

SUPREME COURT OF ALABAMA

State ex rel. W.M.E. v. G.C.

73 So. 3d 593 (Ala. 2011) · Decided March 18, 2011

SUMMARY

The Alabama Supreme Court held that a trial court may not waive postjudgment interest accruing on a child-support arrearage judgment. The court ruled that interest must continue to accrue on the unpaid principal balance under Alabama law, even when the obligor lacks the ability to make installment payments sufficient to cover the accruing interest. The judgment of the Court of Civil Appeals was reversed and the case remanded.

CASE DETAILS

COURT	Supreme Court of Alabama
WRITING FOR THE COURT	Murdock, Justice; Cobb, Chief Justice; Stuart, Justice; Bolin, Justice; Parker, Justice; Shaw, Justice; Main, Justice; Wise, Justice; Woodall, Justice
JURISDICTION	Alabama
DECIDED	March 18, 2011
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The State petitioned the Alabama Supreme Court for a writ of certiorari to review the Court of Civil Appeals' affirmance, without opinion, of a circuit-court judgment that reduced a child-support arrearage to judgment and purported to waive postjudgment interest.
STANDARD OF REVIEW	De novo review applies because whether a court has authority to waive postjudgment interest is a question of law.
PRECEDENTIAL VALUE	Published Alabama Supreme Court opinion; precedential.
PARTIES	State of Alabama, on behalf of W.M.E. v. G.C.

TOPICS

- child support
- family law procedure
- appellate procedure
- remedies
- standard of review

PRACTICE AREAS

- family law
- child support
- appellate procedure
- remedies

QUESTIONS PRESENTED

1. Whether a trial court may waive postjudgment interest that prospectively accrues on a judgment for child-support arrearages.
2. Whether the circuit court's equitable consideration of the obligor's financial hardship authorized it to prevent statutory interest from accruing on the unpaid child-support judgment.

HOLDINGS

1. A trial court has no legal authority to waive postjudgment interest that otherwise accrues on an unpaid judgment for child-support arrearages.
2. For a judgment for child support, a partial payment is applied first to principal, with any remaining amount applied to interest.

KEY QUOTATIONS

“The fact that G.C. might not have the ability to make monthly installment payments that equal or exceed the postjudgment interest as it accrues does not make a waiver of post-judgment interest legally permissible. Instead, the law requires that interest continue to accrue on the unpaid principal balance.” (596)

FACTUAL BACKGROUND

G.C. was subject to an April 1998 child-support judgment and was alleged to owe \$27,791.29 in principal arrearages. At the contempt hearing, G.C., who earned approximately \$1,200 per month, acknowledged the principal arrearage and stated that he could pay \$150 per month. The circuit court entered judgment for the principal amount, ordered \$150 monthly payments, and purported to waive interest because requiring interest payments would cause extreme financial hardship.

PROCEDURAL HISTORY

The Montgomery Circuit Court entered a \$27,791.29 judgment for child-support arrears and ordered G.C. to pay \$150 per month, while waiving interest on the judgment on equitable-hardship grounds. The State's postjudgment motion was denied by operation of law. The Court of Civil Appeals affirmed without opinion and denied rehearing. The Supreme Court of Alabama granted certiorari, reversed, and remanded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Remand for proceedings consistent with the opinion, including continued accrual of statutory interest on the unpaid principal balance rather than waiver of that interest.

CASES CITED

- Osborne v. Osborne, 57 Ala. App. 204, 206, 326 So. 2d 766, 767 (Ala. Civ. App. 1976)

- State ex rel. Pritchett v. Pritchett, 771 So. 2d 1048, 1051 (Ala. Civ. App. 2000)
- Rochelle v. Rochelle, 235 Ala. 526, 529, 179 So. 825, 829 (1938)
- George v. Sims, 888 So. 2d 1224, 1226 (Ala. 2004)
- Ex parte State ex rel. Lamon, 702 So. 2d 449, 450-51 (Ala. 1997)
- State Dep't of Human Res. v. R.L.R., 743 So. 2d 495, 498-99 (Ala. Civ. App. 1999)
- Patterson v. Gartman, 439 So. 2d 171, 173 (Ala. Civ. App. 1983)