

Alaska State Legislature



Interim:
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Session:
State Capitol Building
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Senator Kevin Meyer
Senate District O

SPONSOR STATEMENT FOR SB 125

"An Act relating to certain vehicles, including trailers; and relating to motor vehicle dealer advertising, motor vehicle dealer sales of used motor vehicles, motor vehicle sales contracts, motor vehicle service contracts, and motor vehicle sales financing."

SB 125 will assist consumers in understanding auto comparison pricing and assist dealers in following state law.

If enacted, SB 125 would update AS 45.25.400- AS 45.25.990 (commonly referred to as the "Alaska Auto Dealers Practices Act" by clarifying several provisions concerning the advertising of new and used automobiles.

For new cars, the bill will allow dealers to inform consumers that the dealers' asking price is less than the manufacturer's suggested retail price, and that the dealers' price reflects a savings or discount to the consumer. It also will allow dealers to advertise price reductions on used cars, provided the comparison price is taken from a national valuation pricing publication such as Kelly Blue Book or N.A.D.A. Official Used Car Guide and the "blue book" is available to customers when requested. Dealers will be able to inform consumers when a car is being offered at a discounted price and will allow consumers to better understand the true market value of the car they may be interested in buying.

In all advertising, the dealers' advertised price must include all fees to be charged by the dealer other than fees charged by government agencies such as licensing fees and taxes.

Finally, this bill clarifies the responsibilities of the dealer and the customer with regards to vehicle title, financing and contracts.