

BMW of Anchorage



January 30, 2024

Representative Jesse Sumner, Chair
House Labor and Commerce Committee
State Capitol, Room 421
Juneau, AK 99801

RE: HB 233 – Relating to time allowances for required motor vehicle work

Dear Chairman Sumner and Members of the Committee:

I am writing today in support of HB 233 – relating to rates and time allowances for required motor vehicle warranty repair work. My name is David Billman and I am the General Manager of BMW of Anchorage and MINI of Anchorage. I have been the GM of this store for 11 years, but started in the auto industry in 1999 at Budget Car Sales in Downtown Anchorage. I grew up in Eagle River (Go Mustangs!) and am proud to call myself a lifelong Alaskan. My dealerships employ 45 – 50 employees on average, with that number growing every year. We are the number one highline dealership in Alaska, with a thriving service department.

With the passing of this bill, we would be able to keep more money in Alaska's economy. Our technicians would be paid customer pay hours for warranty jobs, which would increase their paychecks, thus increasing their spending power in Alaska.

With manufacturers paying the same labor hours as a customer would, it increases the dealership's income as well, which helps pay for required manufacturer training, required special tools and technician retention. We are in competition with independent shops that do not have the expense of required manufacturer training, special tools or the lowered income of a manufacturer paying less labor than a customer. They are able to pay a higher flat rate wage to technicians because of this. It is not unusual to spend thousands of dollars to train a technician, only to have them leave for an independent shop that can pay a higher flat rate wage.

Thank you for your consideration of HB 233, I strongly request your support in passing this important protection for Alaskans.

Company
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CC: Representative Tomaszewski, Sponsor