

ALASKA LEGISLATURE COMMITTEE FILES 1983 - 1984 8672

2648 SLC SB 286 (FILE 2) - SB 296

Honorable Richard Eliason

Page 3

February 6, 1984

In view of the small number of motorcycles, the even smaller incidence of problems in this area and the fact that motorcycle manufacturers are currently acting in a responsible and conscientious manner to ensure customer satisfaction, we believe motorcycles should be excluded from SB 286.

I appreciate your consideration of these comments and would be pleased to discuss them with you in more detail or send you any additional information on the motorcycle industry which you may want.

Sincerely,



Kathy Van Kleeck
Director
Legislative Affairs

KVK/tlf

jim erickson



TROUBLESHOOTER

✓ **CONSUMER ADVISORY:** Alaska Attorney General Norman Gorsuch Tuesday announced several proposed changes in Alaska consumer protection laws that may be supported by the Sheffield administration.

Gorsuch's remarks came during a small-business seminar held in Anchorage. The seminar was sponsored by the Federal Trade Commission, the Anchorage Chamber of Commerce, the U.S. Small Business Administration and the Alaska Attorney General's Office.

Of particular note to consumers:

• The Department of Law may urge the administration to back an Alaska "lemon law," which 18 other states have already passed. While lemon laws across the country vary, most are based on a provision that forces auto makers to refund the purchase price of defective new vehicles that can't be repaired.

Passage of a lemon law would ensure that "national automobile manufacturers afford to Alaskans the full benefits of the warranties which are part of the purchase price of every automobile," Gorsuch said.

• Gorsuch vowed to urge administration support for a legislative bill that would expand the Alaska Unfair Trade Practices Act to include real property, such as homes and condominiums, as well as commodities and investments. Alaska courts have recently ruled that only consumers of goods and services are protected by the act.

Similarly, Gorsuch said the administration may introduce legislation that would ensure the act protects business as well as consumers. Restrictive court rulings recently have tended to exclude businesses from legal recourse under the act, leaving them with little defense against "paper pirates" who prey on small business owners. By changing the legal definition of "consumer" so it embraces businessmen acting as consumers, businesses could freely seek assistance of the Consumer Protection Section of the attorney general's office, he said.

• Gorsuch said he is considering recommending legislation that would require promoters of "time-share" vacation and condominium sales to give adequate and fair disclosure to consumers before the sale.

"Resort promoters from around the country and outside the country have discovered that Alaskans need to get some sun in the winter, which may make our citizens ripe victims for a 'burn,'" he said.

• Formal legal opinions in the area of consumer and business rights and responsibilities may be issued by the Department of Law when warranted.

Gorsuch cited the Alaska Landlord/Tenant Act as an area of law that at times might need public clarification.

"Our office has seen acts and practices which seem to be outside the lawful scope (of the act)," he said. "The small landlord sees larger landlords engaged in these practices and does not want to be at a competitive disadvantage, but does not know whether this activity is lawful. The tenant may feel squeezed by the practice, but can't afford to litigate it."

In such cases, the Department of Law could formally issue an opinion as to the legality of questionable practices under Alaska law, he said.

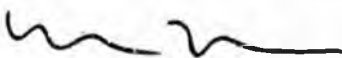


Representative Mike Miller

MEMORANDUM

October 17, 1983

TO: Senate Labor & Commerce Committee members
House Labor & Commerce Committee members

FROM: Rep. Mike Miller 

SUBJECT: HB 344/ SB 286 -- Automobile Warranty legislation

HB 344 and SB 286 are currently in the House and Senate Labor and Commerce Committees. I do hope that additional public hearings will be scheduled on these bills relating to automobile warranties -- or better known as "lemon laws". I continue to urge your support for passage of this legislation which would protect our Alaska consumers by making sure that their automobile warranties are honored.

I thought you might be interested in the attached September 30, Daily News clipping which lends additional support for these bills.

jim erickson



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THE NEW LEMON LAWS— DO THEY WORK?

New laws in 19 states promise a fair shake for new car buyers. They are a last-resort alternative to lawsuits.

BY ED FALES; Illustration by Howard Lewis

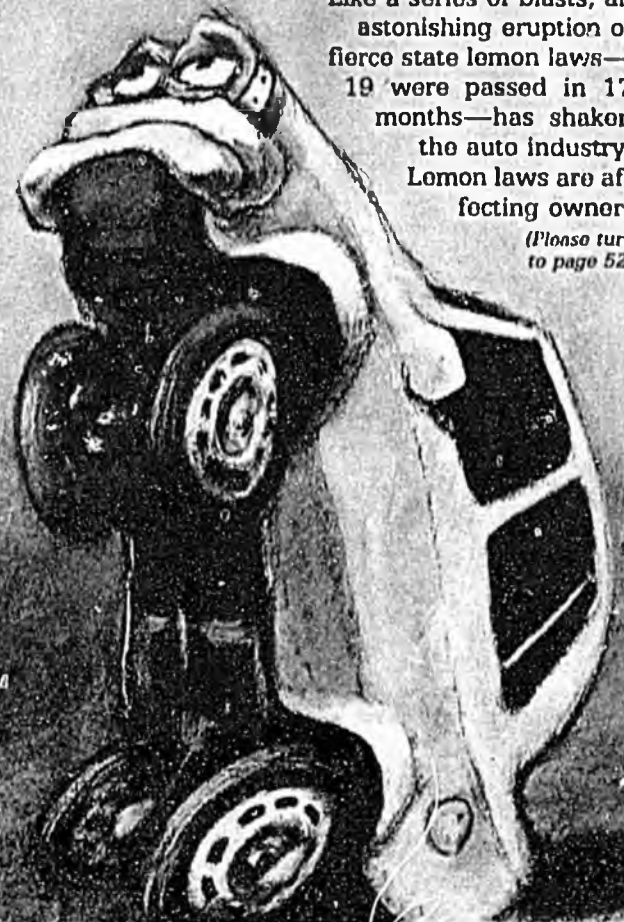
When Anthony Conti's dealer in Connecticut couldn't fix his Lincoln Continental, he sued—under old credit laws that say any "appliance" must work. Sure enough, he got his money back. But it took seven years.

When Prof. Henry Adelman's feet got wet in his new '82 VW Quantum, his dealer couldn't find the trouble (open bolt holes that let the rain in). Adelman, however, didn't sue. He waved a copy of California's brand new "lemon law." He got his money back in 100 days.

When Chester Sobolewski's new Ford wouldn't back up, his dealer couldn't cure it. Chot didn't sue, either. He knew his rights under Connecticut's new lemon law: (1) a new car or (2) his money back. He got the new car—in seven days.

Like a series of blasts, an astonishing eruption of fierce state lemon laws—19 were passed in 17 months—has shaken the auto industry. Lemon laws are affecting owner-

(Please turn to page 52)



LEMON LAWS

(Continued from page 50)

service manager relationships wherever they're in effect, from Oregon to Florida.

Although they vary, in general, they provide that any car under warranty that a dealer can't fix in four tries (Florida, Wyoming and Massachusetts say three) is a lemon. U.S. law says warranted repairs must be made. But the lemon laws now add that if repairs are not made, you're entitled to a new car. Or you can get your money back. But your problem must be genuine—must involve a major problem that affects your car's value or use.

In some states your claim must be made in the first 18 months, in others within 24. New York allows four years. Some give no time limit. The cure is the factory's responsibility.

Buyers get more respect

All this is a drastic attempt—some say too drastic (and needless)—to soothe the angry owner who feels shafted. As written, the new laws are supposed to protect new-car owners. In fact, legislators say, there's a trickle-down effect. Even old-car owners say they're getting more respect from car dealers.

What really shook the industry is the dismaying enthusiasm with which 19 legislatures rushed to act. In some states, the vote was overwhelming. In New York's huge legislative body it was unbolivorable: 201 to 3. All this has put backbone in owners who used to feel intimidated by some service managers. "I didn't get a new car," says one owner. (Few really do.) "But I did feel stronger at the service door."

Under lemon laws, settlements are free. The factory or dealer must do as ordered by a remarkable crop of quasi-judicial auto dispute juries that have sprung up from coast to coast.

Are the laws working?

How are the lemon laws really working? Even the first—Connecticut's—is only 17 months old. Some were born only weeks ago. So in most states, actual cases are few. But in Connecticut, Rep. John Woodcock, who fathered the law, estimates that in the first 17 months alone, 40 owners were either awarded new cars or refunds. "And in most cases," says Woodcock, who has become the nation's lemon law guru, "they got new cars."

Here's a small, early sampling of 13 cases in Connecticut, Minnesota and California:

- Got a new car: 1.
- Secretly settled, possibly with a new car: 1.
- Got money back: 3.

Questions You Might Ask

What is a lemon?

The new laws in most states say a lemon is a car with a substantial defect that the dealer fails to fix in three to four tries. The defect must affect the value, use or safety of a car. Most laws also say a car must have been laid up for a total of 30 days. (Massachusetts and Florida say 15, Nebraska says 30.) Minnesota's tough law cites any car that has to be fixed just once for steering or brakes. Kentucky, although not considered strictly a lemon law state, has a law that involves any car with serious mechanical problems, even if not on warranty.

How old can a lemon be?

Most states say a car must still be on warranty, or, if warranty mileage has run out, no older than a year. New York stretches the limit to two years or 18,000 miles, and even lets the law be invoked if the owner warned the carmaker during the warranty period of troubles that might grow worse.

Are motorcycles covered?

Lawyers are still interpreting the laws in different ways. Center for Auto Safety attorneys say motorcycles appear to be covered in all lemon law states except California, Delaware, Illinois, Minnesota, New Hampshire, New Jersey and New York.

Are pickups covered?

Yes, in all states but Delaware. Most laws say pickups must be bought for personal, not commercial, use to be covered.

How much of a refund can an owner get?

Minnesota lets the carmaker deduct

10 cents a mile for past use (or a small percentage of the car's cost). New York allows a deduction for mileage over 12,000. Florida allows carmakers 20 cents a mile. Otherwise, you get what you paid for the car if you win.

Does the owner get back taxes, prep and other charges?

Several states, including Massachusetts and Florida, say refunds must include collateral items like sales tax, license fee, finance costs, and (in Florida) undercoating, towing, car-rental and dealer-prep charges.

Do lemon laws give free repairs?

They do not address this. U.S. law, however, says a manufacturer must stand behind his repair warranties. Lemon laws indirectly encourage dealers or carmakers to complete any entitled warranty repairs. And an owner who appeals to Autocap or some of the factory juries may get good-will bill adjustments if there has been mistreatment.

Can a lemon be resold by the factory or a dealer?

In Minnesota, no lemon with defective brakes or steering can ever be resold. In some states, the carmaker must give any buyer a note saying that the car had been a lemon (in some states, "an incurable lemon").

Are noncritical items like defective radios or upholstery covered?

Not by lemon laws. Autocap and some auto juries will consider such items, however.

If you lose a lemon law claim, can you still go to court?

Yes.

■ Got troublesome problems fixed at last: 1.

■ Owners lost their appeals, got no benefits, are "disappointed with the lemon law": 2.

■ Cases pending: 5.

How appeals juries work

Many of these new juries—there are now at least 30—sprang up while lawmakers were busy drafting lemon laws. The most interesting, Autocap (Automotive Consumer Action Program), suddenly has 15,000 dealer-sponsors who pay to run its 41 appeals panels. The others were created by the manufacturers, U.S. and foreign, partly in self-defense, but partly in an honest try at winning back your loyalty.

Most lemon laws require that, before you can claim a refund or new car, you must go before an appeals jury that meets dispute-settlement standards established by the Federal Trade Commission. According to John Woodcock's staff, Ford and Chrysler juries do. Some

Autocaps do, others are working toward it. The Better Business Bureau (BBB) is trying to find out whether it qualifies.

Here's what to do if you appeal:

1. Make one last try to settle the problem with the dealer, zone office, or factory. Local dealers have phone numbers of the zone office and factory.

2. If this won't get results, phone or write your appropriate jury (see list at the end of the story). Gather every scrap of evidence—bills, invoices, work orders, memos, dates. In Texas, you're required to appeal any dispute first to the State Motor Vehicle Commission.

Usually, the jury's staff will call the dealer or factory and try to coax a settlement. If this fails, most invite you to sit around their table, informally, with you and your dealer both telling your story. Some investigate very thoroughly. You may have to bring your car and they may test it.

You may get a decision in days, or

(Please turn to page 54)

LEMON LAWS

(Continued from page 52)

even hours, and it binds the manufacturer and/or dealer. By contract, he must do what the jury says—unless, of course, you lose.

You don't usually need a lawyer. In fact, as this is written, BBB juries won't admit them. You can appeal to such juries in any state, whether it has lemon laws or not. Some juries have awarded new cars or refunds in states that have no such laws.

Who are the jurors? Mainly, they're unpaid volunteers, often leading citizens who give time as a public service. Often, they're merchants, independent mechanics, editors, housewives, teachers, ministers, lawyers. Some boards, like Autocap, have dealer members. But for every dealer, there's a consumer rep sitting opposite.

Most juries are fair

Are their decisions fair? There are gripes, but many juries seem surprisingly fair. Says Gerald Murphy, head of Autocap's Washington, D.C., jury office: "Funny thing, our dealer members are usually tougher on dealers, and our consumer reps are usually tougher on car owners!"

For U.S. and foreign-car owners in general, there are now 41 dealer-estab-

lished Autocap panels coast to coast. Many have 10-member juries and they'll consider reasonable disputes about anything from a 1984 AMC to a Rolls-Royce that's gone 150,000 miles. Half the jurors are consumer reps, half are dealers.

For Ford-Lincoln-Mercury owners, a new network of over 30 Consumer Appeals Boards (CABs) will hear any honest product or service dispute, no matter how old your car. In fact, Ford's Mike Davis says: "We find most complaints are on out-of-warranty cars." CABs have five voting members (three consumer reps, one Ford, one Lincoln-Mercury dealer).

In its first five years, CABs have had 42,000 inquiries and accepted 10,000 cases for investigation. Ford says more than two in five get a better break on appeal. A few new cars have been given, there have been some refunds, and some major parts like transmissions or engines have been replaced. Only 43 owners went to court.

Reviewing warranty repairs

For Chrysler-Dodge-Plymouth owners, at least 52 Chrysler Customer Satisfaction Boards (CSBs) review only service-related disputes over warranty repairs. They won't handle disputes over alleged design defects or out-of-warranty cars.

CSBs have five members: a consumer rep, a public rep (who could be a public official), a technician certified by the National Institute for Automotive Service Excellence (NIASE), a Chrysler rep and a Dodge or Chrysler-Plymouth dealer.

Chrysler's routine is more stringent than some. Your appeal is all handled in writing. You do not appear. If your car must be tested, you get a free loaner. CSB decisions bind Chrysler or the dealer.

Keeping customers happy

Believe it or not, GM is getting tips from IBM, AT&T and even McDonald's on good ways to keep customers happy. GM began testing a Customer Assistance Program in 1978 and now pays the Council of Better Business Bureaus to administer the mediation of disputes in its 140 Bureaus. GM doesn't discuss details, but according to one report, each Bureau gets \$15 to mediate a dispute or, if that fails, \$35 for binding arbitration. GM calls mediation "an informal process of re-establishing communication between both parties." Arbitration binds GM but not the owner, if he doesn't like the decision. BBB will look at GM cars up to five years old, with no mileage limitation.

First, as noted, an owner must try to settle with (1) his dealer, or (2) GM's zone office or (3) by contacting GM

Customer Service (see *Where To Call If You Have A Dispute* on this page).

If all this fails, BBB sends you a list of five names of possible jurors, with a biography on each. You score your preferences 1 to 5. So does the factory. The highest scorer becomes your jury. Some states require a panel of three.

According to CBBB, of 26,300 appeals in eight months last year, 17,000 were settled by mediation and 1,800 by arbitration. Some 7,500 are still pending.

Auto age limit

For VW, Datsun-Nissan and Porsche-Audi owners, BBB arbitrates as it does for GM, except that cars can be no more than three years old.

For Jaguar, Rover and Triumph owners, the procedure is the same as above, but cars must still be on warranty.

Disputes in some states are resolved by the attorney general, secretary of state or the motor vehicle commission. These have clout because they enforce commercial laws and license dealers and manufacturers.

Even if you lose a jury decision, you can still hire lawyers and sue, and whatever any auto-dispute jury has ruled now becomes legal evidence for or against you. But suing is expensive, can take months or years, and may cost more than your car is worth. Some suits fall under the Magnuson-Moss federal warranty act of 1975, which says manufacturers must stand behind their warranties.

Lemon law results

In Washington, D.C., an industry-advisory group cites a survey which shows that owners who get good treatment tell eight friends. Those who get bad treatment tell 16. With manufacturers and dealers more responsive than ever to consumer complaints, perhaps we'll see the day when lemon laws are no longer needed. **FM**

Where To Call If You Have A Dispute

Owners' manuals, especially the recent ones, often give phone numbers and/or addresses of owner-assistance boards. But first talk with your dealer, then the carmaker's zone office, then the carmaker's headquarters. Some zone offices will relay your inquiry to the head office.

Autocap is listed in many big-city Yellow Pages. For phone numbers and addresses in all states, contact NADA Autocap Office, 8400 Westpark Dr., McLean, Va. 22102 (or call 703-821-7144).

For GM cars, write GM Customer Service, GM Building, 3044 West Grand Blvd., Detroit, Mich. 48202, or phone 313-656-2294.

Better Business Bureaus appear in city Yellow Pages. For a full list, with phones, write to Council of Better Business Bureaus, Wilson Blvd., Arlington, Va. 22209, or call 800-228-6505.

Ford Consumer Appeals Boards: From most places, dial 800-241-8450.

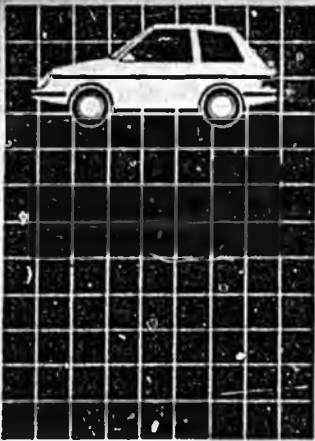
Chrysler Customer Satisfaction Boards won't take calls. Contact them by mail. Address for your area is in owners' manuals (look under "Service Assistance"). Or ask dealer or zone office for a list of boards. Detroit Customer Relations address is Box 1718, Detroit, Mich., 48288. Phone 313-956-5970.

Lemon Law Tally

■ There were 19 states with lemon laws as this report was drafted. The Center for Auto Safety in Washington, D.C., lists: California, Connecticut, Delaware, Florida, Illinois, Maine, Massachusetts, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, Oregon, Texas, Washington, Wyoming and Wisconsin.

■ A federal lemon law has been proposed in Congress.

■ These 18 states have considered, or are considering, lemon laws: Alaska, Arizona, Colorado, Georgia, Hawaii, Indiana, Kansas, Louisiana, Maryland, Missouri, New Mexico, North Carolina, North Dakota, Oklahoma, Pennsylvania, Rhode Island, South Carolina and Vermont.



Average Age of Cars Continues 10-Year Rise

The total number of passenger cars in use in the United States leveled off in 1980, but the average age increased to more than 6 1/2 years for the first time since 1952.

The hike in the average age of the passenger cars in service continued a 10-year rise. In 1970 the average age was 5 1/2 years.

The number of cars on the road 16 years old or older increased nearly 20 percent from 2.9 million in 1979 to more than 3.5 million.

PASSENGER CARS IN USE BY AGE

Age in Years (1)	1970			1975			1979			1980		
	Number (000)	Percent Simple	Percent Cum.	Number (000)	Percent Simple	Percent Cum.	Number (000)	Percent Simple	Percent Cum.	Number (000)	Percent Simple	Percent Cum.
Under 1	6,288	7.8%	100.0%	4,684	4.9%	100.0%	7,288	7.0%	100.0%	5,868	5.6%	100.0%
1-2	9,299	11.6	92.2	9,763	10.3	95.1	10,699	10.2	93.0	10,402	9.9	94.4
2-3	8,816	11.0	30.6	11,332	11.9	84.8	10,219	9.8	82.8	10,483	10.0	84.4
3-4	7,878	9.8	69.6	10,098	10.6	72.9	9,203	8.8	73.1	9,931	9.5	74.4
4-5	8,538	10.6	59.8	8,549	9.0	62.3	6,990	6.7	64.3	8,900	8.5	64.9
5-6	8,506	10.6	49.2	8,341	8.8	53.3	9,004	8.6	57.6	6,582	6.4	56.4
6-7	7,116	8.8	38.6	8,339	8.8	44.5	9,965	9.5	49.0	8,499	8.1	50.0
7-8	6,268	7.8	29.8	7,556	7.9	35.7	8,431	8.1	39.5	9,151	8.8	41.9
8-9	5,058	6.3	22.0	6,113	6.4	27.8	6,573	6.3	31.4	7,544	7.2	33.1
9-10	3,267	4.1	15.7	5,796	6.1	21.4	5,909	5.6	25.1	5,653	5.4	25.9
10-11	2,776	3.5	11.6	4,825	5.1	15.3	5,034	4.8	19.5	4,939	4.7	20.5
11-12	1,692	2.1	8.1	3,234	3.4	10.2	3,999	3.8	14.7	4,049	3.9	15.8
12-13	799	1.0	6.0	2,229	2.3	6.8	2,862	2.7	10.8	3,172	3.0	11.9
13-14	996	1.2	5.0	1,407	1.5	4.5	2,460	2.3	8.1	2,280	2.3	8.9
14-15	794	1.0	3.8	689	.7	3.0	1,874	1.8	5.8	1,969	1.9	6.7
15-16	753	.9	2.8	523	.5	2.3	1,223	1.2	4.0	1,516	1.4	4.8
16 & Older	1,583	1.9	1.9	1,742	1.8	1.8	2,930	2.8	2.8	3,514	3.4	3.4
Subtotal	80,427	100.0%	-	95,220	100.0%	-	104,663	100.0%	-	104,552	100.0%	-
Year Not Given	22	-	-	21	-	-	14	-	-	12	-	-
Total	80,449	-	-	95,241	-	-	104,677	-	-	104,564*	-	-
Average Age	5.55 Years			5.99 Years			6.41 Years			6.59 Years		

*In 1980, 1,310,918 passenger vans were reclassified from passenger cars to trucks.

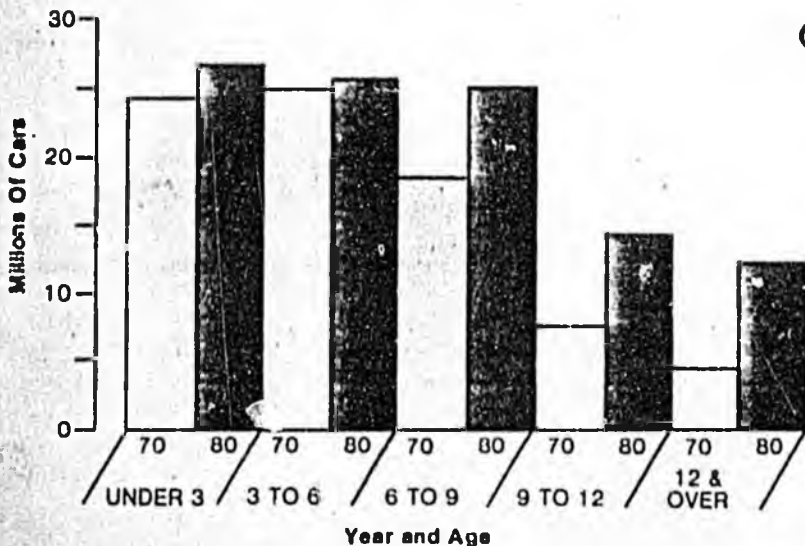
(1) Each class interval includes lower but not higher age.

NOTE: Data as of July 1 of each year.

SOURCE: Compiled by the Motor Vehicle Manufacturers Association from R. L. Polk & Co. data. Permission for further use must be obtained from R. L. Polk & Co.

AVERAGE AGE OF PASSENGER CARS IN USE IN U.S.

PASSENGER CARS BY AGE GROUPS



Year	Years Old	Year	Years Old
1980	6.6	1963	6.0
1979	6.4	1962	6.0
1978	6.3	1961	6.0
1977	6.2	1960	5.9
1976	6.2	1959	5.8
1975	6.0	1958	5.6
1974	5.7	1957	5.5
1973	5.7	1956	5.6
1972	5.7	1955	5.9
1971	5.7	1954	6.2
1970	5.5	1953	6.5
1969	5.5	1952	6.8
1968	5.6	1950	7.8
1967	5.6	1948	8.8
1966	5.7	1946	9.0
1965	5.9	1944	7.3
1964	6.0	1941	5.5

SOURCE: Estimated by the Motor Vehicle Manufacturers Association of the U.S. Inc.

Age of Car - 7²² yrs

TELEGRAM

ALASCOM, INC.
PHONE: 865-5716
JUNEAU, AK 99801

1994 JAN 30 AM 5 24

02001 TDA SOLDOTNA AK 142 01-30 0045 YST

PMS SHEILA PATTERSON SECRETARY SENATE LABOR COMMERCE COMMITTEE
PHONE 465-4916

3192

JUN

LEMON LAW SB-286 MOTOR VEHICLE WARRANTY. PERSONAL EXPERIENCE
KNOWLEDGE FROM PURCHASING A BRAND NEW CADILLAC SEVILLE WHICH I
LEARNED HAD BEEN WRECKED OR EXTREMELY HEAVY DAMAGED IN SHIPMENT
MAJOR PARTS HAD BEEN REPAINTED INSIDE. A COMPLETE FENDER HAS
FACTORY DEFECT, FACTORY RESPONSIBLE TAG ATTACHED TO IT. ORIGINAL
SALES BROCHURE STATES ALL CADALLICS HAVE A THM-400 TRANSMISSION,
MY CADALLIC HAS INFERIOR METRIC-200 TRANSMISSION IN IT. PROBLEMS
SO SEVERE THAT NEW YORK STATE ATTORNEY GENERAL PUBLISHED A 38-
PAGE BOOKLET ABOUT IT, FRAUD, DECEIT, FALSE ADVERTISING. CAR
INVOLVED IN SERIOUS AUTO ACCIDENT FROM A REPAIR THAT TOOK 45-DAYS
TO COMPLETE ALLOWED ME APPROXIMATELY 150 MILES BEFORE FAILURE.
THIS WAS THE THIRD REPAIR TO THE POWER STEERING POWER BRAKE
UNIT WHICH IS CONTINUED. WITH THIS ACCIDENT THIS MAKES THE
FOURTH FAILURE.

WE NEED A LEMON LAW PASSED TO SAVE CITIZEN LIVES.

MR. ROBERT IYERS

P.O. BOX 865 SOLDOTNA AK 99669

Lemon goes back to Buick

By K.C. MCON
Daily News

Since he bought his Buick Century new in 1982, Dennis Stovall has been cursing the car, trying to find some way to get rid of it.

Window cranks fell off in his hand. Transmission failures left him stranded. Windshield wipers quit during heavy rains. Warning lights flickered as the engine sputtered and grumbled.

Now, in what Stovall says is a monumental victory for consumers, Buick must buy back the car.

The buy-back is the result of the first Alaska arbitration of consumer complaints



Anchorage Daily News/Traf. Durner

See Back Page, CAR Dennis Stovall stands with the Buick that he'll be selling back to its makers.

Anchorage
Daily News
2/7/84

Car to be bought back by Buick after owner wins his case in arbitration

Continued from Page A-1

against General Motors, the maker of Buick models and one of the world's largest corporations.

The arbitration program is similar to one mandated three months ago by the Federal Trade Commission, which in a 1980 suit accused GM of failing to notify its customers of serious defects with many GM cars.

Instead of pursuing its federal court suit, the commission voted in November to accept GM's offer to arbitrate all consumer complaints through local Better Business Bureaus.

Since Alaska has no bureau, the bureau in Seattle handles consumer complaints for Alaskans.

Stovall's arbitration hearing was held Jan. 20 in Anchorage. He and a Buick representative argued their cases for about eight hours before three volunteer arbitrators, all from Anchorage.

Over the weekend, Stovall received a letter stating he had won his case. All arbitrators agreed with Stovall's contention that he "did not get the

reliability he bargained for when he bought the 1982 Buick and does not foresee the situation improving," according to the letter.

Stovall will get most of what he asked for, but the arbitrators decided to deduct from Stovall's \$9,865 purchase price 20 cents for each of the 7,500 miles the car has been driven.

"That deduction is the only part that upsets me," Stovall said. "But I would have put a lot more miles on it had I not been scared to drive it."

Stovall should get a check for more than \$8,300 when he turns the car over to Alaska Sales and Service, the GM dealership that sold him the car.

"I'll be glad when I never have to deal with this car again," Stovall said. "It's taken a lot of work and a lot of time, but I finally got what I wanted."

Stovall showed copies of about 50 letters he had written to the dealership and Buick customer relations offices in an effort to get the car fixed.

In the two years of ownership, the car had been almost

60 days in the Alaska Sales and Service repair shop, according to repair documents. In the first seven weeks after the sale, the car was in the shop five weeks.

Buick representative Kerry Stasch, who defended the automaker at the Jan. 20 hearing, said he could not comment on the outcome of the arbitration. Buick zone manager Bill Powell said he would answer only those questions presented in writing.

Richard Hiatt, service manager for Alaska Sales, said Monday, "We support the Better Business Bureau and whatever decision is rendered."

He said Buick, not Alaska Sales, is responsible for paying Stovall. Hiatt said he had not been in contact with Buick headquarters to find out when and where the transaction would take place.

"Most likely the car will be resold, either by us or some other dealer," Hiatt said. "It's not a bad car."

"Unfortunately, (Stovall) had problems with it, but in my opinion it's completely safe."

Hiatt said that, although it

is not Alaska Sales' policy to buy back cars sold, "we have bought back cars before."

Normal procedure for handling a complaint like Stovall's "is to try to trade the customer into another car," he said.

That offer was made to Stovall several times, but the 33-year-old schoolteacher turned it down. "I could have traded my car in at any dealership," he said. "I wanted my money back."

"We've been bowing and curtsying to these huge corporations for too long," Stovall said. "It's time we stand up and fight them."

"What I hope my case does is open Alaska up to the arbitration process," he said. "People need to know they don't have to sit there and get kicked around after they've bought a 'lemon.'"

"I know a lot of people who had worse cars than mine and couldn't do anything about it."

The arbitration program set up for Alaskans by the Seattle Better Business Bureau still is being developed. Wendy Bennington, who manages automobile arbitrations for the office,

said the bureau is planning to contract with a local organization to monitor Alaska hearings until the Anchorage bureau office opens.

Two of those who heard Stovall's case were volunteers from the Anchorage Conflict Resolution Center. The state Consumer Protection Office helped coordinate Stovall's hearing.

Bennington said her office has received 200 calls from Alaska GM owners since the November FTC ruling. The next arbitration hearing in Anchorage will be held in four weeks, she said.

Demands that manufacturers buy back autos are rare, she said. Most consumers simply seek reimbursement for repairs.

Bennington said of the complaints her office has received, only about 3 percent make it to arbitration. The rest are settled when consumers accept automakers' mediation offers.

Bennington said Alaskans wanting to participate in the arbitration program can call the Seattle Better Business Bureau collect at 206-622-2578.

Ketukitan Daily News
Feb. 7, 1984

10

GM's earnings could set industry record

DETROIT (AP) — General Motors Corp.'s 1983 earnings could set a record for the nation's largest automaker and lift combined U.S. car industry profits for the year to an all-time high, analysts say.

Many analysts see GM surpassing its record profit of \$3.51 billion set in 1978, a year before the American car industry plunged into a four-year sales slump that Detroit began to shake off just last year.

David Healy, an automotive industry analyst for Drexel Burnham Lambert Inc. in New York, said the earnings will be "in the neighborhood of" \$3.7 billion.

"Dollars weren't what they were in 1978, so it won't be a record in real dollars. But that's still a very good figure," Healy said.

GM Chairman Roger B. Smith, who has led the company on its way out of the industry's sales slump, was to make the earnings announcement in an address to the National Press Club in Washington this afternoon.

When Ford Motor Co., Chrysler Corp. and American Motors Corp. close their books later in the month, the U.S. car industry is expected to have racked up profits far exceeding the industry record of \$5.18 billion in 1977.

The record earnings for a year by a U.S. corporation was set in 1982 when AT&T recorded a profit of \$7.23 billion, earning more than \$2 billion in one quarter alone.

Analysts predict that Ford's earnings could approach, or even exceed, its record of nearly \$1.7 billion in 1977. Chrysler is a sure

bet to set a record for 1983. Its record for a year was \$422.6 million in 1976 and it eclipsed that in just three quarters in 1983, earning \$582.6 million. AMC says it will post a profit for the fourth quarter, but has not predicted a profit for the year.

Healy said GM's results came "from a combination of three things: the recovery in car sales, a reduction in their break-even point — doing it with fewer people — and the market mix, which is very profitable. They were selling more of the profitable big cars and not as many of the smaller cars."

Gary Glaser, an automotive analyst for Sanford C. Bernstein & Co. Inc. in New York, said GM piled up the profits because of improved sales in big cars, GM's specialty, the improved sales market that has aided all carmakers and better efficiency, which has dramatically lowered GM's break-even point.

"The overriding factor has been the significant increase in (cars and trucks) sold as the market comes back," Glaser said. "Certainly, part of it relates to the fact that GM is the most significant player in the higher end of the market."

He also cited "the excellent programs GM has made in lowering and containing costs."

Glaser said that in 1978, when GM hit its previous record profit, "they needed to build 5 million vehicles to break even. By 1983, Glaser said, GM had lowered that "to 4 million. This is really the key, with the fact that sales have indeed come back."

opinion

Anchorage Daily News

Winner, 1976 Pulitzer Prize Gold Medal for Public Service

Katherine Fanning
Editor and Publisher



Gerald E. Grilly
General Manager

Howard Weaver
Managing Editor

Steve Lindbeck
Editorial Page Editor

Lawrence Fanning, Editor and Publisher 1973 to 1977
Alaska's Only Morning Newspaper - Founded in 1946 by Norman C. Brown

Dealing with 'lemons'

Public voices should ring clearly today at a teleconference hearing before the House Labor and Commerce Committee on a proposed state "lemon law" governing new automobile warranties. The hearing begins at 2 p.m. and deserves healthy public participation.

The law essentially would shift part of the burden of proof in dealing with defective automobiles from the consumer to the dealer and manufacturer. It provides that a consumer is entitled to either a new vehicle or a full refund if a manufacturer's defect renders it undriveable for 30 days or more during the first year of ownership.

The major effect would be to encourage dealers to stand up and pay heed to the products and warranties they offer. For the dealer who already performs warranty service promptly and efficiently, the impact of the law would be negligible, and in fact good for credibility. For the dealer who ducks or delays the demands of a good-faith warranty there would be new incentive to meet the obligations of doing business.

And for the consumer who has a right to expect automobiles under warranty to run properly, there would be an improved chance of gaining full value for a very expensive investment. That seems like a good deal for all concerned.

'Lemon law' would force dealers to replace cars

By JIM ERICKSON
Daily News reporter

Alaska auto dealers would be forced to buy back or replace automotive "lemons," defective new cars that defy all attempts at repair, if legislation introduced recently in the state Senate and House becomes law.

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The House measure was introduced last month by Rep. Mike Miller, D-Juneau. Miller said Saturday the legislation would compel dealers and manufacturers to honor new-car warranties promptly.

"The legislation doesn't spell out the warranty," he cautioned. "That's up to the manufacturer. What it does do is put full force of the state law behind customer satisfaction of that warranty."

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hazard, the car must be repaired within 14 days, the measure states.

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"What we are talking about is correcting major problems of the vehicle," Miller said. "This is not in regard to trivial repairs or problems that result due to owner abuse."

Similar legislation has been adopted in California, Connecticut, Montana and Wyoming, said legislative aide Denise Zachary. Ten other states are considering lemon laws, she said.

Monday's hearing will be linked to Anchorage, Fairbanks and Ketchikan via the state teleconference network.

Zachary said the public can comment on the bill by attending the teleconference, to be held in Anchorage at the Anchorage Legislative Information Office, 1024 W. 6th Ave.

The teleconference will begin at 7 a.m.

Some of the grubby details

By Andy Rooney

ter traveling for inside of this two-y helicopter we're look the same as car after a week

cked up little bags things and added we brought origi-ht a small cooler nks in and at the we clean out the nk cans, but when people in a con-bound to get a lit-r a while. There a few of those lit-ef around, for ex-

up briefly for fuel rt, someone buys chips or peanuts is up on the floor llion dollar ma- s seems funny to eport that the as- o do some house- r space ship be- t after this trip l it.

ing before we o decide what to n the helicopter k in the big suit- t the van follow- ht and bulk are s.

, we flew from d in Dallas for on to Oklahoma flew the straight ahoma City and ay it's a straight le Bill and Dave, ading those com- I'm sticking to Esso Road map. e road between e road between hrough Amarillo s a straight line. ed to carry the road maps of oma, and a Cen- so that I could an (I'm not too ope state to an- h I had one of e maps of The

ny was a kid) mera; binocu- small tape re- rsonal phone ke to be with- d made in ad- that we were and notebook in

which I should be entering all my expense account items; a calendar on which I've marked our itinerary; a light jacket; a small box of chocolate candies the manager of the hotel in Houston had put in my room. At the airport in Houston, I packed up two newspapers and added them to the one from the day before. I hadn't had time to read that, either.

Well, it was not good packing. As so often happens with me when I travel, I brought a lot of stuff I didn't need and didn't bring what I needed. For one thing, it got cold and windy when we approached Tucuman and I realized I should have brought a warmer jacket. Binoculars don't work very well in any kind of aircraft. (I'm not even sure binoculars ever really work.) With a professional cameraman in the aircraft, I had no need whatsoever for my own little camera. Naturally I never touched the expense account notebook nor did I look at my calendar.

There never was any time to read any of the newspapers I bought. The candies in the little gold box looked too good to throw away, but I had no interest in eating them and neither did anyone else on board. Dave put his in his pocket and forgot about them. Several hours later he reached in his pocket for something else and found a gooey, chocolate mess. He had to buy a new shirt at the next airport we stopped at for jet fuel. I'm pleased to find that pilots, who are so conservative and careful about some things, are human in other ways.

DAVE'S CHOCOLATE shirt was one of the items that added to the used look of the inside of the helicopter. I don't know whether he's going to keep it or throw it away. We've been arriving at our motel or hotel every night hungry, thirsty, tired and too late to bother finding a laundromat.

These are some of the grubby details of this great trip. We're seeing a magnificent America from the uniquely intimate vantage point a helicopter provides. I'll tell you about the magnificent part later.

Letters to the

Auto insurance

Dear Editor:

This letter is to inform our House member in Juneau, Joe Hayes, that the majority do not support state mandated auto insurance. I think Joe Hayes needs

to get his hands out of our pockets and off our backs and try to help the people he is supposed to serve.

Richard Payton
672 Fairbanks St.

Dear I artit chick Stev lent H

The third party

Dear Editor:

A two party bill is being introduced by the House Judiciary Committee. This bill is designed to stop third party candidates, specifically Libertarian candidates, from running for office.

If the Republican Party of Alaska is concerned that Libertarian candidates will take away votes from them, I feel the Republican Party should re-think its position on political matters.

It was proved in the last governor's race that over 10 percent

of Alaska's voters supported Libertarian principles by the votes cast for Dick Randolph.

This country was founded on the basis of individual freedoms. Over 10 percent of a state's voters should be a sufficient amount to allow a third party on the ballot. If this percentage were to vote only for candidates who did not support this bill, that percentage could make a great difference in the next election.

Vicki Padberg
1405 Turpin

Dear I s syste about we se no th Why I Wt chang lectio haps body would More of cou cially greate I a gruntl

Lemon law Times 5/19

Dear Editor:

When you buy an item that is defective, you have the option of returning to the store to exchange it or get a refund. Not so when you buy a new car that is defective, at least not in Alaska. The "lemon law" has been passed in four states and has been proposed in Alaska and several other states.

Understandably, the local car dealers are not in support of the lemon law because, according to them, your warranty coverage takes care of all possible problems your car might have and this added legislation is unneces-

sary.

However, a true, "lemon" cannot be fixed and continues to have problems when the warranty runs out. This law would insure that if the manufacturer is unable to fix your car in a reasonable number of attempts and the defect substantially impairs the value of your car, then at the option of the owner, your car must be replaced with a new one or the purchase price of the car refunded to you. This law would be very good insurance for new car owners.

N. Allen
A. Page

Dear E You titled ' the clo of the J prevent handlin not true Hous 1076, w Jones A U.S. cal port to register sel for p The fore proposes German port Cal Alaska c sage of I using U. move Al nadian pc The Jo laws enac of the wc waterborn registerec manned t Members Rep. Don amending the Jones- of the iss supporting the best in the U.S. as

Permanent fund dividends

Dear Editor:

I would like to commend Rep. Hugh Malone of Kenai and Rep. Mike Miller for their defense of the direct distribution from the permanent fund. They have grasped that there is a principle involved and the principle is that the oil royalty money belongs to the people of Alaska. I can imagine the hue and cry if Texas were to confiscate royalty checks from their citizens.

The fact that our constitution sets out a different set of mechanics does not change the principle. In fact, the governor and legislators (that I have heard) all say, "It's the people's money." They agree on that; they split asunder on whether the people get to spend their own

money (as they do in Texas) or whether the governor and the legislature gets to spend it for us "for our own good." The fact that the checks may be smaller this year is another good reason for a direct distribution. If a person's check is smaller, he can adjust very quickly his spending plans; unfortunately, a government cannot.

Hooray for the legislators who see the principle and who are not afraid to stand up and be counted.

Donnis Thompson
Kenai

EDITOR'S NOTE: Ms. Thompson was the candidate for lieutenant governor on the Libertarian ticket last fall.

What others say

Here's the sugar for the lemonade

From The Juneau Empire

SOMETIMES IT SEEMS that all cars should be painted yellow just to warn buyers what they are getting themselves into. All too often, expensive cars transform themselves into "lemons" before their owners' very eyes.

Before a sale is made, salesmen point out all of the wonderful aspects of a new car. It's pretty, the doors slam with a solid "thunk" and it sounds good idling there in front of the dealer.

But a select few cars turn into "lemons," some the minute they are driven off the lot. Some don't start right; some don't stop right; some don't do anything right.

ANY DEALER IS MORE THAN happy to provide buyers with a copy of the warranty manufacturers give for their cars. Some last for a year; some last for five years. But unless the dealer and manufacturer back up the claims of those warranties, they aren't worth the paper they are printed on.

Introduced in the Alaska Legislature last week was a bill aimed at taking the "lemon" out of the lives of Alaska car buyers. The bill, whose prime sponsors are Juneau Sen. Bill Ray in the Senate and Reps. Jim Duncan and Mike Miller in the House, does nothing more than make manufacturers and dealers live up the promises made in war-

rancies.

For most people, buying an automobile is the second-largest purchase they will make in their lives. The largest purchase, of course, is a home, but it should be remembered that the price of some 1983 cars would buy a nice house 20 years ago.

BECAUSE OF THE TREMENDOUS expense of cars, no one should be stuck with a "lemon" — a car that doesn't work properly. Yet we all know people with horror stories about how their expensive new cars went to pot on them and they were unable to get satisfaction from the dealer.

It is for those people that the "lemon law" before the Legislature is meant. A warranty is not written on paper that self-destructs once the sales agreement is signed. It is a document in which the manufacturer, through the dealer, promises to make a car run properly, no ifs, ands or buts.

Dealers should welcome the advent of a "lemon law" in Alaska. It means dealers that have been standing behind their products won't be affected in the slightest. Other dealers, who are unwilling to stand behind their products and the warranties that go with them, will — and should — find themselves having to shape up.

The "lemon law" bill deserves your support.

Anchorage Times
5/14/83



jim erickson

TROUBLESHOOTER

CONSUMER ADVISORY-ALASKA LEMON LAW: A statewide teleconference has been set for Wednesday on a proposed Alaska "lemon law," legislation that would give consumers substantially more leverage when wrangling with automobile dealers and manufacturers over warranty obligations.

Under the provisions of House Bill 344, automakers would be forced to replace or refund the purchase price of new cars that, due to manufacturing defects covered by the new-car warranty, cannot be satisfactorily repaired.

If the defect causes the car to be undriveable for 30 days or more during the first year of ownership, the car buyer would be entitled to either an identical new vehicle or a refund, including repair costs. Auto dealers would be given four chances to repair the defect.

Fred Morino, part-owner and general manager of Euro Volkswagen in Anchorage, said Monday that he felt the bill was unnecessary in light of the track record of Alaska dealers.

"If the customer has a legitimate complaint, most (dealers) really seemed to bend over backward" to help iron out difficulties, he said. "If there is a problem, none of us to our knowledge haven't got it fixed within a reasonable length of time."

Marino, who called the bill "heavy and cumbersome," added that the legislation would increase taxpayers' expense, despite legislative estimates to the contrary. "Just enacting it would cost a great deal," Marino said.

In written testimony submitted to the House Labor and Commerce Committee May 9, Assistant Attorney

General Connie Sipe noted the bill gives vehicle owners the benefit of "a legal presumption that after a reasonable number of attempts to correct a deformity, that the vehicle is in fact defective or a lemon."

Sipe, head of the Consumer Protection Section of the Attorney General's Office, said under current common law warranty rights, it is up to the vehicle owner to prove a car is a lemon before the courts can compel automakers to replace a vehicle.

If HB 344 is passed, she said, that burden of proof would be shifted. If the manufacturer cannot prove a defect does not cause substantial impairment to the operation or value of the vehicle or prove the owner caused the failure by abuse or modification of the car, the car would be presumed to be a lemon and the buyer would be entitled to reimbursement.

"It is my opinion, after working in this area for seven years, that very few Alaskans, especially those who live outside the three major cities, receive full value of the warranty on their vehicles," Sipe said. "Since Alaskans pay not only the top manufacturers' suggested retail price, but usually amounts in addition to the suggested retail price, we can see that Alaskans do not get any break or allowance for their difficulty in obtaining warranty work."

Consumer Protection auto investigator Scotty Dawkins said before the House Labor and Commerce Committee May 9 that automakers routinely deliver vehicles to buyers with built-in problems.

"Often the manufacturer is aware of these defects but seldom is any voluntary action taken to correct the problems in cars that are already built," Dawkins said.

"Instead, the manufacturer relies on the predelivery inspection performed by the dealer to detect and correct these problems. What actually happens is that the buyer finds the problems after delivery and faces the hassle of attempting to have repairs completed by the dealer."

Dawkins added that new car warranties require the buyer to return to the dealer for warranty work, but "in Alaska, the fact that your new-car dealer may be hundreds of miles away somewhat complicates this requirement."

The Attorney General's Office is calling for an amendment to the bill that would require manufacturers to establish factory-authorized repair centers in towns where there are no dealers.

The public is invited to testify at Wednesday's public hearing before the House Labor and Commerce Committee. The hearing will be held via the Legislative Teleconference Network at 2 p.m. ADT. Anchorage residents who would like to participate can contact the Legislative Information Office, 1024 W. 6th Ave (278-9024).

Alaska's auto dealers protest 'lemon law' proposal

Dealers: Law unneeded Consumer rep: Yes it is

By DEBBIE REINWAND ROSE
Empire Staff Reporter

Alaska car dealers converged on teleconference sites throughout the state this morning to protest a bill its sponsors say will protect consumers who purchase autos.

Labeled the "lemon law," the legislation sponsored by local Reps. Jim Duncan and Mike Miller and Sen. Bill Ray would force car dealers to adhere strictly to the advertised warranty on a new car.

If a customer complained of a "substantial" problem not caused by owner abuse, the manufacturer or distributor would be given four chances to fix the vehicle. Failing that, the customer could receive a refund or a new car to replace the defective model.

Testimony at today's teleconference, organized at the request of car dealers in the state, ran heavily against the bill. Input came primarily from auto distributors.

Fairbanks car dealer James Masters said the consumer already has plenty of protection from defective autos.

"In case of a difference between the consumer and the dealership, they can go directly to the dealer, or the manufacturer," he said. "If that doesn't work, the (state) Consumer Protection Division is very good at following through on these

complaints."

Consumer Protection officials, however, favored the legislation as offering the car buyer "some recourse" when dealing with faulty vehicles, according to Scotty Dawkins in the Anchorage Consumer Protection office.

"In Alaska, it often takes two weeks or more just to get the cars into the service department. Not one manufacturer has a service representative in the state, so the consumer has to wait six to eight weeks for that rep to come up here," he said. When dealing with many warranty problems, the defect often must be checked by the service representative.

Alaska has a booming automobile sales business, Dawkins said, and dealers should be responsive to the public's needs. Last year, 27,705 cars were sold in the state for an average of 1,148 sales per

distributorship. In the rest of the nation, the average is 205 cars per year for each dealership, he added.

As an example of problems faced by Alaska car owners, Dawkins cited several complaints received over defective cars:

- One district court judge had his car worked on 10 times for, among other things, a defective horn. After all attempts to repair the car had failed, he was offered half the \$9,000 sticker price on a trade-in, said Dawkins.

- An Alaska State Trooper had his station wagon worked on eight times, and ended up having the engine replaced after the protection agency intervened in the matter.

- After purchasing a car in Anchorage, complete with a \$700 service contract, a Valdez resident had to pay towing fees bet-

Continued on Page 2

'Lemon' ...

Continued from Page 1

ween Anchorage and Valdez when the engine quit running. He had been assured by the dealership in Anchorage that his service

contract would be honored in Valdez, Dawkins said.

Bill sponsor Miller said the crux of the testimony revolved around "people giving excuses for not conforming to the warranty."

"We are not trying to place the burden on the dealer. ... They are missing the point of the bill. If there is a major problem with a car, then it should be corrected. The manufacturer issues the warranty, and they are ultimately responsible for living up to that warranty," he said.

Extensive testimony from disgruntled car dealers continued until adjournment of the meeting. House Labor and Commerce Chairman Walt Furnace, R-Anchorage, has scheduled a statewide teleconference on the bill for May 18, from 4 to 6 p.m. in the Labor and Commerce room in the Behrends Building.

Lemon law would force dealers to replace cars

By JIM ERICKSON
Daily News reporter

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hazard, the car must be repaired within 14 days, the measure states.

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Daily News 5/10/83



Photo by Danny Daniels

al Walk for Hope, which was
: C-2.

s a phrase for every misdeed

(Not to mention the ultimate disaster: "If you eat that now you won't be hungry for dinner!")

And then there is the chapter on Questions Without Answers. These generally come along during the teen-age years.

Questions like, "You're not going out dressed like that, are you?"

Or, "You know this goes against everything we've ever taught you, don't you?"

Not to mention the all-time winner, which spans most of the formative years: "Just what do you think you're doing?"

Experienced mothers know they can mix and match these phrases for special effect, as in: "Just where do you think you're going dressed like that?"

"When you're grown and have children of your own, that's when."

This last, especially, falls under the definition of all-purpose Motherese, touching as it does on the perpetually ripe arena of life after one has children of one's own.

Of course, it's not all conflict and threats in Motherese. There's the Broken Heart chapter, things mothers say to make you feel better. Things like, "Ten years from now this will all seem funny" and "Just think of it as good experience" — not to mention the all-time classic, "Well, just consider yourself lucky, a man will never marry a girl like that!"

I suppose with changing mores they'll be wanting to update the Mother's Phrase Book before long, make it a little more hip, but I

Lemon law deserves support

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The "lemon law" bill deserves your support.

Berry's World



NOISE AND ANZAK
We went up the stairs to a glass-enclosed booth.
When Widget shut the door he said, "I want you to meet my Master Robot, Turnbull. He is programmed to program the robots on the floor."
Turnbill gave me a steely look and reluctantly put out his arm which I shook.
"How many sneakers did we make today, Turnbull?" Widget asked.
Turnbill's lights blinked, and a deep voice said, 12,890."
Widget rubbed his hands. "I used to make that many in a week."

Eyeing the ne

WASHINGTON (NEA) — "I can make a million through the union," Jackie Presser boasted several years ago to a magazine in his hometown of Cleveland. Indeed, the union has made him rich — and now it's about to make him famous as well.

The union is the International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, arguably the country's most corrupt labor organization.

When the Teamsters' executive board met recently to select a new president for the union, it could have chosen a leader whose reputation had not been blackened by compelling evidence of regular affiliation with organized crime figures.

M.E. (Andy) Anderson, area director of the union's Eastern Conference, is hardly a candidate for sainthood but he surely would have been more suitable as president than Presser if the Teamsters were serious about restoring at least a semblance of integrity to their organization.

The same is true, although perhaps to a lesser extent, of the other two "dark horse" contenders for the presidency — Joseph W. Morgan, area director of the union's Southern Conference and Donald Peters, a Chicago Teamster leader.

But, in an election preordained as far back as the union's 1981 convention, all three of those men were summarily rejected in favor of Presser, a glib, portly 56-year-old veteran of more than three decades as a Teamster organizer.

A detailed affidavit filed by the FBI in connection with a criminal case in U.S. District Court in Los Angeles quoted FBI informants as stating that Presser was "controlled" by members of the Mafia.

In testimony before the New Jersey Commission of Investigation, a state police sergeant identified Presser as an intermediary for syndicate members seeking loans from the Teamsters' pension and welfare funds.

Some of the most disturbing allegations about Presser come from Aladena "Jimmy the Weasel" Fratianno, believed to be the first Mafia member to testify against another Mafioso in court. His testimony has aided federal prosecutors to convict approximately two dozen organized crime figures.

According to Fratianno, Presser's union activities generally have been conducted under the direction and control of James T. "Blackie" Licavoli, the reputed head of the Cleveland "family" of the nationwide crime syndicate. "Jackie Presser, he told me himself that 'I don't do nothing unless Blackie tells me,'" Fratianno said in sworn court testimony.

How does Presser respond to those allegations? He blithely denies any knowledge of La Cosa Nostra: "There's no organized crime that I know of as a person."

Presser offers a similar see-no-evil response to the documented examples of massive abuse of the union's Central States, Southeast and Southwest Areas Pension Fund: "Despite the many claims and accusations of various governmental agencies, the Central States (Fund) is a sound, well managed plan."

In 1976, Presser's father, William, was forced to resign as a trustee of the fund after he invoked his Fifth Amendment right against self-incrimination while being interrogated about trust fund abuses by federal investigators.

William Presser's position as a fund trustee was inherited by his son, Jackie, but he too was forced to resign only one year later and is one of numerous Teamster leaders being sued by the Justice Department for approving more than

Window of vi

The New York Times

The basic assumption of arms control may be permanently

'Lemon' bill would put the squeeze

By DEBBIE REINWAND ROSE
Empire Staff Reporter

Hearings begin this week on a bill that should warm the hearts of everyone who has ever bought a "lemon" — a car that for some reason doesn't work right.

Commonly known as the "lemon law," this legislation, introduced by the Juneau delegation, would bind car dealers under state law to adhere strictly to the warranty they advertised when selling a car.

Under it, if a customer complains of a "substantial" malfunction during the warranty term, the dealer or manufacturer would

have to repair it. The dealer would be given four chances to bring the car up to par, and failing that, would then have to refund the customer's money or provide a new car.

"It's not an overly restrictive law; if anything it's conservative and could be tighter," said Rep. Mike Miller, D-Juneau. "What we're talking about correcting are major problems with the vehicle. This is not in regard to trivial repairs or problems that result because of owner abuse."

Currently, 12 states have similar legislation on the books. Montana and Wyoming just passed lemon laws.

While the bill is aimed at protecting the consumer, it should not

unnecessarily alarm car manufacturers.

"One feature is that the legislation doesn't spell out what the warranty is — that's up to the manufacturer. What it does is put the full force of state law behind customer satisfaction at warranty," said Miller.

"The idea is if the distributor or parent company issues a warranty as a selling point for their vehicles, they should live up to it; no sloughing off," said Sen. Bill Ray, D-Juneau.

And Ray should know. Like a number of people who have contacted him about the bill, the senator once owned a "lemon."

"A lot of the time, the car wouldn't start. The dealer kept say-

ing we didn't know how to operate it. ... The car ended up being recalled because of a problem with the starter," he said.

During that experience, Ray ran into delays getting the car fixed. He advocated the clause in the bill putting a limit on how long the car can be out of commission. That provision would allow the customer a refund or new car if the "lemon" has been out of service for 30 days during the warranty period or one year, or if repair services are not available to the owner for reasons beyond the owner's control.

Rep. Jim Duncan, D-Juneau, has also had a "couple of

lemons," and backs the bill because it would benefit Alaskans.

"You run into this every once in awhile and it should be cleared up so the consumer is adequately protected," he said.

The measure has been introduced in both houses, and while House passage is unclear, the co-sponsorship of several majorly coalition members may help the bill.

The first hearing on the lemon law will be Thursday at 8:45 a.m. in the Labor and Commerce Committee, room 210 in the Behrens Building.

Buyer gets \$85,000 for lemon

MEMPHIS, Tenn. (AP) -- A man who complained about the treatment he got from an auto dealer after his new car burned too much oil has been awarded \$85,000 by a Circuit Court jury.

Charles Pardue was awarded \$10,000 for actual loss and \$75,000 in punitive damages in the judgment reached Tuesday.

"As far as the repair of his car was concerned, it was poorly handled," said jury foreman James Reid Jr.

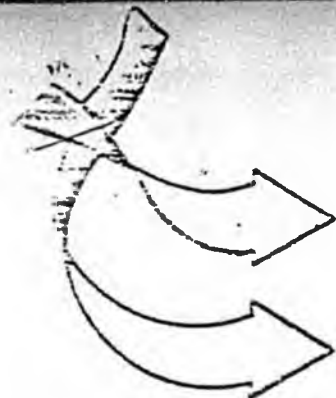
Reid said jurors discussed awards ranging from \$20,000 to \$500,000 but settled on the final figure as a "fair compromise."

Randall Noel, the lawyer for Lewis Ford Inc., where Pardue bought his 1976 Ford Grenada, said his client is considering an appeal.

Pardue, a resident of Oakland, Tenn., bought the car in 1977 for \$5,178, but said it soon began using too much oil.

He said it took two years to get the car fixed and he was charged \$1,600 for a new engine he never ordered.

Turner Empire 4/16/83



Conflict Resolution Center

conciliation • mediation • arbitration

May 16, 1983

Walt Furnace
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Representative Furnace:

As a constituent residing in your district and as Executive Director of the Conflict Resolution Center, I am writing to express my support for SB286, relating to motor vehicle warranties.

The Conflict Resolution Center, which opened October 1, 1982, is a private, non-profit organization dedicated to the resolution of disputes of all kinds through the use of conciliation, mediation, and arbitration. In addition to these services, the Conflict Resolution Center (CRC) provides technical assistance and training to community organizations, agencies and small businesses for the purpose of designing settlement systems that prevent disputes or expedite their resolution.

The Center is supported by grants from the Municipality, Alaska Bar Association, United Way, corporate and foundation grants, in addition to fees for service that are charged on a sliding scale according to income.

CRC was developed as the result of the efforts of a voluntary committee of the Alaska Bar Association. The committee was formed because of growing concern in our community that many disputes between citizens go unresolved because the amount in controversy makes it economically infeasible to pursue a resolution through the courts. Seldom can a government agency assist in private citizen disputes. Consequently, such disputes have simply festered, creating dissatisfaction, loss of friendship or relationship, and all too often have resulted in violence.

CRC can help close the gap between unhappy people, not by more government, but through community citizens who volunteer their time to help resolve disputes between their fellow citizens in an informal face-to-face hearing. Conciliation, mediation and arbitration are forums that can process disputes in a fair, inexpensive and timely manner.

Because the Conflict Resolution Center's work is cooperative and non-adversarial, it has been well accepted by the people of Anchorage and by

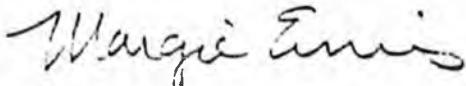
The agencies and organizations that traditionally handle civil and interpersonal complaints. In the brief time the Center has been open, CRC has successfully resolved over a hundred cases including consumer complaints, landlord/tenant disputes, neighborhood problems, contract disputes, harassment, vandalism, fights, threats, and employer/employee conflicts.

One of the primary categories for cases coming into the Center are consumer complaints. From October 1, 1982 through April 30, 1983, the Center received 85 disputes regarding the selling/buying and repair of new and used automobiles. Our experience has been that the used car dealers, generally "mom/pop" operations, have been willing to negotiate a settlement with the assistance of a neutral third party. Whereas the large dealerships have been much more recalcitrant to enter negotiations with a disgruntled customer. This, I believe, is a reflection of the few leverages/official actions that a consumer can take against a dealership when no one or thing necessarily will "encourage" a dealership to take seriously, responding in a timely manner, or settle an issue to everyone's concerned satisfaction. It is possible the proposed SB286 may just provide such "encouragement" for the dealerships to set up dispute mechanisms that are fair, timely and can provide both parties an opportunity to be fully heard and in which the needs and interests of both parties can adequately be met.

As a constituent and as a program director that has experienced the potential of alternate dispute mechanisms in resolving consumer complaints, I urge you to lend your support to SB286 as it may be a vehicle to bring auto dealers to understanding the importance of establishing voluntary dispute resolution mechanisms.

Sincerely,

CONFLICT RESOLUTION CENTER



Margie Ennis
Executive Director

ME/jm

cc: Mike Miller (Juneau)
AK. State Legislature
Pouch V (MS3100)
Juneau, Alaska 99811



MOTORCYCLE INDUSTRY COUNCIL, INC.

*Government Relations Office
Washington, D.C.*

May 10, 1983

Honorable Mike M. Miller
State House of Representatives
Juneau, AK 99811

Dear Mr. Miller:

The Motorcycle Industry Council, (MIC) is a non-profit national trade association representing motorcycle manufacturers, distributors, and members of allied trades. I am writing to you and to the members of the House Labor and Commerce Committee on behalf of the MIC member companies regarding H.B. 344 which would require a manufacturer to replace a motor vehicle after a reasonable number of attempts to repair it. The Council wishes to draw your attention to what may be the inadvertent inclusion of motorcycles in this bill, by virtue of the fact that the definition of motor vehicle encompasses motorcycles, motor homes and recreational vehicles as well as automobiles. However, due to the inherent differences between these various types of vehicles and cars, their inclusion in this type of legislation is inappropriate and unnecessarily complicates the bill.

While automobile-related problems have consistently ranked highest among consumer complaints, motorcycle-related complaints historically have been rare. A summary of consumer complaints published annually by the Council of Better Business Bureaus, compiled from statistics gathered by Better Business Bureaus located throughout the nation, confirms the infrequency of motorcycle complaints. The Bureau's report on product quality ranks products from 1 to 10 on the basis of complaints received. Motorcycles have never appeared in this report. On an expanded list of 150 categories which the Bureau tracks, motorcycles account for a mere 1.2% of complaints. There is a lack of evidence of any demonstrated need for burdensome regulation in light of these statistics.

The very nature of motorcycle use as compared to that of automobiles helps explain why the number of motorcycle-related complaints is negligible and does not warrant regulation. A motorcycle typically is not the consumer's primary mode of transportation and consequently, the necessity for expeditious repair service is not urgent, as it is in the case of a car owner who is dependent on his car. Additionally, motorcycle use is very seasonal and it is not unusual for customers to take their motorcycles to dealerships for service and leave them there by choice for extended periods of time as a convenient storage place during those months of non-riding weather. Any law requiring vehicle replacement if it has been out of service for 30 days may be unfeasible if applied to motorcycles.

Mr. Mike Miller
May 10, 1983
Page Number Two

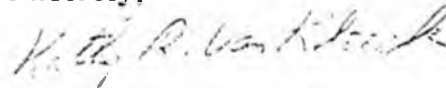
Both the California and Connecticut laws which were the first two laws of this sort to be enacted and which have been used as models for other state legislation, recognize the unique nature of motorcycles and exclude them from regulation.

Motorcycle manufacturers are currently acting in a responsible and conscientious manner to ensure product quality and customer satisfaction. Adequate remedy for the resolution of any consumer problems is readily available at the manufacturer level and procedures for such, including telephone numbers for easy access, are published in owner's manuals and on written warranties. All motorcycle manufacturers have fully staffed customer relations departments which provide assistance with warranty and other service problems.

In light of the foregoing, we feel that inclusion of motorcycles in H.B. 344 is neither needed nor justified and we urge you to amend H.B. 344 to exclude motorcycles.

Thank you for your consideration.

Sincerely,



Kathy Van Kleeck
Director
Legislative Affairs

KVK/tlf

Shows 16 states
have "lemon laws"

Basically similar
to our proposed CS

"LEMON" LAWS ENACTED BY MORE STATES:
PROMISE TO BECOME IMPORTANT LITIGATION TOOL

Since Connecticut and California enacted "Lemon" laws in 1982 (Lemon File Notes 82-III), legislatures in 16 states have passed similar bills to facilitate obtaining replacements or refunds for defective new automobiles. The states with these lemon auto refund/replacement laws are:

California	Nebraska
Connecticut	Nevada
Delaware	New Hampshire
Florida	New Jersey
Illinois	New York
Maine	Oregon
Massachusetts*	Texas
Minnesota	Washington
Montana	Wyoming

* Awaiting Governor's Signature

A table comparing some of the main features of the laws and a copy of the Connecticut law accompany this Note.

Although there are important state-by-state variations, all the laws resemble the Connecticut and California models. They establish a period of coverage; the most common period being the shorter of one year from delivery or the written warranty period. The laws reiterate the basic warranty law requirement that the manufacturer, its agent or authorized dealer make repairs so as to correct any warranty nonconformity (vehicle problem) reported by the consumer within the covered period. If certain defects cannot be repaired within a reasonable number of attempts, the laws require the manufacturer to provide a replacement or refund. Moreover, the laws provide an objective presumption of when a reasonable number of attempts has been made: the most common standard is after 4 or more repair attempts have failed to correct a problem or after the vehicle has been out of service by reason of repair a cumulative total of 30 or more days, within the covered period.

... respectively extend the Magnuson-Moss Act's "lemon" warranty provisions (16 C.F.R. § 703.1 (a) (4)) to all new vehicles, not just those with "lemon" warranties. The laws also go a step beyond Magnuson-Moss by specifying the objective presumption of when a reasonable repair attempt has been made.

Household consideration in lemon laws is when a warranty non-compliant vehicle problem, falls within the scope of the law. The laws generally adapt UCC § 2-608's "substantial impairment" clause. The fairly common requirement is the existence of a defect or condition that substantially impairs the use and value of the vehicle to the consumer.

The types of vehicles covered varies among lemon laws. Some apply to all motor vehicles, while others may exclude vehicles such as motorcycles or motor homes from the law's coverage. The emphasis generally is on personal or household use rather than commercial use.

Lemon laws place the obligation to provide refund or replacement upon the manufacturer. Thus some lemon laws require the consumer to provide written notice to the manufacturer when repairs to the car are sought. Generally the laws specify that a reasonable allowance for the consumer's use may be deducted from a refund. A few states provide a formula for calculating this deduction for use.

Lemon laws encourage arbitration by generally prohibiting a consumer from asserting the lemon law right of refund or replacement without first resorting to a manufacturer's informal dispute settlement mechanism (IDSM), if the manufacturer's mechanism complies with the Federal Trade Commission's Guidelines at 16 C.F.R. 703. (An IDSM does not comply with the FTC Guidelines if it is not incorporated into a new car warranty. 16 C.F.R. § 703.1 (d), (e).) These provisions emulate Magnuson-Moss,

which allows a manufacturer to require a consumer to go to an IDSM complying with 16 C.F.R. § 703 before filing suit under the Magnuson-Moss Act. Some states' lemon laws specify additional requirements for the Mechanisms before a consumer will be required to resort to the Mechanism before using the Lemon law. The Texas law requires consumers to first submit their dispute to the state Motor Vehicle Commission.

Only a handful of lemon laws provide for the award of attorneys fees in the event of a successful lawsuit to compel a manufacturer to comply with its lemon law obligations. However, attorneys should be able to overcome this weakness in some of the laws by using the Magnuson-Moss Act or state deceptive trade practices act in conjunction with the lemon law.

Lemon laws contain an explicit "savings clause" that preserves the consumers' rights under all other laws. This clause is particularly important for the "latent" lemon that blooms after the written warranty expires. Some lemon laws also contain special statute of limitations provisions.

Lemon laws plainly provide an additional cause of action for refund or replacement beyond revoking acceptance pursuant to the UCC. While it is still too early to assess the legal effect of these statutes, they should provide real advantages in some cases over revoking acceptance pursuant to the UCC. Four of these advantages are discussed below:

- 1) Limitation of opportunity to cure.

Most courts require the buyer to have given the seller a reasonable opportunity to cure a defect before revoking acceptance under the UCC.

Under the UCC, there is no standard for determining when a reasonable opportunity to cure has been given, so that new car buyers often must suffer continuous repair attempts and long periods without the use of their cars before revoking acceptance. A lemon law's objective prohibition of a reasonable number of attempts sets a clear cap on the opportunity to cure that must be given before a buyer may pursue a refund or replacement.

2) Relaxation of notice requirement.

Revocation of acceptance under the UCC requires notice to the seller [§ 2-608(2)]. Often this has been interpreted to require formal written notice. Lemon laws generally do not require a written demand for replacement or refund. Instead, the only notice generally required in lemon laws is to report the need to repair a warranty nonconformity (vehicle problem) to the manufacturer or its agent or authorized dealer. Since many of the laws do not specify that the report be written, taking the car to a dealer for repair and retaining the work order presumably should meet this requirement. Some of the laws, however, specify where written notification must be sent, and these provisions are summarized in the accompanying table. Nevertheless, it is plain that lemon laws have less rigid notice requirements than the UCC.

3) Extension of time.

The UCC requires that revocation of acceptance must occur "within a reasonable time" after the defect is discovered. [§ 2-608 (2).] Many courts have required revocation of acceptance to occur before the expiration of the written warranty period with the earlier the revocation occurring the better. Under lemon laws the right to a refund or replacement may accrue at any time within the covered period -- not less than one year in any state (See accompanying table).

Moreover, lemon laws do not require that the right be asserted formally within this period (although some do have a special statute of limitations).

4) No surrender of vehicle.

Many courts have imposed the UCC's requirement that a buyer relinquish ownership of rejected goods upon a buyer who revokes acceptance of goods. Thus, a revoking buyer may lose the use of his vehicle and his investment for as long as the dispute continues. This is a clear disincentive to pursuing a refund or replacement through the UCC. Although there is a trend away from this in the cases, many courts still follow the old rules.

Lemon laws generally do not require a buyer to first surrender the vehicle when seeking replacement or refund. Rather, the laws place the affirmative obligation on the manufacturer to provide a replacement or refund upon the exhaustion of a reasonable number of repair attempts. Thus, it appears that the consumer should only have to give up the vehicle at the completion of the refund/replacement transaction. If the manufacturer has indicated its unwillingness to meet its obligation to provide a replacement or refund, the consumer should be able to retain possession and use of the vehicle during the pendency of the dispute. (Of course, the use should not be inconsistent with the alleged defect.)

The advent of lemon laws raises a question as to the proper course when a vehicle contains such a major defect (a life-threatening safety defect, for example) that it is unreasonable to require the owner to go through 4 repair attempts before being entitled to a refund or replacement. First, because lemon laws contain savings clauses, one can revoke acceptance under the UCC; there can be no legitimate claim that 4 repair attempts must be allowed before revoking acceptance in such a situation, because the UCC and lemon law are separate statutes providing distinct causes of action.

Recognizing there should also be a specific cause of action for the extreme lemon, Minnesota's lemon law provides for refund or replacement after one unsuccessful repair attempt of a defect causing a failure of the brakes or steering. But the typical lemon law conditions the manufacturer's obligation to provide replacement or refund upon the exhaustion of a reasonable number of repair attempts, with the further specification of an objective presumption of when a reasonable number has been exhausted. This does not mean that a lesser number of attempts or days out of service may be all that is reasonable under a lemon law in certain situations.

In response to lemon laws, manufacturers are expanding and changing their arbitration programs to purportedly comply with 16 C.F.R. § 703, so that consumers will have to arbitrate before using a lemon law. Thus, GM's Better Business Bureau program and Ford's Consumer Appeals Board program are being incorporated into their warranties in Model Year 1984 for the first time. Nissan and Volkswagen/Forsche/Audi started incorporating their Better Business Bureau programs into their warranties in MY 1983 (VW apparently only in lemon law states). Before the proliferation of lemon laws, Chrysler's Customer Satisfaction Board was the only program purporting to comply with 16 C.F.R. § 703.

These arbitration programs will assume great importance, not only in lemon law states, but all over the country, because these manufacturers will also require consumers to resort to the programs before filing suit under Magnuson-Moss. Unfortunately, the fairness of these programs is questionable and the Center for Auto Safety doubts whether any of them comply with 16 C.F.R. § 703. The FTC has no certification process to resolve this issue. At least, all the programs are being made non-binding on the consumer so that their results may be rejected. A future Lemon File note will deal extensively with these programs.

Many questions about lemon laws will have to be answered in the courts. In New York, for example, a case filed on September 1, the lemon law's effective date, raises the question whether the law applies to all cars with warranties in effect on that date or only to new cars sold on or after that date. The Lemon File will include cases under the lemon laws and we are counting on practitioners to keep us abreast of developments in their lemon law cases, which will form the precedents for interpreting these important statutes.

SUMMARY OF STATE LEMON LAWS (Continued)

State	Types of Vehicles Covered	Presumption of Reasonable # of Repair Attempts	Notice Requirement	Attorney Fees Provision	Statute of Limitations
		death or serious bodily injury, within shorter of 1 year or express warranty term.			
<u>WY</u> 1983 Sess. Laws 81 (to be codified at Stat. § 40-17-101)	Every vehicle under 10,000 pounds.	More than 3 repair attempts for same nonconformity or total of 30 business days out of service due to repairs within 1 year.	Report of nonconformity to manufacturer, its agent, or authorized dealer.	no	No special statute of limitations.
<u>NJ</u> 1983 Laws 215 (to be codified at Rev. Stat. § 56:12-19 to 56:12-28)	Any passenger automobile except living facilities of motor homes.	4 or more repair attempts of same nonconformity or total of more than 30 business days out of service waiting for dealer to begin or complete repairs within shorter of 1 year or warranty term.	Direct written notification and opportunity to repair to manufacturer.	no	No special statute of limitation.
<u>MP</u> 1983 H.B. 18	All motor vehicles designed primarily to transport persons or property upon the public highways.	4 or more repairs of same nonconformity or total of 30 or more business days out of service (after notification) because of the nonconformity, within shorter of 1 year or express warranty term.	Written notice to manufacturer or its agent of nonconformity.	no	No special statute of limitations.
<u>WA</u> 1983 Laws 240	All motor vehicles, including automobiles, trucks, motorcycles, mopeds or motor homes, if used primarily for personal, non-commercial use.	4 or more repairs of same nonconformity or total of more than 30 business days out of service by reason of repairs within 1 year or term of express warranties.	Written report of nonconformity to manufacturer, and its agent or authorized dealer.	no	No special statute of limitations.

SUMMARY OF STATE LEMON LAWS

State	Types of Vehicles Covered	Presumption of Reasonable # of Repair Attempts	Notice Requirement	Attorney Fees Provision	Statute of Limitations
FL. 1983 Laws 83-69	All motor vehicles except off-road vehicles and mopeds.	3 repair attempts for same nonconformity or 15 total working days out-of-service for the non conformity within shorter of 1 year or written warranty period.	Written notice to manufacturer of need for repair. Manufacturer has 10 working days to repair after delivery. (This raises the reasonable number of attempts to 4 for the same defect or 25 total working days).	yes	Earlier of 6 months after expiration of express warranty or 18 months after delivery. Or 90 days after final decision of informal dispute settlement mechanism.
NH 1983 H.B. 80 (to be codified at Rev. Stat. Ann § 357-D)	Passenger or station wagon type motor vehicles not rented or used as public or livery conveyance. Any other 4-wheel motor vehicle not exceeding 9000 pounds except motorcycles, tractors, OHRV's and mopeds.	4 or more repair attempts for same nonconformity or 30 or more business days out of service within shorter of 1 year or express warranty term.	Report nonconformity to manufacturer or distributor, its agent or authorized dealer.	yes	No special statute of limitations.
NE 1983 Laws 155	New motor vehicles excluding self-propelled mobile homes.	4 or more repair attempts for same nonconformity or 40 or more days out of service for repairs within the shorter of 1 year or express warranty term.	Manufacturer must receive written direct notification by certified mail and have opportunity to cure before Lemon Law presumption may be asserted.	yes	Earlier of 1 year following expiration of express warranty term or 2 years from date of original delivery.
MN 1983 Laws 108 (to be codified at Stat. §325F.665)	Passenger automobiles including pickup trucks and vans, and chassis or van portion of recreational equipment.	4 or more repair attempts for same nonconformity or total of 30 or more business days out of service for repairs or 1 unsuccessful repair attempt of a defect resulting in complete failure of the braking or steering system that is likely to cause	Written notification and opportunity to cure to manufacturer, its agent, or its authorized dealer.	yes	Later of 6 months after expiration of express warranty or 1 year of original delivery of vehicle.

SUMMARY OF STATE LEMON LAWS (Continued)

State	Types of Vehicles Covered	Presumption of Reasonable # of Repair Attempts	Notice Requirement	Attorney Fees Provision	Statute of Limitations
NV 1983 A.B. 59 (to be codified at Rev. Stat. § 598.)	All motor vehicles but not farm tractors, specially constructed vehicles or special mobile equipment.	4 or more repairs of same nonconformity or total of 30 or more calendar days out of service for repairs within shorter of 1 year or express warranty term.	Report of nonconformity to manufacturer, its agent or its authorized dealer.	no	No special statute of limitations.
CT Gen. Stat. § 42-179	Passenger motor vehicle or a passenger and commercial motor vehicle.	4 or more repairs of same nonconformity or total of 30 or more calendar days out of service by reason of repair within shorter of 1 year or express warranty term.	Report of nonconformity to manufacturer, its agent or its authorized dealer.	no	No special statute of limitations.
CA Civil Code §1793.2	Motor vehicles used or bought primarily for personal, family or household purposes, not including motorcycle, motorhomes, or off road vehicles.	4 or more repair attempts for same nonconformity or more than 30 days out of service by reason of repair of nonconformities within earlier of 1 year or 12,000 miles.	Direct notice to manufacturer of need for repair of the nonconformity.	yes (Part of Song-Beverly Act)	No special statute of limitations.
NY 1983 Laws 444, amending Gen. Bus. Law § 198-a.	Passenger motor vehicles excluding motor homes, motorcycles, and off-road vehicles.	4 or more repair attempts for same nonconformity or total of 30 or more days out of service by reason of repair of nonconformity within earlier of 2 years or 18,000 miles.	Report nonconformity, defect or condition to manufacturer, its agent or its authorized dealer.	yes	4 years from date of original delivery.
TX 1983 S. 1141, amending Civil Code Ann. § 4413(36).	All motor vehicles or an engine, transmission or rear axle manufactured for a vehicle with gross weight rating more than 16,000 lbs. and primary purpose to transport persons or property on public highway.	4 or more repair attempts of same nonconformity or total of 30 or more days out of service for repair within shorter of 1 year or express warranty term.	Direct written notification and opportunity to cure to manufacturer or distributor.	yes (Under Deceptive Trade Practices Act)	Earlier of 6 months following (1) expiration of express warranty or (2) one year following date of original delivery.

SUMMARY OF STATE LEMON LAWS (continued)

State	Types of Vehicles Covered	Presumption of Reasonable # of Repair Attempts	Notice Requirement	Attorney Fees Provision	Statute of Limitations
<u>IL</u> H.B. 56 (1983)	All passenger cars, not including motor homes, mini motor homes, or van campers.	4 or more repair attempts for same nonconformity or total of 30 or more business days out of service by reason of repair of nonconformities, within shorter of 1 year or 12,000 miles.	Direct written notification to manufacturer, his agent, distributor or dealer and opportunity to cure before Lemon Law presumption applies.	no	18 months after original delivery.
<u>MA</u> H.B. 6504 (1983)	Any motor vehicle except auto homes, vehicles built primarily for off-road use or used primarily for business purposes.	3 or more repairs of same nonconformity or cumulative total of 15 business days out of service by reason of repair of any nonconformity within shorter of 1 year or 15,000 miles. Manufacturer shall be afforded one additional opportunity to cure, not to exceed 7 business days from the day manufacturer knows or should have known that above limits have been met or exceeded.	Report nonconformity to manufacturer, its agent or authorized dealer. (Notice to manufacturer that the 3 repair/15 business day limits have been met or exceeded is desirable, so that additional opportunity to cure is limited.)	yes (Cause of action under Consumer Protection Act)	No special statute limitations.

* Note: N.C. passed a "lemon" law in 1983 which only amended the definition of seller in the UCC (N.C. Gen. Stat. §25-2-103) so as to eliminate the requirement of vertical privity in motor vehicle warranty cases.

SUMMARY OF STATE LEMON LAWS (Continued)

State	Types of Vehicles Covered	Presumption of Reasonable # of Repair Attempts	Notice Requirement	Attorney Fees Provision	Statute of Limitations
<u>ME</u> 1983 Laws 145	All motor vehicles except commercial vehicles over 8500 pounds.	4 or more repair attempts of same nonconformity (at least 2 by the same dealer) or total of 30 business days out of service by reason of repair of nonconformities within shorter of 1 year or express warranty term.	Report nonconformity to manufacturer, its agent, or authorized dealer.	no	No special statute of limitations.
<u>OR</u> H.B. 2793 (1983)	All passenger motor vehicles.	4 or more repairs or corrections of same nonconformity or cumulative total of 30 or more business days out of service by reason of repair or correction within shorter of 1 year or 12,000 miles. Repair or correction includes a repair that must take place after expiration of shorter period.	Report each nonconformity to manufacturer, its agent or authorized dealer, for purpose of repair or correction, during covered period. Direct written notification and opportunity to cure alleged defect to manufacturer.	no	1 year following earlier of (1) 12,000 miles or (2) 1 year following date of original delivery.
<u>DE</u> S.B. 276 (1983)	Any registered passenger motor vehicle except motorcycles and the living facilities of motor homes.	4 or more repairs or corrections of same nonconformity or cumulative total of more than 30 business days out of service by reason of waiting for the dealer to begin or complete repair or correction of a nonconformity, within shorter of 1 year or express warranty term.	Direct written notification and opportunity to repair or correct the nonconformity to manufacturer.	no	No special statute of limitations.

CONNECTICUT "LEMON LAW"

Substitute House Bill No. 5729

PUBLIC ACT NO. 82-287

AN ACT CONCERNING AUTOMOBILE WARRANTIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

(NEW) (a). AS used in this act: (1) "Consumer" means the purchaser, other than for purposes of resale, of a motor vehicle, any person to whom such motor vehicle is transferred during the duration of an express warranty applicable to such motor vehicle, and any other person entitled by the terms of such warranty to enforce the obligations of the warranty; and (2) "motor vehicle" means a passenger motor vehicle or a passenger and commercial motor vehicle, as defined in subdivisions (35) and (36) of section 14-1 of the general statutes, as amended, which is sold in this state.

(b) If a new motor vehicle does not conform to all applicable express warranties, and the consumer reports the nonconformity to the manufacturer, its agent or its authorized dealer during the term of such express warranties or during the period of one year following the date of original delivery of the motor vehicle to a consumer, whichever is the earlier date, the manufacturer, its agent or its authorized dealer shall make such repairs as are necessary to conform the vehicle to such express warranties, notwithstanding the fact that such repairs are made after the expiration of such warranty or such one-year period.

(c) If the manufacturer, or its agents or authorized dealers are unable to conform the motor vehicle to any applicable express warranty by repairing or correcting any defect or condition which substantially impairs the use and value of the motor vehicle to the consumer after a reasonable number of attempts, the manufacturer shall replace the motor vehicle with a new motor vehicle or accept return of the vehicle from the consumer and refund to the consumer the full purchase price including all collateral charges, less a reasonable allowance for the consumer's use of the vehicle. Refunds shall be made to the consumer, and lienholder if any, as their interests may appear. A reasonable allowance for use shall be that amount directly attributable to use by the consumer prior to his first report of the nonconformity to the manufacturer, agent or dealer and during any subsequent period when the

Substitute House Bill No. 5729

vehicle is not out of service by reason of repair. It shall be an affirmative defense to any claim under this act (1) that an alleged nonconformity does not substantially impair such use and value or (2) that a nonconformity is the result of abuse, neglect or unauthorized modifications or alterations of a motor vehicle by a consumer.

(d) It shall be presumed that a reasonable number of attempts have been undertaken to conform a motor vehicle to the applicable express warranties, if (1) the same nonconformity has been subject to repair four or more times by the manufacturer or its agents or authorized dealers within the express warranty term or during the period of one year following the date of original delivery of the motor vehicle to a consumer, whichever is the earlier date, but such nonconformity continues to exist or (2) the vehicle is out of service by reason of repair for a cumulative total of thirty or more calendar days during such term or during such period, whichever is the earlier date. The term of an express warranty, such one-year period and such thirty-day period shall be extended by any period of time during which repair services are not available to the consumer because of a war, invasion, strike or fire, flood or other natural disaster.

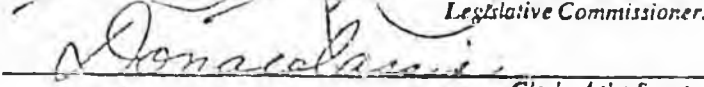
(e) Nothing in this act shall in any way limit the rights or remedies which are otherwise available to a consumer under any other law.

(f) If a manufacturer has established an informal dispute settlement procedure which complies in all respects with the provisions of title 16 Code of Federal Regulations Part 703, as from time to time amended, the provisions of subsection (c) of this section concerning refunds or replacement shall not apply to any consumer who has not first resorted to such procedure.

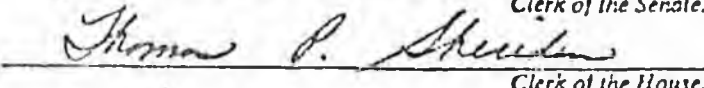
Certified as correct by



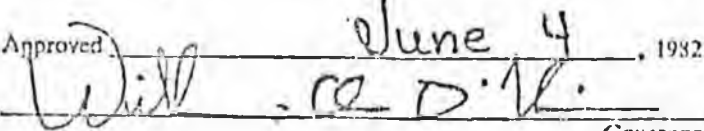
Legislative Commissioner.



Clerk of the Senate.



Clerk of the House.

Approved  June 4, 1932

Governor.

Anchorage Daily News

Winner, 1976 Pulitzer Prize Gold Medal for Public Service

Gerald E. Grilly
Publisher



Howard Weaver
Managing Editor

Steve Lindbeck, Editorial Page Editor

Katherine Faxon, Editor and Publisher 1971 to 1983
Lawrence Faxon, Editor and Publisher 1987 to 1991

Alaska's Only Morning Newspaper • Founded in 1946 by Norman C. Brown

Repair law would offer 'lemon aid'

It's called the lemon law, but it sounds sweet to Alaskans stuck with new cars that scream out — and out and out — for repair. Now before the Senate Labor and Commerce Committee, SB 206 sets specific standards for determining when a car can officially be declared "a lemon," and lays some legal groundwork for resolving habitual car repair hassles.

In doing so, it promises to put some teeth into the express warranties offered by manufacturers as part of virtually every new car package.

SB 206 stipulates that if new-car dealers fail to correct a serious defect after four attempts, or if a car has spent more than 30 working days under repair, manufacturers must replace the car or refund the purchase price. The law would apply only to those defects covered under new-car warranties, and only during the first year of ownership.

Although real duds comprise only a small fraction of the automobiles sold in this country, anyone who has ever suffered the maddening outrage of repeated — futile — attempts to rectify a warranty-covered problem will appreciate the need for some firm guidelines for all concerned.

Not surprisingly, some opposition to the measure has been voiced by some local automobile dealers. Although the dealers say they don't oppose the concept of the law itself, they fear they will be caught between such a law and manufacturer-caused delays they have no control over. They claim that much of the delay with auto repairs in the 49th state can be placed at the hands of the manufacturers themselves — who air-freight parts for warranty repairs to every state except Alaska. (If Alaskans want parts air-freighted, they must pay the additional cost.) The dealers also claim manufacturers are loathe to reimburse them fully for the higher cost of doing warranty repairs in Alaska.

Although we can sympathize with the dealers' often frustrating long distance role in the new car equation, they represent the front line of automobile responsibility to consumers. They are the people who sell the cars; they must shoulder the responsibility to stand behind the cars they sell.

The Consumer Protection Division of the Attorney General's Office receives more complaints each year about warranty-related problems than any other consumer problem. And, as Attorney General Norm Gorsuch put it, "If prodding a recalcitrant manufacturer to fix a problem car is difficult for the dealer, that difficulty is magnified ten-fold for the consumer." It shouldn't be. A car is one of the major purchases most people make in their lifetimes, second only to a home.

So far, 18 states have passed lemon laws. Another seven states are now considering them. Alaskans pay more for their cars than anyone else; they have the right to expect those cars to last for a while — at least long enough to celebrate their first birthday.



Alaska State Legislature

Senate

Official Business

January 26, 1984

Pouch V
State Capitol
Juneau, Alaska 99811

MEMO TO: Sheila Peterson
Senate Labor and Commerce Committee

FROM: Marlene Campbell, Administrative Assistant
to Senator Paul Fischer

SUBJECT: Robert Byers Testimony on SB 286

Robert Byers of Soldotna contacted Senator Fischer in support of SB 286, and I advised him of the upcoming Consideration of SB 286 in Labor and Commerce Committee. He wants very much to testify on this bill but is unable to attend the Committee Meeting. I advised him to send a public opinion message to your office as well as calling you if he wished to make any brief additional comments.

Byers purchased a new Cadillac automobile in 1978 and alleged he had numerous serious problems with the car and was unable to obtain any satisfactory settlement of the difficulties since that time. The car was apparently represented to be new but had sustained damage prior to his purchasing it. It had equipment that was not the same equipment represented to be in the vehicle. The car continually malfunctioned, and after several attempts to repair it under warrantee the problems were never fixed. Byers said eventually these problems caused him to have a serious auto accident.

To date, he is still seeking redress of his damages in the courts, and neither the manufacturer nor the dealer lived up to their warranty or other advertising claims, he said. He supports legislation which would enable the consumer to receive satisfactory warranty service as well as recourse when manufacturer or dealer claims or advertising are false.

If you would like further information about Mr. Byers or his concerns, please don't hesitate to contact me.

Current concerns

Lemon Laws: New Aid for Auto Buyers

Help has arrived for owners of new cars with intractable problems. In 19 states, they can now obtain a refund.

When Henry Adelman drove his new imported car out of a Palo Alto, Calif., showroom, he thought the gold four-door sedan was just peachy. Within a week, he concluded that he'd bought a leaky lemon.

"Every time it rained, the floor on the driver's side would fill up with water," recalls Adelman, a professor at the University of Santa Clara. "The interior stank with mold." Adelman took the car back to the dealer three times, to no avail. Then he let it sit unused "because it smelled so bad."

Adelman's bitter experience ended sweetly. Taking advantage of California's law on defective new cars, the professor went before a panel of arbitrators, who ordered the auto maker to refund his \$12,450.

The movement to pass such lemon laws is in high gear. Just this year, 17 states have enacted lemon laws, bringing the total states to 19. Bills are pending in 11 more legislatures.

Most lemon laws copy the one in Connecticut, where the nation's first such law took effect in 1982. Generally, a new car is a lemon if it is repaired four times for the same type of problem—braking, electrical, steering or transmission—or exceeds 30 days in the shop in its first year. Most states encourage consumers to seek arbitration before suing.

Proper repairs. Proponents, led by the Center for Auto Safety in Washington, D.C., say repairs are more often being done correctly the first time, while arbitration cases court backlogs.

They also believe lemon laws give auto makers needed incentive to make a better product. J. D. Power & Associates, which does automotive market research, found "recurring repair problems" among 29 percent of those responding to a poll of 23,000 domestic and foreign-car owners who had their 1982 models a year or more. Three to

1, the owners blamed manufacturers, not dealers, for the breakdowns.

Few lemon laws hold dealers to blame for flaws. "The manufacturer produces the defective auto," says State Representative Vincent Palumbo, sponsor of New Hampshire's lemon law. "The auto dealer does not."

The Motor Vehicle Manufacturers Association, the auto makers' trade group, says lemon laws were unnecessary because people could always sue, and because car makers had established their own consumer-arbitration panels.

Auto makers say the definition of a lemon car is too arbitrary. They complain, too, that some lemon laws exceed their own one-year, 12,000-mile warranties. New York's law, for example, covers a new car for two years or 18,000 miles.

But some states give auto makers far more leeway. Wyoming allows a car to be in the shop for 30 business days—as long as six weeks—before its law is invoked. In most states, the option of

whether to replace the car or issue a refund is solely the manufacturer's.

In any event, very few autos are returned under provisions of lemon laws—just 40 in Connecticut in the first 13 months, during which 113,000 new cars were registered.

Auto makers take varying approaches to these laws. Chrysler sued Texas authorities on November 16, charging that the state's arbitration statute is "unfair and confusing" to consumers. Ford Motor Company seeks laws that require notification of manufacturers about consumer complaints. In Connecticut, after one Ford owner returned with a minor problem, the dealer deposited the car on his lot for 45 days, an act that by state law made it a lemon. Grips Ford spokesman Mike Davis: "It isn't one, but we didn't even know about it."

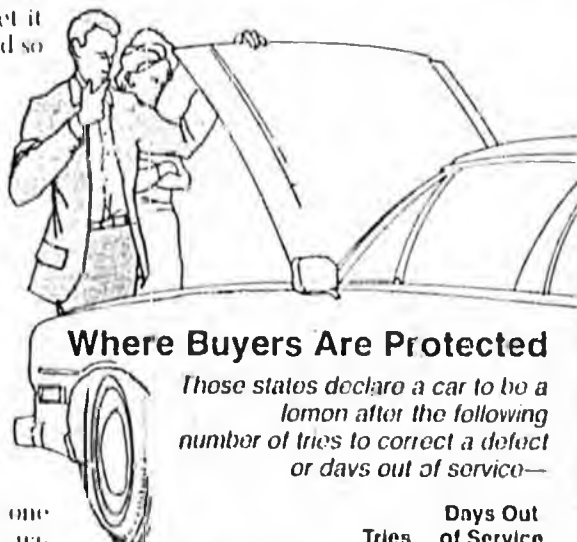
Limitations sought. Ford also wants to restrict the laws to serious functional and safety defects. The company wants to avoid, says spokesman Davis, "the guy who trades down a bigger car for a smaller car to save gas and then says, 'Make this car ride as nicely as the other one.'" Auto makers have pushed, with much success, to be able to deduct for actual mileage that the consumer drove while the car worked properly.

Even proponents are dissatisfied with the way some lemon laws work. A recent study by the attorney general of Connecticut complains that Better Business Bureau arbitrators, who adjudicate that state's law, take an average of 93 days to decide cases—a violation of the state's statutory 40-day time limit. The study claims the BBB did not adopt written procedures, used manufacturers' service staff as technical advisers and trained its arbitrators poorly. The BBB says it is resolving the problems.

State Atty. Gen. Robert Abrams wants New York's law extended to cover used cars so that buying a second-hand auto will stop resembling the picking of "a camel in an Oriental bazaar—on the basis of a guess, a hunch and a sales pitch." Abrams says New Yorkers buy almost twice as many used cars as new ones.

"A snowball's chance." Auto industry opposition is stalling a proposal to enact a federal lemon law. Hearings have not been scheduled for a bill introduced in Congress by Representative Tom Lantos (D-Calif.). One industry lobbyist's terse assessment of its prospects: "A snowball's chance in hell."

But almost everyone agrees that additional states are certain to join the parade. Remarks Davis at Ford, "Fighting lemon laws is like fighting motherhood and sunshine." □



Where Buyers Are Protected

Those states declare a car to be a lemon after the following number of tries to correct a defect or days out of service—

	Tries	Days Out of Service
California	4	30
Connecticut	4	30
Delaware	4	30*
Florida	4	25*
Illinois	4	30*
Maine	4	30*
Massachusetts	4	22*
Minnesota	4	30*
Montana	4	30*
Nebraska	4	40
Nevada	4	30
New Hampshire	4	30*
New Jersey	4	31*
New York	4	30
Oregon	4	30*
Texas	4	30
Washington	4	31*
Wisconsin	4	30
Wyoming	4	30*

*Business days

US44W7—Basic data: Center for Auto Safety

By GORDON M. BOCK

jim erickson



TROUBLESHOOTER

✓ **CONSUMER ADVISORY:** Alaska Attorney General Norman Gorsuch Tuesday announced several proposed changes in Alaska consumer protection laws that may be supported by the Sheffield administration.

Gorsuch's remarks came during a small-business seminar held in Anchorage. The seminar was sponsored by the Federal Trade Commission, the Anchorage Chamber of Commerce, the U.S. Small Business Administration and the Alaska Attorney General's Office.

Of particular note to consumers:

- The Department of Law may urge the administration to back an Alaska "lemon law," which 19 other states have already passed. While lemon laws across the country vary, most are based on a provision that forces auto makers to refund the purchase price of defective new vehicles that can't be repaired.

- Passage of a lemon law would ensure that "national automobile manufacturers afford to Alaskans the full benefits of the warranties which are part of the purchase price of every automobile," Gorsuch said.

- Gorsuch vowed to urge administration support for a legislative bill that would expand the Alaska Unfair Trade Practices Act to include real property, such as homes and condominiums, as well as commodities and investments. Alaska courts have recently ruled that only consumers of goods and services are protected by the act.

Similarly, Gorsuch said the administration may introduce legislation that would ensure the act protects business as well as consumers. Restrictive court rulings recently have tended to exclude businesses from legal recourse under the act, leaving them with little defense against "paper pirates" who prey on small business owners. By changing the legal definition of "consumer" so it embraces businessmen acting as consumers, businesses could freely seek assistance of the Consumer Protection Section of the attorney general's office, he said.

- Gorsuch said he is considering recommending legislation that would require promoters of "time-share" vacation and condominium sales to give adequate and fair disclosure to consumers before the sale.

"Resort promoters from around the country and outside the country have discovered that Alaskans need to get some sun in the winter, which may make our citizens ripe victims for a 'burn,'" he said.

- Formal legal opinions in the area of consumer and business rights and responsibilities may be issued by the Department of Law when warranted.

Gorsuch cited the Alaska Landlord/Tenant Act as an area of law that at times might need public clarification.

"Our office has seen acts and practices which seem to be outside the lawful scope (of the act)," he said. "The small landlord sees larger landlords engaged in these practices and does not want to be at a competitive disadvantage, but does not know whether this activity is lawful. The tenant may feel squeezed by the practice, but can't afford to litigate it."

In such cases, the Department of Law could formally issue an opinion as to the legality of questionable practices under Alaska law, he said.

'Lemon Laws' Gaining Popularity Despite Auto Makers' Opposition

By WILLIAM M. BULKELEY

Staff Reporter of THE WALL STREET JOURNAL

EAST HARTFORD, Conn. — Michael White's 1982 Chevrolet Camaro had a transmission problem that wouldn't go away. The clutch was so stiff he could barely depress it. It whined and squealed. "I cursed it every time I shifted," he says.

Mr. White took the car to his dealer seven times in five months. Then he told the dealer to give him a new car under the state's lemon law, which forces auto makers to replace cars if they can't fix them in four attempts or 30 days in the shop. So he had a new 1983 Camaro. He paid \$1,300 for the car, reflecting the 13,000 miles he had put on the old car and some optional equipment.

Mr. White says his success in wheedling a new car out of General Motors Corp. shows the effectiveness of Connecticut's agreement with old lemon law, the first such law in the country.

General Motors disagrees. Replacing Mr. White's car is the type of action the company occasionally takes "as a matter of good customer relations," says a GM spokesman in Detroit. GM says lemon laws are unnecessary, encourage litigation and "mislead customers into thinking some new right is being bestowed upon them."

Despite the opposition of GM and other car makers, lemon laws are sweeping the country. Since Connecticut's law went into effect Oct. 1, 10 other state legislatures have passed similar laws, including California, New York and New Jersey. Ten more states are expected to adopt such laws by year-end, advocates say.

Supporters' Arguments

If Connecticut's experience is typical, car replacements will remain uncommon. The industry says it has been building better cars and repairing them faster, anyway. But supporters of the new laws maintain that they will subtly force dealers and manufacturers to respond more attentively to consumer complaints.

Such legislation is enormously popular. "This is the kind of consumer issue that brings you back when legislators go back home," says Charles L. Spillman, director of state relations for the Motor Vehicle Manufacturers Association, a trade group that lobbies against the bills. In New York, the bill was approved by a Senate vote of 55-1 and a House vote of 150-2. In Massachusetts, 11 legislators introduced lemon law bills, one of which passed.

Lemon laws, or repair-replace laws, as the auto industry calls them, aren't a new idea. The Motor Vehicle Manufacturer's Association says such a law was first proposed in Hawaii in 1972.

John J. Woodcock, a legislator from South Windsor, Conn., who wrote Connecti-

cut's law, says he got the idea when he read a column by humorist Erma Bombeck that mentioned a California bill. When he proposed the bill, other legislators and the local press were amused, he recalls. But he arranged a public hearing, and "people came from all over the state with their own personal horror stories" about new cars that kept breaking down, he says. "The timing was right, and the grass-roots support made it a political home run for any legislator," he says.

Connecticut's lemon law is similar to most of the laws that have been passed since. It says that if a car dealer doesn't repair substantial defects covered by the new-car warranty within a reasonable time, the

A GM spokesman contends that lemon laws, or repair-replace laws, are unnecessary, encourage litigation and "mislead customers into thinking that some new right is being bestowed upon them."

consumer may be entitled to a comparable new car or a refund. The law defines a reasonable period for repair efforts as four separate trips to repair the same defect or a total of 30 days in the repair shop. If the auto maker or dealer objects to providing a new car, the car owner must go through an independent arbitration procedure—if the car manufacturer has one—before going to court to sue.

The independent arbitration panels have existed in some places for a few years, and auto makers say the panels make lemon laws unnecessary. Ford and Chrysler have established panels to judge disputes between consumers and car makers and dealers; General Motors Corp., Nissan and Volkswagen have contracts with the Better Business Bureau. Many importers use a National Automobile Dealers Association program called Autocap to arbitrate disputes.

The arbitration panels are made up of people who aren't employed in the industry, and are free to consumers. Their decisions are binding on the company, although consumers can usually appeal decisions to the courts. Generally they handle disputes over whether an auto maker should pay for problems that occur after a warranty expires.

Auto makers and consumer groups say the panels work. Ford Motor Co.'s panels, which were started in 1977 and are being expanded nationally, have judged 7,500 cases. The boards decided Ford or its dealers were fair about two-thirds of the time and gave the consumers more than Ford had offered the other third. A Ford spokesman says Ford has been ordered to replace a car about a dozen times. "Typically a new board tests if we're serious about replacing a car—usually a Lincoln," a spokesman says.

Replacing Cars

The three big U.S. auto makers didn't have arbitration procedures in Connecticut before the law was passed, so it's impossible to tell if they have changed their practices because of the law. General Motors says it has replaced nine cars in the state since last September. Nationwide, it says it replaced 267 cars since 1978, when it started the arbitration agreement with the Better Business Bureau.

In Connecticut, some lawsuits are pending, but no lemon-law suits have gone through the Connecticut courts, attorneys say.

Nevertheless, the lemon law is having an effect, advocates say. Mr. Woodcock, the legislator who wrote the law, concedes that nobody knows how many cars have been replaced. But, he says, "the true measure of the effect is the spirit of cooperation between dealer and consumer in working things out." William H. Clendene, a New Haven, Conn., lawyer who says he has brought a lemon-law suit against General Motors, says the law "should make a difference for consumers" because it transfers responsibility from the dealer to the auto maker. "The deep pocket, the manufacturer, now has a clear responsibility. Prior to this the dealer often had to bite the bullet."

The Connecticut Automobile Dealers Association initially opposed the law because they thought it would lead to a lot of lawsuits, but "after some experience, we see the manufacturers are stepping forward and working out the arbitration system," says Richard Meek, executive vice president of the dealer trade group. "I told the national association meeting they don't have that much to fear from the laws."

The law seems to have improved dealer repair practices. After the law went into effect, manufacturers sent representatives to dealerships, advising them to avoid long tie-ups in the shop and to notify dealers about recurring new-car problems. "Now we put on the computer the number of times and days a car is in the shop," says Harvey Lipman, owner of Lipman Chevrolet in East Hartford.

S B

293



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

May 28, 1984

The Honorable Joe Hayes
Speaker of the House
Alaska House of Representatives
Pouch V
Juneau, AK 99811

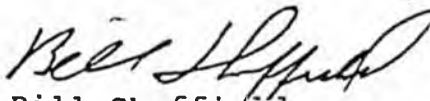
Re: Senate Committee
Substitute for House Bill
106 (SA) am S (An Act
relating to Alaska bidder
preference.)

Dear Representative Hayes:

Today I have vetoed SCSHB 106(SA) am S. This decision was very difficult for me to make because I believe that the existing interpretation of the Alaska bidders' preference is often abused. At first reading, this bill appears to rectify that problem and one would want to be in favor of it. However, upon further consideration, I have determined that, if this bill is enacted into law, there will be no incentive for outside firms to join with local firms in beneficial relationships. Without this incentive, outside firms may be in a position to bid without local involvement, thus defeating the very purpose expressed in sec. 1 of this bill.

I would support the enactment of a bill that requires significant local participation in joint ventures before a bid preference is accorded to a joint venture. By "significant local participation," I mean that, before a bid preference is awarded, the joint venturers must certify that a minimum percentage of the work, specified by law, will be performed by the resident venturer. I hope we can work together to achieve this worthwhile result.

Sincerely,


Bill Sheffield
Governor

Senate Bill No. 293

Position Paper

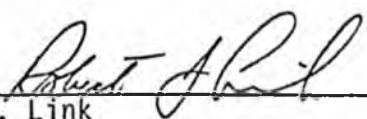
This bill would require a joint venture to consist of parties meeting the requirements of AS 37.05.230(5) in order to qualify for the Alaska bidder preference. These requirements are:

- (a) They must hold an Alaska Business License
- (b) They must bid under the name on the license
- (c) They must have maintained a place of business within the state for at least six (6) months

This bill is probably in response to the recent Supreme Court decision IRBY-Northface JV vs. Commonwealth Electric et al. 4/29/83. In this case the Court determined that if one member of a joint venture met the requirements of AS 37.05.230(5) that the joint venture met the requirements. The bill would preclude an in-state firm and an out-of-state firm forming a joint venture in order to respond to a bid from receiving the benefit of the Alaska bidder preference.

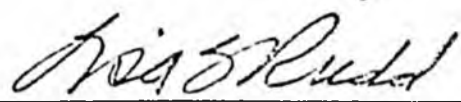
The Department of Administration has a neutral position on this bill since we feel it is appropriate that the Legislature determine the applicability of legislatively created preferences. This bill will not significantly impact the activities of this department.

Prepared by:



Robert J. Link
Director
Division of General Services & Supply
Department of Administration

A
Date 1/13/84



Commissioner Lisa Rudd
Department of Administration

Date 1/17/84

* Sec. ____ AS 37.05.230(5) is amended to read:

(5) an "Alaska bidder," for the purpose of bid awards under (1)(A) of this section is,

(A) a person who

(i) [(A)] holds a current Alaska business license; [,]

(ii) [(B)] submits a bid for goods or services under the name as appearing on that person's [HIS] current Alaska business license; [,] *what if not working*

(iii) [(C)] has actively engaged in the business of providing the goods or services for which the bid is submitted from [MAINTAINED] a place of business within the state for a period of six months immediately preceding the date of the [HIS] bid;

(iv) is not delinquent in the payment of state taxes;

(v) employs at least 10 state residents or has a work force at least 50 percent of which consists of state residents, whichever is less; or

(B) a joint venture, partnership, or other business association consisting of more than one person if:

(i) one or more of the persons satisfy (A)(i) and (A)(iii)-(v) of this paragraph;

(ii) the person or persons described in (i) of this subparagraph are responsible for at least 25 percent of the performance necessary to satisfactorily complete the contract;

at time of bid - what if change later

unenforceable

Proposed CS for SB293

(Received from AG. (J. Baldwin) after Gov vetoed HB/06

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____, 1984
Page 1 of 1

REQUEST

Bill/Resolution No.: SB 29
Title: "An Act Relating to a
Joint Venture Alaska Bidder."
Sponsor: Sen. Josephson, Fahrenkamp
Requestor: Sen. Eliason
Date of Request: January 11, 1984

FISCAL DETAIL

Agency Affected: All
Program Category Affected: All
BRU, Program of Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
TOTAL	0	0	0	0	0	0

POSITIONS:

	0	0	0	0	0	0
FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for any Analysis. *A*

Prepared By: Robert J. Link *RL*
Division: General Services & Supply

Phone: 465-2250
Date: January 11, 1984

Approved by Commissioner: Lisa Rudd *LJR*
Agency: DEPARTMENT OF ADMINISTRATION

Date: January 11, 1984

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB 293 TITLE & SPONSOR SUMMARY

16:24 6/04/84 PAGE 1 OF 2

AMENDED TITLE:

AN ACT RELATING TO A JOINT VENTURE ALASKA BIDDER

PRIME SPONSOR: JOSEPHSON.

CO-SPONSORS: FAHRENKAMP, KERTTULA, RODEY.

CURRENT STATUS: 5/04/84 IN (S) RULES

SB 293 SENATE ACTION

16:24 6/04/84 PAGE 2 OF 2

DATE	SEQ	PAGE	LEGISLATIVE ACTION
5/09/83	01	0927	FIRST READING --- COMMITTEE REPORTS
5/04/84	02	2926	L&C --- CS03
5/04/84	03	2926	L&C F/NOTE EQUALS ZERO RULES

*** ** ** ** **

COMMITTEE REPORT

SENATE

FURTHER:

Date: 5/3/84

Mr. President:

The Committee on LABOR & COMMERCE has had 80-93

Relating to - (Joint Senate Air-Law Matter)

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 273 (L+C) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Handwritten Signature]

[Handwritten Signature]

CHAIRMAN

S B

296

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 2/21/84

REQUEST

Bill/Resolution No.: CS SB 296
Title: "An Act relating to
annual-biennial licensing"
Sponsor: Labor & Commerce Comm
Requestor: Senator Eliason
Date of Request: 2/20/84

FISCAL DETAIL

Agency Affected: Commerce & Economic Dev.
Program Category Affected: Public Protection'
BRU, Program or Subprogram(s) Affected: Occupational Licensing

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

ANALYSIS: Attach a separate page for analysis (see attached)

Prepared By: Darrell Miller Phone: 465-2535
Division: Occupational Licensing Date: 2/21/84
Approved by Commissioner: Richard A. Lyon Date: 2/21/84
Agency: Commerce & Economic Development

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

FISCAL ANALYSIS:

The analysis of this bill is confined to Sec. 1 & 2, registration and renewal fees for construction contractors; Sec. 3, initial license and renewal fees for guides; and Sec. 8, renewal of registration for concert promoters. The remainder of this bill has no impact on the Division of Occupational Licensing functions.

The provisions of this bill has no impact on expenditures and provides a net zero fiscal impact on revenue generated from licensing in succeeding fiscal years.

Under existing statutes, contractor registration, guide licenses and concert promoter registrations must be renewed annually. This bill provides an amendment to those statutes to extend the renewal of the licenses/registrations to biennial.

This bill provides for initial and renewal fees for contractor registration, guide licensing, and the renewal fee only for concert promoters registration, to be increased 100%.

In effect this is no net increase in the fee structure. The increased fees would cover a two year period instead of the present annual period. This would be reflected in the amount of revenue generated in a license/registration renewal year versus that of the off year. Over a period of two fiscal years the revenue generated would be identical to that if the annual renewal requirement is maintained.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CS SB 296 (L&C)
Title: An Act relating to certain licenses, permits, and registrations...
Sponsor: Halford
Requestor: Senate L & C
Date of Request: 2-21-84

FISCAL DETAIL

Agency Affected: Public Safety
Program Category Affected: Life & Property Protection
ERU, Program or Subprogram(s) Affected: Division of Motor Vehicles

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Bill Brown ^{BB} Phone: 465-4335
Division: Motor Vehicles Date: 2-21-84

Approved by Commissioner: [Signature] Date: 2/21/84
Agency: Public Safety

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 2/21/84

REQUEST

Bill/Resolution No: CSSB 296 (L4C)
 Title: Extending the periods for which certain licns, prmts & registrtns are valid & adjusting fees for certain licns, prmts & registrtns.
 Sponsor: Halford & Bennett.
 Requestor: Senate Labor & Commerce Cmt.
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: Revenue Management & Collection

BRU, Program or Subprogram(s) Affected: Public Services Division BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL						
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-0-	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
CAPITAL	-	-	-	-	-	-
REVENUE (General Fund)		12.0	(12.0)	12.0	(12.0)	12.0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Revenue figures reflect timing of biennial license sales.

Prepared By: Martin J. Richard

Phone: 465-2392

Division: Public Services Division

Date: 2/21/84

Approved by Commissioner: *Paul Offutt*

Date: 2/21/84

Agency: Revenue

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 296
 Title: an act relating to certain licenses, permits, and registrations
 Sponsor: Halford & Bennett
 Requestor: Eliason (L & C)
 Date of Request: 2/21/84

FISCAL DETAIL

Agency Affected: Dept. of Fish & Game
 Program Category Affected: Natural Resource Management
 BRU, Program or Subprogram(s) Affected: Commercial Fisheries Entry Commission

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		14.1	0	0	0	
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		14.1	0	0	0	
CAPITAL		0	0	0	0	
REVENUE		0	0	0	0	

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

NONE REQUESTED

ANALYSIS: Attach a separate page for analysis

Prepared By: Christine Kelly, Licensing Admn. Phone: 465-4081
 Division: Commercial Fisheries Entry Comm. Date: 2/24/84
 Approved by Commissioner: [Signature] Date: 2/24/84
 Agency: Commercial Fisheries Entry Comm.

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

FISCAL NOTE: SB 296

ANALYSIS

The implementation of optional two year licensing of commercial fishing vessels will increase operating costs by approximately \$14.1 in the first year of implementation as system analysis and programming necessary to adapt on-line licensing files is estimated to take three months. In subsequent years there will be no increase in operating costs.

Revenue will not increase or decrease as a result of this legislation because the number of vessel licenses issued per year will not be affected. Vessel owners that choose the two year option will receive the license for the first year immediately upon the Commission's receipt of the application and the license for the second year will automatically be issued prior to the start of that year.

Considered but

Cook
2/16/84 ✓

Original sponsors: Halford and Bennett

not passed out

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IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

CS FOR SENATE BILL NO. 296 (L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE - SECOND SESSION
A BILL

For an Act entitled: "An Act relating to certain licenses, permits, and registrations; and providing for an effective date."

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

* Section 1. AS 08.18.031 is amended to read:

Sec. 08.18.031. CERTIFICATE OF REGISTRATION [- ISSUANCE, DURATION, RENEWAL]. A certificate of registration expires on December 31 of each even-numbered year [FOLLOWING THE DATE OF ISSUANCE OR RENEWAL] and shall be renewed under the same requirements as for an original registration. The commissioner shall issue to the applicant a certificate of registration upon compliance with the registration requirements of this chapter.

* Sec. 2. AS 08.18.041 is amended to read:

Sec. 08.18.041. REGISTRATION AND RENEWAL FEES. The applicant shall pay to the commissioner a biennial registration or renewal fee as follows:

(1) general contractor \$200 [\$100]

(2) specialty contractor 100 [50]

* Sec. 3. AS 08.54.170(a) is amended to read:

(a) License fees for engaging in the profession of guiding are:

(1) master guide license, biennial [ANNUAL] \$150 [\$75]

(2) registered guide license, biennial [ANNUAL]... 150 [75]

(3) class-A assistant guide, biennial [ANNUAL] 30 [15]

(4) assistant guide license, biennial [ANNUAL] 20 [10]

* Sec. 4. AS 08.66.010 is amended to read:

1 Sec. 08.66.010. DEALERS TO REGISTER. A [EVERY] dealer in motor
2 vehicles, trailers or semi-trailers shall, as a condition to engaging
3 in business in the [THIS] state, register biennially [ANNUALLY] with
4 the Department of Public Safety.

5 * Sec. 5. AS 08.66.020 is amended to read:

6 Sec. 08.66.020. APPLICATION, BOND, AND FEE. Application for
7 dealer registration shall be accompanied by a biennial [AN ANNUAL]
8 registration fee of \$50 [\$25] and a bond required by AS 08.66.060.

9 * Sec. 6. AS 08.66.050 is amended to read:

10 Sec. 08.66.050. RENEWAL OF REGISTRATION. A [EACH] dealer shall
11 renew the registration required by this chapter [ANNUALLY] before
12 January 1 every two years [OF EACH YEAR].

13 * Sec. 7. AS 08.66.080 is amended to read:

14 Sec. 08.66.080. PENALTIES. A dealer who fails to register and
15 file a bond as required by this chapter [BEFORE JANUARY 1 OF EACH
16 YEAR] shall pay a penalty of \$100. A dealer who wilfully violates a
17 [ANY] provision of this chapter is guilty of a misdemeanor, and upon
18 conviction is punishable by a fine of not more than \$300.

19 * Sec. 8. AS 08.92.010 is amended to read:

20 Sec. 08.92.010. REGISTRATION REQUIRED. A person may not engage
21 in the business of promoting concerts in the [THIS] state without
22 [FIRST OBTAINING AND HOLDING] a [CURRENT AND] valid promoter's certifi-
23 cate of registration issued by the department. To remain valid, a
24 certificate of registration must be renewed biennially on [OR BEFORE]
25 a date set by the department.

26 * Sec. 9. AS 08.92.020(b) is amended to read:

27 (b) The biennial fee for the renewal of a registration certifi-
28 cate [FOR EACH CALENDAR YEAR] is \$40 [\$20].

29 * Sec. 10. AS 16.05.340(a)(12) is amended to read:

1 (12) Fur dealers:

2 (A) Resident fur dealer biennial license.... 100 [50]

3 (B) Nonresident fur dealer biennial license. 400 [200]

4 * Sec. 11. AS 16.05.340(a)(13) is amended to read:

5 (13) Taxidermists:

6 (A) Resident taxidermy biennial license..... 150 [75]

7 (B) Nonresident taxidermy biennial license.. 400 [200]

8 * Sec. 12. AS 16.05.340(a)(14) is amended to read:

9 (14) Fish or game farming biennial license..... 200 [100]

10 * Sec. 13. AS 16.05.350 is amended to read:

11 Sec. 16.05.350. EXPIRATION OF LICENSES AND TAGS. Licenses and
12 tags required under AS 16.05.330 - 16.05.430, except biennial licen-
13 ses, the visitor's special sport fishing license, and the resident
14 trapping license, expire at the close of December 31 following issu-
15 ance. Biennial licenses expire after December 31 of the year follow-
16 ing the year of issuance. The resident trapping license expires at
17 the close of September 30 [OF THE YEAR] following the year in which
18 the license is issued.

19 * Sec. 14. AS 16.05.440 is amended to read:

20 Sec. 16.05.440. EXPIRATION DATE FOR LICENSES. Licenses issued
21 under AS 16.05.440 - 16.05.720 expire at the close of December 31
22 following their issuance or, for licenses that are valid for two
23 years, after December 31 of the year after the year of issuance, and
24 shall be renewed [ANNUALLY] upon application and payment of the li-
25 cense fees required by AS 16.05.440 - 16.05.720.

26 * Sec. 15. AS 16.05.530 is amended to read:

27 Sec. 16.05.530. [ANNUAL] RENEWAL OF VESSEL LICENSE. Upon [AN-
28 NUAL] payment of a license fee of \$20 for one year or \$40 for two
29 years at the option of the owner, and filing of the name and address

1 of the owner of the vessel or the owner's authorized agent, the name
2 and number of the vessel, a description of the vessel, vessel license
3 number, if any, the area to be fished, and other reasonable informa-
4 tion required by the Commercial Fisheries Entry Commission, the com-
5 mission shall issue a number plate and a vessel license. If the
6 vessel has a number plate, the commission shall issue a vessel license
7 and tab designating the year or years the license is valid. The tab
8 shall be placed in the space provided on the permanent number plate.

9 * Sec. 16. AS 16.05.530 is amended by adding a new subsection to read:

10 (b) A vessel license is valid for one or two years. However, if
11 the license is valid for one year and the license fee has been paid
12 for an additional year, the commission shall, at the end of the first
13 year, automatically issue another license to the licensee valid for
14 one additional year.

15 * Sec. 17. AS 18.72.020(a) is amended to read:

16 (a) A person holding a permit required by the fire safety code
17 may sell or offer for sale salable fireworks, if

18 (1) the person has submitted to the state fire marshal a
19 policy, or a certified true copy of a policy, of public liability and
20 products liability insurance, including both accident and occurrence
21 coverage, provided by the wholesale company selling fireworks to the
22 person, in the amount of at least \$200,000 for bodily injury or death
23 and at least \$50,000 property damage and the person is named as an
24 insured party upon the policy and the policy is continuously in force
25 while the person is engaged in the retail sale of fireworks, and

26 (2) an endorsement fee of \$10 [\$5] is paid to the state
27 fire marshal for an endorsement that is valid for two years [EACH
28 YEAR] or portions [FRACTION] of two years [YEAR] during which the
29 permit holder is engaged in the retail sale of fireworks.

1 * Sec. 18. AS 28.10.105(f) is amended to read:

2 (f) A [EVERY] vehicle registered under this section and AS 28.-
3 10.107 may, at the option of the owner, have its registration period
4 extended in monthly increments by payment of the proportionate pro-
5 rated applicable fees to allow [ANNUAL] registration to occur in any
6 month of the owner's choice.

7 * Sec. 19. AS 28.10.105(n) is amended to read:

8 (h) The department shall prorate fees in monthly increments to
9 allow for registration of vehicles in more or less than one-year or
10 two-year periods when required by a [ANY] provision of this section.

11 * Sec. 20. AS 28.10.105 is amended by adding a new subsection to read:

12 (j) Beginning January 1, 1985, a registration for which a bien-
13 nial fee is collected under AS 28.10.421 must be renewed in two years.

14 * Sec. 21. AS 28.10.107(b) is amended to read:

15 (b) A [EVERY] vehicle subject to registration under AS 28.10.-
16 181, 28.10.411, and AS 28.10.421(d)(3), (6) and (9) shall have its
17 initial registration, and may have its [ANNUAL] registration [,]
18 renewed during the month of January, subject to the provisions of
19 AS 28.10.105(f).

20 * Sec. 22. AS 28.10.107(c) is amended to read:

21 (c) Every vehicle subject to registration except those covered
22 by (a) or (b) of this section shall have its initial registration, and
23 may have its [ANNUAL] registration renewal period related to one of
24 the 10 renewal periods. These vehicles will be initially assigned
25 staggered registration periods in the following manner, subject to the
26 provisions of AS 28.10.105:

27 (1) vehicles registered in Alaska before January 1, 1979,
28 shall be assigned to a registration renewal period related to the last
29 digit of the license assigned to the vehicle and shown upon its

1 current registration card;

2 (2) vehicles not registered in Alaska as of January 1,
3 1979, shall be assigned to a registration renewal period related to
4 the month in which the vehicle was first registered in Alaska;

5 (3) vehicles shall retain the same [ANNUAL] expiration date
6 regardless of the ownership of the vehicle;

7 (4) the date to which a vehicle is initially stagger-regis-
8 tered will determine its registration renewal period as follows:

9 Registration between	Anniversary Period
10 January 1 and January 31	1st
11 February 1 and February 28/29	1st
12 March 1 and March 31	2nd
13 April 1 and April 30	3rd
14 May 1 and May 31	4th
15 June 1 and June 30	5th
16 July 1 and July 31	6th
17 August 1 and August 31	7th
18 September 1 and September 30	8th
19 October 1 and October 31	9th
20 November 1 and November 30	10th
21 December 1 and December 31	10th

22 * Sec. 23. AS 28.10.111(b) is amended to read:

23 (b) The department may receive an application for the renewal of
24 vehicle registration and issue a new certificate of registration at
25 any time before the expiration of the [ANNUAL] registration as pre-
26 scribed in regulations adopted by the commissioner. Nothing in this
27 section prevents the commissioner from providing for multi-year regis-
28 tration; however, a [NO] person may not display the new registration
29 plates on a vehicle before a date that [WHICH] may be set by the

1 commissioner.

2 * Sec. 24. AS 28.10.411(a) is amended to read:

3 (a) For every year during any part of which a vehicle is subject
4 to registration under this chapter, a registration fee shall be paid
5 to the department at the time of original registration and at each
6 [ANNUAL] renewal of registration after that time.

7 * Sec. 25. AS 28.10.421(b) is amended to read:

8 (b) The [ANNUAL] registration fees under this subsection are
9 imposed within the following classifications for:

10 (1) a passenger vehicle or motor home not used or main-
11 tained for the transportation of persons or property for hire or for
12 other commercial use, biennial or annual at the option of the owner
13 \$30 for each year;

14 (2) a pick-up truck or a van not exceeding 6,000 pounds
15 unladen weight and not used or maintained for the transportation of
16 persons or property for hire or for other commercial use, biennial or
17 annual at the option of the owner \$35 for each year;

18 (3) a taxicab, annual \$65;

19 (4) a motor bus with a seating capacity for 20 or more
20 persons and used exclusively for commercial purposes in the transport-
21 ing of visitors or tourists, annual \$80;

22 (5) a motorcycle or a motor-driven cycle, biennial or
23 annual at the option of the owner \$15 for each year;

24 (6) a two- or four-wheeled trailer not used or maintained
25 for the transportation of persons or property for hire or for other
26 commercial use, including, but not limited to, a boat trailer, baggage
27 trailer, box trailer, utility trailer or house trailer, biennial or
28 annual at the option of the owner \$5 for each year.

29 * Sec. 26. AS 28.10.421(d) is amended to read:

1 (d) The special registration fees under this subsection are
2 imposed annually, unless otherwise specified, for:

3 (1) an historic vehicle (one time only upon initial regis-
4 tration under AS 28.10.181) \$10;

5 (2) special request plates \$20; plus the fee
6 required for that vehicle under (b)(1) or (2) of this section; the fee
7 required by this paragraph shall be collected only on the first issu-
8 ance and on the replacement of special request plates;

9 (3) a vehicle owned by a disabled veteran or other handi-
10 capped person, and registered under AS 28.10.181 or a resident 65
11 years of age or older who complies with AS 28.10.411(c).....
12 none;

13 (4) a vehicle owned by the state..... none;

14 (5) a vehicle owned by an elected state official
15 the fee required
16 for that vehicle under (b) of this section;

17 (6) a vehicle owned by a consular officer, unless waived
18 under AS 28.10.181, biennial or annual at the option of the owner
19 \$30 for each year;

20 (7) a vehicle owned by a rancher, farmer, or dairyman and
21 registered under AS 28.10.181, biennial or annual at the option of the
22 owner..... \$30 for each year;

23 (8) a snowmobile or off-highway vehicle, biennial or annual
24 at the option of the owner \$5 for each year;

25 (9) an amateur mobile radio station vehicle,

26 (A) with a transceiver capable of less than 5-band
27 operation..... the fee required
28 for that vehicle under (b) or (c) of this section;

29 (B) in recognition of [HIS] service to the public: a

1 mobile amateur radio station owned by an amateur with general
2 class or higher license, provided the station must be satisfac-
3 torily proved capable of operating on at least five bands between
4 160 through 10 meters, must have an antenna, and must have a
5 power supply and wiring as a permanent part of the vehicle; the
6 transmitting unit may be removed from the car for service or dry
7 storage none for a mobile amateur radio
8 station vehicle included in b(1) or (2) of this section;

9 (10) dealer registration plates,

10 (A) the initial set of plates..... \$40;

11 (B) each subsequent set of plates.. \$20;

12 (11) a vehicle owned by a municipality or charitable orga-
13 nization meeting the requirements of AS 28.10.181(c), biennial or
14 annual at the option of the owner \$5 for each year;

15 (12) an occasional use vehicle under AS 28.10.181(k), bien-
16 ennial or annual at the option of the owner \$15 for each year.

17 * Sec. 27. AS 28.10.431(a) is amended to read:

18 (a) There is levied a motor vehicle registration tax within each
19 municipality that [WHICH] elects, by passage of an appropriate ordi-
20 nance, to come under this section. A municipality shall file a writ-
21 ten notice of election with the department and may not rescind the
22 notice for a subsequent fiscal year. If the municipality rescinds a
23 notice of election, the department shall refund to the taxpayers
24 registration taxes that have been collected in advance under (c) of
25 this section for a period after the effective date of the rescision.
26 The notice of election must be filed on or before January 1 of the
27 year preceding the year election under this section is to become
28 effective. If a municipality has, before October 15, 1978, levied a
29 motor vehicle registration or ad valorem tax that [WHICH] has been

1 repealed by a vote of the people at any regular or special municipal
2 election, then the election provided for in this subsection is not
3 effective until the ordinance passed by the local governing body has
4 been approved by the people at the next regularly scheduled regular
5 [GENERAL] or special municipal election.

6 * Sec. 28. AS 28.10.431(c) is amended to read:

7 (c) The registration tax shall be levied, collected, enforced
8 and otherwise administered in the same manner as provided for the
9 registration fees in this chapter. Only one registration tax may be
10 collected with respect to the same motor vehicle in the year for which
11 the tax is paid. However, if at the owner's option the motor vehicle
12 is registered for a two-year period, the registration tax for both
13 years shall be collected at the time of the registration.

14 * Sec. (29) AS 03.40.160 and AS 08.54.190(a) are repealed.

15 * Sec. 30. This Act takes effect January 1, 1985.
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Original Bill

1 IN THE SENATE

BY HALFORD AND BENNETT

2

SENATE BILL NO. 296

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act extending the periods during which certain licenses, permits, and registrations are valid and adjusting the fees for certain licenses, permits, and registrations."

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

11 * Section 1. AS 03.40.160 is amended to read:

12

~~Sec. 03.40.160. SLAUGHTER PERMIT. A [ANY] person who slaughters, or causes to be slaughtered, branded livestock for sale or distribution shall obtain a permit from the commissioner. Application for the permit shall be in writing, under oath, to the commissioner, giving the full name of the applicant and the place where the applicant intends to slaughter, or cause to be slaughtered, branded livestock for sale or distribution. The registration fee for the permit is \$3 and it is [\$1 A YEAR,] due [AND PAYABLE] on July 1 every three years [OF EACH YEAR].~~

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* Sec. 2. AS 08.18.031 is amended to read:

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Sec. 08.18.031. CERTIFICATE OF REGISTRATION [- ISSUANCE, DURATION, RENEWAL]. A certificate of registration expires on December 31

23

of the second [EACH] year following the year [DATE] of issuance or

24

renewal and shall be renewed under the same requirements as for an

25

original registration. The commissioner shall issue to the applicant

26

a certificate of registration upon compliance with the registration

27

requirements of this chapter.

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* Sec. 3. AS 08.18.041 is amended to read:

deals with
Contractors

Comm + Econ
Dev.

1 Sec. 08.18.041. REGISTRATION AND RENEWAL FEES. The applicant
2 shall pay to the commissioner a biennial registration or renewal fee
3 as follows:

- 4 (1) general contractor \$200 [\$100]
5 (2) specialty contractor 100 [50]

6 * Sec. 4. AS 08.54.170(a) is amended to read:

7 (a) License fees for engaging in the profession of guiding are:

- 8 (1) master guide license, biennial [ANNUAL]\$150 [\$75]
9 (2) registered guide license, biennial [ANNUAL]...150 [75]
10 (3) class-A assistant guide, biennial [ANNUAL]30 [15]
11 (4) assistant guide license, biennial [ANNUAL]20 [10]

12 * Sec. 5. AS 08.66.010 is amended to read:

13 Sec. 08.66.010. DEALERS TO REGISTER. Every dealer in motor
14 vehicles, trailers or semi-trailers shall, as a condition to engaging
15 in business in the [THIS] state, register biennially [ANNUALLY] with
16 the Department of Public Safety.

17 * Sec. 6. AS 08.66.020 is amended to read:

18 Sec. 08.66.020. APPLICATION, BOND, AND FEE. Application for
19 dealer registration shall be accompanied by a biennial [AN ANNUAL]
20 registration fee of \$50 [\$25] and a bond required by AS 08.66.060.

21 * Sec. 7. AS 08.66.050 is amended to read:

22 Sec. 08.66.050. RENEWAL OF REGISTRATION. Each dealer shall
23 renew the registration required by this chapter [ANNUALLY] before
24 January 1 every two years [OF EACH YEAR].

25 * Sec. 8. AS 08.66.080 is amended to read:

26 Sec. 08.66.080. PENALTIES. A dealer who fails to register and
27 file a bond as required by this chapter [BEFORE JANUARY 1 OF EACH
28 YEAR] shall pay a penalty of \$100. A dealer who wilfully violates a
29 [ANY] provision of this chapter is guilty of a misdemeanor, and upon

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Public Safety

1 conviction is punishable by a fine of not more than \$300.

2 * Sec. 9. AS 08.92.010 is amended to read:

3 Sec. 08.92.010. REGISTRATION REQUIRED. A person may not engage
 4 in the business of promoting concerts in the [THIS] state without
 5 [FIRST OBTAINING AND HOLDING] a [CURRENT AND] valid promoter's certifi-
 6 cate of registration issued by the department. To remain valid, a
 7 certificate of registration must be renewed after one year. A renewed
 8 certificate of registration is valid for two years [ON OR BEFORE A
 9 DATE SET BY THE DEPARTMENT].

10 * Sec. 10. AS 08.92.020(b) is amended to read:

11 (b) The biennial fee for the renewal of a registration certifi-
 12 cate [FOR EACH CALENDAR YEAR] is \$40 [\$20].

13 * Sec. 11. AS 16.05.340(a)(1) is amended to read:

14 (1) Resident sport fishing biennial license..... \$20 [\$10]
 15 However, the biennial fee is 50 [25] cents for a resident who is
 16 blind.

17 * Sec. 12. AS 16.05.340(a)(2) is amended to read:

18 (2) Resident hunting biennial license..... 24 [12]

19 * Sec. 13. AS 16.05.340(a)(3) is amended to read:

20 (3) (A) Resident hunting and trapping biennial license.....
 21 30 [15]
 22 (B) Resident trapping biennial license..... 6 [3]

23 * Sec. 14. AS 16.05.340(a)(4) is amended to read:

24 (4) Resident hunting and sport fishing biennial license....
 25 44 [22]

26 * Sec. 15. AS 16.05.340(a)(5) is amended to read:

27 (5) Resident hunting, trapping, and sport fishing biennial
 28 license..... 50 [25]
 29 However, the annual fee is 25 cents for a license valid for one year

Public Safety

F+E

*

1 for the head of a family or a dependent member of the [HIS] family or
2 one solely dependent upon self [HIMSELF] for support upon proof pre-
3 sented by the applicant that the applicant

4 (A) is obtaining or has obtained assistance during the
5 preceding six months under a [ANY] state or federal welfare
6 program to aid the indigent, or

7 (B) has an annual family gross income of less than
8 \$5,600 for the year preceding application.

9 * Sec. 16. AS 16.05.340(a)(13) is amended to read:

10 (13) Fur dealers:

11 (A) Resident fur dealer biennial license.... 100 [50]

12 (B) Nonresident fur dealer biennial license. 400 [200]

13 * Sec. 17. AS 16.05.340(a)(14) is amended to read:

14 (14) Taxidermists:

15 (A) Resident taxidermy biennial license... 150 [75]

16 (B) Nonresident taxidermy biennial license.. 400 [200]

17 * Sec. 18. AS 16.05.340(a)(15) is amended to read:

18 (15) Fish, fur or game farming biennial license.. 200 [100]

19 * Sec. 19. AS 16.05.350 is amended to read:

20 Sec. 16.05.350. EXPIRATION OF LICENSES AND TAGS. Licenses and
21 tags required under AS 16.05.330 - 16.05.430, except biennial licen-
22 ses, the visitor's special sport fishing license, and the resident
23 trapping license, expire at the close of December 31 following issu-
24 ance. Biennial licenses expire after December 31 of the year follow-
25 ing the year of issuance. The resident trapping license expires at
26 the close of September 30 of the year following the year of issuance.

27 * Sec. 20. AS 16.05.440 is amended to read:

28 Sec. 16.05.440. EXPIRATION DATE FOR LICENSES. Licenses issued
29 under AS 16.05.440 - 16.05.720 expire at the close of December 31

F+G
* Fur farming no longer
needs license (according
to F+G)

1 following their issuance or, for licenses that are valid for two
2 years, after December 31 of the year after the year of issuance, and
3 shall be renewed [ANNUALLY] upon application and payment of the
4 license fees required by AS 16.05.440 - 16.05.720.

5 * Sec. 21. AS 16.05.480(a) is amended to read:

6 (a) A person engaged in commercial fishing shall obtain a com-
7 mercial fishing license that is valid for two years. Except for entry
8 or interim use permits, the [. THE] fee for the license is \$60 [\$30]
9 for residents, and \$180 [\$90] for nonresidents. Except for those that
10 [WHICH] are also entry or interim-use permits, all commercial fishing
11 licenses are nontransferable. The commercial fishing license shall be
12 retained in the possession of the licensee, readily accessible for
13 inspection at all times. No more than one fee may be charged every
14 two years [ANNUALLY] against a person. For the purposes of this
15 section, "commercial fishing license" includes entry permits and
16 interim-use permits issued under AS 16.43 and crewmember fishing
17 licenses.

18 * Sec. 22. AS 16.05.520(a) is amended to read:

19 (a) The vessel license includes a permanent number plate. The
20 number plate shall be accompanied by a tab affixed to it designating
21 the years [YEAR] to be fished. A number plate is not transferable,
22 and it shall be considered a permanent fixture on [UPON] the vessel on
23 [UPON] which it is originally placed. It shall be securely fastened
24 well forward on the port side in plain sight. On a vessel with a
25 superstructure the plate shall be fastened on the port side of the
26 superstructure. A number plate remains the property of the state. If
27 a permanent number plate is accidentally defaced, mutilated, de-
28 stroyed, or lost, the person owning or operating the vessel shall
29 immediately apply for and may obtain a duplicate upon furnishing the

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1 Commercial Fisheries Entry Commission with the pertinent facts and a
2 payment of \$2.

3 * Sec. 23. AS 16.05.530 is amended to read:

4 Sec. 16.05.530. [ANNUAL] RENEWAL OF VESSEL LICENSE. Upon [AN-
5 NUAL] payment of a license fee of \$40 [\$20], and filing of the name
6 and address of the owner or [HIS] authorized agent of the vessel, the
7 name and number of the vessel, a description of the vessel, vessel
8 license number, if any, the area to be fished, and other reasonable
9 information required by the Commercial Fisheries Entry Commission, the
10 commission shall issue a number plate and a vessel license valid for
11 two years. If the vessel has a number plate, the commission shall
12 issue a vessel license and tab designating the years [YEAR]. The tab
13 shall be placed in the space provided on the permanent number plate.

14 * Sec. 24. AS 16.43.150(c) is amended to read:

15 (c) Each entry permit is issued for a term of two years [ONE
16 YEAR] and is renewable biennially [ANNUALLY].

17 * Sec. 25. AS 18.72.020(a)(2) is amended to read:

18 (2) an endorsement fee of \$10 [\$5] is paid to the state
19 fire marshal for an endorsement that is valid for two years [EACH
20 YEAR] or portions [FRACTION] of two years [YEAR] during which the
21 permit holder is engaged in the retail sale of fireworks.

22 * Sec. 26. AS 28.10.105(f) is amended to read:

23 (f) Every vehicle registered under this section and AS 28.10.107
24 may, at the option of the owner, have its registration period extended
25 in monthly increments by payment of the proportionate prorated applic-
26 able fees to allow [ANNUAL] registration to occur in any month of the
27 owner's choice.

28 * Sec. 27. AS 28.10.105(h) is amended to read:

29 (h) The department shall prorate fees in monthly increments to

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Public Safety

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1 allow for registration of vehicles in more or less than one-year or
2 two-year periods when required by a [ANY] provision of this section.

3 * Sec. 28. AS 28.10.105 is amended by adding a new subsection to read:

4 (j) Beginning January 1, 1984, every registration for which a
5 biennial fee is required under AS 28.10.421 must be renewed every two
6 years.

7 * Sec. 29. AS 28.10.107(b) is amended to read:

8 (b) Every vehicle subject to registration under AS 28.10.181,
9 28.10.411, and AS 28.10.421(d)(3), (6) and (9) shall have its initial
10 registration, and may have its [ANNUAL] registration [,] renewed
11 during the month of January, subject to the provisions of AS 28.10.-
12 105(f).

13 * Sec. 30. AS 28.10.107(c) is amended to read:

14 (c) Every vehicle subject to registration except those covered
15 by (a) or (b) of this section shall have its initial registration, and
16 may have its [ANNUAL] registration renewal period related to one of
17 the 10 renewal periods. These vehicles will be initially assigned
18 staggered registration periods in the following manner, subject to the
19 provisions of AS 28.10.105:

20 (1) vehicles registered in Alaska before January 1, 1979,
21 shall be assigned to a registration renewal period related to the last
22 digit of the license assigned to the vehicle and shown upon its cur-
23 rent registration card;

24 (2) vehicles not registered in Alaska as of January 1,
25 1979, shall be assigned to a registration renewal period related to
26 the month in which the vehicle was first registered in Alaska;

27 (3) vehicles shall retain the same [ANNUAL] expiration date
28 regardless of the ownership of the vehicle;

29 (4) the date to which a vehicle is initially

Public Safety

1 stagger-registered will determine its registration renewal period as
2 follows:

3 Registration between	Anniversary Period
4 January 1 and January 31	1st
5 February 1 and February 28/29	1st
6 March 1 and March 31	2nd
7 April 1 and April 30	3rd
8 May 1 and May 31	4th
9 June 1 and June 30	5th
10 July 1 and July 31	6th
11 August 1 and August 31	7th
12 September 1 and September 30	8th
13 October 1 and October 31	9th
14 November 1 and November 30	10th
15 December 1 and December 31	10th

16 * Sec. 31. AS 28.10.111(b) is amended to read:

17 (b) The department may receive an application for the renewal of
18 vehicle registration and issue a new certificate of registration at
19 any time before the expiration of the [ANNUAL] registration as pre-
20 scribed in regulations adopted by the commissioner. Nothing in this
21 section prevents the commissioner from providing for multi-year regis-
22 tration; however, a [NO] person may not display the new registration
23 plates on a vehicle before a date that [WHICH] may be set by the
24 commissioner.

25 * Sec. 32. AS 28.10.411(a) is amended to read:

26 (a) For every year during any part of which a vehicle is subject
27 to registration under this chapter, a registration fee shall be paid
28 to the department at the time of original registration and at each
29 [ANNUAL] renewal of registration after that time.

Public Safety

1 * Sec. 33. AS 28.10.421(b) is amended to read:

2 (b) The [ANNUAL] registration fees under this subsection are
3 imposed within the following classifications for:

4 (1) a passenger vehicle or motor home not used or main-
5 tained for the transportation of persons or property for hire or for
6 other commercial use, biennial \$60
7 [\$30];

8 (2) a pick-up truck or a van not exceeding 6,000 pounds
9 unladen weight and not used or maintained for the transportation of
10 persons or property for hire or for other commercial use, biennial
11 \$70 [\$35];

12 (3) a taxicab, annual \$65;

13 (4) a motor bus with a seating capacity for 20 or more
14 persons and used exclusively for commercial purposes in the transport-
15 ing of visitors or tourists, annual \$80;

16 (5) a motorcycle or a motor-driven cycle, biennial
17 \$30 [\$15];

18 (6) a two- or four-wheeled trailer not used or maintained
19 for the transportation of persons or property for hire or for other
20 commercial use, including, but not limited to, a boat trailer, baggage
21 trailer, box trailer, utility trailer or house trailer, biennial
22 \$10 [\$5].

23 * Sec. 34. AS 28.10.421(d)(6) is amended to read:

24 (6) a vehicle owned by a consular officer, unless waived
25 under AS 28.10.181, biennial \$60 [\$30];

26 * Sec. 35. AS 28.10.421(d)(7) is amended to read:

27 (7) a vehicle owned by a rancher, farmer, or dairyman and
28 registered under AS 28.10.181, biennial \$60 [\$30];

29 * Sec. 36. AS 28.10.421(d)(8) is amended to read:

Public Safety



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(8) a snowmobile or off-highway vehicle, biennial
..... \$10 [\$5];

* Sec. 37. AS 28.10.421(d)(11) is amended to read:

(11) a vehicle owned by a municipality or charitable organization meeting the requirements of AS 28.10.181(c), biennial
..... \$10 [\$5];

* Sec. 38. AS 28.10.421(d)(12) is amended to read:

(12) an occasional use vehicle under AS 28.10.181(k), biennial
biennial \$30 [\$15].

SUMMARY OF SB 296

THE INTENT BEHIND SB 296 WAS TO REDUCE THE NUMBER OF TRIPS THE PUBLIC HAD TO MAKE TO STATE AGENCIES TO RENEW A LICENSE OR PERMIT. AN ATTEMPT WAS MADE TO SELECT PERMITS WHICH, IF RENEWED FOR 2 YEARS, THE BIENNIAL FEE WOULD BE MODERATELY PRICED SO AS NOT TO POSE A FINANCIAL BURDEN.

THE SENATE LABOR AND COMMERCE COMMITTEE SUBSTITUTE LISTS CONSTRUCTION CONTRACTORS RENEWAL AS BIENNIAL AS WELL AS DEALERS IN MOTOR VEHICLES AND TRAILERS. MASTER GUIDES AND REGISTERED GUIDES LICENSES BECAME BIENNIAL.

A COMMERCIAL FISHERMAN WILL HAVE THE OPTION TO PURCHASE A VALID VESSEL LICENSE FOR ONE YEAR OR TWO.

A SECTION WHICH REQUIRED A PERMIT FOR LIVESTOCK SLAUGHTER IN CASES NOT REGULATED BY DNR WAS REPEALED. THIS STATUTE WAS UNNECESSARY AS ALL SLAUGHTER HOUSES ARE DNR REGULATED. THE SECTION RELATING TO ANNUAL GUIDE LICENSES WAS REPEALED.

POSSIBLE QUESTIONS

ALL SPORT FISHING, HUNTING, TRAPPING HAVE REMAINED UNCHANGED; I.E. THE LICENSE IS ANNUAL. THE DEPT. OF FISH AND GAME FELT THE CONFUSION CAUSED BY PURCHASING AN ANNUAL FISHING PERMIT, BIENNIAL HUNTING LICENSE, AND

THEN THE INDIVIDUAL CHANGING HIS/HER MIND WOULD PROVIDE TOO MUCH
CONFUSION.

MOTOR VEHICLE REGISTRATION WOULD BE TOO COSTLY FOR INDIVIDUALS LIVING IN
COMMUNITITES WHERE THE MOTOR VEHICLE TAX IS COLLECTED AT THE TIME OF
REGISTRATION.

FISCAL NOTES ---

COMMERCE AND ECONOMIC DEVELOPMENT - ZERO

PUBLIC SAFETY - MOTOR VEHICLE - ZERO

REVENUE - FY 85 IS \$12,000 BUT OFF SET IN FY 86

FISH AND GAME - ZERO

*SENSIBLE APPROACH TO ACCOMODATING
THE PUBLIC AND REDUCE WAITING
PERIODS AT STATE AGENCIES*

The ones highlighted are
biennial

Synopsis of ^{CS} SB 296 (L+C) - Legislation adopted by L+C

- Sec. 1 CONSTRUCTION CONTRACTORS AS 08.18.031
Certificate of registration becomes biennial.
- Sec. 2 CONSTRUCTION CONTRACTORS AS 08.18.041
Annual registration fee doubles to biennial fee.
General contractor fee doubles from \$100 to \$200.
Specialty contractor fee doubles from \$50 to \$100
- Sec. 3 GUIDES AS 08.54.170(a)
Requires biennial license; fee doubles.
Master guide doubles from \$75 to \$150.
Registered guide doubles from \$75 to \$150.
Class-A assist. guide doubles from \$15 to \$30.
Assist. guide doubles from \$10 to \$20.
- Sec. 4 DEALERS IN MOTOR VEHICLES, TRAILERS AND SEMI-TRAILERS AS 08.66.010
Requires biennial (instead of annual) registration with
Dept. of Public Safety
- Sec. 5 DEALERS IN MOTOR VEHICLES, ETC. AS 08.66.020
Requires biennial registration; fee doubles from \$25 to \$50.
- Sec. 6 DEALERS IN MOTOR VEHICLES, ETC. AS 08.66.050
Requires biennial registration renewal.
- Sec. 7 DEALERS IN MOTOR VEHICLES, ETC AS 08.66.080
Sets \$100 penalty for dealers who fail to register biennially.
- Sec. 8 CONCERT PROMOTERS AS 08.92.010
Requires biennial certificate of registration.
- Sec. 9 CONCERT PROMOTERS AS 08.92.020(b)
Annual fee doubles to biennial fee (from \$20 to \$40)

Sec. 10 FUR DEALERS AS 16.05.340(a)(12)

Requires biennial license; fee doubles.
Resident fur dealer license doubles from \$50 to \$100
Nonresident fur dealer license doubles from \$200 to \$400.

Sec. 11 TAXIDERMISTS AS 16.05.340(a)(13)

Requires biennial license; fee doubles.
Resident taxidermy license doubles from \$75 to \$150.
Nonresident taxidermy license doubles from \$200 to \$400.

Sec. 12 FISH OR GAME FARMING AS 16.05.340(a)(14)

Requires biennial license; fee doubles from \$100 to \$200.

Sec. 13 EXPIRATION OF SPORT FISHING AND HUNTING LICENSES AS 16.05.350

Annual licenses (except visitors sport fishing and resident trapping) expire at close of Dec. 31 in the year of issue.

Biennial licenses expire at the close of Dec. 31 of year following year of issue.

Resident trapping licenses are annual. They expire at the close of Sept. 30 following the year in which licenses are issued.

Sec. 14 EXPIRATION OF LICENSE FOR COMMERCIAL FISHING VESSELS AS 16.05.440

Annual licenses expire at close of Dec. 31 of year of issue.

Two year licenses expire after Dec. 31 of year after year of issue.

Sec. 15 RENEWAL OF COMMERCIAL FISHING NUMBER PLATE AS 16.05.530

Vessel owner may choose license valid for one year or for two years, paying \$20 for one year and \$40 for two years. Commission may issue licenses valid for one or for two years.

Sec. 16 RENEWAL OF COMMERCIAL FISHING NUMBER PLATE AS 16.05.530

In the case where a vessel license is valid for one year but the license fee has been paid for an additional year, the commission automatically issues another license valid for the additional year.

Sec. 17 REGULATION OF FIREWORKS AS 18.72.020(a)

Requires biennial endorsement fee; fee doubles from \$5 to \$10.