FILED ON: 4/4/2012

## **SENATE . . . . . . . . . . . . . . . . No. 2267**

The	Commo	nwealth	of 1	Massac	husetts
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PRESENTED BY:

Thomas P. Kennedy

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to the right to repair.

PETITION OF:

NAME: DISTRICT/ADDRESS:

**SENATE . . . . . . . . . . . . . . . No. 2267** 

Senate, May 17, 2012 – Substituted by amendment (Senator Kennedy and Hart) for the Senate Bill relative to the right to repair (Senate, No. 2204).

## The Commonwealth of Massachusetts

In the	Year	Two	Thousand	Twelve

An Act relative to the right to repair.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. The General Laws are hereby amended by inserting after chapter 93I the following chapter:-
- 3 CHAPTER 93J
- 4 RIGHT TO REPAIR
- Section 1. As used in this chapter, the following words shall, unless the context clearly indicates a different meaning, have the following meanings:
- 7 "Dealer", any person or business who, in the ordinary course of its business, is
- 8 engaged in the business of selling or leasing new motor vehicles to consumers or other end users
- 9 pursuant to a franchise agreement and who has obtained a class 1 license pursuant to the
- provisions of section 58 and 59 of chapter 140 and is engaged in the diagnosis, service,
- maintenance or repair of motor vehicles or motor vehicle engines pursuant to said franchise
- 12 agreement.

"Franchise agreement", an oral or written arrangement for a definite or indefinite period in which a manufacturer or distributor grants to a motor vehicle dealer a license to use a trade name, service mark or related characteristic and in which there is a community of interest in the marketing of new motor vehicles or services related thereto at wholesale, retail, leasing or otherwise.

"Immobilizer system", an electronic device designed for the sole purpose of preventing the theft of a motor vehicle by preventing the motor vehicle in which it is installed from starting without the correct key code.

"Independent repair facility", a person or business operating in the commonwealth that is not associated with a manufacturer's authorized dealer of motor vehicles, which is engaged in the diagnosis, service, maintenance or repair of motor vehicles or motor vehicle engines.

"Manufacturer", any person or business engaged in the business of manufacturing or assembling new motor vehicles.

"Motor vehicle", a vehicle driven or drawn by mechanical power and manufactured primarily for use on public streets, roads and highways, but excluding: (i) a vehicle that may be operated only on a rail line; (ii) a recreational vehicle or auto home equipped for habitation; (iii) an ambulance; (iv) a bus, motor coach or trackless trolley designed for the carriage of persons for hire or for school-related purposes; (v) vehicles used exclusively for the building, repair and maintenance of highways or designed primarily for use elsewhere than on the traveled part of ways; (vi) any vehicle with a gross vehicle weight rating of more than 10,000 pounds; (vii) any vehicle excluded from the definition of "motor vehicle" in chapter 90; and (viii) a motorcycle, as defined in section 1 of chapter 90.

"Owner", a person or business who owns, leases or otherwise has the legal right to use and possess a motor vehicle or the agent of such person.

"Trade secret", anything tangible or intangible or electronically kept or stored, which constitutes, represents, evidences or records a secret scientific, technical, merchandising, production or management information, design, process, procedure, formula, invention or improvement.

Section 2. (a) Except as provided in subsection (d), for vehicles manufactured in 2002 and thereafter, a manufacturer of motor vehicles sold in the commonwealth shall make available for purchase by owners of motor vehicles manufactured by such manufacturer and by independent repair facilities the same diagnostic and repair documentation, including repair technical updates, that such manufacturer makes available to its dealers through the manufacturer's Internet-based diagnostic and repair information system or other electronically accessible manufacturer's repair information system. All content in any such manufacturer's repair information system shall be made available to owners and to independent repair facilities in the same form and manner and to the same extent as is made available to dealers utilizing such diagnostic and repair information system. Each manufacturer shall provide access to such manufacturer's diagnostic and repair information system for purchase by owners and independent repair facilities on an hourly, daily, monthly and yearly subscription basis and upon fair and reasonable terms, taking into account the factors set forth in the number 40 CFR 86.1808-01.

If a manufacturer provides any diagnostic, service or repair information to an independent repair facility or other third party provider in a manner and on terms and conditions more favorable than or equal to the manner and the terms and conditions pursuant to which the

dealer obtains the same diagnostic, service or repair information, the manufacturer shall offer to the dealer such diagnostic, service or repair information in the same manner and on the same terms and conditions as provided to such independent repair facility. If for any reason any manufacturer begins to deliver any diagnostic, service or repair information to any independent repair facility or other third party provider in a format that is standardized with other manufacturers, such manufacturer shall be prohibited from requiring any dealer from continuing to purchase diagnostic, service or repair information in a proprietary format if such proprietary format does not include diagnostic, service or repair information that is not available in such standardized format.

(b) For vehicles manufactured in 2002 and thereafter, each manufacturer of motor vehicles sold in the commonwealth shall make available for purchase by owners and independent repair facilities all diagnostic repair tools incorporating the same diagnostic, repair and wireless capabilities that such manufacturer makes available to its dealers. Such tools shall incorporate the same functional repair capabilities that such manufacturer makes available to dealers. Each manufacturer shall offer such tools for sale to owners and to independent repair facilities upon fair and reasonable terms, taking into account the factors set forth in 40 CFR 86.1808-01.

If a manufacturer delivers any tool necessary to diagnose, service or repair a motor vehicle to any independent repair facility or other third party provider in a manner and on terms and conditions more favorable than or equal to the manner and the terms and conditions pursuant to which the dealer obtains the same tool necessary to diagnose, service or repair a motor vehicle, the manufacturer shall offer to the dealer such tool in the same manner and on the same terms and conditions as provided to such independent repair facility or other third party provider. If for any reason any manufacturer begins to deliver to any independent repair facility

or third party provider any tool necessary to diagnose, service or repair a motor vehicle and such tool has a standard interface with motor vehicles manufactured by other manufacturers, the manufacturer delivering such a tool shall be prohibited from requiring any dealer from continuing to purchase any proprietary tool if such proprietary tool does not have a capability not available in the standardized tool.

Each manufacturer shall provide diagnostic repair information to each aftermarket scan tool company with whom the manufacturer has appropriate licensing, contractual or confidentiality agreements if such agreements allow the scan tool company to provide alternative web-based pass through diagnostics.

(c) Commencing on January 1, 2016, except as provided in subsection (d), manufacturers of motor vehicles sold in the commonwealth shall provide access to their diagnostic and repair information system, as required under this section, using a generic computer and: (i) a non-proprietary vehicle interface device that complies with the Society of Automotive Engineers SAE J2534, the International Standards Organizations ISO 22900 or any successor to SAE J 2534 or ISO 22900 as may be accepted or published by the Society of Automotive Engineers or the International Standards Organizations; or (ii) a service information system integrated and entirely self-contained within the vehicle including, but not limited to, service information systems integrated into an onboard display or which provide direct access to service information through a non-proprietary interface such as Ethernet, Universal Serial Bus, Digital Versatile Disc. Each manufacturer shall provide access to the diagnostic and repair information system through such interface device in the same form and in the same manner and provide the same diagnostic and repair information, including technical updates, as is made available to dealers utilizing such information system; provided, however, that such information

system is not under contract, user agreement or warranty by a manufacturer or dealer. Nothing in this chapter shall apply to telematics or other remoter services or information.

Notwithstanding the provisions of this chapter to the contrary, no manufacturer shall be prohibited from making proprietary tools available to franchised dealers if such tools aid in warranty or recall repairs. Provision of such proprietary tools under this paragraph shall not constitute a violation of this chapter even if such tools provide functions not available through the interface set forth in clause (i) of the preceding paragraph if such proprietary tools are also available to the aftermarket through the interface set forth in clause (i) or (ii) of the preceding paragraph, upon fair and reasonable terms, once the term of the warranty or recall campaign has expired and if owners still require such repairs specified in the warranty or recall campaign, taking into account the factors set forth in 40 CFR 86.1808-01.

- (d) Manufacturers of motor vehicles sold in the commonwealth shall exclude diagnostic, service and repair information necessary to reset an immobilizer system or security-related electronic modules from information provided to owners and independent repair facilities. Information necessary to reset an immobilizer system or security-related electronic modules shall be obtained by dealers, owners and independent motor vehicle repair facilities through the secure data release model system as currently used by the National Automotive Service Task Force or other known, reliable and accepted system.
- Section 3. Nothing in this chapter shall be construed to require a manufacturer to divulge a trade secret.
- Section 4. Notwithstanding any general or special law or any rule or regulation to the contrary, no provision in this chapter shall be read, interpreted or construed to abrogate, interfere

with, contradict or alter the terms of any provision of chapter 93B or the terms of any franchise agreement executed and in force between a dealer and a manufacturer including, but not limited to, the performance or provision of warranty or recall repair work by a dealer on behalf of a manufacturer pursuant to such franchise agreement; provided, however, that any provision in such a franchise agreement that purports to waive, avoid, restrict or limit a manufacturer's compliance with this chapter shall be void and unenforceable.

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Section 5. (a) A violation of this chapter shall be deemed to be an unfair method of competition and an unfair or deceptive act or practice in the conduct of trade or commerce in violation of section 2 of chapter 93A. In addition to the remedies available under said chapter 93A, the court shall assess damages in an amount not less than \$5,000 per violation. An independent repair facility or a motor vehicle owner alleging that it has been denied access to: diagnostic and repair information; a functionally equivalent manufacturer's diagnostic scan tool; or the failure of a universal interface as required by subsection (c) of section 2 to obtain repair information and to interact successfully with the manufacturer's so-called repair information cloud shall, as a pre-condition to filing an action under said chapter 93A alleging a violation of this chapter, file a complaint with the attorney general. Such complaint may include, but not be limited to, the following: (i) written information confirming that the complainant has visited the relevant manufacturer website and attempted to effect a proper repair utilizing information provided on such website, including communication with technician assistance via a manufacturer's toll-free call-in assistance, if made available by such manufacturer; (ii) written information confirming that the complainant has obtained and utilized the relevant manufacturer's scan or diagnostic tool necessary for such repair; and (iii) written affirmation confirming that the complainant sought the assistance of other applicable information sources to

effect the necessary repair including an information request to the National Automotive Service Task Force or to an established automobile repair information entity, if practicable. The attorney general shall review the complaint and may issue an order to the manufacturer to resolve the complaint in favor of the complainant within 30 days or shall conduct mediation between the complainant and the manufacturer that is the subject of the complaint to resolve the alleged complaint. The cost of mediation shall be born equally by all parties involved in the mediation. In the event such mediation does not resolve the dispute to the complainant's satisfaction within 90 days after mediation has commenced, the complainant may file an action under said chapter 93A. Failure by a manufacturer to comply with the mediation required under this section shall be deemed a violation of this chapter.

(b) In the event of a dispute concerning the determination of fair and reasonable terms under this chapter, the parties may agree to binding arbitration under the rules of the American Arbitration Association or, absent such agreement, either party may initiate an action in the superior court for relief under chapter 231A."