

# COMMITTEE REPORT

## SENATE

FURTHER:

4/25/86

Date 5/6/86

Mr. President

The Committee on FINANCE considered CS SSB 499(Jud) giving priority to payment of past due child support from a decedent's estate.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE  
to DOR.
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Rick Halford  
Carl Frick  
Jergun  
Jankut  
J. Pittner  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C- Jan Frick  
Chairman  
do pass  
Chairman recommendation

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No: CS55 HB 499 (Jud)  
Title: An Act relating to a decedent's estate...

Sponsor: Governor  
Requestor: House Judiciary  
Date of Request: 3/22/86

FISCAL DETAIL

Agency Affected: Revenue  
BRU: Child Support Enforcement Division

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
<b>OPERATING</b>						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	0	0	0	0	0
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	0	0	0	0	0

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

Prepared By: Holli Ploog  
Division: Child Support Enforcement Division

Phone: 276-3441  
Date: March 24, 1986

Approved by Commissioner: Alvin K. Sturdale  
Agency: Department of Revenue

Date: March 24, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

page \_\_\_\_\_ of \_\_\_\_\_

10/25/85

Offered: 4/1/86  
Referred: Rules

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE  
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 499 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act giving priority to payment of past due child  
7 support from a decedent's estate."  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
9 \* Section 1. AS 13.16.470(a) is amended to read:  
10 (a) If the applicable assets of the estate are insufficient to  
11 pay all claims in full, the personal representative shall make payment  
12 in the following order:  
13 (1) costs and expenses of administration;  
14 (2) reasonable funeral expenses;  
15 (3) debts and taxes with preference under federal law and  
16 past due child support payments, except payments required under  
17 AS 47.23.120 - 47.23.130;  
18 (4) reasonable and necessary medical and hospital expenses  
19 of the last illness of the decedent, including compensation of persons  
20 attending the decedent;  
21 (5) debts and taxes with preference under other laws of  
22 this state;  
23 (6) all other claims.

ANALYSIS FOR CSSS HB 499 (Judiciary)

An Act giving priority to payment of past due child support from a decedent's estate.

Under current law, if the estate of a person that passed away is insufficient to cover all claims against that person, then debts shall be paid in the order established in this section. This bill would add past due child support payments to this section after past due federal taxes or debts. This would only apply if the money were to go to the child and not to repay the state.

HB 499

repealed, § 24 ch

. Execution may  
shed under AS

he agency shall  
laws of this state  
for services pro-  
d by federal law.  
§ 3 ch 96 SLA

**Sec. 47.23.120. Obligor liable for public assistance furnished obligee.** (a) An obligor is liable to the state in the amount of assistance granted under AS 47.25.310 — 47.25.420 to a child whom the obligor owes a duty of support except that if a support order has been entered, the liability of the obligor may not exceed the amount of support provided for in the support order.

(b) An obligor is liable to the state in the amount of the cost incurred if the state is maintaining a child whom the obligor owes a duty of support in a foster home or institution, except that if a support order has been entered, or an agreement for payment of that cost executed between the obligor and the state, the liability of the obligor may not exceed the amount provided in the support order or agreement. (§ 29 ch 126 SLA 1977)

§ 47.23.130

ALASKA STATUTES

§ 47.23.150

**Sec. 47.23.130. Subrogation of state.** (a) If the obligor is liable to the state under AS 47.23.120(a) or (b), the state is subrogated to the rights of the obligee to

- (1) bring an action in the superior court seeking an order of support;
- (2) proceed under AS 47.23.160 — 47.23.270 to establish a duty of support; or
- (3) enforce by execution, in accordance with AS 47.23.230 — 47.23.270, or otherwise, a support order entered in favor of the obligee.

(b) To establish or enforce an order of support, based on the subrogation of the state, the agency is not limited to the amount of assistance being granted to the minor child.

(c) The recovery of any amount for which the obligor is liable that exceeds the total assistance granted under AS 47.25.310 — 47.25.420 shall be paid to the obligee. (§ 29 ch 126 SLA 1977; am § 5 ch 96 SLA 1981)

§ 47.23.160 W

(b) Notice se  
the obligor's li  
the obligor is s  
the procedures  
tion of 30 days  
1977)

**Sec. 47.23.160.** (b) Notice of subrogation; notice of action to establish liability. If the obligor is liable to the state under this subsection and the obligor is insured, the obligor shall cause to be insured mail, registered mail, return receipt requested, to be delivered to the person to whom the assistance is authorized under this subsection by first class delivery mail.

BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

March 14, 1986

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a sponsor substitute for HB 499, relating to the treatment of decedents' estates.

This sponsor substitute differs from the original HB 499 only in that sec. 1 of the original bill has been deleted. What was sec. 2 of the original bill (an amendment of AS 13.16.470(a)) appears unchanged as sec. 1 of this sponsor substitute. That amendment is described in my transmittal letter for HB 499, which appears at 1986 H.J., page 1850. The effective-date clause (sec. 2) is also the same as in the original bill.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield  
Governor

COMMITTEE REPORT  
SENATE

FURTHER: FINANCE

4/15/86

Date 4/24/86

Mr. President

The Committee on JUDICIARY considered CSSSHB 499(Jud) giving priority to payment of past due child support from a decedent's estate.

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MEMBERS SIGNING  
DO PASS

Tom Kelly

Kirk Halford

John Z. Baker

John

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MEMBERS HAVING  
OTHER RECOMMENDATIONS

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\_\_\_\_\_

Patrick Raley

Chairman

do pass

Chairman recommendation