

Original sponsors: Engstrom and B. Phillips *AM* Offered: 2/24/70  
Referred: Rules

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 386

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the requirements for old age  
7 assistance and aid to the blind."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 47.25.560 is amended to read:

10 Sec. 47.25.560. GOVERNMENT AND STATE'S CLAIM FOR ASSISTANCE.

11 The total amount paid in assistance to a recipient constitutes a claim  
12 against the recipient and his estate, except as provided in sec. 570  
13 of this chapter. On the death of a person receiving assistance the  
14 total amount paid as assistance shall be allowed by the court having  
15 jurisdiction over the estate, and when collected, the United States  
16 shall, if it requires, be reimbursed out of the money on a pro rata  
17 basis in proportion to the amount it expended in the case, and the  
18 remaining amount shall be paid to the Department of Revenue for the  
19 Old Age Assistance Fund.

20 \* Sec. 2. AS 47.25.570(a) is amended to read:

21 (a) The department may require as a condition of granting finan-  
22 cial assistance that the property of a recipient in excess of \$10,000  
23 of its value in the case of real property and [, EXCEPT PERSONAL]  
24 property in excess of [TO] the amount of \$500 in the case of personal  
25 property, be pledged as a guarantee for the reimbursement of the funds  
26 granted and an instrument executed by the recipient, pledging the  
27 property, shall be made to the department and held by it for the state.

28 \* Sec. 3. AS 47.25.570(b) is amended to read:

29 (b) The state has a lien against all the property of the

1 recipient in excess of \$10,000 of its value in the case of real proper-  
2 ty, and all the [, EXCEPT PERSONAL] property in excess of [TO] the  
3 amount of \$500 in the case of personal property, in an amount equal to  
4 that expended for his benefit, from and after the filing of a claim of  
5 lien in the office of the recorder for the district in which the  
6 property is possessed or is located, particularly describing the prop-  
7 erty. Suit to foreclose the lien shall be instituted within six months  
8 after the cessation of assistance or as soon afterward as possible.

9 \* Sec. 4. AS 47.25.570(c) is amended to read:

10 (c) From and after the lien attaches, the property shall not be  
11 sold without the consent of the state, except that, subject to the  
12 limitations provided in (b) of this section, consent may be given by  
13 the attorney general on behalf of the state agency filing the lien if  
14 a prior permanent or superior lien is filed against the property. If  
15 the lien is not satisfied by the purchaser it is not lost, and the  
16 augmentation of the amount of the lien in proportion to expenditures  
17 made on behalf of the recipient does not cease [THE LIEN, IF NOT SATIS-  
18 FIED BY THE PURCHASER, IS NOT LOST, NOR DOES THE AUGMENTATION OF THE  
19 AMOUNT OF THE LIEN IN PROPORTION TO EXPENDITURES MADE ON BEHALF OF THE  
20 RECIPIENT, CEASE].

21 \* Sec. 5. AS 47.25.720 is amended to read:

22 Sec. 47.25.720. STATE'S CLAIM FOR ASSISTANCE. The total amount  
23 of assistance paid to a recipient constitutes a claim against the recipi-  
24 ent and his estate, except as provided in sec. 725 of this chapter. On  
25 the death of a person receiving assistance the total amount paid as  
26 assistance shall be allowed by the court having jurisdiction over the  
27 estate.

28 \* Sec. 6. AS 47.25.725 is amended to read:

29 Sec. 47.25.725. SECURITY AND LIEN. (a) The department may

1 require as a condition of granting financial assistance that the  
2 property of a recipient in excess of \$10,000 of its value in the case  
3 of real property, and [, EXCEPT PERSONAL] property in excess of [TO]  
4 the amount of \$500 in the case of personal property, be pledged as a  
5 guarantee for the reimbursement of the funds granted, and an instrument  
6 executed by the recipient, pledging the property, shall be made to the  
7 department and held by it for the state.

8 (b) The state has a lien against all the property of the recipi-  
9 ent in excess of \$10,000 of its value in the case of real property and  
10 [, EXCEPT PERSONAL] property in excess of [TO] the amount of \$500 in  
11 the case of personal property, and in an amount equal to that expended  
12 for his benefit, after the filing of a claim of lien in the office of  
13 the recorder for the district in which the property is located or  
14 possessed, particularly describing the property. Suit to foreclose a  
15 lien shall be instituted within six months after the cessation of  
16 assistance or as soon afterward as possible.

17 (c) After the lien attaches, the property shall not be sold with-  
18 out the consent of the state, except that, subject to the limitations  
19 provided in (b) of this section, consent may be given by the attorney  
20 general on behalf of the state agency filing the lien if a prior per-  
21 manent or superior lien is filed against the property. If the lien  
22 is not satisfied by the purchaser it is not lost, and the augmentation  
23 of the amount of the lien in proportion to expenditures made on behalf  
24 of the recipient does not cease [THE LIEN, IF NOT SATISFIED BY THE  
25 PURCHASER, IS NOT LOST, NOR DOES THE AUGMENTATION OF THE AMOUNT OF THE  
26 LIEN IN PROPORTION TO EXPENDITURES MADE ON BEHALF OF THE RECIPIENT  
27 CEASE].

28 (d) Claim of lien shall be filed only in those cases which the  
29 department, in its discretion, considers proper. If the United States

1 requires, it shall be reimbursed out of the money realized upon the  
2 security on a pro rata basis in proportion to the amount it expended  
3 on behalf of the recipient, and the remaining amount shall be paid to  
4 the Department of Revenue for the assistance granted under secs. 620 -  
5 780 of this chapter.  
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