

# STATE OF NEW YORK

149

2021-2022 Regular Sessions

## IN SENATE

(Prefiled)

January 6, 2021

Introduced by Sen. THOMAS -- 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 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 act".

3 § 2. The general business law is amended by adding a new section 198-d  
4 to read as follows:

5 § 198-d. Right of consumers to diagnose, service, maintain and repair  
6 motor vehicles. (a) Definitions. As used in this section:

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

16 (2) "Embedded software" means any programmable instructions provided  
17 on firmware delivered with the equipment for the purposes of equipment  
18 operation, including all relevant patches and fixes made by the original  
19 equipment manufacturer for this purpose, including, but not limited to  
20 synonyms for "Basic internal operating system", "Internal operating  
21 system", "Machine code", "Assembly code", "Root code", and "Microcode".

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

LBD02769-01-1

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

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

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

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

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

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

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

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

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

(viii) inflation.

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

(6) "Independent repair provider" means a person or business operating in this state who is not affiliated with an original equipment manufacturer or an original equipment manufacturer's authorized repair provider and who is engaged in the diagnosis, service, maintenance, or repair of equipment; provided, however, that for the purposes of this section, an original equipment manufacturer shall be considered an independent repair provider for purposes of those instances when such original equipment manufacturer engages in the diagnosis, service, maintenance, or repair of equipment that is not affiliated with the original equipment manufacturer.

(7) "Motor vehicle" means any vehicle that is designed for transporting persons or property on a street or highway and is certified by the motor vehicle manufacturer under all applicable federal safety and emissions standards and requirements for distribution and sale in the United States. Motor vehicle does not include:

(i) a motorcycle; or

(ii) a recreational vehicle or manufactured home equipped for habitation.

(8) "Motor vehicle dealer" means any person or business who, in the ordinary course of business, is engaged in the business of selling or leasing new motor vehicles to a person or business pursuant to a franchise agreement, who has obtained a license as a motor vehicle dealer, and who is engaged in the diagnosis, service, maintenance, or repair of motor vehicles or motor vehicle engines pursuant to such franchise agreement.

(9) "Motor vehicle manufacturer" means any person or business engaged in the business of manufacturing or assembling new motor vehicles.

(10) "Original equipment manufacturer" means any person or business who, in the ordinary course of his or her business, is engaged in the

1 business of selling or leasing new equipment to any person or business  
2 and is engaged in the diagnosis, service, maintenance, or repair of  
3 equipment.

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

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

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

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

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

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

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

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

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

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

52 (ii) Each original equipment manufacturer shall offer such tools for  
53 sale to owners and independent repair providers upon fair and reasonable  
54 terms. Each original equipment manufacturer that provides diagnostic  
55 repair documentation to aftermarket diagnostic tool, diagnostic, or  
56 third party service information publications and systems shall have

1 fully satisfied its obligations under this section and thereafter not be  
2 responsible for the content and functionality of such aftermarket diag-  
3 nostic tools, diagnostics, or service information systems.

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

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

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

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

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