

ALASKA STATE LEGISLATURE
SENATE JUDICIARY STANDING COMMITTEE

April 17, 2017

1:33 p.m.

MEMBERS PRESENT

Senator John Coghill, Chair
Senator Mia Costello
Senator Pete Kelly
Senator Mike Dunleavy

MEMBERS ABSENT

Senator Bill Wielechowski

COMMITTEE CALENDAR

SENATE BILL NO. 47

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

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 47

SHORT TITLE: MOTOR VEHICLE DEALER FRANCHISES

SPONSOR(s): SENATOR(s) MEYER

02/01/17	(S)	READ THE FIRST TIME - REFERRALS
02/01/17	(S)	L&C, JUD
02/23/17	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/23/17	(S)	Heard & Held
02/23/17	(S)	MINUTE(L&C)
04/11/17	(S)	L&C RPT CS 1DP 3NR NEW TITLE
04/11/17	(S)	NR: COSTELLO, HUGHES, GARDNER
04/11/17	(S)	DP: MEYER
04/11/17	(S)	L&C AT 9:00 AM BELTZ 105 (TSBldg)
04/11/17	(S)	Moved CSSB 47(L&C) Out of Committee
04/11/17	(S)	MINUTE(L&C)
04/17/17	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

CHRISTINE MARASIGAN, Staff
Senator Kevin Meyer
Alaska State Legislature

POSITION STATEMENT: Introduced SB 47 on behalf of the sponsor.

ACTION NARRATIVE

[1:33:41 PM](#)

CHAIR JOHN COGHILL called the Senate Judiciary Standing Committee meeting to order at 1:33 p.m. Present at the call to order were Senators Dunleavy, Costello, Kelly, and Chair Coghill.

SB 47-MOTOR VEHICLE DEALER FRANCHISES

[1:34:07 PM](#)

CHAIR COGHILL announced the consideration of CSSB 47(L&C). He asked Ms. Marasigan to provide a high level view.

[1:34:53 PM](#)

CHRISTINE MARASIGAN, Staff, Senator Kevin Meyer, Alaska State Legislature, explained that SB 47 relates to motor vehicle dealer franchises. Auto dealers brought the matter to the sponsor with ideas about updating the Alaska statutes that govern agreements between Alaskan auto dealers and outside manufacturers. She said it is the sponsor's general preference that the government stay out of negotiated contracts, but a one-size-fits-all approach doesn't always work in Alaska.

She explained that the bill that came out of the Labor and Commerce Committee, version U, has three sections. Sections 2 and 3 address Sections 20 and 21 of the original bill. The only difference is the applicability section that says that the Act only applies to agreements entered into on or after the effective date of the Act.

Section 1 is the heart of the bill and it corresponds to Section 15 of the original bill. It tries to focus on payment for repair and warranty claims and the calculation of the retail rate. However, the sponsor has heard anecdotally that local auto dealers would have difficulty with the doubled sequential non-warranty customer paid service repair orders and the calculation of retail rates. She said the thing that is good about the

current version is that it puts a laser focus on the main issues that auto dealers articulated.

[1:38:38 PM](#)

CHAIR COGHILL listed the individuals who were available to answer questions and stated his intention to work on the bill during the interim.

MS. MARASIGAN said she is sure the sponsor is amenable to the chair's suggestions.

CHAIR COGHILL announced he would hold SB 47 in committee for future consideration.

[1:42:11 PM](#)

There being no further business to come before the committee, Chair Coghill adjourned the Senate Judiciary Standing Committee meeting at 1:42 p.m.