

SENATE CS FOR CS FOR HOUSE BILL NO. 101(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/5/10

Referred: Rules

Sponsor(s): REPRESENTATIVES COGHILL, Lynn

SENATOR Wielechowski

A BILL

FOR AN ACT ENTITLED

1 **"An Act increasing the value of life insurance and annuity contracts that is exempt from**
2 **levy to satisfy a debt."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 09.38.025(a) is amended to read:

5 (a) Except as provided in this section or AS 09.38.017, an individual is
6 entitled to exemption of unmatured life insurance and annuity contracts owned by the
7 individual. If the contracts have accrued dividends and loan values available to the
8 individual aggregating more than **\$500,000** [\$10,000], a creditor may obtain a court
9 order requiring the individual debtor to pay the creditor, and authorizing the creditor
10 on the debtor's behalf to obtain payment of, the amount of the accrued dividends and
11 loan values in excess of **\$500,000** [\$10,000] or the amount of the creditor's claim,
12 whichever is less.

13 *** Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

1 APPLICABILITY. AS 09.38.025(a), as amended by sec. 1 of this Act, applies to an
2 exemption that is sought on or after the effective date of this Act.