

**ALASKA STATE LEGISLATURE  
HOUSE TRANSPORTATION STANDING COMMITTEE**

March 29, 2018

1:17 p.m.

**MEMBERS PRESENT**

Representative Adam Wool, Co-Chair  
Representative Matt Claman  
Representative Harriet Drummond  
Representative Chuck Kopp  
Representative Colleen Sullivan-Leonard

**MEMBERS ABSENT**

Representative Louise Stutes, Co-Chair  
Representative Mark Neuman  
Representative David Eastman (alternate)  
Representative Gabrielle LeDoux (alternate)

**COMMITTEE CALENDAR**

HOUSE BILL NO. 136

"An Act relating to motor vehicle franchises, motor vehicle transactions, motor vehicle dealers, motor vehicle manufacturers, and motor vehicle distributors."

- MOVED CSHB 136(TRA) OUT OF COMMITTEE

PRESENTATION: RURAL AIRPORTS IN AK BY DOT&PF

- SCHEDULED BUT NOT HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 136

SHORT TITLE: MOTOR VEHICLE DEALER FRANCHISES

SPONSOR(S): REPRESENTATIVE(S) CLAMAN

02/20/17	(H)	READ THE FIRST TIME - REFERRALS
02/20/17	(H)	TRA, L&C
03/16/17	(H)	TRA AT 1:00 PM CAPITOL 17
03/16/17	(H)	<Bill Hearing Canceled>
03/21/17	(H)	TRA AT 1:00 PM BARNES 124
03/21/17	(H)	Heard & Held
03/21/17	(H)	MINUTE(TRA)

04/13/17 (H) TRA AT 1:00 PM BARNES 124  
04/13/17 (H) -- MEETING CANCELED --  
03/27/18 (H) TRA AT 1:15 PM BARNES 124  
03/27/18 (H) Heard & Held  
03/27/18 (H) MINUTE (TRA)  
03/29/18 (H) TRA AT 1:15 PM BARNES 124

#### **WITNESS REGISTER**

STEVE ALWINE, Dealer  
Mendenhall Auto;  
Member  
Board of Directors  
Alaska Auto Dealers Association;  
State Director  
National Auto Dealers Association  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of HB 136.

#### **ACTION NARRATIVE**

[1:17:34 PM](#)

**CO-CHAIR ADAM WOOL** called the House Transportation Standing Committee meeting to order at 1:17 p.m. Representatives Wool, Sullivan-Leonard, Drummond, Claman, and Kopp, were present at the call to order.

#### **HB 136-MOTOR VEHICLE DEALER FRANCHISES**

[1:18:09 PM](#)

CO-CHAIR WOOL announced that only order of business would be HOUSE BILL NO. 136, "An Act relating to motor vehicle franchises, motor vehicle transactions, motor vehicle dealers, motor vehicle manufacturers, and motor vehicle distributors." [Before the committee, adopted as a working document during the House Transportation Standing Committee's meeting on March 27, 2018, was the proposed committee substitute (CS) for HB 136, Version 30-LS0561\R, Bannister, 3/21/18.]

[1:18:25 PM](#)

CO-CHAIR WOOL opened public testimony on HB 136.

[1:18:49 PM](#)

STEVE ALWINE, Dealer, Mendenhall Auto; Member, Board of Directors, Alaska Auto Dealers Association; State Director, National Auto Dealers Association, testified in support of HB 136. He said the proposed legislation would serve to update state franchise laws that were written in 2004. Further, it would serve to provide reasonable protections to Alaska's 29 new car dealers, the 6,900 direct and indirect employees, and consumers throughout the state - especially those in remote areas. Mr. Alwine said most people do not realize that car dealerships are family businesses. The proposed legislation would give dealers the ability to pass their dealerships on to a family member or to an experienced manager. He said most importantly, HB 136 would address manufacturer warranty issues and recall. The bill would provide that a dealer would be compensated for these types of work at a level that would allow "investment in both equipment and personnel to provide stronger, more effective customer service throughout the state." Mr. Alwine emphasized that HB 136 would provide significant consumer protections to customers in outlying areas by giving dealers and manufacturers "opportunities and responsibilities to help people that have cars that may be in ... Petersburg or Wrangell, Ketchikan, [and] places like that." Mr. Alwine credited the bill sponsor for bringing all parties together to reach "a reasonable accord." He thanked the bill sponsor and urged the House Transportation Standing Committee to move HB 136 out of committee.

[1:21:12 PM](#)

REPRESENTATIVE KOPP said this issue has been before the legislature for a number of years, and he commended the bill sponsor, manufacturers, and automobile dealers for "working this out."

[1:21:42 PM](#)

CO-CHAIR WOOL echoed the words of Representative Kopp. He told Mr. Alwine, "It looks like you covered a lot of the ... big issues, and I'm glad you guys were able to come to agreement."

[1:22:16 PM](#)

CO-CHAIR WOOL, after ascertaining that there was no one else who wished to testify, closed public testimony on HB 136.

[1:22:40 PM](#)

REPRESENTATIVE DRUMMOND moved to report CSHB 136, Version 30-LS0561\R, Bannister, 3/21/18, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 136(TRA) was reported out of the House Transportation Standing Committee.

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**ADJOURNMENT**

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 1:23 p.m.