

Original sponsor: Cotten

Offered: 3/12/79  
Referred: Finance

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

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CS FOR HOUSE BILL NO. 294

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - FIRST SESSION

5

A BILL

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

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

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

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

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

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

(3) the manufacturer and the dealer are jointly and severally liable to the buyer, or his transferee, for the fulfillment of the terms 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 furniture, appli-  
5 ances, and equipment installed or included in the mobile home unit by  
6 the manufacturer or dealer; and

7 (5) notwithstanding separate warranties applicable to appli-  
8 ances contained within a mobile home unit issued by the manufacturers of  
9 the appliances, primary responsibility for appropriate corrective action  
10 under the warranty rests with the manufacturer and the dealer of the  
11 mobile home unit, and written notice of defects must be initially  
12 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 (e) The manufacturer shall compensate a mobile home dealer who  
26 incurs expenses as a result of warranty obligations for which the  
27 manufacturer is legally responsible or for obligations which the manu-  
28 facturer imposes upon the dealer. A provision of contract which is  
29 contrary to this subsection is void as against public policy.

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

2 (c) [A MOBILE HOME MANUFACTURER OR OWNER OF A MOBILE HOME MAY MAKE  
3 APPLICATION FOR PLAN APPROVAL TO THE DEPARTMENT IN ACCORDANCE WITH THE  
4 REGULATIONS ADOPTED UNDER (b) OF THIS SECTION. THE FILING FEE FOR EACH  
5 APPLICATION IS \$100 WITH AN ANNUAL RENEWAL FEE OF \$50 AND SHALL BE PAID  
6 TO THE DEPARTMENT.] Each manufacturer constructing mobile homes for  
7 sale in the state shall deposit a performance bond with the department  
8 to assure [CONSTRUCTION] compliance with the provisions of AS 45.30.011  
9 [BEFORE PLAN APPROVAL WILL BE GIVEN]. Performance bonds required under  
10 this section shall be in the following amounts and based on the number  
11 of units shipped into the state during the previous 12 months: (1) one  
12 to 50 units, \$20,000; (2) in excess of 50 units, \$50,000 [; (3) NEW  
13 MANUFACTURERS OBTAINING PLAN APPROVAL FOR THE FIRST TIME, \$20,000]. A  
14 manufacturer who discontinues the shipping of [CONSTRUCTING] mobile  
15 homes for sale into [IN] the state shall maintain a performance bond in  
16 the required amount for a period of 24 months after the date the last  
17 mobile home was brought into the state.

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

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

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

26 (c) The owner of a mobile home or a mobile home dealer may file an  
27 action for forfeiture of the bond to secure recovery for damages caused  
28 by the failure of the manufacturer to comply with the provisions of  
29 AS 45.30.011.

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(d) Whenever it finds a violation of the provisions of AS 45.30 by a manufacturer or dealer of mobile homes, the department may issue a cease and desist order. After notice and hearing, the department may continue, modify, or terminate the order. If, after hearing, the department determines that violations of the provisions of AS 45.30 are regular and recurring, it may require forfeiture of the bond to the benefit of the state and arrange for distribution of the proceeds of the bond to the mobile home owners injured by the activities of the dealer or manufacturer, or to mobile home dealers injured by the activities of the manufacturer.

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

Sec. 45.30.061. DEFINITIONS. In AS 45.30,

(1) "department" means the Department of Transportation and Public Facilities;

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

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