

Introduced: 4/8/85
Referred: Judiciary

1 IN THE HOUSE

BY GRUENBERG

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HOUSE BILL NO. 358

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - FIRST SESSION

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A BILL

6 For an Act entitled: "An Act relating to nonprobate transfers."

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

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* Section 1. AS 13.31.070 is repealed and reenacted to read:

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Sec. 13.31.070. PROVISIONS FOR PAYMENT OR TRANSFER AT DEATH.

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(a) Unless expressly provided otherwise, any of the following provisions in an insurance policy, contract of employment, bond, mortgage, promissory note, deposit agreement, pension plan, bonus, profit-sharing, retirement annuity, trust agreement, conveyance or any other written instrument effective as a contract, gift, conveyance, employee-benefit plan or trust is considered to be nontestamentary, and nothing in AS 13.06 - AS 13.36 invalidates the instrument or a provision that

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(1) money or other benefits theretofore due to, controlled or owned by a decedent shall be paid after the decedent's death to a person designated by the decedent in either the instrument or a separate writing, including a will, executed at the same time as the instrument or subsequently;

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(2) money due or to become due under the instrument shall cease to be payable in event of the death of the promisee or the promisor before payment or demand; or

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(3) property that is the subject of the instrument shall pass to a person designated by the decedent in either the instrument or a separate writing, including a will, executed at the same time as the instrument or subsequently.

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1 (b) This section applies regardless of whether the contract,
2 gift, conveyance, employee-benefit plan or trust designates the
3 ultimate beneficiaries or makes the proceeds payable, directly or
4 indirectly, to a trustee of a trust under a will or under a separate
5 trust instrument that designates the ultimate beneficiaries, and
6 regardless of whether the trust is amendable or revocable, or both, or
7 is funded or unfunded, and notwithstanding a reservation to the
8 settlor of all rights of ownership in the contract, gift, conveyance,
9 employee-benefit plan or trust.

10 (c) The proceeds of a contract, gift, conveyance, employee-
11 benefit plan or trust are not subject to debts of the decedent, in-
12 cluding inheritance or estate tax, to any greater extent than if the
13 proceeds were payable to a named beneficiary other than the estate of
14 the decedent.

15 (d) Nothing in this section limits the rights of creditors under
16 other laws of this state.