

ARKANSAS COURT OF APPEALS

DIVISION II

No. CA09-630

RONNIE LEE EASLEY

APPELLANT

V.

ROBIN E. EASLEY

APPELLEE

Opinion Delivered January 27, 2010

APPEAL FROM THE GRANT
COUNTY CIRCUIT COURT
[NO. DR-08-53-1]

HONORABLE CHRIS E WILLIAMS,
JUDGE

AFFIRMED

LARRY D. VAUGHT, Chief Judge

Appellant Ronnie Lee Easley argues a single point on appeal. He claims that the trial court abused its discretion by ordering him to pay a portion of appellee Robin Easley's (his former wife) student loan. In response, Robin argues that the loan was not solely for her benefit and that the trial court's ruling that the loan was a marital debt to be divided was not erroneous. We see no error and affirm the decision of the trial court.

The facts of this case are not in dispute. On September 17, 2008, a decree of divorce was filed. In the decree, the court noted that the parties were married on January 25, 1984, and separated on March 3, 2008. On October 8, 2008, an amended decree was filed, which stated that the parties had agreed on the distribution of the real property and on November 19, 2008, the parties agreed that Ronnie would receive a portion of Robin's retirement. On February 9,

2009, a hearing was held on the allocation of the marital debts of the parties.

At the hearing, the trial court considered testimony of both parties concerning the parties' sole debt—an \$88,000 student loan in Robin's name. It was Robin's position that the proceeds for the student loan benefitted both her and Ronnie. He responded that the loan was used primarily to finance Robin's education; therefore, she received the benefit of the loan. Further, he pointed to the fact that Robin is now in a better financial position (due in large measure to her superior education) than he to make payments on the loan.

A key piece of evidence introduced at the hearing was a ledger containing records of bills paid during an extended portion of the parties' marriage. It was uncontroverted, based on the numbers revealed by the ledger, that only fifteen percent of the loan proceeds were actually spent on Robin's education. The remaining eighty-five percent of the loan proceeds were used to pay household bills and debts. The ledger also revealed that the parties' joint income was insufficient to cover their monthly obligations, and the loans were used to supplement the shortage. The parties agreed that much of this gap was due to failed business enterprises, including Ronnie's failed attempt to start a barbeque business while Robin was in school.

After considering this evidence, the trial court ruled that the eighty-five percent of the student loan used to pay bills and living expenses was a marital debt, and that fifteen percent of the loan was used exclusively for Robin's education. The court ordered Robin to pay the fifteen-percent portion and ordered that the remaining eighty-five percent be allocated, equitably, between the parties. Specifically, the court found that

based upon the health factors and the limited amount of income that is available to Mr. Easley, that he should pay only 40% of the remaining debt owed after the

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deduction of the 15% of the Student Loans that Mrs. Easley used in the furtherance of her education. It is obvious that the greater ability lies with Mrs. Easley, so after the deduction of the 15%, Mr. Easley will be responsible to pay 40% of the remaining balance of the educational loans that were incurred for the benefit of Robin E. Easley.

Although the division of marital debt is not addressed in Arkansas Code Annotated section 9-12-315 (Repl. 2008), the trial court has the authority to consider the allocation of debt in a divorce case. *Box v. Box*, 312 Ark. 550, 557, 851 S.W.2d 437, 442 (1993). The parties' debt is an essential item to be resolved in a divorce dispute. *Id.* at 557, 851 S.W.2d at 442. And, a judge's decision to allocate debt in a particular manner is a question of fact and will not be reversed on appeal unless it is clearly erroneous. *Boxley v. Boxley*, 77 Ark. App. 136, 141, 73 S.W.3d 19, 23 (2002). Further, the allocation of the marital debt must be considered in the context of the distribution of all of the parties' property. *Hackett v. Hackett*, 278 Ark. 82, 84–85, 643 S.W.2d 560, 562 (1982). Arkansas Code Annotated section 9-12-315 does not compel mathematical precision in the distribution of property; it simply requires that marital property be distributed equitably. *Boxley*, 77 Ark. App. at 141, 73 S.W.3d at 23. The statute vests the trial court with a measure of flexibility and broad powers in apportioning property, nonmarital as well as marital, in order to achieve an equitable distribution; the critical inquiry is how the total assets are divided—the goal is a fair and equitable distribution under the circumstances. *Id.* at 141–42, 73 S.W.3d at 23–24.

Here, based on the unchallenged proof submitted at trial, eighty-five percent of the student-loan proceeds were used to supplement the parties' inadequate income during a portion of the marriage. As such, the trial court did not err in classifying this portion of the loan as

marital debt. The trial court then used its broad discretionary powers to distribute the debt—excepting the fifteen percent that benefitted Robin solely—in an unequal fashion. Before assigning the larger percentage of the marital debt to Robin, the court specifically noted the age, health, and station in life of the parties, the occupations of the parties, the amount and sources of income of the parties, and the employability of the parties, in accordance with the factors set out in section 9-12-315(a)(1)(A).

After making findings on these critical elements, the trial court concluded that Ronnie's life position was inferior to Robin's. The court further reasoned that Ronnie's lesser earning potential and diminished health required that he be responsible for only a forty-percent portion of the debt. Robin does not dispute the trial court's finding that she should carry a larger portion of the parties' marital debt. In fact, it is Ronnie who argues that the trial court's unequal distribution is unfair to him. However, the unequal distribution enured to Ronnie's benefit. We see no error in the trial court's resolution of this matter and affirm in all respects.

Affirmed.

PITTMAN and ROBBINS, JJ., agree.