24 designated as an owner in the policy or the records of
25 the policy issuer and no marital property is used to pay
26 a premium on the policy.

1 Section 16. Classification Of Deferred Employment
2 Benefits.

3 (a) A deferred employment benefit attributable to
4 employment of a spouse occurring after the determination
5 date is marital property.

6 (b) A deferred employment benefit attributable to
7 employment of a spouse occurring during marriage and
8 partly before and partly after the determination date is
9 mixed property. The marital property component of that
10 mixed property is the part resulting from multiplying
11 the entire benefit by a fraction of which the numerator
12 is the period of employment giving rise to the benefit
13 that occurred after the determination date and during
14 marriage and the denominator is the total period of the
15 employment. Unless provided otherwise in a decree,
16 marital property agreement, or written consent,
17 valuation of a deferred employment benefit that is mixed
18 property shall be made as of the death of a spouse or a
19 dissolution.

20 (c) Ownership or disposition provisions of a
21 deferred employment benefit which conflict with
22 subsection (a) and (b) are ineffective between spouses,
23 former spouses, or between a surviving spouse and a
24 person claiming under a deceased spouse's disposition at
25 death.

1 (d) If an administrator of an arrangement for
2 deferred employment benefits makes payments or takes
3 actions in accordance with the arrangement and the
4 administrator's records, the administrator is not liable
5 because of those payments or actions unless, at the time
6 of the payments or actions, it had actual knowledge of
7 inconsistent provisions of a decree or marital property
8 agreement or of an adverse claim by a spouse, former
9 spouse, surviving spouse, or a person claiming under a
10 deceased spouse's disposition at death.

11 Section 17. Mixed Property.

12 (a) Except as provided otherwise in Section 15 and
13 16, mixing marital property with property having any
14 other classification reclassifies the other property to
15 marital property unless the component of the mixed
16 property which is not marital property can be traced.

17 (b) Application by one spouse of substantial labor,
18 effort, inventiveness, physical or intellectual skill,
19 creativity, or managerial activity on individual
20 property of the other spouse creates marital property
21 attributable to that application if:

22 (1) reasonable compensation is not received
23 for the application; and

24 (2) substantial appreciation of the individual
25 property of the other spouse results from the
26 application.

1 Section 18. Interspousal Remedies.

2 (a) A spouse has a claim against the other spouse
3 for breach of the duty of good faith imposed by Section
4 5 resulting in damage to the claimant spouse's present
5 undivided one-half interest in marital property.

6 (b) A court may order an accounting of the property
7 and obligations of the spouse and may determine rights
8 of ownership in, beneficial enjoyment of, or access to,
9 marital property and the classification of all property
10 of the spouses.

11 (c) A court may order that the name of a spouse be
12 added to marital property held in the name of the other
13 spouse alone, except with respect to:

14 (1) a partnership interest held by the other
15 spouse as a general partner;

16 (2) an interest in a professional corporation,
17 professional association, or similar entity held by
18 the other spouse as a stockholder or member;

19 (3) an asset of an unincorporated business if
20 the other spouse is the only spouse involved in
21 operating or managing the business; or

22 (4) any other property if the addition would
23 adversely affect the rights of a third person.

24 (d) A Court may award damages and any other just
25 and equitable relief.

26 (e) Except as provided otherwise in Section 9(b)
27 and 8(e), a spouse must commence an action against the

1 other spouse under subsection (a) not later than 3 years
2 after acquiring notice of the facts giving rise to the
3 claim.

4 Section 19. Invalid Marriages. If a marriage is
5 invalidated by a decree, a court may apply so much of this
6 Act to the property of the persons who were parties to the
7 invalid marriage as is necessary to avoid an inequitable
8 result.

9 Section 20. Treatment of Certain Property At
10 Dissolution.

11 Except as provided in Section 19:

12 (a) In a dissolution, all property then owned by
13 the spouses that was acquired during the marriage and
14 before the determination date which would have been
15 marital property under this Act if acquired after the
16 determination date must be treated as if it were marital
17 property.

18 (b) In a dissolution, any property of either spouse
19 which can be traced to property received by a spouse
20 after the determination date as a recovery for a loss of
21 earning capacity during marriage must be treated as if
22 it were marital property.

23 (c) After a dissolution, each former spouse owns an
24 undivided one-half interest in the former marital
25 property as a tenant in common except as provided

1 otherwise in a decree or written consent, and subject to
2 the restrictions of Article XII of the Commonwealth
3 Constitution.

4 Section 21. Treatment of Certain Property at Death of
5 Spouse.

6 (a) At the death of a spouse domiciled in this
7 Commonwealth, all property then owned by the spouse that
8 was acquired during marriage and before the
9 determination date must be treated as if it were marital
10 property.

11 (b) At the death of a spouse domiciled in this
12 Commonwealth, any property of the spouse which can be
13 traced to property received by the spouse after the
14 determination date as a recovery for a loss of earning
15 capacity during marriage must be treated as if it were
16 marital property.

17 Section 22. Article XII Restriction. All of the
18 provisions of this Act are subject to the restrictions
19 imposed by Article XII of the CNMI Constitution and no
20 provision of this Act shall be construed to be in violation
21 of those restrictions.

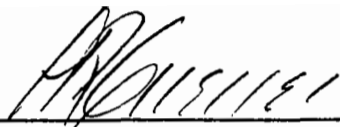
22 Section 23. Rules of Construction. Unless displaced by
23 this Act, the principles of law, equity and local custom
24 supplement its provisions.

25 Section 24. Severability. If any provision of this Act
26 or its application to any person or circumstances is held
27 invalid, the invalidity does not affect other provisions or

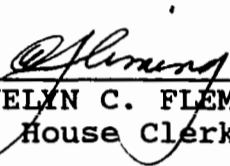
1 applications of this Act which can be given effect without
2 invalid provision or application, and to this end the
3 provisions of this Act are severable.

4 Section 25. Effective Date. This Act shall take effect
5 upon its approval by the Governor, or upon its becoming law
6 without such approval.

CERTIFIED AND ATTESTED BY:

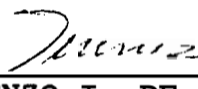


PEDRO R. DELEON GUERRERO
Speaker of the House



EVELYN C. FLEMING
House Clerk

APPROVED this 22nd day of FEBRUARY, 1991.



LORENZO I. DE LEON GUERRERO
Governor
Commonwealth of the Northern Mariana Islands