

Introduced: 2/23/79
Referred: Judiciary

1 IN THE HOUSE

BY COTTEN

2 HOUSE BILL NO. 294

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to mobile homes."

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

8 * Section 1. AS 45.30 is amended by adding a new section to read:

9 Sec. 45.30.011. MOBILE HOME WARRANTIES. (a) After the effective
10 date of this Act, new mobile homes sold by a mobile home dealer to a
11 buyer are subject to a mobile home warranty. A mobile home warranty
12 shall be set out in a separate written document entitled "Mobile Home
13 Warranty" which shall be delivered to the buyer by the mobile home
14 dealer at the time a contract of sale is signed. The warranty shall
15 contain the name, address and telephone number of the mobile home manu-
16 facturer and the mobile home dealer and shall include at least the
17 following provisions:

18 (1) the mobile home is free from any substantial defects in
19 materials and workmanship;

20 (2) the manufacturer or dealer, or both, shall take appro-
21 priate action at the site of the mobile home to correct substantial
22 defects in materials or workmanship which become evident within one year
23 of the date of delivery of the mobile home to the buyer if the buyer, or
24 his transferee, gives written notice of the defect at the business
25 address of the manufacturer or dealer on a date which is not more than
26 one year and ten days after date of delivery of the mobile home;

27 (3) the manufacturer and the dealer are jointly and severally
28 liable to the buyer, or his transferee, for the fulfillment of the terms
29 of warranty, and the buyer may notify the manufacturer or the dealer, or

1 both, in the event action is required to correct substantial defects in
2 materials or workmanship;

3 (4) the warranty is applicable to the mobile home structure,
4 its plumbing, heating and electrical systems, and all appliances and
5 other equipment installed or included in the mobile home unit by the
6 manufacturer or dealer; and

7 (5) notwithstanding separate warranties applicable to
8 appliances contained within a mobile home unit issued by the manufac-
9 turers of the appliances, primary responsibility for appropriate
10 corrective action under the warranty rests with the manufacturer and the
11 dealer of the mobile home unit, and written notice of defects must be
12 initially reported to them.

13 (b) The warranty provided under (a) of this section is in addition
14 to and not in derogation of all other rights and remedies which a buyer
15 may have under any other law or instrument.

16 (c) The manufacturer and the dealer may not require the buyer to
17 waive his rights under (a) of this section. A waiver of rights required
18 by a manufacturer or dealer is contrary to public policy and is unen-
19 forceable.

20 (d) A mobile home dealer shall display a notice of reasonable size
21 stating the applicability of the warranty required by this section, and
22 shall, upon request, provide a sample copy of the warranty. The notice
23 shall be posted in each area in which purchase orders and sales con-
24 tracts for mobile homes are written.

25 * Sec. 2. AS 45.30.030(c) is amended to read:

26 (c) [A MOBILE HOME MANUFACTURER OR OWNER OF A MOBILE HOME MAY MAKE
27 APPLICATION FOR PLAN APPROVAL TO THE DEPARTMENT IN ACCORDANCE WITH THE
28 REGULATIONS ADOPTED UNDER (b) OF THIS SECTION. THE FILING FEE FOR EACH
29 APPLICATION IS \$100 WITH AN ANNUAL RENEWAL FEE OF \$50 AND SHALL BE PAID

1 TO THE DEPARTMENT.] Each manufacturer constructing mobile homes for
2 sale in the state shall deposit a performance bond with the department
3 to assure [CONSTRUCTION] compliance with the provisions of AS 45.30.011
4 [BEFORE PLAN APPROVAL WILL BE GIVEN]. Performance bonds required under
5 this section shall be in the following amounts and based on the number
6 of units shipped into the state during the previous 12 months: (1) one
7 to 50 units, \$20,000; (2) in excess of 50 units, \$50,000 [; (3) NEW
8 MANUFACTURERS OBTAINING PLAN APPROVAL FOR THE FIRST TIME, \$20,000]. A
9 manufacturer who discontinues the shipping of [CONSTRUCTING] mobile
10 homes for sale into [IN] the state shall maintain a performance bond in
11 the required amount for a period of 24 months after the date the last
12 mobile home was brought into the state.

13 * Sec. 3. AS 45.30.040(a) is amended to read:

14 (a) A department inspector shall give written notice to the
15 owner, dealer or manufacturer of a mobile home of each violation of
16 AS 45.30.011 [THE REGULATIONS ADOPTED UNDER SEC. 10 OF THIS CHAPTER].
17 The notice of violation shall accurately describe the violation and give
18 specific reference to the section and paragraph of the statutes
19 [REGULATIONS].

20 * Sec. 4. AS 45.30.040 is amended by adding new subsections to read:

21 (c) The owner of a mobile home may file an action for forfeiture
22 of the bond to secure recovery for damages caused by the failure of the
23 manufacturer to comply with the provisions of AS 45.30.011.

24 (d) Whenever it finds a violation of the provisions of AS 45.30 by
25 a manufacturer or dealer of mobile homes, the department may issue a
26 cease and desist order. After notice and hearing, the department may
27 continue, modify, or terminate the order. If, after hearing, the
28 department determines that violations of the provisions of AS 45.30 are
29 regular and recurring, it may require forfeiture of the bond to the

1 benefit of the state and arrange for distribution of the proceeds of the
2 bond to the mobile home owners injured by the activities of the dealer
3 or manufacturer.

4 * Sec. 5. AS 45.30 is amended by adding a new section to read:

5 Sec. 45.30.061. DEFINITIONS. In AS 45.30,

6 (1) "department" means the Department of Commerce and Econo-
7 mic Development;

8 (2) "mobile home" means a vehicle designed and equipped for
9 human habitation, and which may be drawn by a motor vehicle only when
10 authorized by permit.

11 * Sec. 6. The following are repealed: AS 45.30.010, 45.30.030(b),
12 45.30.040(b) and 45.30.050.

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