

1 SB210
2 182361-1
3 By Senator Albritton
4 RFD: Judiciary
5 First Read: 16-FEB-17

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8 SYNOPSIS: Under existing law, a court may authorize,
9 direct, or ratify any transaction it deems
10 necessary or desirable to achieve any protective
11 arrangement, security, or service for a protected
12 person if the basis for appointment of a
13 conservator or protective order exists and is
14 established in a proper proceeding.

15 Under existing law, a court may also
16 authorize, direct, or ratify any contract, trust,
17 or other transaction relating to the property or
18 business affairs of a protected person if the basis
19 for appointment of a conservator or protective
20 order exists under law and is established in a
21 proper proceeding.

22 This bill would clarify that the leasing of
23 oil, gas, and mineral rights is one of the
24 protective arrangements or contracts that the court
25 is allowed to authorize under certain provisions of
26 the Alabama Uniform Guardianship and Protective
27 Proceedings Act.

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2 A BILL
3 TO BE ENTITLED
4 AN ACT
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6 To amend Section 26-2A-137, Code of Alabama 1975, to
7 allow the court to authorize the leasing of oil, gas, and
8 mineral rights when the basis exists under certain provisions
9 of the Alabama Uniform Guardianship and Protective Proceedings
10 Act.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. Section 26-2A-137 of the Code of Alabama
13 1975, is amended to read as follows:

14 "§26-2A-137.

15 "(a) If it is established in a proper proceeding
16 that a basis exists for the appointment of a conservator or
17 protective order as described in Section 26-2A-130, the court,
18 without appointing a conservator, may authorize, direct, or
19 ratify any transaction necessary or desirable to achieve any
20 security, service, or care arrangement meeting the foreseeable
21 needs of the protected person. Protective arrangements include
22 payment, delivery, deposit, or retention of funds or property;
23 sale, mortgage, lease, or other transfer of property
24 including, but not limited to, the leasing of oil, gas, and
25 other mineral rights of the protected person; entry into an
26 annuity contract, a contract for life care, a deposit

1 contract, or a contract for training and education; or
2 addition to or establishment of a suitable trust.

3 "(b) If it is established in a proper proceeding
4 that a basis exists for the appointment of a conservator or
5 protective order as described in Section 26-2A-130, the court,
6 without appointing a conservator, may authorize, direct, or
7 ratify any contract, trust, or other transaction relating to
8 the protected person's property and business affairs
9 including, but not limited to, the leasing of oil, gas, and
10 other mineral rights of the protected person, if the court
11 determines that the transaction is in the best interest of the
12 protected person.

13 "(c) Before approving a protective arrangement or
14 other transaction under this section, the court shall consider
15 the interests of creditors and dependents of the protected
16 person and, in view of the disability, whether the protected
17 person needs the continuing protection of a conservator. The
18 court may appoint a special conservator to assist in the
19 accomplishment of any protective arrangement or other
20 transaction authorized under this section who shall have the
21 authority conferred by the order and serve until discharged by
22 order after report to the court of all matters done pursuant
23 to the order of appointment."

24 Section 2. This act shall become effective
25 immediately following its passage and approval by the
26 Governor, or its otherwise becoming law.