

ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE

February 14, 2024

1:24 p.m.

MEMBERS PRESENT

Representative Sarah Vance, Chair
Representative Jamie Allard, Vice Chair
Representative Ben Carpenter
Representative Jesse Sumner
Representative Andrew Gray
Representative Cliff Groh

MEMBERS ABSENT

Representative Craig Johnson

COMMITTEE CALENDAR

HOUSE BILL NO. 97

"An Act relating to self-storage facilities for personal property, including vehicles and watercraft; distinguishing self-storage facility liens from another type of storage lien; and excluding self-storage liens from the treatment of certain unclaimed property."

- MOVED CSHB 97(JUD) OUT OF COMMITTEE

HOUSE BILL NO. 161

"An Act relating to appropriations to the civil legal services fund."

- MOVED CSHB 161(JUD) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 97

SHORT TITLE: SELF-STORAGE UNITS: LIENS; SALES

SPONSOR(S): REPRESENTATIVE(S) PRAX

03/06/23	(H)	READ THE FIRST TIME - REFERRALS
03/06/23	(H)	L&C, JUD
03/24/23	(H)	L&C AT 3:15 PM BARNES 124
03/24/23	(H)	Heard & Held
03/24/23	(H)	MINUTE(L&C)
04/14/23	(H)	L&C AT 3:15 PM BARNES 124

04/14/23	(H)	Heard & Held
04/14/23	(H)	MINUTE(L&C)
05/01/23	(H)	L&C AT 3:15 PM BARNES 124
05/01/23	(H)	Heard & Held
05/01/23	(H)	MINUTE(L&C)
05/03/23	(H)	L&C AT 3:15 PM BARNES 124
05/03/23	(H)	Moved CSHB 97(L&C) Out of Committee
05/03/23	(H)	MINUTE(L&C)
05/08/23	(H)	L&C RPT CS(L&C) 4DP 2AM
05/08/23	(H)	DP: PRAX, WRIGHT, SADDLER, RUFFRIDGE
05/08/23	(H)	AM: FIELDS, CARRICK
02/05/24	(H)	JUD AT 1:30 PM GRUENBERG 120
02/05/24	(H)	Heard & Held
02/05/24	(H)	MINUTE(JUD)
02/07/24	(H)	JUD AT 1:00 PM GRUENBERG 120
02/07/24	(H)	Heard & Held
02/07/24	(H)	MINUTE(JUD)
02/09/24	(H)	JUD AT 1:30 PM GRUENBERG 120
02/09/24	(H)	<Bill Hearing Canceled>
02/14/24	(H)	JUD AT 1:00 PM GRUENBERG 120

BILL: HB 161

SHORT TITLE: CIVIL LEGAL SERVICES FUND

SPONSOR(S): REPRESENTATIVE(S) WRIGHT

04/14/23	(H)	READ THE FIRST TIME - REFERRALS
04/14/23	(H)	JUD, FIN
02/07/24	(H)	JUD AT 1:00 PM GRUENBERG 120
02/07/24	(H)	Heard & Held
02/07/24	(H)	MINUTE(JUD)
02/09/24	(H)	JUD AT 1:30 PM GRUENBERG 120
02/09/24	(H)	Heard & Held
02/09/24	(H)	MINUTE(JUD)
02/14/24	(H)	JUD AT 1:00 PM GRUENBERG 120

WITNESS REGISTER

REPRESENTATIVE MIKE PRAX
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: As prime sponsor, explained Amendment 2 to CSHB 97(L&C).

RACHAEL GUNN, Staff
 Representative Stanley Wright
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 161, on behalf of Representative Wright, prime sponsor.

MAGGIE HUMM, Interim Executive Director
Alaska Legal Services Corporation
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 161.

CONRAN GUNTHER, Attorney
Legislative Legal Services
Legislative Affairs Agency
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 161.

ACTION NARRATIVE

[1:24:13 PM](#)

CHAIR VANCE called the House Judiciary Standing Committee meeting to order at 1:24 p.m. Representatives Allard, Carpenter, Sumner, Gray, Groh, and Vance were present at the call to order.

HB 97-SELF-STORAGE UNITS: LIENS; SALES

[1:25:01 PM](#)

CHAIR VANCE announced that the first order of business would be HOUSE BILL NO. 97, "An Act relating to self-storage facilities for personal property, including vehicles and watercraft; distinguishing self-storage facility liens from another type of storage lien; and excluding self-storage liens from the treatment of certain unclaimed property." [Before the committee was CSHB 97(L&C).]

[1:25:24 PM](#)

REPRESENTATIVE ALLARD moved to adopt Amendment 2 to CSHB 97(L&C), labeled 33-LS0392\S.5, Dunmire, 7/25/23, which read:

Page 5, line 2, following "Revenue.":

Insert "The remaining balance from the sale may exceed the limit in AS 34.35.660."

REPRESENTATIVE CARPENTER objected for the purpose of discussion.

[1:25:57 PM](#)

REPRESENTATIVE MIKE PRAX, Alaska State Legislature, prime sponsor of CSHB 97(L&C) said Amendment 2 would clarify that regardless of the limits on the value of the stored property, any proceeds exceeding that limit would be turned over to the Department of Revenue (DOR) after three years. If the money is not collected after three years, the money would be deposited into the state's unclaimed property fund.

[1:29:17 PM](#)

REPRESENTATIVE CARPENTER removed his objection. Without further objection, Amendment 2 was adopted.

[1:29:25 PM](#)

REPRESENTATIVE ALLARD moved to adopt Conceptual Amendment 3 to CSHB 97(L&C).

REPRESENTATIVE CARPENTER objected for the purpose of discussion.

[1:29:33 PM](#)

REPRESENTATIVE ALLARD explained that Conceptual Amendment 3 would replace the word "or" with "and" on page 3, line 6 of the bill, a section that would require units to send the initial notifications of default. She opined that while email allows for instant communication, it is unreliable. Conversely, postal mail would reach the recipients' mailboxes and ensure a higher notice delivery. Combining both methods would reach a broader audience and increase the chances of the notice being received.

REPRESENTATIVE CARPENTER removed his objection.

[1:32:26 PM](#)

REPRESENTATIVE PRAX said he did not support the proposed amendment. He shared his reservations and emphasized that the onus should be placed on the renter who broke the contract, not the facility owner. He opined that email would suffice.

REPRESENTATIVE SUMNER objected and subsequently removed his objection.

REPRESENTATIVE GROH objected.

[1:34:41 PM](#)

The committee took an at-ease from 1:34 p.m. to 1:36 p.m.

[1:36:02 PM](#)

REPRESENTATIVE ALLARD moved to adopt Conceptual Amendment 1 to Conceptual Amendment 3, which would read, "both electronic mail and certified mail."

REPRESENTATIVE SUMNER objected.

[1:36:40 PM](#)

REPRESENTATIVE GRAY commented that "and" would "cover [the legislature's] bases.

[1:37:08 PM](#)

REPRESENTATIVE SUMNER explained that he had objected to the proposed amendment because certified mail is less timely than first class mail. He opined that Conceptual Amendment 1 to Conceptual Amendment 3 would increase the cost while reducing the likelihood of the person actually receiving the notice.

REPRESENTATIVE ALLARD, in wrap up, shared her belief that Conceptual Amendment 1 to Conceptual Amendment 3 was the safer approach.

[1:39:20 PM](#)

A roll call vote was taken. Representatives Gray, Groh, Allard, and Vance voted in favor of Conceptual Amendment 1 to Conceptual Amendment 3. Representatives Carpenter and Sumner voted against it. Therefore, Conceptual Amendment 1 to Conceptual Amendment 3 passed by a vote of 4-2.

[1:40:20 PM](#)

A roll call vote was taken. Representatives Allard, Carpenter, Gray, Groh, and Vance voted in favor of Conceptual Amendment 3, as amended. Representative Sumner voted against it. Therefore, Conceptual Amendment 3, as amended, passed by a vote of 5-1.

CHAIR VANCE sought final comment from the bill sponsor.

[1:41:18 PM](#)

REPRESENTATIVE PRAX asked the committee to move the bill forward.

[1:41:28 PM](#)

REPRESENTATIVE ALLARD moved to report CSHB 97(L&C), as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 97(JUD), was reported from the House Judiciary Standing Committee.

[1:41:52 PM](#)

The committee took an at-ease from 1:41 p.m. to 1:44 p.m.

HB 161-CIVIL LEGAL SERVICES FUND

[1:44:18 PM](#)

CHAIR VANCE announced that the final order of business would be HOUSE BILL NO. 161, "An Act relating to appropriations to the civil legal services fund."

[1:44:36 PM](#)

REPRESENTATIVE ALLARD moved to adopt Amendment 1 to HB 161, labeled 33-LS0746\A.1, A. Radford, 2/9/24, which read:

Page 1, line 1:
Delete "**appropriations to**"

Page 1, line 11, following "individuals.":
Insert "**An organization may not use funds received under this section to provide legal assistance for issues arising under AS 34.03 (Uniform Residential Landlord and Tenant Act).**"

REPRESENTATIVE CARPENTER objected for the purpose of discussion.

[1:44:41 PM](#)

REPRESENTATIVE ALLARD explained that she was moving Amendment 1 because she continues to hear landlords complaining that the Alaska Legal Services Corporation (ALSC) unjustifiably targets them. She said she was certain that some cases are legitimate;

however, there seemed to be a bias against landlords. She said the proposed amendment would restrict the use of [civil legal services] funds to activities connected with the Landlord Tenant Act.

[1:46:56 PM](#)

REPRESENTATIVE GRAY asked for the bill sponsor's stance on Amendment 1.

[1:47:06 PM](#)

RACHAEL GUNN, Staff, Representative Stanley Wright, Alaska State Legislature, on behalf of Representative Wright, prime sponsor of HB 161, stated that Amendment 1 aimed to exclude a specific area of legal assistance from the funding scope of the bill. She added that the sponsor opposed the amendment for the following reasons: it would introduce administrative and operational challenges for ALSC, potentially causing an "accounting nightmare" due to the need to segregate funding based on the type of legal assistance required. More critically, the restrictions on using funds could impact individuals in dire situations, such as those attempting to escape domestic violence. She reported that ALSC processed 87 percent of its housing cases with no court involvement. On average, housing cases represent 15 percent of ALSC's total caseload, which is around 700 cases per year.

REPRESENTATIVE GRAY asked whether landlords use ALSC's landlord tenant hotline.

[1:50:01 PM](#)

MAGGIE HUMM, Interim Executive Director, Alaska Legal Services Corporation (ALSC), said yes, both landlords and tenants can call into the hotline.

REPRESENTATIVE GRAY asked whether Amendment 1 would prevent landlords from receiving assistance from the hotline.

MS. HUMM said Amendment 1 would affect any work done under the Landlord Tenant Act, which applies to landlords and tenants equally.

[1:50:52 PM](#)

REPRESENTATIVE GROH asked whether ALSC's representation in landlord tenant cases sometimes involve veterans.

MS. HUMM answered yes, veterans, seniors, those experiencing disabilities or domestic violence are all represented in landlord tenant cases.

[1:51:52 PM](#)

REPRESENTATIVE CARPENTER pointed out that the deletion of the words "appropriations to" on page 1, line 1, would change the title of the bill. He suggested that to maintain the underlying purpose of the bill, the first part of the amendment may be out of order. In addition, he was unsure how Amendment 1 would be enforced.

[1:53:26 PM](#)

The committee took an at-ease from 1:53 p.m. to 2:05 p.m.

[2:05:50 PM](#)

REPRESENTATIVE CARPENTER restated his question and asked whether the deletion of "appropriations to" from the bill title was necessary to achieve the purpose of the proposed amendment and whether it would conflict with the bill's intent.

[2:07:01 PM](#)

CONRAN GUNTHER, Attorney, Legislative Legal Services, Legislative Affairs Agency (LAA), shared his understanding that deleting "appropriations" would make the bill broader in scope.

REPRESENTATIVE CARPENTER asked whether the deletion would require a title change vote on the House floor.

MR. GUNTHER answered no.

REPRESENTATIVE CARPENTER asked whether lines 5-7 of Amendment 1 would be enforceable from a legal perspective.

MR. GUNTHER said to the same extent that any action is prohibited by statute is enforceable. He acknowledged that there is no specific penalty, so seeking an injunction on the action would be the primary enforcement.

[2:09:06 PM](#)

REPRESENTATIVE ALLARD, in wrap up, stated that Amendment 1 would require the ALSC to use federal dollars for landlord tenant disputes. She reasoned that the proposed amendment would allow state dollars to be better utilized for victims of domestic violence, divorce, etcetera.

[2:10:05 PM](#)

REPRESENTATIVE GROH maintained his objection.

[2:10:17 PM](#)

A roll call vote was taken. Representatives Allard, Carpenter, Sumner, and Vance voted in favor of Amendment 1. Representatives Groh and Gray voted against it. Therefore, Amendment 1 was adopted by a vote of 4-2.

CHAIR VANCE sought final comments from committee members.

[2:11:02 PM](#)

REPRESENTATIVE GROH said he was supportive of the bill; however, he characterized the adoption of Amendment 1 as unfortunate, adding that it hurts the bill and reduces its effectiveness.

CHAIR VANCE sought final comment from the bill sponsor.

[2:12:04 PM](#)

MS. GUNN thanked the committee and shared her belief that Amendment 1 was detrimental to the spirit of the bill. She reported that in the Alaska Court System, 69 percent of landlords have representation, while only 3 percent of tenants have representation.

[2:12:41 PM](#)

REPRESENTATIVE ALLARD moved to report HB 161, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 161(JUD) was reported from the House Judiciary Standing Committee.

[2:13:27 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 2:13 p.m.