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ALASKA STATE LEGISLATURE HOUSE DISTRICT 11

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## **Sponsor Statement**

### **House Bill 208**

*“An act relating to trusts and powers of appointment; and providing for an effective date.”*

Alaska has always sought to be a leader in adopting laws to improve estate and tax planning options for Alaskans as well as non-resident trust holders. As a result, by 1998 Alaska ranked among the top three favorable environments to place trusts.

Since the end of the 1990's however, states such as Nevada, New York, South Dakota, and others have passed newer laws expanding the flexibilities available to trusts. As a result, Alaska is now trailing much of the nation in evolving our trust related statutes to meet current market realities and demands. According to a leading index\* Alaska's ranking has fallen to eighth place as an increasing number of states become superior trust-favorable environments.

This bill seeks to reverse this trend by updating and increasing flexibility in trust-related regulation, while maintaining the protections already codified in existing statutes.

This bill will stimulate increased investment in our economy through the creation of more opportunities for Alaskan banks, trust companies, and other financial institutions. It will help to create higher paying jobs in the financial services sector. It will help to diversify Alaska's economy by expanding an industry that is not 'resource economy' dependent, and it will add a source of fee based income for state government.

House Bill 208 will bring Alaska trust related law into the 21<sup>st</sup> century, restore the state's ranking among trust-friendly states, stimulate stable economic growth and employment, and bring in additional state revenue.

I respectfully ask for your support of House Bill 208.

\*Oshin & Associates, April 2017