

SUPREME COURT OF RHODE ISLAND

John H. Janson v. Patricia J. Janson

773 A.2d 901 (R.I. 2001) · No. No. 99-490-Appeal · Decided June 25, 2001

SUMMARY

The Rhode Island Supreme Court reviewed a divorce dispute concerning the valuation and distribution of the husband's pension benefits and the entry of a Qualified Domestic Relations Order. The court held that the settlement agreement was ambiguous regarding the valuation date and timing of payments, and that the wife could not be deprived of her pension share by the husband's delaying retirement. The court sustained the wife's appeal, vacated the challenged orders, and remanded for valuation as of the divorce decree and for retroactive payments based on the husband's May 1999 retirement eligibility.

CASE DETAILS

COURT	Supreme Court of Rhode Island
WRITING FOR THE COURT	Per Curiam; Williams, C.J.; Lederberg, J.; Bourcier, J.; Flanders, J.; Goldberg, J.
JURISDICTION	Rhode Island
DECIDED	June 25, 2001
DOCKET	No. 99-490-Appeal
DISPOSITION	vacated
PROCEDURAL POSTURE	The wife appealed from the Family Court's denial of her motion to obtain a share of the husband's pension benefits and from the entry of a QDRO.
STANDARD OF REVIEW	The Family Court justice has broad discretion to divide marital property justly and fairly between the parties; interpretation of an ambiguous settlement agreement must be guided by equitable principles.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	Patricia J. Janson v. John H. Janson

TOPICS

- qdro
- equitable distribution
- dissolution of marriage
- family law procedure
- appellate procedure

PRACTICE AREAS

family law

pension division

equitable distribution

appellate procedure

remedies

QUESTIONS PRESENTED

1. Whether the Family Court erred by failing to determine when the wife was entitled to receive her share or equivalent share of the husband's pension benefits after he became eligible to retire.
2. Whether the Family Court erred by valuing the wife's 40 percent share of the husband's pension only through the date of the parties' settlement agreement rather than through the date of entry of the final divorce decree.

HOLDINGS

1. When a property-settlement agreement is silent about when a nonemployee spouse is to receive a share of pension benefits, the Family Court must resolve the ambiguity through equitable-distribution principles and may award the spouse equivalent monthly payments based on the pension benefits the employee spouse would have received upon retiring when first eligible. It was inequitable to permit the husband to unilaterally deprive the wife of her pension share by delaying retirement.
2. Absent an express agreement to the contrary, a spouse's marital-property rights in the other spouse's pension continue through entry of the final divorce decree; therefore, the pension must be valued through the date of the final decree rather than the earlier settlement date.

KEY QUOTATIONS

"Therefore, in the absence of a clear agreement specifying how and when the husband's pension was to be valued and distributed to the wife, we hold that it was inequitable for the trial justice to allow the husband to "unilaterally deprive" the wife of her share of the pension by delaying his retirement until some uncertain date in the future when he might decide to retire." (904)

"Because the parties were still married at the time of the entry of final judgment and their property rights in each other's estate continued to exist through that date, we conclude that, absent an express agreement to the contrary, the trial justice erred in ruling that the wife's right to share in the value of plaintiff's pension terminated as of the date of the agreement." (905)

FACTUAL BACKGROUND

The parties married in 1966 and entered into a property-settlement agreement dividing their marital property on a 60/40 basis, with the wife receiving 40 percent of the husband's retirement benefits through a QDRO. The agreement and Family Court decision were silent about the valuation date for the pension and when the wife would begin receiving her share. The husband became eligible to retire in May 1999 but had not retired, and the Family Court entered a QDRO valuing the pension only through January 16, 1998 and declined to award the wife equivalent payments based on the husband's eligibility to retire.

PROCEDURAL HISTORY

The parties reached a property-settlement agreement after a January 1998 merits hearing. The Family Court entered a final judgment of divorce and QDRO on August 3, 1999, awarding the wife 40 percent of the husband's pension benefits but valuing the benefits only through January 16, 1998 and declining to rule on the wife's request for current or equivalent pension payments. After the wife appealed, the Supreme Court remanded for entry of a formal order addressing the QDRO expansion motion; the Family Court then denied that motion. The Supreme Court sustained the appeal, vacated the challenged orders, and remanded for new orders and decrees.

DISPOSITION

vacated

REMAND INSTRUCTIONS

The Family Court must enter new orders and decrees. For purposes of calculating the wife's 40 percent share, the husband's pension-plan assets must be valued as of August 3, 1999, the date of entry of the final divorce decree. The court must issue an order with the characteristics of a QDRO awarding the wife 40 percent of the monthly pension benefits the husband would have been entitled to receive had he retired in May 1999, including benefits retroactive to that date plus interest. After the husband's retirement, he must continue to pay the wife 40 percent of his actual monthly pension benefits through an appropriate QDRO.

CASES CITED

- *Furia v. Furia*, 638 A.2d 548 (R.I. 1994)
- *Furia v. Furia*, 692 A.2d 327 (R.I. 1997)
- *Flynn v. Flynn*, 615 A.2d 119, 122 (R.I. 1992)
- *Antone v. Vickers*, 610 A.2d 120, 123 (R.I. 1992)
- *Giha v. Giha*, 609 A.2d 945, 948 (R.I. 1992)
- *Alix v. Alix*, 497 A.2d 18, 20 (R.I. 1985)
- *Thompson v. Thompson*, 642 A.2d 1160, 1162 (R.I. 1994)
- *Saback v. Saback*, 593 A.2d 459, 461 (R.I. 1991)