

SENATE BILL NO. 227

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY SENATOR KERTTULA

Introduced: 1/10/94
Referred: STA, L&C, TRA

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to terminal rental adjustment clauses for motor vehicles and
2 trailers."

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

4 * Section 1. AS 28.10 is amended by adding a new section to read:

5 Section 28.10.375. EFFECT OF TERMINAL RENTAL ADJUSTMENT
6 CLAUSES. Notwithstanding other provisions of law, a transaction involving a motor
7 vehicle or trailer does not create a sale or security interest merely because the
8 transaction provides that the rental price is permitted or required to be adjusted under
9 the agreement either upward or downward by reference to the amount realized upon
10 the sale or other disposition of the motor vehicle or trailer.

11 * Sec. 2. This Act does not apply to a transaction involving a motor vehicle or trailer
12 unless the transaction is entered into on or after the effective date of this Act.