

HB

468-S

SENATE COMMITTEE REPORT

FURTHER

5/9/88

DATE TURNED INTO OFFICE _____

Mr. President:

Finance Committee considered HB 468

adoption of the Alaska Uniform Transfers to Minors Act; efd

and recommended

replace with _____ CS _____) same title
 or adopt _____ CS _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous

zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation

Committee Backup attached

SENATE COMMITTEE REPORT

revd 5/4

FURTHER

Finance

5/3/88

DATE TURNED INTO OFFICE _____

Mr. President:

Judiciary

Committee considered HB 468

adoption of the Alaska Uniform Transfers to Minors Act; efd

and recommended

replace with _____ CS _____) same title
 or adopt _____ CS _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous

zero fiscal impact

waived

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation

Committee Backup attached

Introduced: 2/15/88
 Referred: Health, Education and
 Social Services, Judiciary and Finance

1 IN THE HOUSE

BY SUND AND GRUENBERG

2 HOUSE BILL NO. 468

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the adoption of the Alaska
 7 Uniform Transfers to Minors Act; and providing for an
 8 effective date."

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

10 * Section 1. AS 13 is amended by adding a new chapter to read:

11 CHAPTER 46. ALASKA UNIFORM TRANSFERS TO MINORS ACT.

12 Sec. 13.46.010. SCOPE AND JURISDICTION. (a) This chapter
 13 applies to a transfer that refers to this chapter in the designation
 14 under AS 13.46.080(a) by which the transfer is made if at the time of
 15 the transfer, the transferor, the minor, or the custodian is a resi-
 16 dent of this state or the custodial property is located in this state.
 17 The custodianship so created remains subject to this chapter despite a
 18 subsequent change in residence of a transferor, the minor, or the
 19 custodian, or the removal of custodial property from this state.

20 (b) A person designated as custodian under this chapter is
 21 subject to personal jurisdiction in this state with respect to a
 22 matter relating to the custodianship.

23 (c) A transfer that purports to be made and that is valid under
 24 the Uniform Transfers to Minors Act, the Uniform Gifts to Minors Act,
 25 or a substantially similar act, of another state is governed by the
 26 law of the designated state and may be executed in this state if at
 27 the time of the transfer, the transferor, the minor, or the custodian
 28 is a resident of the designated state or the custodial property is
 29 located in the designated state and is enforceable in this state, if

1 this state has jurisdiction over the transferor, the minor, the custo-
2 dian, or the custodial property.

3 Sec. 13.46.020. NOMINATION OF CUSTODIAN. (a) A person having
4 the right to designate the recipient of property, transferable upon the
5 occurrence of a future event may revocably nominate a custodian to
6 receive the property for a minor beneficiary upon the occurrence of
7 the event by naming the custodian followed in substance by the words:
8 "as custodian for _____ (name of minor) under the
9 Alaska Uniform Transfers to Minors Act." The nomination may name one
10 or more persons as substitute custodians to whom the property must be
11 transferred, in the order named, if the first nominated custodian dies
12 before the transfer or is unable, declines, or is ineligible to serve.
13 The nomination may be made in a will, a trust, a deed, an instrument
14 exercising a power of appointment, or a writing designating a benefi-
15 ciary of contractual rights that is registered with or delivered to
16 the payor, issuer, or other obligor of the contractual rights.

17 (b) A custodian nominated under this section must be a person to
18 whom a transfer of property of that kind may be made under AS 13.46.-
19 080(a).

20 (c) The nomination of a custodian under this section does not
21 create custodial property until the nominating instrument becomes
22 irrevocable or a transfer to the nominated custodian is completed
23 under AS 13.46.080. Unless the nomination of a custodian has been
24 revoked, upon the occurrence of the future event the custodianship
25 becomes effective and the custodian shall enforce a transfer of the
26 custodial property under AS 13.46.080.

27 Sec. 13.46.030. TRANSFER BY GIFT OR EXERCISE OF POWER OF AP-
28 POINTMENT. A person may make a transfer by irrevocable gift to, or
29 the irrevocable exercise of a power of appointment in favor of, a

1 custodian for the benefit of a minor under AS 13.46.080.

2 Sec. 13.46.040. TRANSFER AUTHORIZED BY WILL OR TRUST. (a) A
3 personal representative or trustee may make an irrevocable transfer
4 under AS 13.46.080 to a custodian for the benefit of a minor as au-
5 thorized in the governing will or trust.

6 (b) If the testator or settlor has nominated a custodian under
7 AS 13.46.020 to receive the custodial property, the transfer must be
8 made to that person.

9 (c) If the testator or settlor has not nominated a custodian
10 under AS 13.46.020, or all persons so nominated as custodian die
11 before the transfer or are unable, decline, or are ineligible to
12 serve, the personal representative or the trustee, as the case may be,
13 shall designate the custodian from among those eligible to serve as
14 custodian for property of that kind under AS 13.46.080(a).

15 Sec. 13.46.050. OTHER TRANSFER BY FIDUCIARY. (a) Subject to
16 (c) of this section, a personal representative or trustee may make an
17 irrevocable transfer to another adult or trust company as custodian
18 for the benefit of a minor under AS 13.46.080, in the absence of a
19 will or under a will or trust that does not contain an authorization
20 to do so.

21 (b) Subject to (c) of this section, a conservator may make an
22 irrevocable transfer to another adult or trust company as custodian
23 for the benefit of the minor under AS 13.46.080.

24 (c) A transfer under (a) or (b) of this section may be made only
25 if

26 (1) the personal representative, trustee, or conservator
27 considers the transfer to be in the best interest of the minor;

28 (2) the transfer is not prohibited by or inconsistent with
29 provisions of the applicable will, trust, agreement, or other

1 governing instrument; and

2 (3) the transfer is authorized by the court if it exceeds
3 \$25,000 in value.

4 Sec. 13.46.060. TRANSFER BY OBLIGOR. (a) Subject to (b) and
5 (c) of this section, a person not subject to AS 13.46.040 or 13.46.050
6 who holds property of or owes a liquidated debt to a minor not having
7 a conservator may make an irrevocable transfer to a custodian for the
8 benefit of the minor under AS 13.46.080.

9 (b) If a person having the right to do so under AS 13.46.020 has
10 nominated a custodian under that section to receive the custodial
11 property, the transfer must be made to that person.

12 (c) If a custodian has not been nominated under AS 13.46.020, or
13 all persons nominated as custodian die before the transfer or are
14 unable, decline, or are ineligible to serve, a transfer under this
15 section may be made to an adult member of the minor's family or to a
16 trust company unless the property exceeds \$25,000 in value.

17 Sec. 13.46.070. RECEIPT FOR CUSTODIAL PROPERTY. A written
18 acknowledgment of delivery by a custodian constitutes a sufficient
19 receipt and discharge for custodial property transferred to the custo-
20 dian under this chapter.

21 Sec. 13.46.080. MANNER OF CREATING CUSTODIAL PROPERTY AND EF-
22 FECTING TRANSFER; DESIGNATION OF INITIAL CUSTODIAN; CONTROL. (a)
23 Custodial property is created and a transfer is made when

24 (1) an uncertificated security or a certificated security
25 in registered form is either

26 (A) registered in the name of the transferor, an adult
27 other than the transferor, or a trust company, followed in sub-
28 stance by the words: "as custodian for _____ (name
29 of minor) under the Alaska Uniform Transfers to Minors Act"; or

1 (B) delivered if in certificated form, or a document
2 necessary for the transfer of an uncertificated security is
3 delivered, together with any necessary endorsement to an adult
4 other than the transferor or to a trust company as custodian,
5 accompanied by an instrument in substantially the form set out in
6 (b) of this section;

7 (2) money is paid or delivered to a broker or financial
8 institution for credit to an account in the name of the transferor, an
9 adult other than the transferor, or a trust company, followed in
10 substance by the words: "as custodian for _____ (name
11 of minor) under the Alaska Uniform Transfers to Minors Act";

12 (3) the ownership of a life or endowment insurance policy
13 or annuity contract is either

14 (A) registered with the issuer in the name of the
15 transferor, an adult other than the transferor, or a trust
16 company, followed in substance by the words: "as custodian for
17 _____ (name of minor) under the Alaska Uniform
18 Transfers to Minors Act"; or

19 (B) assigned in a writing delivered to an adult other
20 than the transferor or to a trust company whose name in the
21 assignment is followed in substance by the words: "as custodian
22 for _____ (name of minor) under the Alaska Uniform
23 Transfers to Minors Act";

24 (4) an irrevocable exercise of a power of appointment or an
25 irrevocable present right to future payment under a contract is the
26 subject of a written notification delivered to the payor, issuer, or
27 other obligor that the right is transferred to the transferor, an
28 adult other than the transferor, or a trust company, whose name in the
29 notification is followed in substance by the words: "as custodian for

1 _____ (name of minor) under the Alaska Uniform Trans-
2 fers to Minors Act";

3 (5) an interest in real property is recorded in the name of
4 the transferor, an adult other than the transferor, or a trust
5 company, followed in substance by the words: "as custodian for
6 _____ (name of minor) under the Alaska Uniform Trans-
7 fers to Minors Act";

8 (6) a certificate of title issued by a department or agency
9 of a state or of the United States that evidences title to tangible
10 personal property is either

11 (A) issued in the name of the transferor, an adult
12 other than the transferor, or a trust company, followed in sub-
13 stance by the words: "as custodian for _____
14 (name of minor) under the Alaska Uniform Transfers to Minors
15 Act"; or

16 (B) delivered to an adult other than the transferor or
17 to a trust company, endorsed to that person followed in substance
18 by the words: "as custodian for _____ (name of
19 minor) under the Alaska Uniform Transfers to Minors Act"; or

20 (7) an interest in property not described in (1) - (6) of
21 this subsection is transferred to an adult other than the transferor
22 or to a trust company by a written instrument in substantially the
23 form set out in (b) of this section.

24 (b) An instrument in the following form satisfies the require-
25 ments of (a)(1)(B) and (a)(7) of this section:

26 "TRANSFER UNDER THE ALASKA UNIFORM
27 TRANSFERS TO MINORS ACT

28 I, _____ (name of transferor or name and
29 representative capacity if a fiduciary) hereby transfer to

1 _____ (name of custodian), as custodian
2 for _____ (name of minor) under the Alaska
3 Uniform Transfers to Minors Act, the following: (insert a
4 description of the custodial property sufficient to identify
5 it).

6 Dated: _____
7

8 _____
(Signature)

9 _____ (name of custodian) acknowledges re-
10 ceipt of the property described above as custodian for the
11 minor named above under the Alaska Uniform Transfers to
12 Minors Act.

13 Dated: _____
14

15 _____"
(Signature of Custodian)

16 (c) A transferor shall place the custodian in control of the
17 custodial property as soon as practicable.

18 Sec. 13.46.085. NATIVE CORPORATIONS; CUSTODIANS. (a) Stock or
19 membership in a corporation organized under the law of this state
20 under the Alaska Native Claims Settlement Act that a minor is entitled
21 to receive under that Act shall be issued by the corporation to a
22 custodian.

23 (b) The custodian shall be determined under the order of priori-
24 ty set out below. The appointment becomes effective upon the corpora-
25 tion's receipt of the custodian's written consent to the appointment.
26 The order of priority is:

- 27 (1) the legal guardian, if any, of the minor;
28 (2) a parent, if any, of the minor, as selected by the
29 parents;

1 (3) an adult member of the minor's family; in this para-
2 graph "member of the minor's family" has the meaning given in AS 13.-
3 46.990, and may also include members of the family with whom the minor
4 has customarily lived.

5 (c) For good cause, a district court or the superior court may
6 vary the order of priority set out in (b) of this section or appoint
7 another suitable person as custodian, and, for good cause, the superi-
8 or court may establish a guardianship under AS 13.26 for a minor.

9 (d) The custodianship is governed by this chapter, as modified
10 by the following:

11 (1) in AS 13.46.190, a transfer to the minor's estate
12 includes delivery to the heirs by intestate succession or custodians
13 for the heirs;

14 (2) under AS 13.46.150, a third person is responsible for
15 determining whether stock is inalienable under the Act;

16 (3) the custodian shall give an appropriate receipt for
17 property received for the minor;

18 (4) the custodian may not alienate inalienable property
19 except within the limits provided by law;

20 (5) the form of registration or title shall be "as custo-
21 dian for _____ (name of minor) under the Alaska
22 Native Claims Settlement Act";

23 (6) a custodian may not receive compensation except, upon
24 application to and approval by the superior court, for unusual and
25 extraordinary services;

26 (7) custodial property includes securities, money, and
27 other real and personal property under supervision as a consequence of
28 the Act.

29 (e) In this section, "Act" means 43 U.S.C. 1601 - 1628 (Alaska

1 Native Claims Settlement Act, P.L. 92-203, 85 Stat. (688) and amend-
2 ments.

3 Sec. 13.46.090. SINGLE CUSTODIANSHIP. A transfer may be made
4 only for one minor, and only one person may be the custodian. All
5 custodial property held under this chapter by the same custodian for
6 the benefit of the same minor constitutes a single custodianship.

7 Sec. 13.46.100. VALIDITY AND EFFECT OF TRANSFER. (a) The
8 validity of a transfer made in a manner prescribed in this chapter is
9 not affected by

10 (1) failure of the transferor to comply with AS 13.46.-
11 080(c) concerning possession and control;

12 (2) designation of an ineligible custodian, except desig-
13 nation of the transferor in the case of property for which the trans-
14 feror is ineligible to serve as custodian under AS 13.46.080(a); or

15 (3) death or incapacity of a person nominated under AS 13.-
16 46.020 or designated under AS 13.46.080 as custodian or the disclaimer
17 of the office by that person.

18 (b) A transfer made under AS 13.46.080 is irrevocable, and the
19 custodial property is indefeasibly vested in the minor, but the custo-
20 dian has all the rights, powers, duties, and authority provided in
21 this chapter, and neither the minor nor the minor's legal representa-
22 tive has any right, power, duty, or authority with respect to the
23 custodial property except as provided in this chapter.

24 (c) By making a transfer, the transferor incorporates in the
25 disposition all the provisions of this chapter and grants to the
26 custodian, and to a third person dealing with a person designated as
27 custodian, the respective powers, rights, and immunities provided in
28 this chapter.

29 (d) A person is not precluded from being a custodian for a minor

1 under this chapter with respect to some property because the person is
2 a conservator of the minor with respect to other property.

3 (e) A person who is the conservator of the minor is not pre-
4 cluded from being a custodian for a minor under this chapter because
5 the custodial property has or will be transferred to the custodian
6 from the guardianship estate of the minor. In such case, for the
7 purposes of AS 13.46.080, the custodian is "an adult other than the
8 transferor."

9 (f) In the cases described in (d) and (e) of this section, with
10 respect to the property transferred to the custodian, this chapter
11 applies to the extent it would apply if the person to whom the custo-
12 dial property is transferred were not and had not been a conservator
13 of the minor.

14 Sec. 13.46.110. CARE OF CUSTODIAL PROPERTY. (a) A custodian
15 shall

- 16 (1) take control of custodial property;
17 (2) register or record title to custodial property if
18 appropriate; and
19 (3) collect, hold, manage, invest, and reinvest custodial
20 property.

21 (b) In dealing with custodial property, a custodian shall ob-
22 serve the standard of care that would be observed by a prudent person
23 dealing with property of another and is not limited by any other
24 statute restricting investments by fiduciaries. If a custodian has a
25 special skill or expertise or is named custodian on the basis of
26 representations of a special skill or expertise, the custodian shall
27 use that skill or expertise. However, a custodian, in the custodian's
28 discretion and without liability to the minor or the minor's estate,
29 may retain custodial property received from a transferor.

1 (c) A custodian may invest in or pay premiums on life insurance
2 or endowment policies on

3 (1) the life of the minor only if the minor or the minor's
4 estate is the sole beneficiary; or

5 (2) the life of another person in whom the minor has an
6 insurable interest only to the extent that the minor, the minor's
7 estate, or the custodian in the capacity of custodian, is the irrevocable
8 beneficiary.

9 (d) A custodian at all times shall keep custodial property
10 separate and distinct from all other property in a manner sufficient
11 to identify it clearly as custodial property of the minor. Custodial
12 property consisting of an undivided interest is so identified if the
13 minor's interest is held as a tenant in common and is fixed. Custodial
14 property subject to recordation is so identified if it is re-
15 corded, and custodial property subject to registration is so identified
16 if it is either registered, or held in an account designated, in
17 the name of the custodian, followed in substance by the words: "as a
18 custodian for _____ (name of minor) under the
19 Alaska Uniform Transfers to Minors Act."

20 (e) A custodian shall keep records of all transactions with
21 respect to custodial property, including information necessary for the
22 preparation of the minor's tax returns, and shall make them available
23 for inspection at reasonable intervals by a parent or legal representative
24 of the minor or by the minor if the minor has attained the age
25 of 14 years.

26 Sec. 13.46.120. POWERS OF CUSTODIAN. (a) A custodian, acting
27 in a custodial capacity, has all the rights, powers, and authority
28 over custodial property that unmarried adult owners have over their
29 own property, but a custodian may exercise those rights, powers, and

1 authority in that capacity only.

2 (b) This section does not relieve a custodian from liability for
3 breach of AS 13.46.110.

4 Sec. 13.46.130. USE OF CUSTODIAL PROPERTY. (a) A custodian may
5 deliver or pay to the minor or expend for the minor's benefit as much
6 of the custodial property as the custodian considers advisable for the
7 use and benefit of the minor, without court order and without regard
8 to

9 (1) the duty or ability of the custodian personally or of
10 another person to support the minor; or

11 (2) other income or property of the minor that may be
12 applicable or available for that purpose.

13 (b) On petition of an interested person or the minor if the
14 minor has attained the age of 14 years, the court may order the custo-
15 dian to deliver or pay to the minor or expend for the minor's benefit
16 as much of the custodial property as the court considers advisable for
17 the use and benefit of the minor.

18 (c) A delivery, payment, or expenditure under this section is in
19 addition to, not in substitution for, and does not affect an obliga-
20 tion of a person to support the minor.

21 Sec. 13.46.140. CUSTODIAN'S EXPENSES, COMPENSATION, AND BOND.

22 (a) A custodian is entitled to reimbursement from custodial property
23 for reasonable expenses incurred in the performance of the custodian's
24 duties.

25 (b) Except for one who is a transferor under AS 13.46.030, a
26 custodian has a noncumulative election during each calendar year to
27 charge reasonable compensation for services performed during that
28 year.

29 (c) Except as provided in AS 13.46.170(f), a custodian is not

1 required to give a bond.

2 Sec. 13.46.150. EXEMPTION OF THIRD PERSON FROM LIABILITY. A
3 third person in good faith and without court order may act on the
4 instructions of or otherwise deal with a person purporting to make a
5 transfer or purporting to act in the capacity of a custodian and, in
6 the absence of knowledge, is not responsible for determining

7 (1) the validity of the purported custodian's designation;

8 (2) the propriety of, or the authority under this chapter
9 for, an act of the purported custodian;

10 (3) the validity or propriety under this chapter of an
11 instrument or instructions executed or given either by the person
12 purporting to make a transfer or by the purported custodian; or

13 (4) the propriety of the application of property of the
14 minor delivered to the purported custodian.

15 Sec. 13.46.160. LIABILITY TO THIRD PERSONS. (a) A claim based
16 on (1) a contract entered into by a custodian acting in a custodial
17 capacity, (2) an obligation arising from the ownership or control of
18 custodial property, or (3) a tort committed during the custodianship,
19 may be asserted against the custodial property by proceeding against
20 the custodian in the custodial capacity, whether or not the custodian
21 or the minor is personally liable for the contract, obligation, or the
22 tort.

23 (b) A custodian is not personally liable

24 (1) on a contract properly entered into in the custodial
25 capacity unless the custodian fails to reveal that capacity and to
26 identify the custodianship in the contract; or

27 (2) for an obligation arising from control of custodial
28 property or for a tort committed during the custodianship unless the
29 custodian is personally at fault.

1 (c) A minor is not personally liable for an obligation arising
2 from ownership of custodial property or for a tort committed during
3 the custodianship unless the minor is personally at fault.

4 Sec. 13.46.170. RENUNCIATION, RESIGNATION, DEATH, OR REMOVAL OF
5 CUSTODIAN; DESIGNATION OF SUCCESSOR CUSTODIAN. (a) A person nomi-
6 nated under AS 13.46.020 or designated under AS 13.46.080 as custodian
7 may decline to serve by delivering a valid disclaimer to the person
8 who made the nomination or to the transferor or the transferor's legal
9 representative. If the event giving rise to a transfer has not oc-
10 curred and a substitute custodian able, willing, and eligible to serve
11 was not nominated under AS 13.46.020, the person who made the nomina-
12 tion may nominate a substitute custodian under AS 13.46.020; otherwise
13 the transferor or the transferor's legal representative shall desig-
14 nate a substitute custodian at the time of the transfer, in either
15 case from among the persons eligible to serve as custodian for that
16 kind of property under AS 13.46.080(a). The custodian so designated
17 has the rights of a successor custodian.

18 (b) A custodian at any time may designate a trust company or an
19 adult other than a transferor under AS 13.46.030 as successor custo-
20 dian by executing and dating an instrument of designation before a
21 subscribing witness other than the successor. If the instrument of
22 designation does not contain or is not accompanied by the resignation
23 of the custodian, the designation of the successor does not take
24 effect until the custodian resigns, dies, becomes incapacitated, or is
25 removed.

26 (c) A custodian may resign at any time by delivering written
27 notice to the minor if the minor has attained the age of 14 years and
28 to the successor custodian and by delivering the custodial property to
29 the successor custodian.

1 (d) If a custodian is ineligible, dies, or becomes incapacitated
2 without having effectively designated a successor and the minor has
3 attained the age of 14 years, the minor may designate as successor
4 custodian, in the manner prescribed in (b) of this section, an adult
5 member of the minor's family, a conservator of the minor, or a trust
6 company. If the minor has not attained the age of 14 years or fails
7 to act within 60 days after the ineligibility, death, or incapacity,
8 the conservator of the minor becomes successor custodian. If the
9 minor has no conservator or the conservator declines to act, the
10 transferor, the legal representative of the transferor or of the
11 custodian, an adult member of the minor's family, or another inter-
12 ested person may petition the court to designate a successor custo-
13 dian.

14 (e) A custodian who declines to serve under (a) of this section
15 or resigns under (c) of this section, or the legal representative of a
16 deceased or incapacitated custodian, as soon as practicable, shall put
17 the custodial property and records in the possession and control of
18 the successor custodian. The successor custodian by action may en-
19 force the obligation to deliver custodial property and records and
20 becomes responsible for each item as received.

21 (f) A transferor, the legal representative of a transferor, an
22 adult member of the minor's family, a guardian of the person of the
23 minor, the conservator of the minor, or the minor if the minor has
24 attained the age of 14 years may petition the court to remove the
25 custodian for cause and to designate a successor custodian other than
26 a transferor under AS 13.46.030 or to require the custodian to give
27 appropriate bond.

28 Sec. 13.46.180. ACCOUNTING BY AND DETERMINATION OF LIABILITY OF
29 CUSTODIAN. (a) A minor who has attained the age of 14 years, the

1 minor's guardian of the person or legal representative, an adult
2 member of the minor's family, a transferor, or a transferor's legal
3 representative may petition the court for

4 (1) an accounting by the custodian or the custodian's legal
5 representative; or

6 (2) a determination of responsibility, as between the
7 custodial property and the custodian personally, for claims against
8 the custodial property unless the responsibility has been adjudicated
9 in an action under AS 13.46.160 to which the minor or the minor's
10 legal representative was a party.

11 (b) A successor custodian may petition the court for an account-
12 ing by the predecessor custodian.

13 (c) The court, in a proceeding under this chapter or in another
14 proceeding, may require or permit the custodian or the custodian's
15 legal representative to account.

16 (d) If a custodian is removed under AS 13.46.170(f), the court
17 shall require an accounting and order delivery of the custodial prop-
18 erty and records to the successor custodian and the execution of all
19 instruments required for transfer of the custodial property.

20 Sec. 13.46.190. TERMINATION OF CUSTODIANSHIP. The custodian
21 shall transfer in an appropriate manner the custodial property to the
22 minor or to the minor's estate upon the earlier of the

23 (1) minor's attainment of 18 years of age unless the time
24 of transfer of the custodial property to the minor is delayed under
25 AS 13.46.195 to a time after the time the minor attains the age of 18
26 years;

27 (2) time specified in the transfer under AS 13.46.080 if
28 the time of transfer of the custodial property to the minor is delayed
29 under AS 13.46.195 to a time after the time the minor attains the age

1 of 18 years; or

2 (3) minor's death.

3 Sec. 13.46.195 DELAY IN TRANSFER OF CUSTODIAL PROPERTY AFTER
4 MINOR ATTAINS AGE 18. (a) Subject to the requirements and limita-
5 tions of this section, the time for transfer to the minor of custodial
6 property transferred under AS 13.46.020, 13.46.030, or 13.46.040 may
7 be delayed until a specified time after the time the minor attains the
8 age of 18 years, that time shall be specified in the transfer under
9 AS 13.46.080.

10 (b) To specify a delayed time for transfer to the minor of the
11 custodial property under AS 13.46.020, 13.46.030 except for the trans-
12 fer by irrevocable gift, or 13.46.040, the words "as custodian for
13 _____ (name of minor) until age _____ (age for
14 delivery of property to minor) under the Alaska Uniform Transfers to
15 Minors Act" shall be substituted in substance for the words "as custo-
16 dian for _____ (name of minor) under the Alaska
17 Uniform Transfers to Minors Act" in making the transfer under AS 13.-
18 46.080.

19 (c) To specify a delayed time for transfer to the minor of the
20 custodial property under AS 13.46.030 by irrevocable gift, the words
21 "as custodian for _____ (name of minor) until age
22 _____ (age for delivery of property to minor) under the Alaska
23 Uniform Transfers to Minors Act" or "as custodian for _____
24 (name of minor) until age _____ (age for delivery of property to
25 minor) under the Alaska Uniform Transfers to Minors Act, subject to
26 the minor's right to compel immediate distribution of the property by
27 giving written notice to the custodian during the six-month period
28 beginning on the minor's 21st birthday" shall be substituted in sub-
29 stance for the words "as custodian for _____ (name

1 of minor) under the Alaska Uniform Transfers to Minors Act" in making
2 the transfer under AS 13.46.080.

3 (d) The time for transfer to the minor of custodial property
4 transferred under AS 13.46.020 or 13.46.040 may be delayed under this
5 section if the governing will or trust or nomination provides in
6 substance that the custodianship is to continue until the time the
7 minor attains a specified age, that time may not be later than the
8 time the minor attains 25 years of age, and in that case the governing
9 will or trust or nomination shall determine the time to be specified
10 in the transfer under AS 13.46.080.

11 (e) The time for transfer to the minor of custodial property
12 transferred under AS 13.46.030 may be delayed under this section if
13 the transfer under AS 13.46.080 provides in substance that the custo-
14 dianship is to continue until the time the minor attains a specified
15 age, that time may not be later than the time the minor attains 25
16 years of age.

17 (f) If the transfer under AS 13.46.080 does not specify an age,
18 the time for the transfer of the custodial property to the minor under
19 AS 13.46.190 is the time when the minor attains 18 years of age.

20 (g) If the transfer under AS 13.46.080 provides in substance
21 that the duration of the custodianship is for a time longer than the
22 maximum time permitted by this section for that type of transfer, the
23 custodianship may continue until the minor attains the maximum age
24 permitted by this section for that type of transfer.

25 Sec. 13.46.200. APPLICABILITY. This chapter applies to a trans-
26 fer within the scope of AS 13.46.010 made after December 31, 1988, if
27 the

28 (1) transfer purports to have been made under the Alaska
29 Uniform Gifts to Minors Act; or

1 (2) instrument by which the transfer purports to have been
2 made uses in substance the designation "as custodian under the Uniform
3 Gifts to Minors Act" or "as custodian under the Uniform Transfers to
4 Minors Act" of another state, and the application of this chapter is
5 necessary to validate the transfer.

6 Sec. 13.46.210. EFFECT ON EXISTING CUSTODIANSHIPS. (a) A
7 transfer of custodial property as defined in this chapter made before
8 January 1, 1989, is validated notwithstanding that there was not
9 specific authority in the Alaska Uniform Gifts to Minors Act for the
10 coverage of custodial property of that kind or for a transfer from
11 that source at the time the transfer was made.

12 (b) This chapter applies to all transfers made before January 1,
13 1989, in a manner and form prescribed in the Alaska Uniform Gifts to
14 Minors Act, except insofar as the application impairs constitutionally
15 vested rights or extends the duration of custodianships in existence
16 on January 1, 1989.

17 (c) AS 13.46.190 and 13.46.290, with respect to the age of a
18 minor for whom custodial property is held under this chapter, do not
19 apply to custodial property held in a custodianship that terminated
20 because of the minor's attainment of the age of 18 after December 31,
21 1980, and before January 1, 1989.

22 (d) To the extent that this chapter, by virtue of (b) of this
23 section, does not apply to transfers made in a manner prescribed under
24 former AS 45.60 (Alaska Uniform Gifts to Minors Act) or to the powers,
25 duties, and immunities conferred by transfers in that manner upon
26 custodians and persons dealing with custodians, the repeal of AS 45.60
27 (Alaska Uniform Gifts to Minors Act) does not affect those transfers
28 or those powers, duties, and immunities.

29 Sec. 13.46.220. UNIFORMITY OF APPLICATION AND CONSTRUCTION.

1 This chapter shall be applied and construed to effectuate its general
2 purpose to make uniform the law with respect to the subject of this
3 chapter among states enacting it.

4 Sec. 13.46.990. DEFINITIONS. In this chapter

5 (1) "adult" means an individual who has attained the age of
6 18 years;

7 (2) "benefit plan" means an employer's plan for the benefit
8 of an employee or partner;

9 (3) "broker" means a person lawfully engaged in the busi-
10 ness of effecting transactions in securities or commodities for the
11 person's own account or for the account of others;

12 (4) "conservator" means a person appointed or qualified by
13 a court to act as general, limited, or temporary guardian of a minor's
14 property or a person legally authorized to perform substantially the
15 same functions;

16 (5) "court" means the superior court;

17 (6) "custodial property" means

18 (A) an interest in property transferred to a custodian
19 under this chapter; and

20 (B) the income from and proceeds of that interest in
21 property;

22 (7) "custodian" means a person designated under AS 13.-
23 46.080 or a successor or substitute custodian designated under AS 13.-
24 46.170;

25 (8) "financial institution" means a bank, trust company,
26 savings institution, or credit union, chartered and supervised under
27 state or federal law;

28 (9) "legal representative" means an individual's personal
29 representative or conservator;

1 (10) "member of the minor's family" means the minor's
2 parent, stepparent, spouse, grandparent, brother, sister, uncle, or
3 aunt, whether of the whole or half blood or by adoption;

4 (11) "minor" means an individual who has not attained the
5 age of 18 years, except when used in reference to the beneficiary for
6 whose benefit custodial property is held or to be held, an individual
7 who has not attained the age at which the custodian is required under
8 AS 13.46.190 and 13.46.195 to transfer the custodial property to the
9 beneficiary;

10 (12) "personal representative" means an executor, adminis-
11 trator, successor personal representative, or special administrator of
12 a decedent's estate or a person legally authorized to perform substan-
13 tially the same functions;

14 (13) "state" includes a state of the United States, the
15 District of Columbia, the Commonwealth of Puerto Rico, and any terri-
16 tory or possession subject to the legislative authority of the United
17 States;

18 (14) "transfer" means a transaction that creates custodial
19 property under AS 13.46.080;

20 (15) "transferor" means a person who makes a transfer under
21 this chapter;

22 (16) "trust company" means a financial institution, corpora-
23 tion, or other legal entity, authorized to exercise general trust
24 powers.

25 Sec. 13.46.999. SHORT TITLE. This chapter may be cited as the
26 Alaska Uniform Transfers to Minors Act.

27 * Sec. 2. AS 13.06.050(45) is amended to read:

28 (45) "trust" includes any express trust, private or charit-
29 able, with additions to it, wherever and however created; it also

1 includes a trust created or determined by judgment or decree under
2 which the trust is to be administered in the manner of an express
3 trust; "trust" excludes other constructive trusts, and it excludes
4 resulting trusts, conservatorships, personal representatives, trust
5 accounts as defined in AS 13.31, custodial arrangements under AS 13.46
6 [AS 45.60], business trusts providing for certificates to be issued to
7 beneficiaries, common trust funds, voting trusts, security arrange-
8 ments, liquidation trusts, and trusts for the primary purpose of
9 paying debts, dividends, interest, salaries, wages, profits, pensions,
10 or employee benefits of any kind, and any arrangement under which a
11 person is nominee or escrowee for another;

12 * Sec. 3. AS 45.60.011, 45.60.016, 45.60.021, 45.60.031, 45.60.041,
13 45.60.051, 45.60.061, 45.60.071, 45.60.081, 45.60.091, and 45.60.101 are
14 repealed.

15 * Sec. 4. This Act takes effect January 1, 1989.
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STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HB 468
PUBLISH DATE: HOUSE 3/17/88

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act providing for ... Uniform Transfers to Minors Act..."
Sponsor: Representative Sund
Requestor: House HESS

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Prepared by: Richard I. Pegues, Director Phone: 465-3672
 Division: Administrative Services Date: March 14, 1988
 Approved by Commissioner: Richard I. Pegues / FOR / Grace Berg Schaible, Atty. Gen. Date: March 14, 1988
 Agency: Department of Law

Distribution (by preparer):

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 468

No. 1

HB 468

HOUSE 3/17/88

This bill adds a new chapter to AS 13 to provide for the administration of custodial property held in trust for minors. The administration of such trusts is a matter between private parties, and although involving the civil legal system, it does not involve the Department of Law. Consequently, there will not be a fiscal impact on the department.

STATE OF ALASKA 1988 LEGISLATIVE SESSION
FISCAL NOTE

No. 2

Bill Version: HB 468
Publish Date: HOUSE 3/17/88

REQUEST:

Revision Date: Agency Affected: Alaska Court System
Title: An act providing for adoption BRU: Trial Courts
of the Alaska Uniform Transfers to Minors Act
Sponsor: Sund & Gruenberg Components:
Requestor: HESS

EXPENDITURES/REVENUES:	(Thousands of Dollars)					
OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
Personal Services
Travel
Contractual
Supplies
Equipment
Land & Structures
Grants & Claims
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL

REVENUE

FUNDING:	(Thousands of Dollars)					
General Funds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Other	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:
Full-time
Part-time
Temporary

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: *Jan Strandberg*, General Counsel Phone: 264-8228
Division: Alaska Court System Date: 03/14/88
Approved by: *Stephanie Cole, for -* Arthur H. Snowden, II, Administrative Director Date: 03/14/88
Agency: Alaska Court System

- Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management & Budget
Impacted Agency(ies)
Senate Secretary

Fero Ferrate analysis
Fero Ferrate
3/17/88

ALASKA STATE LEGISLATURE

.15th..Legislature **SECOND**..Session

HOUSE BILL..... NO. 468.

By **SUND, GRUENBERG**.....

"An Act providing for the adoption of the Alaska Uniform Transfers to Minors Act; and providing for an effective date."

Introduced in the House **2/15**., 19 **.88**.

HISTORY IN THE HOUSE

1988		Read first time and referred to Committee on
FEB 15		HESS, JUDICIARY, FINANCE
		Reported back with recommendation that
Mar 17		<i>Hess, 3 do pass, 2 No Rec 20 + 2018 To Judiciary</i>
Mar 29		<i>Judiciary - 4 do pass, 1 No Rec To Finance</i>
Apr 29		<i>Finance - 8 No Rec 2 do pass 1 "may need am" To Rules</i>
		Read second time and
May 3		<i>approved</i>
		Read third time and
May 3		PASSED Effective Date
		Yeas 39 Yeas
		Nays 0 Nays <i>None</i>
		Excused 0 Excused
		Absent 1 Absent
		Reconsideration
		Reconsideration not taken up
		PASSED Effective Date
		Yeas Yeas
		Nays Nays
		Excused Excused
		Absent Absent
53	3	Reported correctly engrossed
53	3	Signed by Speaker
53	3	Sent to Senate
		<i>Sherrill Pastern</i> CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19		Read first time and referred to Committee on
53		JUD FIN
		Reported back with recommendation that -
59		<i>Judiciary waived</i>
59		<i>To Fin</i>
		Read second time and
		Read third time and
		PASSED Effective Date
		Yeas Yeas
		Nays Nays
		Excused Excused
		Absent Absent
		Reconsideration
		Reconsideration not taken up
		PASSED Effective Date
		Yeas Yeas
		Nays Nays
		Excused Excused
		Absent Absent
		Reported correctly engrossed
		Signed by President
		Returned to House
		SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19		Received from Senate
		Concurred in Senate amendment thus adopting: VOTE
		Failed to concur in Senate amendment; asked Senate to recede VOTE
		Senate receded from amendment VOTE
		Senate failed to recede from amendment VOTE
		CC appointed by House
		CC appointed by Senate
		CC adopted by House VOTE
		CC adopted by Senate VOTE
		To enrolling Reported correctly enrolled Sent to Governor
		..... by Governor
		Filed with Lt. Governor
		Chapter No.