

HB

1966



HOUSE JUDICIARY COMMITTEE

STATE CAPITOL, ROOM 120
(907) 465-4990

COMMITTEE MEMBERS

Rep. Jay Ramras
Chairman
Room, 118
(907) 465-3004

Rep. Nancy Dahlstrom
Vice-Chairman
Room 409
(907) 465-3783

Rep. John Coghill
Room 214
(907) 465-3719

Rep. Bob Lynn
Room 104
(907) 465-4931

Rep. Ralph Samuels
Room 204
(907) 465-2095

Rep. Max Gruenberg
Room 110
(907) 465-4940

Rep. Lindsey Holmes
Room 405
(907) 465-4919

MEMORANDUM

Date: April 11, 2007

To: Representative John Coghill
Chairman House Rules Committee

From: Representative Jay Ramras
Chairman House Judiciary Committee

Re: HB196

Please consider this memo as a request for HB196 to be heard on tl. House Floor. Attached to this memo are the following documents:

- Sponsor Statement
- CSHB196(JUD) 25-LS0447E
- Legal memo re: amendment
- Sectional
- Fiscal notes
 - CRT - 0
 - LAW - 0
- HB196 25-LS0447C
- House JUD report
- Behr letter of 4/10/07 re: amendment
- Applicable statutes

ALASKA STATE LEGISLATURE
HOUSE JUDICIARY COMMITTEE

Representative Jay Ramras
Chairman
(907) 465-3004
Fax: (907) 465-2070
Representative_Jay_Ramras@legis.state.ak.us

1292 Sadler Way, Suite 324
Fairbanks, AK 99701



Committee Members:
Representative Nancy Dahlstrom,
Vice-Chairman
Representative John Coghill
Representative Bob Lynn
Representative Ralph Samuels
Representative Max Gruenberg
Representative Lindsey Holmes

State Capitol, Room 120
Juneau, Alaska 99801-1182

Sponsor Statement
HB 196

“An Act relating to the handling of matters after a person’s death.”

Existing Alaska law provides that a provision may be placed in a trust penalizing a person for contesting the trust even if probable cause exists for instituting proceedings. This bill provides for the same kind of provision in a will.

In addition, this bill provides that life insurance or retirement benefits payable at death are not subject to the claims of the creditors of the individual who is insured under the life insurance contract or who was a participant in the retirement plan.

ALASKA STATE LEGISLATURE
HOUSE JUDICIARY COMMITTEE

Representative Jay Ramras
Chairman

(907) 465-3004

Fax: (907) 465-2070

Representative_Jay_Ramras@legis.state.ak.us

1292 Sadler Way, Suite 324
Fairbanks, AK 99701



Committee Members:
Representative Nancy Dahlstrom,
Vice-Chairman
Representative John Coghill
Representative Bob Lynn
Representative Ralph Samuels
Representative Max Gruenberg
Representative Lindsey Holmes

State Capitol, Room 120
Juneau, Alaska 99801-1182

Fax

To: Leg. Legal

Fax #: 2029

Number of pages including cover: 2

From: Jane Pierson

Cc:

Date: April 10, 2007

Re: CSHB196(JUD)

Would you please go final on a CS for HB196(JUD) to reflect the following amendment.

Thank you!

AMENDMENT

OFFERED IN THE HOUSE JUDICIARY
COMMITTEE
TO: HB 196

BY Greenberg

1 Page 3, line 5, following "estate":

2 Insert ", except that if the decedent owes money for child support arrearages, for spousal
3 support arrearages, or under AS 47.07.055, the provisions of (d) of this section do not apply"

4

5 Page 3, line 7, following "will":

6 Insert ", except that if the decedent owes money for child support arrearages, for spousal
7 support arrearages, or under AS 47.07.055, the provisions of (d) of this section do not apply"

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 5, 2007

SUBJECT: Sectional summary of bill relating to the handling of matters after a person's death (Work Order No. 25-LS0447\C)

TO: Representative Jay Ramras
Chair of the House Judiciary Committee
Attn: Jane Peterson

FROM:  Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Amends AS 13.12.517 to provide that a penalty clause for contesting a will or instituting other proceedings apply even if probably cause exists for instituting the proceedings.

Section 2. Amends AS 13.16.680(a) to change one of the statements that must be contained in an affidavit to be used by a decedent's successor to collect personal property of the decedent from another person. The statement indicates that the value of the entire estate does not consist of more than certain specified amounts.

Section 3. Amends AS 13.16.700 to conform this section to the change made by this bill to AS 13.16.680(a).

Section 4. Adds new subsections to AS 13.33.101 (nonprobate transfers on death).

Proposed AS 13.33.101(d) states that the benefits paid under a nonprobate transfer provision are not subject to certain described debts and creditor claims.

Proposed AS 13.33.101(e) describes certain situations in which proposed AS 13.33.101(d) applies.

Proposed AS 13.33.101(f) establishes that proposed AS 13.33.101(d) does not limit the rights of the owner of a life insurance contract to pledge or assign the benefits as collateral for the owner's debts.

Proposed AS 13.33.101(g) defines "life insurance contract" and "retirement plan" for (d) of the section.

Representative Jay Ramras

March 5, 2007

Page 2

Section 5. Provides a transition section to indicate to which decedents and nonprobate transfer provisions certain provisions of the bill apply.

If I may be of further assistance, please advise.

TLB:med

07-147.med

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: HB196-Courts-4-3-07
 Bill Version: HB196
 () Publish Date: _____

Revision Date/Time (Note if correction):
 Title Handling Matters After a Person's Death
 Sponsor House Judiciary Committee
 Requester _____

Dept. Affected:
 RDU Alaska Court System
 Component Trial Courts
 Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type—Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The court system does not anticipate any fiscal impact from the passage of HB 196.

Prepared by: Doug Wooliver, Administrative Attorney
 Division: Alaska Court System
 Approved by: Doug Wooliver for Stephanie Cole, Administrative Director
 Agency: Alaska Court System

Phone 463-4750
 Date/Time 4-3-07 @ 1:00 pm
 Date 4/3/2007

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: HB198-LAW-CFB-3-31-0
 Bill Version: HB 198
 () Publish Date: _____

Revision Date/Time (Note if correction):
 Title An Act relating to handling matters after a
persons death
 Sponsor JUDICIARY
 Requester SENATE JUDICIARY

Dept. Affected: Law
 RDU Civil
 Component Commercial & Fair Business
 Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill proposes amendments to Title 13 of the Alaska Statutes relating to matters following a person's death including changes to allow enforceability of a penalty clause for a will contest, raising the amount of personal property that may be collected by affidavit in the administration of small estates, and to ensure that non-probate transfers of life insurance or retirement plan benefits are not subject to the debts of the individual who was the insured or who was the plan participant or to claims of that individual's creditors. Enactment of the bill is not anticipated to fiscally impact the Department of Law.

Prepared by: Robert Meiners, Admin. Services Manager
 Division: Administrative Services Division
 Approved by: Robert Meiners for Tallis Colberg, Attorney General
 Agency: Department of Law

Phone 485-5427
 Date/Time 3/31/07 11:52 AM
 Date 3/31/2007

STATE OF ALASKA

DEPARTMENT OF LAW
OFFICE OF THE ATTORNEY GENERAL

SARAH PALIN, GOVERNOR

LEGISLATION & REGULATIONS SECTION
P.O. BOX 110300
DIMOND COURT HOUSE, 6TH FLOOR
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-2520

April 10, 2007

The Honorable Max Gruenberg
House Special Committee on Ways and Means
State Capitol, Room 110
Juneau, AK 99801-1182

Re: HB 196 - Matters After a Person's Death (Revised Draft Amendment)

Dear Representative Gruenberg:

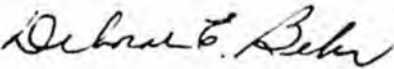
At a recent House Judiciary Committee meeting, a question was raised about access to the money or other benefits to pay for child support or spousal support obligations. We agree that a change is needed to allow access for these support obligations. Additionally, the Medicaid program has alerted us of a similar issue to repay obligations owed by the estate for Medicaid payments paid on behalf of the decedent.

The attached amendment makes these necessary changes. It has been revised to reflect comments of private trust and estate attorneys.

If you need additional information, please let me know.

Sincerely,

TALIS J. COLBERG
ATTORNEY GENERAL

By: 
Deborah E. Behr
Chief Assistant Attorney General

DEB:pvp

cc: The Hon. Jay Ramras, Chair, House Judiciary Committee