

# STATE OF NEW YORK

5283

2019-2020 Regular Sessions

## IN SENATE

April 23, 2019

Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to establishing the "right to repair farm equipment act" to require original equipment manufacturers to make certain equipment available to independent repair providers under fair and reasonable terms

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "right to  
2 repair farm equipment act".

3 § 2. The general business law is amended by adding a new article 33-C  
4 to read as follows:

### ARTICLE 33-C

#### RIGHT TO REPAIR FARM EQUIPMENT

7 Section 698. Right of consumers to diagnose, service, maintain and  
8 repair farm equipment.

9 § 698. Right of consumers to diagnose, service, maintain and repair  
10 farm equipment. (a) Definitions. As used in this section:

11 (1) "Authorized repair provider" means: (i) a person or business that  
12 has an arrangement for a definite or indefinite period with an original  
13 equipment manufacturer in which the original equipment manufacturer  
14 grants to a person or business license to use a trade name, service  
15 mark, or related characteristic for the purposes of offering repair  
16 services under the name of the original equipment manufacturer; or (ii)  
17 a person or business retained by the original equipment manufacturer to  
18 provide refurbishing services for the original equipment manufacturer's  
19 product or products.

20 (2) "Embedded software" means any programmable instructions provided  
21 on firmware delivered with the equipment for the purposes of equipment  
22 operation, including all relevant patches and fixes made by the original  
23 equipment manufacturer for this purpose, including, but not limited to

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 synonyms for "Basic internal operating system", "Internal operating  
2 system", "Machine code", "Assembly code", "Root code", and "Microcode".

3 (3) "Equipment" means digital electronic equipment or a part for such  
4 equipment originally manufactured for distribution and sale in the  
5 United States.

6 (4) "Fair and reasonable terms" means an equitable price in light of  
7 relevant factors, including, but not limited to:

8 (i) the net cost to the authorized repair provider for similar infor-  
9 mation obtained from an original equipment manufacturer, less any  
10 discounts, rebates, or other incentive programs;

11 (ii) the cost to the original equipment manufacturer for preparing and  
12 distributing the information, excluding any research and development  
13 costs incurred in designing and implementing, upgrading, or altering the  
14 product, but including amortized capital costs for the preparation and  
15 distribution of the information;

16 (iii) the price charged by other original equipment manufacturers for  
17 similar information;

18 (iv) the price charged by original equipment manufacturers for similar  
19 information prior to the launch of original equipment manufacturer  
20 websites;

21 (v) the ability of aftermarket technicians or shops to afford the  
22 information;

23 (vi) the means by which the information is distributed;

24 (vii) the extent to which the information is used, including the  
25 number of users, and the frequency, duration, and volume of use; and

26 (viii) inflation.

27 (5) "Farm equipment" means any self-propelled farm equipment and  
28 implements of husbandry and the accessories and parts included in the  
29 sale or lease of same designed and manufactured primarily to be used for  
30 agricultural purposes for which the purchase or lease price for each  
31 piece of farm equipment exceeds one thousand five hundred dollars.

32 (6) "Farm equipment dealer" means any person or business who, in the  
33 ordinary course of business, is engaged in the business of selling or  
34 leasing new farm equipment to a person or business pursuant to a fran-  
35 chise agreement, who has obtained a license as a farm equipment dealer,  
36 and who is engaged in the diagnosis, service, maintenance, or repair of  
37 farm equipment or farm equipment engines pursuant to such franchise  
38 agreement.

39 (7) "Farm equipment manufacturer" means any person or business engaged  
40 in the business of manufacturing or assembling new farm equipment.

41 (8) "Firmware" means a software program or set of instructions  
42 programmed on a hardware device to allow the device to communicate with  
43 other computer hardware.

44 (9) "Independent repair provider" means a person or business operating  
45 in this state who is not affiliated with an original equipment manufac-  
46 turer or an original equipment manufacturer's authorized repair provider  
47 and who is engaged in the diagnosis, service, maintenance, or repair of  
48 equipment; provided, however, that for the purposes of this section, an  
49 original equipment manufacturer shall be considered an independent  
50 repair provider for purposes of those instances when such original  
51 equipment manufacturer engages in the diagnosis, service, maintenance,  
52 or repair of equipment that is not affiliated with the original equip-  
53 ment manufacturer.

54 (10) "Original equipment manufacturer" means any person or business  
55 who, in the ordinary course of his or her business, is engaged in the  
56 business of selling or leasing new equipment to any person or business

1 and is engaged in the diagnosis, service, maintenance, or repair of  
2 equipment.

3 (11) "Owner" means a person or business who owns or leases a digital  
4 electronic product purchased or used in this state.

5 (12) "Part" or "service part" means any replacement part, either new  
6 or used, made available by the original equipment manufacturer to the  
7 authorized repair provider for purposes of effecting repair.

8 (13) "Remote diagnostics" means any remote data transfer function  
9 between equipment and the provider of repair services including for the  
10 purposes of remote diagnostics, settings controls, or location identifi-  
11 cation;

12 (14) "Service parts" or "parts" means any replacement parts, either  
13 new or used, made available by the original equipment manufacturer to  
14 the authorized repair provider for the purposes of effecting repair.

15 (b) Requirements. (1) For equipment and parts sold and used in this  
16 state, the original equipment manufacturer of such equipment and parts  
17 shall:

18 (i) make available to independent repair providers or owners of equip-  
19 ment manufactured by such original equipment manufacturer the same diag-  
20 nostic and repair information, including repair technical updates, sche-  
21 matic diagrams, updates, corrections to embedded software and safety and  
22 security patches timely, and for no charge or for the same charge and in  
23 the same format such original equipment manufacturer makes available to  
24 its authorized repair provider and subcontract repair of refurbishment  
25 facilities; and

26 (ii) make available for purchase by the owner, his or her authorized  
27 agent, or independent repair provider, equipment or service parts,  
28 inclusive of any updates to the embedded software of the equipment or  
29 parts, upon fair and reasonable terms.

30 Nothing in this section shall require the original equipment manufac-  
31 turer to sell equipment or service parts if the parts are no longer  
32 available to the original equipment manufacturer or the authorized  
33 repair provider of the original equipment manufacturer.

34 (2) Any original equipment manufacturer that sells any diagnostic,  
35 service, or repair documentation to any independent repair provider or  
36 to any owner in a format that is standardized with other original equip-  
37 ment manufacturers, and on terms and conditions more favorable than the  
38 manner and the terms and conditions pursuant to which the authorized  
39 repair provider obtains the same diagnostic, service, or repair documen-  
40 tation, shall be prohibited from requiring any authorized repair provid-  
41 er to continue purchasing diagnostic, service, or repair documentation  
42 in a proprietary format, unless such proprietary format includes diag-  
43 nostic, service, or repair documentation or functionality that is not  
44 available in such standardized format.

45 (3) (i) Each original equipment manufacturer of equipment sold or used  
46 in the state shall make available for purchase by owners and independent  
47 repair providers all diagnostic repair tools incorporating the same  
48 diagnostic, repair, and remote communications capabilities that such  
49 original equipment manufacturer makes available to its own repair or  
50 engineering staff or any authorized repair provider.

51 (ii) Each original equipment manufacturer shall offer such tools for  
52 sale to owners and independent repair providers upon fair and reasonable  
53 terms. Each original equipment manufacturer that provides diagnostic  
54 repair documentation to aftermarket diagnostic tool, diagnostic, or  
55 third party service information publications and systems shall have  
56 fully satisfied its obligations under this section and thereafter not be

1 responsible for the content and functionality of such aftermarket diag-  
2 nostic tools, diagnostics, or service information systems.

3 (4) Original equipment manufacturer equipment or parts sold or used in  
4 the state for the purpose of providing security-related functions may  
5 not exclude diagnostic, service, and repair information necessary to  
6 reset a security related electronic function from information provided  
7 to owners and independent repair facilities. If excluded under this  
8 paragraph, the information necessary to reset an immobilizer system or  
9 security related electronic module shall be obtained by owners and inde-  
10 pendent repair facilities through the appropriate secure data release  
11 systems.

12 (c) Limitations. (1) Notwithstanding any law, rule or regulation to  
13 the contrary, no provision of this section shall be read, interpreted,  
14 or construed to abrogate, interfere with, contradict, or alter the terms  
15 of any agreement executed and in force between an authorized repair  
16 provider and an original equipment manufacturer, including, but not  
17 limited to, the performance or provision of warranty or recall repair  
18 work by an authorized repair provider on behalf of an original equipment  
19 manufacturer pursuant to such authorized repair agreement, except that  
20 any provision in such an authorized repair agreement that purports to  
21 waive, avoid, restrict, or limit an original equipment manufacturer's  
22 compliance with this section shall be void and unenforceable.

23 (2) Nothing in this section shall be construed to require original  
24 equipment manufacturers or authorized repair providers to provide an  
25 owner or independent repair provider access to non-diagnostic and repair  
26 information by an original equipment manufacturer to an authorized  
27 repair provider pursuant to the terms of an authorizing agreement.

28 (d) Enforcement. A violation of this section shall be enforceable by  
29 the attorney general and punishable by a fine of a maximum of five  
30 hundred dollars per incident.

31 § 3. This act shall take effect on the one hundred twentieth day after  
32 it shall have become a law. Effective immediately, the addition, amend-  
33 ment and/or repeal of any rules or regulations necessary for the imple-  
34 mentation of this act on its effective date are authorized to be made  
35 and completed on or before such effective date.