

AMENDMENT #2

Vance

OFFERED IN THE HOUSE

TO: HB 233

1 Page 2, following line 4:

2 Insert a new bill section to read:

3 **** Sec. 4.** AS 45.25.300 is amended to read:

4 **Sec. 45.25.300. Unfair practices.** A manufacturer may not

5 (1) require, coerce, or attempt to coerce a new motor vehicle dealer to
6 change the location of the new motor vehicle dealership or to make any substantial
7 alterations to the new motor vehicle dealership premises or facilities if the alterations
8 would be unreasonable or if there is not expected to be a sufficient supply of new
9 motor vehicles to justify the change of location or the alterations because of market
10 and economic conditions; this paragraph does not apply to alterations that are
11 necessary to comply with health or safety laws; in this paragraph, "substantial
12 alterations" does not include erecting signs subject to the manufacturer's intellectual
13 property rights, doing interior painting that is necessary to keep a new motor vehicle
14 dealer facility in an attractive condition, or performing routine maintenance;

15 (2) require a new motor vehicle dealer to purchase or include in
16 inventory a predetermined number or percentage of certified pre-owned motor
17 vehicles or lease return motor vehicles;

18 (3) except because of reasons beyond the manufacturer's control,
19 refuse or fail to deliver or offer for sale in reasonable quantities to a new motor vehicle
20 dealer holding a franchise for a line make of new motor vehicles sold or distributed by
21 the manufacturer a new motor vehicle, part, or accessory, if the new motor vehicle,
22 part, or accessory is being delivered to other new motor vehicle dealers; this paragraph
23 does not apply to limited edition or limited release vehicle parts or accessories;

1 (4) require a new motor vehicle dealer to purchase unreasonable
2 advertising displays or other materials or an unreasonable number of signs;

3 (5) require a new motor vehicle dealer to order or accept delivery of a
4 new motor vehicle, part, accessory, piece of equipment, promotional material, display
5 device, display decoration, or other item that is not otherwise required by law and that
6 the new motor vehicle dealer does not voluntarily order; this paragraph does not apply
7 to safety and emissions recall campaign parts or to a motor vehicle feature, part,
8 accessory, or other component required by federal law, the law of this state, or local
9 law;

10 (6) coerce, attempt to coerce, or require a new motor vehicle dealer to

11 (A) join, contribute money to, or affiliate with an advertising
12 association; or

13 (B) participate monetarily in an advertising campaign; [OR]

14 (7) increase the price of a new motor vehicle that the new motor
15 vehicle dealer has ordered from the manufacturer and for which there exists at the time
16 of the order a bona fide sale to a retail or fleet purchaser if the dealer submitted the
17 order to the manufacturer before the manufacturer provided the new motor vehicle
18 dealer with an official written price increase notification; or

19 (8) recover the manufacturer's costs for compensating a new
20 motor vehicle dealer for warranty work by reducing the amount due to or
21 imposing a separate charge, surcharge, administrative fee, or other similar cost
22 on the new motor vehicle dealer; this paragraph does not prohibit a
23 manufacturer from increasing the price of a new motor vehicle or changing a
24 schedule of compensation in the ordinary course of business."

25
26 Renumber the following bill section accordingly.