



March 13, 2024

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

RE: OPPOSITION TO HOUSE BILL 233

Dear Chairman Sumner:

On behalf of Ford Motor Company, I am submitting our strong opposition to House Bill 233.

HB 233 would create excessive and undue costs for Ford that will send the wrong message to manufacturers and increase vehicle repair prices for Alaskans. In fact, the Alliance for Automotive Innovation estimates that HB 233 would cost automakers an additional \$8 million in annual warranty reimbursement expenses *on top of what they already pay dealers now.*

Specifically, HB 233 improperly ties the amount of compensation manufacturers pay dealers for warranty service to aftermarket labor times guides that are not relevant and not intended for warranty repairs performed at franchised dealerships, as opposed to manufacturer labor standards that are developed for that very purpose and are studied, timed, and tested. Proponents of HB 233 claim the resulting windfall will benefit dealership technicians, but manufacturers do not pay technicians or control how or how much dealers compensate their employees, and nothing in the bill guarantees higher wages for technicians.

In conclusion, Ford strongly opposes HB 233 in whole and respectfully asks this Committee not to advance such controversial legislation that would make Alaska a clear outlier. Ford respectfully requests the opportunity to meet with you or any Committee Members to further discuss the importance of your decision on this consequential bill, and I will gladly make myself available at your convenience (916-216-9260 or tlawso32@ford.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Lawson".

Thomas Lawson
Regional Director, Government Affairs
Ford Motor Company

Cc: Representative Justin Ruffridge



Representative Mike Prax
Representative Dan Saddler
Representative Stanley Wright
Representative Ashley Carrick
Representative Zack Fields