

Introduced: 2/10/86
Referred: Judiciary

BY DUNCAN, CLOCKSIN,
GRUENBERG AND WALLIS

1 IN THE HOUSE

2 HOUSE BILL NO. 557

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to interest on attorney trust
7 accounts; and providing for an effective date."

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

9 * Section 1. AS 08.08 is amended by adding a new section to article 5
10 to read:

11 Sec. 08.08.243. INTEREST ON ATTORNEY TRUST ACCOUNTS. (a) An
12 attorney or law firm may establish and maintain an interest bearing
13 insured demand trust account in a depository institution and deposit
14 in that account all client funds that are nominal in amount or are to
15 be held for a short time.

16 (b) The depository institution shall be directed by the attorney
17 or law firm establishing the account to

18 (1) remit interest on the account to a foundation desig-
19 nated by the Board of Governors of the Alaska Bar; and

20 (2) transmit with each remittance a statement showing the
21 name of the attorney or law firm for whom the remittance is made and
22 the rate of interest applied, with a copy of the statement to be
23 transmitted to the attorney or the law firm.

24 (c) All funds received by the foundation designated by the Board
25 of Governors of the Alaska Bar shall be expended to provide civil
26 legal services to indigent persons.

27 * Sec. 2. This Act takes effect upon the adoption of a resolution by
28 the Board of Governors of the Alaska Bar Association designating the foun-
29 dation to receive funds under this Act.