

1 IN THE SENATE

BY ZIEGLER

2 SENATE BILL NO. 220

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to liens on motor vehicles."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 28.10 is amended by adding a new section to read:

9 Sec. 28.10.515. CREATING LIEN AND ESTABLISHING PRIORITIES. A
10 person engaged in the business of towing motor vehicles who tows, trans-
11 ports or stores a motor vehicle shall have a lien on the motor vehicle.
12 This lien shall attach when the person acts under a contract with the
13 owner or at the direction of a public officer, owner, or person en-
14 titled to possession of the property upon which the motor vehicle is
15 parked without consent. The lien shall remain in effect while the motor
16 vehicle is in the possession of the person and may be sold, as provided
17 in (b) of this section to pay the charges of towing, transportation or
18 storage.

19 (b) If the motor vehicle remains unclaimed for a period of 15
20 days in the possession of the person who performed the towing, trans-
21 portation or storage it may be sold on giving 20 days notice of the
22 sale. The notice shall be placed in the hands of the proper officer and
23 personally served on the registered owner and the legal owner of the
24 motor vehicle in the same manner as provided by law for service of
25 summons; provided that if the registered and legal owner cannot be
26 found in the borough where the motor vehicle was found, personal notice
27 of the sale shall be forwarded to the registered and legal owner at
28 their last known addresses, by certified mail, return receipt requested.
29 This notice shall contain a description of the motor vehicle, including

1 its license number and motor number, together with the time and place
2 of sale, a statement of the amount due, and the name and address of the
3 person to whom the charges are due.

4 (c) The money realized from a sale made under this section shall
5 be applied first to the payment of costs and expenses of the sale and,
6 secondly, to the lawful charges of the person having a lien on the
7 motor vehicle under this section. Remaining proceeds from the sale
8 shall be retained by the Department of Revenue to be distributed to the
9 registered and legal owner or lien holder entitled to the remaining
10 proceeds. A purchaser in good faith of a motor vehicle sold under this
11 section takes the motor vehicle free of any rights of prior lien
12 holders.