



*"Where you're treated like family"*

February 21, 2020

The Honorable Representative Matt Claman, Chairman  
House Judiciary Committee  
Alaska House of Representatives  
State Capitol, Room 118  
Juneau, AK 99801

Re: Support HB 146 – MOTOR VEHICLE DEALERS: APPLIC.; INSURANCE

Chairman Claman:

I am writing to thank you for introducing HB 146, an update to the Alaska Motor Vehicle Dealers licensing requirements. I have been in the used automobile industry for 37 years and own the oldest independent used car dealership, Vito's Auto Sales, Inc. During this time, I have witnessed a remarkable increase in the number of used motor vehicle licenses, but not a comparable number of dealer storefronts. The lack of a storefront indicates that they are not representing themselves as dealers and following applicable laws and statutes.

Many of these dealers purchase vehicles from the local dealer's auction or the general public and instead of selling them as a licensed dealer, following local and federal laws, sell them as a private party. The consumer has no idea they are a licensed dealer and assume they have limited rights when lawful disclosures are omitted, or the vehicle is misrepresented. I use Craigslist to purchase vehicles and when contact is made with the sellers, I find that many are individuals with a dealer license portraying themselves as a private party.

Some dealers have a storefront, but do not make the proper disclosures regarding the vehicles they sell. There may not be the mandatory federal Buyer's Guides, misleading odometer statements, and misrepresentation of the implied warranty of merchantability of said vehicle. Increasing the bond level will increase the level of consumer protection in such cases.

In addition, requiring proof of insurance, along with disqualifying individuals with a certain felony convictions, will increase the number of dealers that follow local and federal statutes, resulting in a higher level of industry integrity, increasing the protection of the individual consumer.

Respectfully,

  
Vito Ungaro  
Vito's Auto Sales, Inc.



ALASKAN OWNED &amp; OPERATED SINCE 1944

February 24, 2020

The Honorable Representative Matt Claman, Chairman  
House Judiciary Committee  
Alaska House of Representatives  
State Capitol, Room 118  
Juneau, AK 99801

Re: Support HB 146 – MOTOR VEHICLE DEALERS: APPLIC.; INSURANCE

Chairman Claman,

I'm writing to thank you for introducing HB146, an update to the Alaska Motor Vehicle Dealers licensing requirements. I'm owner of Alaska Sales and Service, Inc., a GM dealer, with locations in Anchorage and the Mat Su Valley.

I support the bill because in my 50 plus years at this dealership, I have seen many, many situations where unscrupulous parties holding a Dealer License have abused ethical business practices and harmed not only consumers, but ethical dealers as well.

I have seen cases where a dealer has taken consumer's vehicle in on trade and failed to pay off the outstanding loan on numerous vehicles, leaving the consumers in a lurch with not only a loan on newer vehicle, but still responsible for the outstanding loan on their trade that was to have been paid off by the dealer they were doing business with.

I have seen cases where a dealer is selling extended service contracts to their customer, never to register the policies or pay the provider and instead, pocketing the money. Only to be caught when consumers realized they didn't have the coverage they paid for.

Most recently I have dealt with a "dealer" who was a wholesaler (buying from one dealer and selling to another), who did not pay the dealer purchased from, but kept the money when sold to another dealer. Upon threat of not only suing the "dealer" but reporting to the Attorney General's office were the unpaid balances resolved. The "dealer" is no longer in the business as I believe more dealers than Alaska Sales and Service were harmed.

Frankly, I feel that the bond should be higher. The current \$50,000 won't often cover even one vehicle. I don't know how long it has been at that level, but the price of automobiles has increased significantly since it went into effect.

It's imperative that we protect consumers and dealers from such unethical, illegal practices. I offer my support and appreciate your efforts on the sponsorship of this bill that is so important to the ethical automotive automobile dealers in Alaska.

Sincerely,

Diana Pfeiffer, President/CEO  
Alaska Sales and Service, Inc.