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SENATOR LESIL MCGUIRE

SPONSOR STATEMENT

SB 60: Uniform Probate Code; Trusts, Wills

Inevitably, every family in Alaska must deal with handling the affairs of a deceased family member's estate or trust. The Uniform Probate Code (UPC) is the legal model Alaska has relied upon to handle these matters since it was first adopted back in 1969.

The Uniform Probate Code (UPC) is a uniform act drafted by the National Conference of Commissioners on Uniform State Laws (NCCUSL) governing inheritance and the decedents' estates in the USA. The primary purpose of the act is to streamline the probate process and to standardize and modernize the various state laws governing wills, trusts, and intestacy.

SB 60 updates and clarifies Alaska statutes relating to the UPC with the aim of improving the ease of administration of estates and trusts for Alaska residents. SB 60 provides the following amendments to the Uniform Probate Code:

- Allows the settlor of a trust to designate a representative who can represent or bind an incapacitated person in future proceedings relating to the trust administration.
- Establishes that an augmented estate does not include property transferred to an irrevocable trust if the settlor is a discretionary beneficiary of the trust and if the transfer was made more than 30 days before marriage, or with the consent of the decedent's spouse.
- Creates a procedure for the establishment of will and trust validity before death. Situations arise where there is a question concerning a person's capacity to execute a will or trust, or whether the document was executed as the result of undue influence, duress, fraud, or mistake. The new procedure will allow these issues to be brought before the court while the testator or settlor is alive and when evidence is fresh.
- Provides for venue of a probate proceeding if the decedent was not domiciled in Alaska but significant assets are located within the state.

The State of Alaska has directly received millions of dollars of insurance premium tax dollars and many jobs have been created in the trust, banking, insurance, and legal professions thanks to the business attracted by our competitive and contemporary trust laws.

SB 60 is one of three bills introduced (SB 60, SB 62, and SB 63) that aim to update and clarify Alaska trust laws to make Alaska a better place for investors and families – both Alaskan and from other states – to invest their money in the competitive arena of trust management.