

26-LS0786E
Luckhaupt
3/15/10

CS FOR HOUSE BILL NO. 251()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE RAMRAS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to liens on vehicles and to towing, transporting, and storage of vehicles;
2 and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 28.10.391(a) is amended to read:

5 (a) The filing of the application and documents under AS 28.10.381 and the
6 issuance of a new certificate of title are constructive notice of any liens or
7 encumbrances against the vehicle described in the certificate to a creditor of the
8 owner, or to a subsequent purchaser or encumbrancer. However, a mortgage,
9 conditional sale contract, or similar lien or encumbrance on the vehicle is
10 subordinate to a lien under AS 28.10.502 and is subject to the procedure
11 provided in that section. A [A] lien or encumbrance on a vehicle for labor, material,
12 transportation, storage, or similar activity, other than a lien under AS 28.10.502,
13 whether or not dependent on possession for its validity, is subordinate only to a
14 mortgage, conditional sale contract, or similar lien or encumbrance on the vehicle

1 properly filed on or before the time that the vehicle is subject to, or comes into
2 possession of, the lien or encumbrance claimant for the labor, material, transportation,
3 storage, or similar activity.

4 * Sec. 2. AS 28.10.502(b) is amended to read:

5 (b) A lien under this section is limited to towing and storage charges. Unless a
6 vehicle has already been reclaimed by the owner, the person possessing the
7 vehicle under this section shall notify the registered owner or primary lienholder,
8 if any, of the towing, transporting, or storage of the vehicle, by certified letter,
9 return receipt requested, mailed to the registered owner or primary lienholder, if
10 any, within five working days after the initial towing, transporting, or storage of
11 the vehicle. The letter shall be sent to the addresses of record of the registered
12 owner and primary lienholder, if any, on file with the department or the
13 corresponding office in another jurisdiction in which the title to the motor vehicle
14 and the lien on it are recorded. Storage charges cease to be part of the lien after 60
15 days unless the registered owner or primary lienholder, if any, has been given actual
16 notice of the possessory lien within that time or unless the [A] certified letter has been
17 mailed within the time required in this subsection [THAT TIME TO THE OWNER
18 AND PRIMARY LIENHOLDER, IF ANY, AT THEIR ADDRESSES OF RECORD
19 WITH THE DEPARTMENT OR THE CORRESPONDING OFFICE IN ANOTHER
20 JURISDICTION IN WHICH THE TITLE TO THE MOTOR VEHICLE AND THE
21 LIEN ON IT ARE RECORDED].

22 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).