

AMENDMENT #2

OFFERED IN THE HOUSE
TO: HB 74

BY REPRESENTATIVE Gray

1 Page 1, line 1:

2 Following "Act":

3 Insert "requiring used vehicle safety inspections;"

4 Following "fraud":

5 Insert "; and relating to airbag disclosures"

6

7 Page 1, following line 2:

8 Insert a new bill section to read:

9 **** Section 1.** AS 08.66 is amended by adding a new section to read:

10 **Sec. 08.66.340. Used vehicle safety inspections.** (a) Before the sale of a used
11 vehicle, a motor vehicle dealer registered under AS 08.66.010 shall conduct a
12 reasonable inspection of the used vehicle to determine whether the vehicle's safety
13 systems, including airbags, seatbelts, crash sensors, and related components, are
14 functioning properly. The inspection may include a scan of the used vehicle's onboard
15 diagnostics system to check for airbag fault codes, supplemental restraint system
16 warnings, airbag deployment history, and system readiness.

17 (b) A motor vehicle dealer that fails to conduct a reasonable inspection and
18 sells a vehicle with a known or detectable defect in any of the safety systems under (a)
19 of this section is subject to civil penalties established by the department in regulation."

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21 Page 1, line 3:

22 Delete "Section 1"

23 Insert "Sec. 2"

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Page 2, line 2, following "knows":

Insert "or should know"

Page 2, lines 6 - 22:

Delete all material and insert:

"(b) This section does not apply to a person, motor vehicle dealer, or insurance company if, before the sale, lease, or trade of a vehicle, the person, motor vehicle dealer, or insurance company provides a written disclosure to the buyer that the vehicle has a counterfeit or nonfunctioning airbag."

Reletter the following subsections accordingly.

Page 3, following line 16:

Insert a new bill section to read:

**** Sec. 3.** AS 28 is amended by adding a new chapter to read:

Chapter 41. Disclosures.

Sec. 28.41.010. Airbag status disclosure requirement. A person or motor vehicle dealer who sells, leases, or trades a vehicle shall disclose in writing whether the vehicle's airbag has been replaced. If the airbag has been replaced, the person or motor vehicle dealer shall provide any available documentation regarding compliance with federal safety regulations specific to the vehicle's make, model, and year. In this section, "airbag" has the meaning given in AS 28.35.248.

Sec. 28.41.020. Insurance company airbag disclosure requirement. (a) An insurance company that sells or otherwise disposes of a vehicle shall disclose in writing to the buyer whether the

(1) vehicle has been declared a total loss because of airbag deployment; or

(2) airbag is nonfunctioning, missing, or has been replaced.

(b) In this section, "airbag" has the meaning given in AS 28.35.248."