

HOUSE BILL NO. 315

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE MACLEAN

Introduced: 5/6/91
Referred: Judiciary

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the inheritance and transfer of stock in corporations organized under
2 the Alaska Native Claims Settlement Act; and providing for an effective date."

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

4 * Section 1. AS 13.11.012 is amended to read:

5 Sec. 13.11.012. SHARE OF THE SPOUSE IN CERTAIN STOCK. The [UNTIL
6 DECEMBER 18, 1991, THE] intestate share of the surviving spouse in settlement common
7 stock or other inalienable stock in a corporation organized under the laws of Alaska under 43
8 U.S.C. 1601 - 1642, as amended [43 U.S.C. 1601 - 1628] (Alaska Native Claims Settlement
9 Act) is:

- 10 (1) if there is no surviving issue, all of it;
11 (2) if the decedent is survived by issue, one-half of it.

12 * Sec. 2. AS 13.16.705(a) is amended to read:

13 (a) The settlement common stock or other inalienable [UNTIL DECEMBER 18,
14 1991,] stock in a corporation organized under the laws of Alaska under 43 U.S.C. 1601 - 1642,

1 as amended [43 U.S.C. 1601 - 1628] (Alaska Native Claims Settlement Act) [WHICH IS
2 INALIENABLE UNDER EITHER THAT ACT OR ITS ARTICLES OF INCORPORATION]
3 is not subject to probate nor shall its value be considered in determining the value of an estate
4 or allowance under this title. Upon death of the holder, if the stock does not pass by the
5 testamentary disposition clause on the stock certificate or by the form authorized under (b) of
6 this section, properly executed, it passes by will or intestate succession. In such a case, the
7 determination of the person entitled to the stock shall be made by the [APPROPRIATE
8 REGIONAL] corporation that initially issued the stock or its designated agent. The
9 determination shall be made on the basis of an affidavit, furnished to [IT AND TO] the
10 corporation that initially [WHICH] issued the stock, or its agent, showing the right of the
11 person entitled to the stock to receive it [AND TO HAVE A NEW CERTIFICATE ISSUED].
12 The affidavit, accepted in good faith by the [A] corporation or its agent, has the same effect as
13 an affidavit under AS 13.16.685, and the person entitled to the stock, if the affidavit is not
14 accepted, has the remedy set out in AS 13.16.685. In case of dispute as to the person entitled
15 to receive the stock, a person claiming ownership may bring an independent action in the superior
16 court.

17 * Sec. 3. AS 13.16.705(b) is amended to read:

18 (b) Unless a separate form is provided that [WHICH] substantially satisfies the
19 requirements of this subsection and that [WHICH] is distributed to the same extent as the
20 certificate, each certificate representing the stock [IN A CORPORATION ORGANIZED UNDER
21 43 U.S.C. 1601 - 1628] shall bear provisions, on its reverse side, containing blanks to be filled
22 in by the owner, constituting a last will and testament for the purposes of this section and 43
23 U.S.C. 1606(h) insofar as the shares represented by that certificate are concerned [DURING THE
24 PERIOD OF ITS INALIENABILITY]. The clause may be signed by the owner, dated, and
25 notarized. This testamentary disposition may be changed from time to time or revoked, and it
26 governs unless there is a subsequently executed certificate, form, or formal will making [THE]
27 specific disposition of the stock.

28 * Sec. 4. AS 13.16.705(c) is amended to read:

29 (c) When ownership of stuck [SHARES] passes by devise or inheritance or as a result
30 of court action, the stock [SHARES] shall be partitioned, insofar as practicable, in whole shares
31 among those entitled to them.

1 * Sec. 5. AS 13.16.705(e) is amended to read:

2 (e) The situs of the [INALIENABLE] stock [OF ALL CORPORATIONS ORGANIZED
3 UNDER 43 U.S.C. 1601 - 1628] is Alaska [, UNTIL DECEMBER 18, 1991].

4 * Sec. 6. AS 13.16.705(f) is amended to read:

5 (f) Where appropriate, terms used in this section have the meanings given in
6 AS 13.06.050. In this section, "stock" means the settlement common stock or other
7 inalienable stock of a corporation organized under the laws of the state under 43 U.S.C.
8 1601 - 1642, as amended (Alaska Native Claims Settlement Act), and includes membership
9 in a corporation organized under AS 10.20 and inchoate rights to stock.

10 * Sec. 7. AS 13.16.705 is amended by adding a new subsection to read:

11 (g) This section applies to stock as long as the stock remains inalienable.

12 * Sec. 8. AS 13.46.085(a) is amended to read:

13 (a) The stock [STOCK] or membership in a corporation organized under the law of this
14 state under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 - 1642) [(43 U.S.C. 1601 -
15 1629(e))] that a minor is entitled to receive under that Act shall be held [ISSUED] by [THE
16 CORPORATION TO] a custodian.

17 * Sec. 9. AS 13.46.085(b) is amended to read:

18 (b) A person making a transfer of stock, whether by gift, devise, or other method,
19 may nominate a custodian. In the absence of a nomination, the [THE] custodian shall be
20 determined under the order of priority set out below. The appointment becomes effective upon
21 the corporation's receipt of the custodian's written consent to the appointment. The order of
22 priority is:

23 (1) the legal guardian, if any, of the minor;

24 (2) a parent, if any, of the minor, as selected by the parents;

25 (3) an adult member of the minor's family; in this paragraph, "member of the
26 minor's family" has the meaning given in AS 13.46.990, and may also include [INCLUDES]
27 members of the family with whom the minor has customarily lived.

28 * Sec. 10. AS 13.46.085(e) is amended to read:

29 (e) In this section,

30 (1) "Act" means the Alaska Native Claims Settlement Act (43 U.S.C. 1601 -
31 1642) [(43 U.S.C. 1601 - 1629(e))];

- 1 (2) "minor" means an individual who has not attained 18 years of age:
2 (3) "stock" means the stock or membership in a corporation that is organized
3 under the law of this state under the Act and that a minor is entitled to receive under the
4 Act, whether by gift, devise, or other method: "stock" includes inchoate rights to stock.
5 * Sec. 11. AS 13.46.085 is amended by adding a new subsection to read:
6 (f) Notwithstanding AS 13.46.190, the stock shall be transferred in an appropriate manner
7 to the minor, to the minor's estate, or to the minor's heirs or their custodians by intestate
8 succession upon the minor's attainment of 18 years of age or the minor's death, whichever is
9 earlier.
10 * Sec. 12. AS 13.46.085(d)(1) is repealed.
11 * Sec. 13. To the extent constitutionally permissible, secs. 8 - 12 of this Act are retroactive to
12 January 1, 1991.
13 * Sec. 14. This Act takes effect immediately under AS 01.10.070(c).