

Introduced: 2/5/75
Referred: Labor & Management
and Commerce

1 IN THE HOUSE

BY URION

2 HOUSE BILL NO. 122

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the builder's warranty in
7 structural construction."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 45 is amended by adding a new chapter to read:

10 CHAPTER 87. BUILDER'S WARRANTY.

11 Sec. 45.87.010. SCOPE AND PURPOSE. It is the purpose of this
12 chapter to provide for minimum warranties as between the builder, con-
13 tractor, or seller of a structure and the original purchaser. It is not
14 intended that this chapter supercede conscionable agreements between
15 private parties. This chapter does not change the liabilities as be-
16 tween a builder, contractor, subcontractor, or seller.

17 Sec. 45.87.020. WORKMANSHIP. A builder, contractor, or seller must
18 warrant that all construction performed by him is done in a workmanlike
19 manner. The builder, contractor, or seller of a new structure or new
20 construction must warrant to the original purchaser that the product is
21 safe and habitable and that the work performed was done so that building
22 codes and sound building practices applicable at the time of construction
23 have been substantially met.

24 Sec. 45.87.030. WARRANTY AND PROCEDURE. (a) The duration of
25 warranty between the builder, contractor, or seller and the original
26 purchaser is one year from the date of original conveyance of title or
27 initial occupancy of the structure, whichever occurs first. In the case
28 of remodeling or construction work on an existing structure the warranty
29 period is for one year after completion of the work.

1 (b) In order to perfect the claim for warranty work the original
2 purchaser must notify the builder, contractor, or seller by registered
3 mail posted to his last known address on or before the expiration of the
4 time period set out under (a) of this section. This notice must contain
5 a general description of the deficiency in the structure, a statement
6 that the deficiency is one of a warrantable nature, and a general state-
7 ment as to how and to what extent the deficiency does or will damage the
8 purchaser.

9 (c) If a claim for warranty work is perfected against the builder,
10 contractor, or seller before the expiration of the original warranty
11 period, the warranty period is automatically extended for an additional
12 12-month period with regard to deficiencies related either directly or
13 indirectly to the original warranty claim.

14 (d) A builder, contractor, or seller has three months within which
15 to complete work on a perfected warranty claim unless it can be shown
16 that due to circumstances beyond his control the work cannot be completed
17 within this time limit.

18 Sec. 45.87.040. MANUFACTURER'S WARRANTY. A builder, contractor, or
19 seller may not be held to a stricter warranty requirement than the manu-
20 facturer's warranty on appliance and accessory items which are merely
21 installation items unless it can be shown that they were damaged as a
22 direct result of faulty or improper installation.

23 Sec. 45.87.050. PURCHASER MODIFICATION OR ALTERATION. If the
24 original purchaser does or causes to be done a modification or altera-
25 tion which directly or indirectly brings about the deficiency sought to
26 be corrected under warranty, the builder, contractor, or seller is
27 released from his warranty liability on this particular deficiency.

28 Sec. 45.87.060. PURCHASER DELINQUENCY. If the original purchaser
29 is delinquent in fulfilling his portion of the contract a builder,

1 contractor, or seller is not required to perform warranty work until
2 the delinquency has been corrected. The purchaser may cause delinquent
3 payments to be placed in escrow on the condition that outstanding
4 warranty work be performed in which case the builder, contractor, or
5 seller is not relieved of his warranty liability.

6 Sec. 45.87.070. JOINT AND SEVERAL LIABILITY. The builder, con-
7 tractor, and subcontractor are jointly and severally liable to the
8 original purchaser to the extent that deficiencies can be shown to be
9 their responsibility.

10 Sec. 45.87.080. ARBITRATION. Parties to a disagreement under the
11 provisions of this chapter may, by mutual agreement, submit all or a part
12 of the dispute to arbitration under the Uniform Arbitration Act
13 (AS 09.43.010 - 09.43.180).
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