



Fairbanks North Star Borough

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April 5, 2017

Senator John Coghill
Chair, Senate Judiciary Committee
State Capitol, Room 119
Juneau, AK 99801

RE: Support for SB 100 -- MUNICIPAL LIENS: AUTHORITY FOR & PRIORITY

Dear Senator Coghill,

The Fairbanks North Star Borough supports SB 100, An Act Relating to Municipal Liens. SB 100 corrects an apparent unintended result of previous legislative efforts to prevent individuals from filing unauthorized liens against public servants, and will help with activities such as collection of unpaid costs and abatement actions in code enforcement.

State law currently prohibits the filing of a nonconsensual common law lien. *See* AS 09.45.169(2) (defining nonconsensual common law lien as not provided for by state or federal statute, not dependent on property owner's consent for its existence, and not imposed by a court recognized under state or federal law); AS 09.45.167(a) (providing that a person who records a nonconsensual common law lien is liable to the property owner for damages, costs, and attorney's fees). A 2012 Alaska Supreme Court case¹ interpreted this as preventing a municipality from recording a lien to secure payment for situations such as unpaid bills for municipal garbage collection services.

It is desirous that municipalities have the ability to enact ordinances allowing them to use liens for valid public purpose such as ensuring payment of municipal-provided services so that this burden is not passed on to other taxpayers. This bill accomplishes local government goals at no cost to the state. I fully support the passage of SB 100 and urge your support.

Sincerely,

Karl Kassel, Mayor
Fairbanks North Star Borough

Cc: Senate Judiciary Committee

¹ *Se Cutler v. Kodiak Island Borough*, 290 P.3d 415 (Alaska 2012)(holding that liens solely based on municipal codes were nonconsensual common law liens and not authorized under state law).