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FOR IMMEDIATE RELEASE: April 22, 2002

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House OKs Car Dealer, Buyer Protection Bill **HB 182 Makes Dealer-Factory Relationship a Two-Way Street**

(JUNEAU) – Alaska car dealerships and their customers would each enjoy an added measure of protection against unfair business practices under House Bill 182, which passed the House today.

“House Bill 182 restores some balance to the relationship between Alaska’s automobile dealers and the manufacturers, and also provides some protections to consumers that have been sorely needed in our state,” said Rep. Lisa Murkowski (R-Anchorage), the bill’s sponsor. “It establishes guidelines to protect dealers and consumers alike from abuses within the automobile industry.”

Murkowski introduced the bill at the request of the state automobile dealers, who lack any assurance that the millions of dollars they must invest to obtain and renew a franchise won’t be lost by a manufacturer’s capricious decision not to renew. Some manufacturers have used the threat of transferring a franchise to another nearby dealer to force the original dealer to make substantial investments benefiting the manufacturer at the expense of the dealer, Murkowski said.

HB 182 would establish uniform processes to transfer, terminate, or convey franchise agreements; require a manufacturer unilaterally ending a franchise contract to compensate the dealer for his investment in facilities, equipment, parts or inventory; bar manufacturers from granting duplicate franchises to dealers too close to a current dealer's market area; and provide for orderly transfer of franchises if the original franchisee dies. It also brings agreements made between manufacturers and dealers under the jurisdiction of Alaska courts, so they can be resolved at less expense and less risk to Alaska businesses.

Car buyers would also enjoy enhanced consumer protection under the bill, Murkowski said. HB 182 would regulate deceptive dealer advertising practices, require fair price comparisons, and require that dealers have a minimum number of vehicles available at any advertised price.

The bill would also require those selling used cars to a dealer to provide a written statement about the car’s condition, including its accident and repair history, which dealers would have to make available to buyers, Murkowski said.

[HB 182](#) moves next to the Senate for consideration.

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