

Original sponsors: Engstrom and B. Phillips

Offered: 5/8/70
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR 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 the expiration of a surviving
9 spouse, or the reaching of majority by minor children, or as soon
10 afterward as possible.

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

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

23 * Sec. 5. AS 47.25.720 is amended to read:

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

1 * Sec. 6. AS 47.25.725 is amended to read:

2 Sec. 47.25.725. SECURITY AND LIEN. (a) The department may
3 require as a condition of granting financial assistance that the
4 property of a recipient in excess of \$10,000 of its value in the case
5 of real property, and [, EXCEPT PERSONAL] property in excess of [TO]
6 the amount of \$500 in the case of personal property, be pledged as a
7 guarantee for the reimbursement of the funds granted, and an instrument
8 executed by the recipient, pledging the property, shall be made to the
9 department and held by it for the state.

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

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

1 CEASE].

2 (d) Claim of lien shall be filed only in those cases which the
3 department, in its discretion, considers proper. If the United States
4 requires, it shall be reimbursed out of the money realized upon the
5 security on a pro rata basis in proportion to the amount it expended
6 on behalf of the recipient, and the remaining amount shall be paid to
7 the Department of Revenue for the assistance granted under secs. 620 -
8 780 of this chapter.

9 * Sec. 7. AS 47.25.890 is amended to read:

10 Sec. 47.25.890. STATE'S CLAIM FOR ASSISTANCE. The total amount
11 of assistance paid to a recipient constitutes a claim against the
12 recipient and his estate, except as provided in sec. 900 of this
13 chapter. On the death of a person receiving assistance, the total
14 amount paid as assistance shall be allowed by the court having juris-
15 diction over the estate.

16 * Sec. 8. AS 47.25.900(a) is amended to read:

17 (a) The department may require as a condition of granting
18 financial assistance that the property of a recipient, except personal
19 property to the amount of \$500, and real property up to \$10,000 of
20 its value, be pledged as a guarantee for the reimbursement of the funds
21 granted, and an instrument executed by the recipient, pledging the
22 property, shall be made to the department and held by it for the state.

23 * Sec. 9. AS 47.25.900(b) is amended to read:

24 (b) The state has a lien against all the property of the recipi-
25 ent, except personal property to the amount of \$500 and real property
26 up to \$10,000 of its value, and in an amount equal to that expended
27 for his benefit, after the filing of a claim of lien in the office of
28 the recorder for the district in which the property is located or
29 possessed, particularly describing the property. Suit to foreclose

1 a lien shall be instituted within six months after the cessation of
2 assistance or as soon afterward as possible.

3 * Sec. 10. A pledge or lien of personal property up to the amount of
4 \$500 or of real property up to the amount of \$10,000 of its value under
5 AS 47.25.570, 47.25.725, or 47.25.900 which is in existence on the effective
6 date of this Act is extinguished on the effective date of this Act.

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29