

**CS FOR HOUSE BILL NO. 315 (JUDICIARY)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE JUDICIARY COMMITTEE**

**Offered: 4/29/92**

**Referred: Rules**

**Sponsor(s): REPRESENTATIVE MACLEAN**

**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 JUNE 30, 1992, THE] intestate share of the surviving spouse in settlement common stock or  
7 other inalienable stock in a corporation organized under the laws of Alaska under 43 U.S.C.  
8 1601 - 1642 [43 U.S.C. 1601 - 1628] (Alaska Native Claims Settlement Act) is:

9                           (1) if there is no surviving issue, all of it;

10                           (2) if the decedent is survived by issue, one-half of it.

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

12                   (a) The settlement common stock or other inalienable [UNTIL JUNE 30, 1992,] stock  
13 in a corporation organized under the laws of Alaska under 43 U.S.C. 1601 - 1642 [43 U.S.C.  
14 1601 - 1628] (Alaska Native Claims Settlement Act) [THAT IS INALIENABLE UNDER

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

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

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

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

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

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

31 (e) The situs of the [INALIENABLE] stock [OF ALL CORPORATIONS ORGANIZED

1 UNDER 43 U.S.C. 1601 - 1628] is Alaska [, UNTIL JUNE 30, 1992].

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

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

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

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

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

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

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

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

- 21 (1) the legal guardian, if any, of the minor;  
22 (2) a parent, if any, of the minor, as selected by the parents;  
23 (3) an adult member of the minor's family; in this paragraph, "member of the  
24 minor's family" has the meaning given in AS 13.46.990, and also includes members of a [THE]  
25 family with whom the minor has customarily lived.

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

27 (e) In this section,

- 28 (1) "Act" means the Alaska Native Claims Settlement Act (43 U.S.C. 1601 -  
29 1642) [(43 U.S.C. 1601 - 1629(e))];  
30 (2) "minor" means an individual who is less than 18 years of age;  
31 (3) "stock" means the stock or membership in a corporation that is organized

- 1        under the law of this state under the Act and that a minor is entitled to receive under the  
2        Act, whether by gift, devise, or other method; "stock" includes inchoate rights to stock.
- 3        \* Sec. 11. AS 13.46.085 is amended by adding a new subsection to read:  
4                (f) Notwithstanding AS 13.46.190, the stock shall be transferred to the minor when the  
5        minor reaches 18 years of age, or to the minor's heirs if the minor dies before reaching 18 years  
6        of age.
- 7        \* Sec. 12. AS 13.46.085(d)(1) is repealed.
- 8        \* Sec. 13. To the extent constitutionally permissible, secs. 8 - 12 of this Act are retroactive to  
9        January 1, 1991.
- 10       \* Sec. 14. This Act takes effect immediately under AS 01.10.070(c).