

HB

187

Ben Harding / Senate C&RA

House Judiciary
February 23, 1977

The meeting was called to order at 7 p.m. by Chairman, Gardiner. Members present were Gardiner, Dankworth, Miles, Specking, Rudd and Brown. Mr. Elaison was absent.

HB 67 Uniform Land Sale Act

HB
67

Mr. Dankworth mentioned that he had heard from the Anchorage realtors that they don't necessarily go along with the offered amendments #1 and #2. In protecting them, these amendments don't really change the bill. There was some discussion about this, after which the two amendments were adopted by the committee. (Amendments proposed by the Dept. of Commerce and Econ. Dev.)

Mr. Specking moved that the bill be moved out of committee. There was one objection, but the motion carried and the bill was moved out of committee

HB 187 Liens for towing and storage of motor vehicles

HB
187

Larry Veneble, from the Alaska Carriers Association, was here to testify in favor of the bill. He suggested that the committee amend the bill to illiminate the fixed charge of \$1.50 per day. He also suggested that section 2 be deleted.

Following a brief discussion, Mrs. Rudd moved that sections 2 and 3 be deleted. The motion carried.

Mr. Brown moved that the bill be moved out of committee. The bill will be moved out after the committee substitute has been drafted.

HB 112 Appropriation for capital improvements within
the court system

HB
112

Mr. Brown suggested that the amount on line 14 be reduced to \$60,000. He felt that the Finance Committee would then reduce this figure even further. There was a motion made to this effect.

Mrs. Rudd requested that the bill include a committee report to explain that it is the committee's intent that the site selection committee's funds come out of the \$60,000.

Mr. Brown moved that the bill be moved out of committee. The motion did not carry. Mr. Dankworth was especially highly opposed to the bill. A somewhat heated discussion followed. The bill was tabled until further notice.

F: CSHB
187

TO: Senator Orsini DATE: April 22, 1977
FROM: Paul Conger RE: CSHB 187

Ben Benediktsson, Managing Director, Alaska Carriers Association, Anchorage, recently came into the office to discuss CSHB 187, "An Act relating to liens for towing and storage of motor vehicles". He stated that this bill is attempting to remove a conflict that currently exists in the law.

The conflict is as follows: Presently, AS 28.10.515(a) (Towing and Storing Lien) provides that a person who is in the business of towing and storing motor vehicles can charge no more than \$1.50 a day for the storage of a vehicle. In 42.10.310(a) (deals with ATC and adherence to tariffs) states that the "carrier cannot receive a greater or lesser rate for a service provided... than those specified in the tariff..." Currently the tariff that the ATC has deemed reasonable is \$3 a day.

So Title 42, in compliance with the tariff ok'd by the ATC, says they cannot charge a storage fee that is any more or less than \$3 a day. At the same time, Title 28 says they can charge no more than \$1.50 a day.

So what this bill is doing is removing the \$1.50 provision in Title 28 and making the storage fee subject to the tariff that is filed by the Carrier with the ATC. In other words, increasing the storage fee to \$3 a day, an amount that the ATC says is reasonable.

Also, Benedicksson, said he would be in Juneau next week, and would check with me upon arrival, in the event that you wanted to take up this bill next week.

PC/js

1-25-78

RE CSHB 187

Ben Benediktsson, Managing Director for the Alaska Trucking Association came by to discuss CSHB 187 this morning. He gave the following background:

Alaska statutes are currently contradictory on towing and storage charges and put the wrecking operator in a Catch 22 situation.

AS 28.10.515 (a) currently allows a storage charge of \$1.50 a day. This is insufficient. Washington State, for example, charges \$3.50. However, the Alaska tariff schedule calls for \$3.00 storage charge. When the wrecking operator attempts to sell impounded vehicles he must swear a statement out at the Division of Motor Vehicles that he followed state laws. Yet no matter which law he follows he has technically committed perjury. Benediktsson said that DMV told him the other day that they had 128 potential perjury cases on their hands.

DMV has never attempted to press perjury charges because they understand the problem, but the Alaska Trucking Association would like to clear up the ambiguity in the law by removing the reference to \$1.50 storage charges and allowing the \$3.50 tariff rate to stand.

According to Benediktsson, CSHB 187 is essentially a housekeeping measure to remove a potential source of vexation. (He noted in that regard that approximately 10,000 vehicles a year are towed and stored by wrecking operators in Alaska.)

He asked that when the bill comes up before the CRA committee that he be notified enough in advance to allow him to bring Jim Christopher of Alaska Towing and Wrecking in Anchorage to the committee meeting to testify as an expert witness.

Ben Harding

✓ 1. Joe
2. F: CSHB 187

DMV COMMENTS REGARDING CSHB 187

I spoke to Vern Roberts, Director of the Division of Motor Vehicles, regarding CSHB 187. Roberts said that DMV supported CSHB 187 since the present statutory ceiling of \$1.50 per day for vehicle storage was unrealistic.

Roberts said that he had spoken with the Attorney General's Office and with the Alaska Trucking Association regarding the bill and they all supported the measure.

He pointed out that the \$1.50 a day storage charge worked a genuine hardship on wrecking operators who were forced to charge less than commercial rates for automobile parking.

The removal of the statutory ceiling would allow the tariff rate to determine the charge. Roberts believed that this would mean the rate would go to around \$3 a day.

He commented, however, that some objection might be raised by those who feared that large storage charges could possibly accumulate on vehicles whose owners were absent for long periods of time. As an example he cited a pipeline worker who left for a six-week assignment. Roberts believed though that such instances would constitute a very small percentage of the towing and storage operations.

Ben Harding

1-26-78

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

January 31, 1978

Present: Chairman Orsini, Senators Willis, Hackney and Sumner; Jim Christopher, Alaska Wreckers Assoc. and Alaska Towers Conference; Gerald Sharp, City Borough of Juneau; Bruce Aronson, Community and Regional Affairs; Steve A. Mizera, Republican Caucus.

Absent: Senator Ferguson

The meeting was called to order by Chairman Orsini at 3:00 P.M.

CSHB 187:

Chairman Orsini noted that CSHB 187 had been before the committee last year.

James Christopher, Chairman of the Alaska Towers Conference, President of the Alaska Wreckers Association, and co-owner of Alaska Towing and Wrecking in Anchorage, testified in support of CSHB 187. Mr. Christopher pointed out that currently wrecking operators had asked the State Attorney General's Office for an opinion as to which law should be complied with and were told that it would be preferable to have the statutes changed along the lines of CSHB 187. Mr. Christopher also noted that the \$1.50 daily storage fee was set in the late 1950's and was unrealistic in view of cost increases since that time. He said that current storage charges for vehicles in Seattle were \$5.00, in Portland \$4.50, and in Spokane \$4.00. Although no court cases have resulted so far from this situation, Mr. Christopher said that wrecking operators in Alaska were concerned that without the enactment of CSHB 187 they could be held in violation of either the statutory storage fee or the tariff set by the Alaska Transportation Commission.

Mr. Christopher asked whether language could be added to the bill that would include the contents as well as the vehicle itself as subject to liens. He stated that this was another area of legal ambiguity. Senator Hackney suggested that appropriate language to cover this situation could be added. To prevent delay, Chairman Orsini recommended that the bill be considered as written and that separate legislation be drawn up if necessary to deal with the other issues raised by Mr. Christopher. Senator Sumner commented that the hearings so far indicated to him that CSHB 187 was more properly a bill for the Commerce Committee to take up than Community and Regional Affairs. The other Committee members agreed.

Lee Sharp, representing the City and Borough of Juneau, spoke in support of CSHB 187 as drafted. He said that discussion so far had tended to confuse the statutory issue of the amount

a wrecking operator could recover on his lien with the regulatory question of the amount the public could be charged for the towing and storage of motor vehicles. CSHB 187 rightfully addressed the statutory issue and not the regulatory. He said the City and Borough of Juneau was concerned that wrecking operators were reluctant to tow and store abandoned vehicles, as requested by the municipality, because they could not statutorily recover more than \$1.50 a day in storage charges from their liens. Since this resulted in a loss of money to the wreckers, the municipality was encountering difficulties in having wrecked and abandoned vehicles removed from public view.

This completed public testimony. Chairman Orsini called for a vote. CSHB 187 received 1 Do Pass and 3 No Recommendations.

CSHB 134

Chairman Orsini asked for a motion to bring CSHB 134, which had been tabled by the Committee last year, back before the Committee members. In the absence of the bill's sponsor, Representative Charles Parr, to explain the provisions and purpose of the bill, no motion was forthcoming. CSHB 134 remained tabled.

1/31

F: CSNB
187

CSNB 187

Ab. Christopher - Ak. Wreckers Assn (ATW in Arch)

(now pay 1.50/day)
\$20K/mo 90c

\$1.50/day ^{per} estab in early 60's - state based land
ATC sets rates for permitted carriers - set @ \$3/day
Seattle \$5/day, Portland \$4/day

add "contents" - camp trailers in accident are junk - want to get
personal articles to pay bill; same true of older cars
(totaled out is easy). Current procedure is sale of
car w/contents, but owner ~~can~~ could have legal claim

ques - is there any limit by carriers not under ATC

we are - can do a lot of legal towing, but cannot "draw
line" between ~~the~~ two points

See Sharp problem w/ junkies, but this is a lien bill, not
a tariff bill, → to muni

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Senator Joe Orsini
Chairman

↓
CSHouse Bill No. 187

Judiciary-Hohman
Prime Sponsor

Resolution No. _____

This Bill is currently in the Senate Community and Regional Affairs Committee for consideration. Your response, as prime sponsor, to the following questions will serve to hasten Committee action on this Bill.

1. What is the need for your proposed legislation; what is the goal you are trying to accomplish?

2. Are there any other viable ways of accomplishing this same goal?

3. Persons or groups you know of who are supporting the legislation.

4. Persons or groups you know of who are opposing the legislation.

5. Can you foresee any new problems that might be caused as a result of enactment of your bill?

6. What is the earliest time you would like the Senate Community and Regional Affairs Committee to consider your bill?