



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: LABOR & COMMERCE

Current Version: CS SB 138 (L&C)

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Fact Sheet for: Senate Bill 138

Short Title: MOTOR VEHICLE DEALER SALES

Summary:

- Amends language in AS 08.66.015 by deleting the phrase "current model" and adding the definition of "new vehicle" to the statute.

Benefits:

- Protects consumers who buy vehicles from independent auto brokers that were previously owned and may have had the odometer modified or replaced.
- Strengthens state's ability to enforce consumer complaints involving independent auto dealers.
- Ensures consumers will be protected on warranty issues when purchasing a new vehicle.

Background:

- In 2004, the legislature passed HB 272. The law amended the Auto Dealers Act to help protect consumers purchasing new and used vehicles. The law also required the Alaska Department of Law to update lawmakers on any enforcement issues. A recent Department of Law report asked lawmakers to amend the law by deleting the phrase "current model" and adding a definition for new vehicle." Consumers are purchasing vehicles from independent dealers that were called "new" when in fact they had been previously sold and/or had the odometer replaced or modified. This bill protects consumers by clearly defining the term "new vehicle."