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Download the full report, a state-by-state chart comparison, 14 comparative maps, capsule summaries of each state and the District of Columbia laws, and summaries of each jurisdiction's statutes at:
<http://bit.ly/2DJKbGp>

How Well Does Alaska Protect Consumers from Unfair and Deceptive Business Practices?

National Consumer Law Center Survey Finds Alaska's State Laws Improved but the Last Frontier Still Has More Work to Do

ANCHORAGE – State Unfair and Deceptive Acts and Practices (UDAP) laws prohibit deceptive practices in consumer transactions, such as sales of cars and other goods, loans, home improvements, utility contracts, and mortgage transactions. A [new report](#) from the National Consumer Law Center (NCLC) finds that Alaska's UDAP statute includes strong prohibitions of unfair or deceptive acts, and gives the attorney general the authority to adopt regulations prohibiting emerging forms of unfairness and deception. It is significantly weakened, however, by:

- A blanket exemption for insurers
- Provisions that the state supreme court has interpreted as making the statute inapplicable to real estate transactions and all landlord-tenant relationships
- A provision that allows courts to require consumers to pay a portion of the business's attorney fees if the consumer loses a case that was filed in good faith

"The Legislature passed Alaska's consumer protection law with one main goal: to protect Alaskans from scam artists," **said James Davis, attorney and co-founder of the Northern Justice Project.** "Although the Alaska Supreme Court has weakened parts of our law, the consumer protection act still does a pretty decent job of protecting us from rip-off artists."

Since [NCLC's 2009 analysis of state UDAP laws](#), Alaska made significant improvements to its UDAP statute: a 2012 amendment clarified that a complicated series of overlapping exemptions for types of industries and practices do not immunize a business that commits one of a list of unfair or deceptive acts.

"Unfair and Deceptive Acts and Practices laws should be the backbone of consumer protection in every state, but significant gaps or weaknesses in almost all states undermine the promise of these vital protections so the deck is stacked against consumers," **said Carolyn Carter, National Consumer Law Center Deputy Director and author of [Consumer Protection in the States: A 50-State Evaluation of Unfair and Deceptive Practices Laws](#).**

Key Recommendations

States that want to strengthen their protections for consumers should:

Strengthen their UDAP statute's substantive prohibitions by:

- Making sure that the statute includes **broad prohibitions** of deceptive and unfair acts that consumers can enforce.

Strengthen their UDAP statute's scope by:

- **Narrowing or deleting any exclusion for regulated industries**, so that is clear that the mere fact of regulation is not a license to engage in unfair and deceptive practices.
- **Eliminating exemptions** for lenders, other creditors, insurers, and utility companies.
- Making it clear that the statute applies to **real estate transactions** and to **post-transaction matters** such as abusive collection of consumer debts.

Strengthen the state's ability to enforce the statute by:

- Deleting any requirement that **knowledge or intent** be proven as an element of a UDAP violation.
- Increasing the size of the **civil penalty** and making sure that it is applicable per violation.
- Allowing courts to order a business to **pay the state's attorney fees** and costs when the state prevails in a UDAP case.
- Providing **adequate funding** for the consumer protection activities of the state agency.

Strengthen consumers' access to justice by:

- Removing any gaps in consumers' **ability to enforce** the statute.
- Making it clear that courts can order a business to pay a consumer's **attorney fees**, and that the consumer cannot be held responsible for the business's attorney fees if the case was filed in good faith.
- Removing any restrictions on UDAP **class actions**, so that they are governed by the state's usual rules (or by the federal rules if the case is led in federal court).
- Deleting any **special barriers** imposed on consumers before they can invoke a statute's remedies, such as a special advance notice requirement, a requirement that a consumer who has been cheated prove that the business cheats consumers as a general rule, or a rule that denies consumers who have suffered an invasion of privacy or some other non-monetary injury the ability to enforce the statute.
- Amending the statute to make it clear that courts can **presume that consumers relied on material misrepresentations**, without requiring individual proof.
- Allowing consumers to seek **enhanced damages or punitive damages** in appropriate cases.

Even if a UDAP statute is already free from these weaknesses, it can often be improved by, for example, making attorney fee awards to consumers mandatory, so that if they prevail they are assured of being made whole, and making it clear that the heightened requirements of common law fraud and rigid contract law rules are not applicable to UDAP claims.

A full list of recommendations is available at <http://bit.ly/2DJKbGp>.

For more on NCLC's body of work on unfair and deceptive practices, please visit: <https://www.nclc.org/issues/unfair-a-deceptive-acts-a-practices.html>. Subscription information for NCLC's *Unfair and Deceptive Acts and Practices*, and free access to Chapter One of all of the legal treatises in NCLC's Consumer Credit and Sales Legal Practices Series, is available at <http://www.nclc.org/library>.

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Founded in 2005, the [Northern Justice Project, LLC](#) is a private civil rights and special education firm that focuses on representing low- and middle-income Alaskans in complex lawsuits against the State and Federal Governments and large corporations.

Since 1969, the nonprofit [National Consumer Law Center](#)® (NCLC®) has worked for consumer justice and economic security for low-income and other disadvantaged people, including older adults, in the U.S.

through its expertise in policy analysis and advocacy, publications, litigation, expert witness services, and training.