

Alaska Lemon Law

Alaska Statutes, Title 45, Chapter 45, §§ 300-360

AS 45.45.300. Repairs Required.

If a new motor vehicle does not conform to an express warranty that is applicable to it and the owner of the vehicle reports the defect or condition to the manufacturer of the vehicle or to the manufacturer's or distributor's dealer during the term of the warranty, the manufacturer, distributor, dealer, or a repairing agent shall make the necessary repairs to conform the vehicle to the express warranty.

AS 45.45.305. Replacement or Refund.

If during the term of the express warranty or within one year from the date of delivery of the motor vehicle to the original owner, whichever period terminates first, the manufacturer, distributor, dealer, or repairing agent is unable to conform the motor vehicle to an applicable express warranty after a reasonable number of attempts, the manufacturer or distributor shall accept the return of the nonconforming motor vehicle, and, at the owner's option, shall replace the nonconforming vehicle with a new, comparable vehicle or shall refund the full purchase price to the owner less a reasonable allowance for the use of the motor vehicle from the time it was delivered to the original owner. A refund under this section shall be made to a lienholder of record, if any, and the owner, as their interests may appear.

AS 45.45.310. Notice By Owner.

In order to claim a refund or replacement under AS 45.45.305, the owner shall give written notice by certified mail to the manufacturer and its dealer or repairing agent at any time before 60 days have elapsed after the expiration of the express warranty or the one-year period after the date of delivery of the motor vehicle to the original owner, whichever period terminates first, (1) stating that the vehicle has a nonconformity; (2) providing a reasonable description of the nonconformity; (3) stating that the manufacturer, distributor, dealer, or repairing agent has made a reasonable number of attempts to conform the vehicle; and (4) stating that the owner demands a refund or replacement vehicle to be delivered on the 60th day after the mailing of the written notice. Within 30 days after receiving the notice required by this section the manufacturer may make a final attempt to conform the vehicle before a refund or replacement is made under AS 45.45.305.

AS 45.45.315. Exceptions.

An owner may not receive a refund or replacement under AS 45.45.300 –

45.45.360 if the manufacturer or distributor shows that the nonconformity complained of

(1) does not substantially impair either the use or the market value of the motor vehicle; or

(2) is the result of

(A) alteration of the motor vehicle by the owner or a person other than a dealer or repairing agent that is not authorized by the manufacturer or distributor; or

(B) abuse or neglect by the owner or a person other than the dealer or repairing agent.

AS 45.45.320. Presumption.

A presumption that a reasonable number of attempts have been made to conform a motor vehicle under an applicable express warranty is established if:

(1) the same nonconformity has been subject to repair three or more times by the manufacturer, distributor, dealer, or repairing agent during the term of the express warranty or the one-year period after delivery of the motor vehicle to the original owner, whichever period terminates first, but the nonconformity continues to exist; or

(2) the vehicle is out of service for repair for a total of 30 or more business days during the express warranty term or the one-year period referred to in (1) of this section, whichever period terminates first; any period of time that repairs are not performed for reasons that are beyond the control of the manufacturer, distributor, dealer, or repairing agent is excluded from the 30-day time period referred to in this paragraph.

AS 45.45.325. Parts Availability.

A manufacturer whose vehicles are sold in the state through an authorized dealer shall provide its dealer or repairing agent with any part necessary to make a repair of a nonconformity covered under an express warranty, as soon as possible, without additional charge for freight or handling, if the part is not in the dealer's or agent's inventory when the nonconforming vehicle is brought to the dealer or repairing agent for repair.

AS 45.45.330 Failure to replace or refund

A manufacturer or distributor who fails to refund the full purchase price of a motor vehicle or replace the motor vehicle when there is a requirement to do so under AS

45.45.300 — 45.45.360 is presumed to have committed an unfair trade practice under AS 45.50.471.

AS 45.45.335. Resale Without Disclosure Prohibited.

A motor vehicle returned under AS 45.45.305 may not be resold by the manufacturer or distributor in the state unless full disclosure of the reason for the return is made to the prospective buyer before the resale is concluded.

AS 45.45.340. Other rights and remedies.

The provisions of AS 45.45.300 – 45.45.360 do not limit other rights and remedies that may be available to the owner of a motor vehicle under other provisions of law. This section does not create a new cause of action against a dealer or repairing agent who sells or attempts to repair a motor vehicle found to be nonconforming under AS 45.45.300 – 45.45.360.

AS 45.45.345. Repair Facilities.

A manufacturer or distributor of motor vehicles who authorizes the sale of the manufacturer's or distributor's motor vehicles in the state shall maintain authorized dealership facilities within the state that are able to perform the service and make the repairs required by the manufacturer's express warranty and by AS 45.45.300 – 45.45.360.

AS 45.45.350. Reimbursement of Shipping Costs.

A manufacturer or distributor who accepts the return of a nonconforming motor vehicle under AS 45.45.305 shall reimburse the owner for any reasonable cost incurred in shipping the vehicle to and from the nearest authorized facility for warranty service and repair of a nonconformity that causes the return of the vehicle.

AS 45.45.355. Arbitration or Mediation.

If a manufacturer or distributor has established an informal dispute settlement procedure that substantially complies with the requirements of 16 C.F.R. 703, as that section may be amended, or if the manufacturer or distributor, after receipt of notice required by AS 45.45.310, offers in writing to participate in an arbitration or mediation process with the owner and the arbitration or mediation decision is binding on the manufacturer or distributor but not on the owner, and if the informal dispute settlement or arbitration or mediation process is approved by the attorney general, the provisions of AS 45.45.305 concerning refund or replacement or AS 45.45.350 concerning shipping costs do not apply to an owner who has not first

resorted to the informal dispute settlement procedure or arbitration or mediation process.

AS 45.45.360. Definitions

Definitions in AS 45.45.300 – 45.45.360:

(1) “dealer” means a person who has obtained a franchise from, or is authorized by, a motor vehicle manufacturer to engage in the retail sale and warranty repair of the manufacturer’s new motor vehicles in the state;

(2) “distributor” means a person who is authorized by a manufacturer to engage in the wholesale distribution of the manufacturer’s new motor vehicles in the state;

(3) “express warranty” or “warranty” means an express written warranty provided by the manufacturer of a new motor vehicle;

(4) “full purchase price” means the total price paid for a motor vehicle by the original owner, including costs added to the retail price, such as original registration fees, transportation fees, dealer preparation, and dealer installed options;

(5) “manufacturer” means a person who by labor transforms raw materials and component parts into motor vehicles for wholesale or retail sale;

(6) “motor vehicle” or “vehicle” means a land vehicle having four or more wheels, that is self-propelled by a motor, is normally used for personal, family, or household purposes, and is required to be registered under AS 28.10; but does not include a tractor, farm vehicle, or a vehicle designed primarily for off-road use;

(7) “nonconformity” means a defect or condition in a motor vehicle caused by a manufacturer, distributor, dealer, or repairing agent that substantially impairs the use or market value of a vehicle;

(8) “owner” means a purchaser, other than for resale, of a new motor vehicle, and a person to whom ownership of the motor vehicle is transferred in conformity with AS 28;

(9) “reasonable allowance” means an amount attributable to an owner’s use of a motor vehicle; a “reasonable allowance” may not exceed an amount equal to the depreciation in value of the vehicle for the period during which the vehicle is

available for use by the owner, calculated by a straight line depreciation method over seven years, plus an amount equal to the depreciation in value of the vehicle that is caused by any neglect or abuse by the owner; or body damage not caused by a nonconformity;

(10) “repairing agent” means a person who has been specifically authorized by a motor vehicle manufacturer or distributor to perform warranty repairs in the state on one or more of the manufacturer’s or distributor’s motor vehicles;

(11) “substantially impairs the market value” means a nonconformity that substantially decreases the dollar value of a vehicle to the owner when compared to the dollar value of a similar vehicle that does not have the nonconformity;

(12) “substantially impairs the use” means a nonconformity that prevents a motor vehicle from being operated or makes the vehicle unsafe to operate.