



















March 24th, 2025

The Honorable Kelly Merrick Members, Alaska Senate Committee on Community and Regional Affairs

# Re: Electronics Manufacturers Opposition to SB 111

Dear Chairwoman Merrick, and Members of the Committee:

On behalf of the hundreds of manufacturers and businesses our coalition represents, we respectfully oppose SB 111. This legislation would mandate original equipment manufacturers (OEMs) of digital electronic equipment sold or used in Alaska to provide independent repair providers with diagnostic and repair information, software, tools, and parts - but without requiring any of the critical consumer protections afforded by authorized repair networks and their selfservice repair offerings, such as training and competency certification, and putting at risk protections manufacturers have built in for consumer data privacy and security. Without any vetting process for qualified repair facilities, the potential for consumer harm is significant and undermines the innovations manufacturers have developed to protect customers. Additionally, we have concerns that this legislation would assist in establishing a "patchwork" of repair legislation in the states, thus creating a burdensome and contradictory compliance regime for members of our industry. Over the years, we have made a direct attempt to work with advocates on numerous occasions to develop a national memorandum of understanding, but our efforts have been repeatedly rebuffed. It appears their preference is to relitigate this issue on a state-by-state

basis, which will inevitably result in a costly, confusing, and onerous compliance patchwork.

Our organizations represent a broad spectrum of manufacturers of consumer electronics, security equipment, toys, lithium-ion batteries, and other connected electronic products, as well as companies that rely on the secure operation of these devices. All of these companies stand behind the quality of their products. Our members develop products and services for a wide range of commercial, government, and consumer users. Their customers depend on these products to operate safely, securely, and accurately, whether they are being used to support banking and commercial transactions, transmit and store sensitive personal data, support industrial operations, medical applications, or securely offer and deliver entertainment and other services. As businesses, government agencies, and consumers continue to increase their reliance on connected devices to help deliver efficiency, convenience, and services, it is important to remain vigilant and focused on mitigating the risks associated with the safe and secure operation of those products.

SB 111 m andantes that OEMs treat any independent repair provider in much the same way as authorized network providers or those who use the self-repair offerings – but without any contractual protections, requirements, or restrictions. In doing so, the bill places consumers and their data at risk, undermines the business of Alaska companies that are part of OEM-authorized networks, and stifles innovation by putting hard-earned intellectual property in the hands of hundreds, if not thousands, of new entities. Further, the bill fails to account for the wide range of repair and refurbishment options currently available to Alaska consumers from both OEM-authorized and independent repair stores. It also does not address advancements in sustainability by electronic product manufacturers.

For these reasons, we urge the committee against moving forward with this legislation without addressing these identified issues.

# SB 111 harms consumer security.

One of our chief concerns with this legislation is its potential to weaken the privacy and security features of various electronic products. The security of user information on these products is of the utmost importance to consumers that rely on them. Computers, tablets, and smartphones are at risk of hacking, and weakening of the privacy and security protections of those products will increase risks to consumers. With access to technical information, criminals can more easily circumvent security protections, harming not only the product owner but also everyone who shares their network. In an era of sophisticated cyberattacks, we should not make it easier for criminals to hack security provisions.

Forcing OEMs to provide unauthorized repair facilities with information on how to bypass consumers' safety locks presents unacceptable risks to consumers' data privacy. A recent study found that privacy violations already occur when consumers seek computer or phone repairs. Without the contractual safeguards created by authorized repair networks that allow OEMs to hold bad actors

accountable, SB 111 will create new opportunities for snooping repair technicians to access and copy consumers' personal data.

# SB 111 harms consumer safety.

Manufacturers offer authorized repair networks to provide consumers with assurance that their products are serviced by properly trained and vetted repair professionals who have the necessary skills to repair electronic products safely and reliably.

Most consumer technology products are comprised of complex electronics which require specialized training and sophisticated test instruments to repair safely. Some types of repairs can be extremely detailed, complicated, and dangerous to anyone without proper training. It is particularly important that products containing high-energy lithium-ion batteries are repaired only by trained professionals who understand and mitigate the hazards associated with installing, removing or replacing these batteries. In January 2021, the U.S. Consumer Product Safety Commission released a consumer safety warning that rechargeable lithium-ion battery cells, when they are "loose" and not installed in a device or part of an integral battery, are "potentially hazardous to consumers when handled, transported, stored, charged, or used to power devices" and "can overheat and experience thermal runway, igniting the cell's internal materials and forcibly expelling burning contents, resulting in fires, explosions, serious injuries and even death."

Manufacturers want to ensure that their products are serviced by professionals who understand the intricacies of their products and have spent time procuring the knowledge necessary to safely repair them and return them to consumers without compromising those standards or undermining the safety and security of their products. Authorized repair networks not only include training requirements but also have the technical skills and test instruments to verify that repair parts meet all necessary performance and safety specifications. Consumers can be protected by warranties or other means of recourse. The legislation provides no such protections for consumers, repair shops, or manufacturers.

When an electronic product breaks, consumers have a variety of professional repair options, including using an OEM's authorized repair network, which often include local repair service providers as well as mail-in and even in-house repair options for some categories of products. Consumers may also choose to use one of many independent repair providers; although they do so without the quality assurance provided by using a manufacturer's authorized network provider. The point is that the free-market economy provides a wide range of consumer choice for repair with varying levels of quality, price, and convenience without mandates imposed by the legislation.

Manufacturers' authorized networks of repair facilities guarantee that repairs meet OEM performance and safety standards. If an OEM's brand and warranty are to stand behind repair work and assume product liability, it is only reasonable that the repair facility demonstrates competency and reliability. Without the training and other quality assurance requirements of authorized

service providers, manufacturers would not be able to stand behind their work, warranties, technical support, ongoing training, and business support.

# SB 111 mandates the disclosure of protected proprietary information.

Manufacturers make significant investments in the development of products and services, and the protection of intellectual property is a legitimate and important aspect of sustaining the health of the vibrant and innovative technology industry. However, SB 111 puts at risk the intellectual property that manufacturers have developed.

Consumer electronics' on-board software (i.e., firmware) are key to the functioning and operation of the hardware it is embedded in, and firmware helps protect against unauthorized access to other software and applications. That software is subject to copyright under federal law, and Section 1201 of the Digital Millennium Copyright Act, a related federal law, ensures that bad actors cannot tamper with the digital rights management that copyright owners use to protect this software. The problem is that making repairs to hardware components may require the circumvention of digital rights management and leave the software in an unprotected state – harming the copyright owners of the software.

Firmware controls many other product functions, so opening it up for repair purposes exposes other more sensitive functions, such as security features, to potential tampering. Given the scope of products covered and what must be provided under the legislation – including diagnostics, tools, parts, and updates to software – it is highly likely some of the information would be proprietary. Providing unauthorized repair facilities and individuals with access to proprietary information without the contractual safeguards currently in place between OEMs and authorized service providers places OEMs, suppliers, distributors, and repair networks at risk.

# SB 111 fails to account for advancements in sustainability by electronic product manufacturers.

The bill is partly based on an inaccurate assumption that it will aid in the reduction of electronic waste in the state of Alaska. According to a recent study by Yale and Rochester Institute of Technology researchers, e-waste generation in the U. S. peaked in 2015 and is in a period of extended decline (see "Electronic Waste on the Decline, New Study Finds"). This trend is corroborated by recent data from the U.S. Environmental Protection Agency whose data shows consumer electronics as the fastest declining part of the municipal solid waste stream.

Electronic product manufacturers have developed robust policies and programs to ensure that they are continuously improving the sustainability of their products for their whole lifecycle, from design to material sourcing, product performance, reuse, and responsible end of life management.

This has led to continued innovation and the use of new technologies which provide consumers improved devices while simultaneously reducing the overall amount of e-waste generated – all under the existing product repair

environment. Plus, with new technologies like OLED and additional lightweighting across the electronics industry, additional declines in e-waste generation are expected to continue during the coming decades.

Repair and reuse are important elements of electronics manufacturers sustainability efforts. Not only is repair and reuse in the OEM's best interest so that consumers can continue to enjoy their products, but many OEMs are returning still-useful electronic products to active service to get the maximum benefits out of the resources used to make them.

Additionally, under revised "green" procurement standards, federal agencies and other purchasers will be required to purchase computers that meet certain environmental performance criteria under the Electronic Product Environmental Assessment Tool (EPEAT) rating system. These existing policies and programs promote repair and reuse without the consumer safety, security or business being compromised.

# Conclusion

Thank you for considering our perspective on this complicated issue. Our members bear a significant responsibility to the businesses, governments, and individual consumers that depend on us to protect the safety and security of their electronic products, as well as the sensitive data that they contain. We are committed to working with you to promote digital privacy and security, while resisting unwarranted intervention in the marketplace with one-size-fits-all mandates that compromise consumer safety and protection. Many of the members of our coalition have already taken measures to ensure consumers have numerous options for repairing their devices and appliances. The industry is evolving in a positive manner. For those reasons, we oppose SB 111.

Sincerely,

Repair Done Right Coalition

Dear Senator Kelly Merrick,

My name is Paul Hughes and I am a small business owner in the Powersports industry, here in Eagle River, writing to you with significant concerns for Senate Bill 111 (SB 111). **SB 111 would unnecessarily put the public at risk, and I respectfully request that without an exemption for powersports vehicles, you VOTE NO on SB 111 when it comes before your committee.** 

## SAFETY CONCERNS

SB 111 would allow complex repairs of highly technical powersports machines (ATVs, ORVs and snowmobiles) by untrained individuals. While repairs to some products may be quite simple and without personal or public safety considerations, or without concern for regulatory compliance, powersports products are complex machines, powered by combustible fuels and subject to complex state and federal safety and emissions regulations.

We have ensured that our 6 technicians have undergone extensive and required training on these units, in an effort to ensure the highest levels of quality for the equipment we sell and service.

To the extent consumers wish to make their own routine repairs on our products, manufacturers provide extensive online DIY resources for their use, in a collaborative effort to make it easier for consumers to perform non-safety, non-emissions related repairs. However, it is our position that some repairs should only be performed by appropriately trained and qualified dealer experts who can execute repairs designed to protect consumers and the public, as well as abiding by existing state and federal standards.

## **NEGATIVE BUSINESS IMPACT**

As a small business owner in the powersports industry, we have invested hundreds of thousands of man hours and dollars in our dealership's warranty and service departments, in an effort to best serve the local community. SB 111, as currently drafted, would give untrained individuals the same access to the tools/data we utilize, as well as allowing these untrained individuals the ability to perform the same repairs as our highly trained service professionals. This creates an inequitable scenario in the marketplace as we know it.

SB 111 would undercut the significant financial and human capital investments we have made in our small business.

It is for the reasons above that I ask you VOTE NO ON SB 111, unless a powersports exemption is included on this legislation. Thank you very much for your time and consideration of this critical issue to our industry.

Sincerely,

Paul W. Hughes

Owner



# Testimony of Mike Blank CTIA

# In Opposition to Alaska SB 111

# Before the Alaska Senate Committee on Community and Regional Affairs

# March 25, 2025

On behalf of CTIA®, the trade association for the wireless communications industry, I submit this testimony in opposition to Senate Bill 111, which places mandates on original equipment manufacturers regarding diagnostic and repair information for certain digital electronic equipment. The marketplace already provides a wide range of consumer choice for repair with varying levels of quality, price, and convenience without the mandates imposed by this legislation.

The marketplace continues to evolve, and manufacturers and other market participants continue to make changes to address consumer demand while offering consumers safe and reliable repair options. For example, manufacturers have relationships with authorized repair providers.

These providers have received the appropriate training from manufacturers and have the qualifications to help ensure that repairs are done properly and safely.

In addition to authorized repair providers, manufacturers may offer walk-in repair options at retail stores as well as mail-in services. Insurance providers may also offer repair options, including authorized third-party remote technicians that will travel to the consumer to perform repairs.

Moreover, consumers can currently avail themselves of numerous independent repair alternatives although manufacturers cannot guarantee the quality assurance of independent repair providers.



Additionally, many manufacturers have expanded repair options for consumers, from growing the number of authorized repair providers, to increasing access to tools, parts, and manuals directly to consumers. It is important that with more repair options available to consumers, consumers continue to have access to professional repair providers with demonstrable competence to provide a safe and reliable repair.

To further address the repair marketplace, CTIA launched two programs related to repair, the Wireless Industry Service Excellence (WISE) Technician Certification Program and the WISE Authorized Service Provider (ASP) Certification Program. The WISE technician program educates and tests wireless device repair technicians on industry-recognized standards, certifying those that meet the highest standards for service quality and technical skill. The first certification of its kind, WISE-certified device repair technicians provide consumers with a predictable, high-quality repair experience.<sup>1</sup>

The WISE ASP program creates a network of certified retail locations, helping consumers identify qualified providers that meet the highest standards for service quality and wireless device repair. Both programs were created by CTIA's Reverse Logistics and Service Quality Working Groups, which convene members representing the entire reverse logistics community to address the wireless industry's challenges and develop requirements for industry-recognized standards in repair and refurbishment of wireless devices. CTIA also recently introduced the first ever postsecondary

<sup>1</sup> https://www.ctia.org/news/ctia-launches-technician-certification-program

<sup>&</sup>lt;sup>2</sup> https://www.ctia.org/news/ctia-launches-retail-certification-program-for-wireless-device-repair



education mobile device repair certification program to provide an academic avenue for credentialing and certifying more device repairers.<sup>3</sup>

Wireless companies, individually, and through industry associations have taken proactive steps to provide consumers with more device repair options, while accounting for the need to maintain device integrity and security and to protect intellectual property rights. These include the expansion of CTIA's WISE program to include over 21,000 certified technicians nationally, continued growth of manufacturers' authorized repair networks, and the availability of access to tools, parts, and manuals directly to consumers.

CTIA is also concerned that this bill would have the unintended consequence of negatively impacting consumers of digital equipment by eliminating the need for repairers to demonstrate to consumers that they have the technical competence to perform safe, secure, and reliable repairs.

Manufacturers want to make certain the repair providers they work with understand the numerous components of the electronic products being repaired. Their authorization to perform repairs ensures that the changes made to the devices are compatible with current technology and the networks on which they operate.

Finally, CTIA is concerned that this legislation has the potential to weaken the safety, privacy, and security features of electronic products. The security of user information is of the utmost importance to consumers. The potential weakening of privacy and safety protections will increase risks to consumers. With broad and unchecked access to technical information, security protections

<sup>&</sup>lt;sup>3</sup> CTIA, *MCC to Launch First Mobile Device Repair Certification Program in Postsecondary Education* (Jan. 17, 2023), https://www.ctia.org/news/mcc-to-launch-first-mobile-device-repair-certification-program-in-postsecondary-education.

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could be easily circumvented. In an era of sophisticated cyberattacks, we should not make it easier to hack devices and networks.

This bill is an unnecessary intervention in the marketplace, and its mandates could cause safety, privacy, and security risks that compromise consumer safety and protection. For these reasons, CTIA respectfully asks that you not move this legislation.

From: <a href="mailto:harlia@akcyclecenter.com">harlia@akcyclecenter.com</a>
To: <a href="mailto:Sen. Kelly Merrick">Sen. Kelly Merrick</a>

Subject: SB 111

**Date:** Tuesday, March 25, 2025 8:31:52 AM

Dear Senator Kelly Merrick,

My name is Tony C Gatts II, I am a small business owner of 50+ years in the powersports industry, here in Anchorage, writing to you with significant concerns for Senate Bill 111 (SB 111). **SB 111 would unnecessarily put the public at risk, and I respectfully request that without an exemption for powersports vehicles, you <u>VOTE NO</u> on SB 111 when it comes before your committee.** 

# **SAFETY CONCERNS**

SB 111 would allow complex repairs of highly technical powersports machines (Motorcycles, ATVs, ORVs and snowmobiles) by untrained individuals. While repairs to some products may be quite simple and without personal or public safety considerations, or without concern for regulatory compliance, powersports products are complex machines, powered by combustible fuels and subject to complex state and federal safety and emissions regulations.

We have ensured that all our technicians have undergone extensive and required training on these units, to ensure the highest levels of quality for the equipment we sell and service.

To the extent consumers wish to make their own routine repairs on our products, manufacturers provide extensive online DIY resources for their use, in a collaborative effort to make it easier for consumers to perform non-safety, non-emissions related repairs. However, it is our position that some repairs should only be performed by appropriately trained and qualified dealer experts who can execute repairs designed to protect consumers and the public, as well as abiding by existing state and federal standards.

# **NEGATIVE BUSINESS IMPACT**

As a small business owner in the powersports industry, we have invested substantial financial resources, time and effort in our dealership's warranty and service departments, to best serve the local community. SB 111, as currently

drafted, would give untrained individuals the same access to the tools/data we utilize, as well as allowing these untrained individuals the ability to perform the same repairs as our highly trained service professionals.

This creates an inequitable scenario in the marketplace as we know it.

SB 111 would undercut the significant financial and human capital investments we have made in our small business.

It is for the reasons above that I ask you <u>VOTE NO</u> ON SB 111, unless a powersports exemption is included on this legislation. Thank you very much for your time and consideration of this critical issue to our industry.

Sincerely,

Tony C Gatts II

Alaska Cycle Center Ltd

From: <u>hpakwasilla@mtaonline.net</u>

To: <u>Sen. Kelly Merrick</u>

Subject: SB 111

**Date:** Monday, March 24, 2025 12:22:40 PM

# Dear Senator Kelly Merrick - Chair

• My name is Chris Graeber and I am a small business general manager in the powersports industry, here in Wasilla & Willow, writing to you with significant concerns for Senate Bill 111 (SB 111). SB 111 would unnecessarily put the public at risk, and I respectfully request that without an exemption for powersports vehicles, you VOTE NO on SB 111 when it comes before your committee.

## **SAFETY CONCERNS**

SB 111 would allow complex repairs of highly technical powersports machines (ATVs, ORVs and snowmobiles) by untrained individuals. While repairs to some products may be quite simple and without personal or public safety considerations, or without concern for regulatory compliance, powersports products are complex machines, powered by combustible fuels and subject to complex state and federal safety and emissions regulations.

We have ensured that our 10 technicians have undergone extensive and required training on these units, in an effort to ensure the highest levels of quality for the equipment we sell and service.

To the extent consumers wish to make their own routine repairs on our products, manufacturers provide extensive online DIY resources for their use, in a collaborative effort to make it easier for consumers to perform non-safety, non-emissions related repairs. However, it is our position that some repairs should only be performed by appropriately trained and qualified dealer experts who can execute repairs designed to protect consumers and the public, as well as abiding by existing state and federal standards.

# **NEGATIVE BUSINESS IMPACT**

As a small business owner in the powersports industry, we have invested more than 30 years and hundreds of thousands of dollars in our dealership's warranty and service departments, in an effort to best serve the local community. SB 111, as currently drafted, would give untrained individuals the same access to the tools/data we utilize, as well as allowing these untrained individuals the ability to perform the same repairs as our highly trained service professionals. This creates an inequitable scenario in the marketplace as we know it.

SB 111 would undercut the significant financial and human capital investments we have made in our small business.

It is for the reasons above that I ask you VOTE NO ON SB 111, unless a powersports exemption is included on this legislation. Thank you very much for your time and consideration of this critical issue to our industry.

Sincerely,
Chris Graeber
General Manager
Hatcher Pass Polaris Wasilla & Willow
907-373-4639
hpakwasilla@mtaonline.net
hatcherpasspolaris.com

From: Noah Nelson
To: Sen. Kelly Merrick

Subject: SB 111

**Date:** Monday, March 24, 2025 4:41:03 PM

Dear Senator Merrick,

My name is **Noah Nelson** and I am a small business owner in the powersports industry, here in **Soldotna**, writing to you with significant concerns for Senate Bill 111 (SB 111). **SB 111 would** unnecessarily put the public at risk, and I respectfully request that without an exemption for powersports vehicles, you VOTE NO on SB 111 when it comes before your committee.

## **SAFETY CONCERNS**

SB 111 would allow complex repairs of highly technical powersports machines (ATVs, ORVs and snowmobiles) by untrained individuals. While repairs to some products may be quite simple and without personal or public safety considerations, or without concern for regulatory compliance, powersports products are complex machines, powered by combustible fuels and subject to complex state and federal safety and emissions regulations.

We have ensured that our **five** technicians have undergone extensive and required training on these units, in an effort to ensure the highest levels of quality for the equipment we sell and service.

To the extent consumers wish to make their own routine repairs on our products, manufacturers provide extensive online DIY resources for their use, in a collaborative effort to make it easier for consumers to perform non-safety, non-emissions related repairs. However, it is our position that some repairs should only be performed by appropriately trained and qualified dealer experts who can execute repairs designed to protect consumers and the public, as well as abiding by existing state and federal standards.

## **NEGATIVE BUSINESS IMPACT**

As a small business owner in the powersports industry, we have invested more than \$300,000 in our dealership's warranty and service departments, in an effort to best serve the local community. SB 111, as currently drafted, would give untrained individuals the same access to the tools/data we utilize, as well as allowing these untrained individuals the ability to perform the same repairs as our highly trained service professionals. This creates an inequitable scenario in the marketplace as we know it.

SB 111 would undercut the significant financial and human capital investments we have made in our small business.

It is for the reasons above that I ask you VOTE NO ON SB 111, unless a powersports exemption is included on this legislation. Thank you very much for your time and consideration of this critical issue to our industry.

Sincerely,

**Noah Nelson** 

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Any questions don't hesitate to call or email.

-Noah Sales Manager.



noah@peninsulapowersports.com www.peninsulapowersports.com From: Josh

To: <u>Sen. Kelly Merrick</u>

Subject: SB111

**Date:** Monday, March 24, 2025 5:21:48 PM

Dear Senator Merrick,

My name is Joshua Stables and I am a small business owner in the powersports industry, here in Soldotna, writing to you with significant concerns for Senate Bill 111 (SB 111). **SB 111** would unnecessarily put the public at risk, and I respectfully request that without an exemption for powersports vehicles, you VOTE NO on SB 111 when it comes before your committee.

#### SAFETY CONCERNS

SB 111 would allow complex repairs of highly technical powersports machines (ATVs, ORVs and snowmobiles) by untrained individuals. While repairs to some products may be quite simple and without personal or public safety considerations, or without concern for regulatory compliance, powersports products are complex machines, powered by combustible fuels and subject to complex state and federal safety and emissions regulations.

We have ensured that our 5 technicians have undergone extensive and required training on these units, in an effort to ensure the highest levels of quality for the equipment we sell and service.

To the extent consumers wish to make their own routine repairs on our products, manufacturers provide extensive online DIY resources for their use, in a collaborative effort to make it easier for consumers to perform non-safety, non-emissions related repairs. However, it is our position that some repairs should only be performed by appropriately trained and qualified dealer experts who can execute repairs designed to protect consumers and the public, as well as abiding by existing state and federal standards.

## **NEGATIVE BUSINESS IMPACT**

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SB 111 would undercut the significant financial and human capital investments we have made in our small business.

It is for the reasons above that I ask you VOTE NO ON SB 111, unless a powersports exemption is included on this legislation. Thank you very much for your time and consideration of this critical issue to our industry.

Sincerely,



37677 Kenai Spur Hwy Soldotna, AK 99669

josh@peninsulapowersports.com

www.peninsulapowersports.com

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From: Peninsula Powersports
To: Sen. Kelly Merrick

Subject: SB 111

**Date:** Monday, March 24, 2025 4:25:54 PM

Dear Senator Merrick,

My name is **Nathan Tius** and I am a small business owner in the powersports industry, here in **Soldotna**, writing to you with significant concerns for Senate Bill 111 (SB 111). **SB 111 would** unnecessarily put the public at risk, and I respectfully request that without an exemption for powersports vehicles, you VOTE NO on SB 111 when it comes before your committee.

## **SAFETY CONCERNS**

SB 111 would allow complex repairs of highly technical powersports machines (ATVs, ORVs and snowmobiles) by untrained individuals. While repairs to some products may be quite simple and without personal or public safety considerations, or without concern for regulatory compliance, powersports products are complex machines, powered by combustible fuels and subject to complex state and federal safety and emissions regulations.

We have ensured that our **5** technicians have undergone extensive and required training on these units, in an effort to ensure the highest levels of quality for the equipment we sell and service.

To the extent consumers wish to make their own routine repairs on our products, manufacturers provide extensive online DIY resources for their use, in a collaborative effort to make it easier for consumers to perform non-safety, non-emissions related repairs. However, it is our position that some repairs should only be performed by appropriately trained and qualified dealer experts who can execute repairs designed to protect consumers and the public, as well as abiding by existing state and federal standards.

## **NEGATIVE BUSINESS IMPACT**

As a small business owner in the powersports industry, we have invested more than\$300,00 in our dealership's warranty and service departments, in an effort to best serve the local community. SB 111, as currently drafted, would give untrained individuals the same access to the tools/data we utilize, as well as allowing these untrained individuals the ability to perform the same repairs as our highly trained service professionals. This creates an inequitable scenario in the marketplace as we know it.

SB 111 would undercut the significant financial and human capital investments we have made in our small business.

It is for the reasons above that I ask you VOTE NO ON SB 111, unless a powersports exemption is included on this legislation. Thank you very much for your time and consideration of this critical issue to our industry.

Sincerely,

### **Nathan Titus**

Nate Titus ~ Owner/General Manager (907) 262-4444 37677 Kenai Spur Hwy. Soldotna, AK 99669

nate@peninsulapowersports.com www.peninsulapowersports.com www.raiderboats.com

Peninsula Powersports ~ Raider Boats

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From: Kyle Liebman

To: Senate Community and Regional Affairs

**Subject:** Alaska SB 111-A, Pape" Ditch Witch West opposition

**Date:** Tuesday, March 25, 2025 8:26:01 AM

Attachments: <u>image001.png</u>

Subject: Opposition to Alaska SB 111-A and Its Impact on Dealer Support and Safety

I represent Pape' Ditch Witch West, an underground utility equipment provider specializing in Ditch Witch brand machines that install all underground utilities and communication lines. As a wholesaler, we offer the following services to our customers in Alaska:

- 1. Parts and whole goods for underground construction equipment
- 2. Maintenance and repairs for our equipment
- 3. Warranty repair services
- 4. Trained service technicians
- 5. Trained parts and supply personnel
- 6. On-site parts delivery and repair services

We would like to express our strong opposition to Alaska Senate Bill 111-A (SB 111-A). If manufacturers are required to sell parts to the public at the same wholesale prices offered to our dealer network, it would have severe consequences for our ability to continue supporting our customers and operations in Alaska. Specifically, this legislation would jeopardize our dealership's financial viability and our ability to offer the essential services outlined above. Additionally, granting unrestricted access to critical machine operating software poses significant safety risks. Allowing untrained individuals to alter or disable safety parameters could lead to unsafe working conditions. Ditch Witch machines are equipped with a variety of safety features designed to protect operators and those in the vicinity, including:

- Hydraulic system over-pressure protection
- Limitations on electrical functions
- Safety sensors that prevent machine operation when the operator is not present
- Safety sensors that disable moving parts during maintenance and repairs
- Electrical strike protection to prevent electrocution during operation

If these safety systems are tampered with or disabled, it could create hazardous environments for both operators and those around them. The integrity of these safety systems is critical to prevent accidents and ensure safe operation in the field.

Furthermore, without a fair margin on parts and goods, our dealership will be unable to afford necessary services such as maintaining a servicing location or compensating our skilled personnel. These employees are vital to ensuring the ongoing support we provide to our customers in Alaska.

For these reasons, we strongly oppose SB 111-A. We believe that any legislation that compromises our ability to operate safely, fairly, and sustainably would not only harm our dealership but also undermine the safety and success of our customers and community. Thank you for your time and consideration. We are available to discuss any concerns or questions you may have regarding this matter.

Kvle Liebman





# **Kyle Liebman** Director of Service

Phone: 503-286-6400 Cell: 503-757-2654



1919 S. Eads St. Arlington, VA 22202 703-907-7600 CTA.tech

March 24, 2025

Chair Kelly Merrick Vice Chair Forrest Dunbar Senate Community and Regional Affairs Committee 120 4<sup>th</sup> Street Juneau, AK 99801

Re: CTA Testimony to SB111

Chair Merrick, Vice Chair Dunbar, and Members of the Senate Community and Regional Affairs Committee,

On behalf of the Consumer Technology Association (CTA), thank you for the opportunity to provide testimony to Senate Bill 111 (SB111), Digital Product Repair.

CTA is the trade association representing the U.S. consumer technology industry. Our members are the world's leading innovators – from startups to global brands to retailers – helping support more than 18 million American consumer technology jobs. Our members include manufacturers of the devices subject to the provisions of this legislation. CTA has concerns with SB111 which includes broad and vague language, and it extremely misaligned with industry's stance on repair.

## **Patchwork Concerns**

Given five states have enacted repair legislation, CTA is concerned about a patchwork of varying repair requirements emerging across the United States. CTA supports a national repair approach that will ensure that consumers and independent repair providers receive the same or equivalent treatment as manufacturer-authorized repair providers for purposes of repairing consumer technology devices. CTA also stands ready to work with repair advocates to establish a national Memorandum of Understanding to facilitate repair nationally.

Enactment of varying state repair laws with different requirements and definitions subject to differing interpretations by state courts and regulators is a major concern for our industry. **We strongly encourage Alaska to not move forward with SB111 given its broad and vague language as well as the drastic differences between the language in SB111 and existing state laws.** 

# **Concerns Specific to SB111**

CTA has identified several areas of concern for members where the language will create confusion for producers and/or doesn't ensure reasonable accommodation for industry that other states have recognized and put into law while ensuring both that repairs can be made by consumers and independent repair shops without substantially compromising safety and security concerns.

There are a multitude of unique and Alaska specific definitions in SB111. The definition of "digital product" is extremely broad and raises the following concerns:

- It captures a multitude of products including critical infrastructure devices (electric grid, networking equipment, etc.) and devices that could present a security risk if information on how to access is provided.
- o Per Alaska definitions, "persons" includes businesses. Sales to businesses or government entities should not be in scope of this legislation.
- Lastly, there is no grace period for new products to come into compliance, which should be at least one year.

These parameters are critical and have significant trickle impacts when you look at the full scope of requirements laid out in SB111.

Documentation tools, and parts should only be required to be provided to independent repair providers or consumers based on fair and reasonable terms and if the documentation, tools, and parts are provided to authorized repair providers. This ensures that manufacturers aren't required to provide documentation, tools, or parts beyond what they provide their trusted and vetted authorized repair providers. The lack of reference to fair and reasonable terms is also concerning which provides reasonable accommodation to manufacturers.

Additionally, SB111 fails consumers. Consumers aren't protected in this legislation. Consumers should be provided with basic information about the repair provider and parts provided by the independent repair provider, and such independent repair provider should be required to protect consumer data and recycle responsibly. If the main point of this legislation is to expand consumer rights, there should be a concurrent expansion of disclosure to consumers of who is doing the repair.

Lastly, the potential for harm to industry is significant. Private right of action exists under Alaska state law and would be applicable to this law if adopted. No state law allows for private right of action. Limited enforcement mechanisms should be given solely to the Alaska Attorney General.

The above challenges are just some of the examples we see in SB111. Most repair bills focus on providing consumers with options to repair their products; SB111 goes far beyond the typical consumer products in scope of these proposals and does little to provide reasonable accommodation for manufacturers which have invested heavily in supporting consumers as well as independent and authorized repair providers.

### Conclusion:

Given the multiple concerns outlined above, we strongly encourage Alaska not to move forward with SB111. Thank you again for the opportunity to testify. If you should have any questions, please do not hesitate to contact me at <a href="mailto:kreilly@cta.tech">kreilly@cta.tech</a>.

Sincerely,

Katie Reilly

VP, Environmental Affairs and Industry Sustainability

Consumer Technology Association

Dear Senator Merrick,

My name is Nick Olzenak and I am the Chief Operating Officer of a 50 year old Employee Owned Alaska business in the powersports industry with three stores here in Anchorage, writing to you with significant concerns for Senate Bill 111 (SB 111). **SB 111 would unnecessarily put the public at risk, and I respectfully request that without an exemption for powersports vehicles, you VOTE NO on SB 111 when it comes before your committee.** 

# **SAFETY CONCERNS**

SB 111 would allow complex repairs of highly technical powersports machines (ATVs, ORVs and snowmobiles) by untrained individuals. While repairs to some products may be quite simple and without personal or public safety considerations, or without concern for regulatory compliance, powersports products are complex machines, powered by combustible fuels and subject to complex state and federal safety and emissions regulations.

We have ensured that our 12 factory trained technicians have undergone extensive and required training on these units, to ensure the highest levels of quality for the equipment we sell and service.

To the extent consumers wish to make their own routine repairs on our products, manufacturers provide extensive online DIY resources for their use, in a collaborative effort to make it easier for consumers to perform non-safety, non-emissions related repairs. However, it is our position that some repairs should only be performed by appropriately trained and qualified dealer experts who can execute repairs designed to protect consumers and the public, as well as abiding by existing state and federal standards.

# **NEGATIVE BUSINESS IMPACT**

As an employee-owned small business in the powersports industry, we have invested hundreds of thousands of dollars over the years in our dealership's warranty and service departments, in an effort to best serve the local community. SB 111, as currently drafted, would give untrained individuals the same access to the tools/data we utilize, as well as allowing these untrained individuals the ability to perform the same repairs as our highly trained service professionals. This creates an inequitable scenario in the marketplace as we know it.

SB 111 would undercut the significant financial and human capital investments we have made in our small business.

It is for the reasons above that I ask you VOTE NO ON SB 111, unless a powersports exemption is included on this legislation. Thank you very much for your time and consideration of this critical issue to our industry.

Sincerely,

**Nick Olzenak** 



March 25, 2025

# Re: Alarm Industry Concerns About SB 111 – the Digital Right-to-Repair Act

Dear Senator Merrick and Honorable Members of the Senate Committee on Community and Regional Affairs:

We are writing on behalf of the Alarm Industry Communications Committee (AICC)<sup>1</sup> and the many central station alarm companies represented within its membership (including numerous companies that operate in the State of Alaska), to express AICC's concerns about the current version of SB 111, the Digital Right to Repair Act (the "Act"). AICC respectfully requests that the Senate Committee on Community and Regional Affairs refrain from advancing SB 111 without an appropriate amendment to establish that electronic security and life safety systems are excluded from the scope of the Act.

AICC does not oppose the concept of expanding Alaskans' freedom to repair the vast majority of consumer electronic devices. However, the Act as currently written would require alarm companies to release "documentation" to owners or independent repair providers upon request, which includes any manual, diagram, reporting output, service code description, schematic diagram, security code, passwords, or other sensitive information that is necessary to diagnose, maintain, or repair the equipment. Manufacturer-specific alarm system codes, schematics, radio communications and cybersecurity information can help someone figure out how to disable the system, and through accidental release or hack could end up on the dark web and be used to unlock or disable systems of many consumers and businesses using the same type of alarm system across the U.S.. With these codes, a bad actor could drive around a particular area and look for signs and stickers advertising a particular alarm company and potentially be able to break in and override their alarm system. Not only would alarm panels be impacted but also security cameras, motion detectors, door sensors and more.

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AICC is a committee formed by The Monitoring Association (TMA), representing the vast majority of entities providing central station alarm security protection services. The Electronic Security Association (ESA) (representing security and fire alarm service providers) and the Security Industry Association (SIA) (representing alarm system manufacturers) are also members of AICC. Central station alarm operations protect tens of millions of families in their homes, a wide range of hospitals, businesses, public utilities and key government facilities (including military installations).

Fire alarm systems and medical devices would also be made vulnerable to not just bad actors but also negligent ones. Fire alarm technicians are given rigorous training and, in most states, require certification to inspect, repair, and install these systems. If a landlord attempts to repair a fire alarm, monitored smoke detector, or sprinkler system and they are not qualified to do so, it could endanger lives of numerous tenants. Medical pendants that are improperly repaired leave the life of the pendant wearer in jeopardy.

AICC respectfully submits that the Act and the safety and security of Alaska's residents and businesses would be improved by creating an exemption in Sec. 45.45.870 (d) to ensure that consumers who have purchased alarm systems may continue to rely of on the protections these systems afford:

(d) The provisions of AS 45.45.800 - 45.45.890 do not apply to security or life safety systems and devices, or to manufacturers of security or life safety systems and devices.

"Security and life safety systems and devices" should be added as a defined term in Sec. 45.45.890, as follows:

"Security and life safety systems and devices." A product designed to prevent, detect, protect against or respond to security incidents or safety hazards impacting individuals or property, including, but not limited to:

- (1) A fire alarm.
- (2) A medical alert.
- (3) Intrusion detection.
- (4) Video security.
- (5) An access control system or device.

This language is understood to protect manufacturers, dealers, distributors, integrators, installers and monitoring service providers of a security or life safety device and/or system (including but not limited to all central station alarm systems and any other digital electronic equipment used to prevent, detect, protect against, or respond to fire, carbon monoxide risks, falls, medical alerts or security incidents or control access to residential, commercial, and governmental property, services, or information systems). AICC would also support language to clarify that this exemption does not apply to battery replacement for residential smoke alarms. This would still allow applicability of right to repair obligations to the intended range of

consumer electronic equipment, while maintaining critical product integrity and safety that consumers expect from the security and life safety industry.

Nearly all states that have adopted a right to repair law to date have specifically excluded fire and security systems, including Colorado, California, and New York; and proposed legislation in other states such as Illinois, Massachusetts and Pennsylvania has included similar exclusions. These states are recognized as some of the most consumerprotective jurisdictions in the nation. Moreover, The Repair Association, an organization is at the forefront of the right to repair movement, has included an exclusion for fire alarm systems, intrusion detection equipment, life safety systems and physical access control equipment in its 2025 Legislative Template for Right to Repair statutes.<sup>2</sup>

The security and life safety industry is, quite literally, in the consumer protection business and takes this mission very seriously. Security and life safety employees undergo extensive training and background checks to ensure that the technicians who are sent into customers' homes and businesses can be trusted. Right to repair legislation has the potential to inadvertently jeopardize the safety of residents and businesses and erode trust in our industry, at a time when concern for public safety is at an all-time high and the incidence of hacking and misuse of sensitive information is rapidly increasing. For these reasons, AICC respectfully requests that any right to repair proposals include an appropriate exclusion for security and life safety systems and devices to address this public safety concern.

Respectfully submitted,

ALARM INDUSTRY COMMUNICATIONS

COMMITTEE

Tiffany Galarza, Co-Chair Sascha Kylau, Co-Chair

c/o The Monitoring Association 7918 Jones Branch Drive, Suite 510

McLean, VA 22102 703-242-4670

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The Repair Association's 2025 legislative template is posted at https://www.repair.org/legislation where there is a button to "Download the Legislative Template for Digital Electronics."





March 24, 2025

The Honorable Kelly Merrick, Chair Senate Committee on Community & Regional Affairs 120 4<sup>th</sup> Street Juneau AK 99801

RE: SB 111 Digital Right to Repair Act

Dear Chair Merrick and Members of the Committee:

I am Rose Feliciano, Executive Director of Northwest for TechNet. TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.5 million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

I write on behalf of TechNet in **opposition to SB 111**, which we believe is incredibly broad and vague, which would likely result in confusion by consumers and companies.

First, most bills which attempt to provide consumers with options to repair their consumer the bills focus on "electronic consumer products." Legislation has also been introduced across the country to provide options for owners of agricultural equipment. However, with the definition "digital product" means "a product that depends for its functioning, in whole or in part, on digital electronics embedded in or attached to the product;" this bill opens the door to products well beyond electronic consumer products.

As introduced, this is not about the \$500 hairdryer discussed in the public hearing on March 11<sup>th</sup>. As defined, a digital product would also include computers, phones as well as equipment that controls the electric grid, water systems and other critical infrastructure.

For consumer products, there are currently a variety of professional repair options, including independent repair providers or a manufacturer's authorized repair network. By establishing relationships with authorized repair providers, which include local small businesses, manufacturers can ensure the technicians receive the appropriate training and have the relevant qualifications so that repairs are done properly and safely. Contractual relationships that original equipment manufacturers (OEMs) enter with their authorized repair networks contain quality and safety assurances for customers and technicians, thereby guaranteeing that repairs meet OEM performance and safety standards. Consumers deserve nothing less.

Unfortunately, SB 111 severs this accountability link that protects consumers for a broad range of products, not just consumer electronics. For consumer electronics, if a consumer drops off their electronic device at a repair shop, they ought to be granted some level of security in the unfortunate circumstance that their data is compromised. After all,



individuals keep a wealth of sensitive personal data on their devices. It is essential that each repair person be properly trained in how to repair the device, but also that an accountability link exists between the manufacturer and the repair facility so that the consumer is protected.

Since this bill would encompass critical infrastructure products the language to protect trade secrets, leaves us concerned about the bills' impact on manufacturers' intellectual property. Manufacturers make significant investments in the development of products and services, and the protection of intellectual property is a legitimate and important aspect of sustaining the health of all industries. Many diagnostic programs are developed by the manufacturer at significant cost and are confidential or licensed under a contractual arrangement. But SB 111 would require manufacturers to turn over those tools without the contractual protections afforded by an authorized repair relationship.

As introduced, SB 111 goes well beyond legislation to provide consumers with the ability to have their consumer electronics fixed by a variety of repair shops. The bill captures not just consumer electronics or agricultural equipment but also critical infrastructure.

If Alaska does want to provide access to repair options for consumers for their electronic products, TechNet would recommend you consider language developed by TechNet and the Consumer Technology Association (CTA). We believe this "model legislation" provides clear quidance, consumer and manufacturer protections.

For these reasons, TechNet urges the committee to not move SB 111 forward. We would welcome the opportunity to work with you on this issue.

Thank you for your consideration.

Rose Faliciano Executive Director

Washington + Northwest

## MODEL DIGITAL REPAIR BILL - CTA/TECHNET

**Section 1. Definitions.** For the purposes of this bill, the following terms shall have the following meanings:

- (a) "Authorized repair provider" means an individual or business who has an arrangement with the original equipment manufacturer, for a definite or indefinite period, under which the original equipment manufacturer grants to the individual or business a license to use a trade name, service mark, or other proprietary identifier for the purposes of offering the services of diagnosis, maintenance, or repair of digital electronic equipment, under the name of the original equipment manufacturer, or other arrangement with the original equipment manufacturer to offer such services on behalf of the original equipment manufacturer.
- (b) "Diagnosis" means the process of identifying the issue or issues that cause digital electronic equipment or equipment to not be in fully working order.
- (c) "Digital electronic equipment" means any hardware product that depends, in whole or in part, on digital electronics embedded in or attached to the product in order for the product to function, for which the original equipment manufacturer makes available tools, parts, and documentation to authorized repair providers
  - (i) "Digital electronic equipment" only includes items sold at retail for personal, household, family, or home office use, and does not include any product sold under a business-to-government or business-to-business contract that is not typically offered for sale directly by a retail seller.
  - (ii) "Digital electronic equipment" does not include:
    - (A) Information technology equipment that is intended for use in critical infrastructure as defined in 42 U.S.C. § 5195c(e).
    - (B) A motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in such capacity, or to any product or service of a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in such capacity.
    - (C) A medical device, as defined in this section, or a digital electronic product found in a medical setting including diagnostic, monitoring, or control equipment or any product or service that they offer.
    - (D) A manufacturer, distributor, importer, or dealer of any off-road (non-road) equipment, including but not limited to, farm and utility tractors, farm implements, farm machinery, forestry equipment, industrial equipment, utility equipment, construction equipment, compact construction equipment, mining equipment, turf, yard and

garden equipment, outdoor power equipment (including portable generators), aviation, marine, all-terrain sports and recreational vehicles (including racing vehicles), stand-alone or integrated stationary or mobile internal combustion engines, other power sources (including without limitation, generator sets, electric/battery and fuel cell power), power tools, and any tools, technology, attachments, accessories, components and repair parts for any of the foregoing.

- (E) Commercial and industrial electrical equipment (including power distribution equipment, such as telecommunications network infrastructure, commercial visual display equipment, medium/low voltage switchgear and transformers, power control equipment, such as medium/low voltage motor control and drives, power quality equipment, such as uninterruptable power supplies, remote power panels, power distribution units and static/transfer switches) and any tools, technology, attachments, accessories, components, and repair parts for any of the foregoing.
- (F) An electronic bicycle manufacturer, distributor, importer, retailer, or dealer.
- (G) A home appliance that has a digital electronic product embedded within it, including, but not limited to, refrigerators, ovens, microwaves, air conditioning, heating units, motorized shades, lighting control systems, and security devices or alarm systems, including any related software and components.
- (H) Safety communications equipment, the intended use of which is for emergency response or prevention purposes by an emergency service organization, such as a police, fire, or medical and emergency rescue services agency.
- (I) [A video game console, and its components and peripherals].<sup>1</sup>
- (iii) "Digital electronic product" only includes products that have a wholesale price to the retailer, or to others outside of direct retail sale, of not less than fifty dollars (\$50).
- (d) "Documentation" means any manual, diagram, reporting output, service code description, or similar kind of information, or its equivalent, required for effecting the services of diagnosis, maintenance, or repair of digital electronic equipment, and made available by the original equipment manufacturer to an authorized

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<sup>&</sup>lt;sup>1</sup> Some states (CA and MN) have incorporated an exclusion for video game consoles. CTA is neutral on an exclusion for video game consoles.

repair provider for the purpose of effecting the services of diagnosis, maintenance, or repair of digital electronic equipment manufactured or sold by the original equipment manufacturer.

- (e) "Fair and reasonable terms" means making available parts, tools, or documentation as follows:
  - (i) With respect to documentation required for repair, that such documentation is made available by the original equipment manufacturer on terms that are not conditioned on an arrangement described in section (1)(a) of this bill, and at no charge, except that, when the documentation is requested in physical printed form, a charge may be included for the reasonable actual costs of preparing and sending the copy.
  - (ii) With respect to tools, that such tools are made available by the original equipment manufacturer (i) on terms that are not conditioned on an arrangement described in section (1)(a) of this bill, and without any impediments that do not also apply to authorized repair providers to access or use the tool to diagnose, maintain, or repair digital electronic equipment using parts provided by the original equipment manufacturer, and (ii) at no charge for use or operation of such tool, or at costs that are equivalent to the lowest actual cost for which the original equipment manufacturer offers the tool to an authorized repair provider, including any discount, rebate, or other financial incentive offered to an authorized repair provider, and provided that when such tool is requested in physical form, a charge may be included for the reasonable, actual costs of procuring, preparing and sending such tool.
  - (iii) With respect to parts, that such parts are made available by the original equipment manufacturer, either directly or through an authorized distributor or repair provider, subject to the clarification in Section 2(d)(xii) of this bill that parts may be provided as pre-assembled components in certain circumstances, at reasonable costs and on terms under which an OEM offers the part to an authorized repair provider and that are not conditioned on an arrangement described in section (1)(a) of this bill.
  - (iv) Such parts tools, and documentation shall be made available on commercially reasonable terms that are fair to all parties, including the original equipment manufacturer and authorized repair providers.
- (f) "Independent repair provider" means an individual or business operating in this State, that does not have an arrangement described in section (1)(a) of this bill with an original equipment manufacturer, who is not affiliated with any individual or business who has such an arrangement, and who is engaged in the services of diagnosis, maintenance, or repair of digital electronic equipment.

- (g) "Maintenance" means any act necessary to keep currently working digital electronic equipment in fully working order.
- (h) "Medical device" means an instrument, apparatus, implement, machine, contrivance, implant, or other similar or related article, including a component part, or accessory, as defined in the federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 321(h), which is intended for use in the diagnosis of disease or other conditions, or in the cure, mitigation, treatment, or prevention of disease, in humans or other animals.
- (i) "Modification" or "modify" means any alteration to digital electronic equipment that is not maintenance and not a repair.
- (j) "Motor vehicle" means a vehicle that is designed for transporting persons or property on a street or highway and is certified by the manufacturer under all applicable motor vehicle federal safety and emissions standards and requirements for distribution and sale in the United States.
- (k) "Motor vehicle dealer" means an individual or business who, in the ordinary course of business, is engaged in the business of selling or leasing motor vehicles to an individual or business pursuant to a franchise agreement, has obtained a license under the vehicle and traffic law, and is engaged in the services of diagnosis, maintenance, or repair of motor vehicles or motor vehicle engines pursuant to such franchise agreement.
- (l) "Motor vehicle manufacturer" means a business engaged in the manufacturing or assembling of motor vehicles.
- (m) "Original equipment manufacturer" means any business that, in the normal course of business, is engaged in the business of selling, leasing, or otherwise supplying new digital electronic equipment manufactured by or on behalf of itself, to any individual or business.
- (n) "Owner" means an individual or business that owns or leases digital electronic equipment purchased or used in this State.
- (o) "Part" or "parts" means any replacement part or assembly of parts, either new or used, or their equivalents, made available by an original equipment manufacturer to an authorized repair provider for purposes of effecting the services of maintenance or repair of digital electronic equipment manufactured or sold by the original equipment manufacturer. Part does not include printed circuit board assemblies that may allow device cloning in violation of 18 U.S.C. Section 1029 or other applicable law.
- (p) "Repair" means any act necessary to restore digital electronic equipment or equipment to fully working order. "Repair" does not encompass post-sale

- modifications that alter the originally intended functioning of the digital electronic equipment.
- (q) "Tool" means any software program, hardware implement, or other apparatus, or its equivalent, which is made available by an original manufacturer to an authorized repair provider, and that is used for diagnosis, maintenance, or repair of digital electronic equipment manufactured or sold by the original equipment manufacturer, including software or other mechanisms that provide, program, or pair a new part, calibrate functionality, or perform any other function required to repair the original part.
- (r) "Trade secret" means anything tangible or intangible or electronically stored or kept that constitutes, represents, evidences, or records intellectual property, including secret or confidentially held, designs, processes, procedures, formulas, inventions, or improvements, or secret or confidentially held scientific, technical, merchandising, production, financial, business, or management information, or that falls within the meaning of a trade secret given in 18 U.S.C. § 1839.

# Section 2. Requirements for original equipment manufacturers.

- (a) For digital electronic equipment that is manufactured for the first time, and first sold or used in the State, on or after the date that is one year after this bill becomes law, an original equipment manufacturer shall make available to any independent repair provider and owner of digital electronic equipment manufactured by or on behalf of or sold by such original equipment manufacturer, on fair and reasonable terms, any documentation, parts, and tools, or their equivalents, that are required for the diagnosis, maintenance, or repair of such digital electronic equipment and that the original equipment manufacturer makes available to an authorized repair provider.
  - (i) Such documentation, parts, and tools may be made available either directly by an original equipment manufacturer or via an authorized repair provider or an authorized third-party provider, though nothing in this bill requires third-party providers (including authorized repair providers) themselves to provide such parts, tools, and documentation.
  - (ii) Such documentation, parts, and tools may be further made available by an authorized repair provider to any independent repair provider or owner, provided that such authorized repair provider is contractually and practically permitted by the original equipment manufacturer to sell such parts, tools, and documentation to any independent repair provider or owner.
- (b) Such parts, tools, and documentation shall be made available within one year after the first sale of the digital electronic product in [name of State].

- (c) The obligations in this bill apply only to parts, tools, and documentation provided to authorized repair providers for diagnosis, maintenance, and repair of digital electronic equipment outside of the original equipment manufacturer's warranty, and do not encompass parts, tools, and documentation provided by the original equipment manufacturer only for in-warranty repairs.
- (d) Notwithstanding any other provision of this bill, nothing in this bill shall:
  - (i) Require an original equipment manufacturer to provide or make available a part, tool, or documentation to any repair provider or owner, if:
    - (A) the part, tool, or documentation is not, or is no longer, provided by the original equipment manufacturer or made available to authorized repair providers of the original equipment manufacturer, including where the original equipment manufacturer performs related repairs solely in-house or through a corporate affiliate;
    - (B) the part, tool, or documentation is no longer available to the original equipment manufacturer;
    - (C) the documentation or tool is used by the original manufacturer itself only to perform, at no cost, diagnostic services virtually through telephone, internet, chat, email, or other similar means that do not involve the manufacturer physically handling the customer's equipment, unless the manufacturer also makes the documentation or tool available to an individual or business that is unaffiliated with the manufacturer.
  - (ii) Require an original equipment manufacturer to divulge any trade secret, including documentation that includes, but is not limited to, schematics and bill of materials involving printed motherboards, or license any intellectual property, including copyrights or patents, to any independent repair provider or owner.
  - (iii) Require an original equipment manufacturer or an authorized repair provider to provide an independent repair provider or owner any information, other than "documentation" as defined herein, that is provided by the original equipment manufacturer to an authorized repair provider.
  - (iv) Require an original equipment manufacturer or authorized repair provider to make available any parts, tools or documentation for the purposes of modifying or making modifications to any digital electronic equipment.

- (v) Require any original equipment manufacturer or authorized repair provider to make available any parts, tools, or documentation in a manner that is inconsistent with or in violation of any federal or state law.
- (vi) Require an original equipment manufacturer to make available parts, tools, or documentation to an independent repair provider or owner that would disable, reset, or override electronic security locks or other security-related measures or functions, or disable or override anti-theft security measures set by the owner of the digital electronic equipment.
- (vii) Prevent original equipment manufacturers from restricting access to certain secure parts of a device from independent repair provider or owner access, provided that it does not prevent independent repair providers from completing repairs that can be completed by authorized repair providers.
- (viii) Prevent original equipment manufacturers from requiring remote authorization or an internet connection before independent repair providers or owners may use such parts or tools.
- (ix) Prevent an original equipment manufacturer from establishing reasonable training and certification programs for repair providers and requiring ongoing certification to these programs as a condition for receiving parts, tools, and documentation.
- (x) Prevent an original equipment manufacturer from requiring that independent repair providers and owners agree to reasonable commercial terms, including disclosures regarding the use of non-genuine or used parts.
- (xi) Abrogate, interfere with, contradict, or alter the terms of any agreement between an original equipment manufacturer and an authorized repair provider, including, but not limited to, the performance or provision of warranty or recall repair work by an authorized repair provider on behalf of an original equipment manufacturer pursuant to such an authorized repair agreement, except that any provision in such an authorized repair agreement that purports to waive, avoid, restrict, or limit an original manufacturer's compliance with this bill shall be void and unenforceable.
- (xii) Prevent an original equipment manufacturer from providing parts, such as integrated batteries, to independent repair providers or owners preassembled with other parts rather than as individual components, provided that those pre-assembled parts or their equivalents are also available to authorized repair providers.
- (xiii) Require an original equipment manufacturer to provide parts, tools, or documentation for any product where reconditioning or repair of the product is prohibited by law, regulation, or building or electrical code.

- (xiv) Require an original equipment manufacturer to provide or make available source code.
- (xv) Require an original equipment manufacturer to provide parts, tools, or documentation for repair of digital electronic equipment critical to the safety of life or health of individuals, or for repairs that could threaten the safety of life or health of individuals, including repairs to digital electronic equipment with internal switch-mode power supplies.
- (xvi) Require an original equipment manufacturer to provide documentation or tools used exclusively by the original equipment manufacturer for diagnosis, maintenance or repairs completed by machines that operate on several digital electronic equipment products simultaneously or otherwise for purposes of large scale efficiency, if the original equipment manufacturer makes available to owners and independent repair providers sufficient alternative documentation and tools to effect the diagnosis, maintenance, or repair of the digital electronic equipment.
- (xvii) Apply to a product that was originally made available for sale by the original equipment manufacturer before the effective date of this bill.
- (e) This bill shall not apply if the manufacturer provides to the original purchaser either one of the following:
  - (i) a reimbursement; or
  - (ii) equivalent or better, readily available replacement digital electronic equipment at a price that is no more than the total cost of the sum of the parts.

# Section 3. Limitation of liability.

- (a) No original equipment manufacturer or authorized repair provider shall be liable for any damage or injury to any digital electronic equipment, person, or property that occurs as a result of repair, diagnosis, maintenance, or modification performed by an independent repair provider or owner, or any other use of parts, tools, or documentation provided by an original equipment manufacturer, including but not limited to, any indirect, incidental, special or consequential damages; any loss of data, privacy or profits; or any inability to use, or reduced functionality of, the digital electronic equipment.
- (b) No original equipment manufacturer shall be liable under this bill for any act that is reasonably necessary to protect user privacy, security, or digital safety.
- (c) Original equipment manufacturers shall not be required to warrant any repairs provided by independent repair providers or owners.

(d) No original equipment manufacturer shall be liable for improper use of personal data or any data privacy or security breach in connection with repair, diagnosis, maintenance, or modification performed by an independent repair provider or owner.

# Section 4. Notice and consumer bill of rights.

- (a) Before repairing digital electronic equipment, independent repair providers shall provide to any customer, and publish on their website and the place of business, a written notice that contains the following information:
  - (i) The independent repair provider is not an authorized repair provider for the digital electronic equipment;
  - (ii) The consumer should review the terms and conditions of any warranty for the digital electronic equipment, as repairs not performed by an authorized repair provider may affect the warranty;
  - (iii) Warranties for consumer products are governed by the federal Magnuson-Moss Warranty Act (15 U.S.C. ch. 50 § 2301), which gives consumers rights and protections that apply over conflicting provisions in the warranty;
  - (iv) Under the Magnuson-Moss Warranty Act, a warranty cannot require that maintenance and repairs be performed only by an authorized repair provider;
  - (v) Under the Magnuson-Moss Warranty Act, if damage to equipment is shown to be caused by equipment not offered or sold by the original equipment manufacturer or by faulty repair performed by a non-authorized repair provider, that damage may not be covered by the warranty, but the warranty may otherwise remain in effect; and
  - (vi) All required disclosures as outlined in Section 4(b) below.
- (b) Consumer bill of rights. The below requirements shall apply to all independent repair providers that conduct repairs of digital electronic equipment covered by this bill using documentation, tools, or parts provided by original equipment manufacturers pursuant to this bill.
  - (i) Independent repair providers are required, prior to the repair of such digital electronic equipment, to disclose to consumers in writing and obtain a written acknowledgment of the following:
    - a. For each instance of service provided, what parts, if any, were not provided or produced by the original equipment manufacturer, the name of the parts provider, and any complaints about the quality of

- such parts that the independent repair provider knows or has reason to know;
- b. If used parts are to be used during the repair, the duration and type of the part's previous use;
- c. The total anticipated cost of the repair, including the itemized cost of parts and labor;
- d. Whether the technician performing the repair is certified or has completed training to repair such digital electronic equipment, including whether the technician has undergone training required by the original equipment manufacturer to ensure safe and effective repairs;
- e. Whether the repair procedure is in compliance with any applicable building or electrical code;
- f. That there is a risk of damage to digital electronic equipment during the repair, including but not limited to damage to battery life or software functionality;
- g. That there is a risk of physical harm to the consumer from an improper repair, including but not limited to increased risk of digital electronic equipment fire from faulty battery installation; and.
- h. Any exposure of the consumer's personal data that may be involved in the repair, including access to personal data by independent repair provider's staff, and the protections that the independent repair provider will take to safeguard personal data.
- (ii) Independent repair providers are required to keep documentation of all repairs, including whether such repairs involved parts not provided or produced by original equipment manufacturers, and provide such documentation to consumers once repairs are completed.
- (iii) Independent repair providers are required to submit, to any publicly accessible registry of such repairs, certain data regarding all digital electronic equipment repairs performed without original equipment manufacturer authorization. Such data must include the make, model, serial number, date of repair service, and summary of service performed, but not any personal data regarding the consumer.
  - a. As an alternative to compliance with this Section 4(b)(iii), for any repair performed by an independent repair provider without original equipment manufacturer authorization, independent repair providers must permanently attach a notice of repair containing their own brand

name to the digital electronic equipment, with the brand name in a size no smaller than the brand of the original equipment manufacturer.

## Section 5. Enforcement.

- (a) The Attorney General shall have exclusive authority to enforce the provisions of this bill. Subject to Section 5(b), the Attorney General may initiate an action in the name of the State to seek an injunction to restrain any violations of this bill, and seek to obtain any relief that the Attorney General is authorized to obtain under [State UDAP statute].
- (b) Prior to initiating any action under this bill against any individual or business, the Attorney General shall provide the individual or business 30 days' written notice identifying the specific provisions of this bill the Attorney General alleges have been or are being violated. If within the 30-day period the individual or business cures the noticed violation and provides the Attorney General an express written statement that the alleged violations have been cured and that no such further violations shall occur, no action shall be initiated against the individual or business. Written notice by the Attorney General shall be delivered by certified mail and by first-class mail with proof of mailing. If an individual or business continues to violate this chapter following this cure period or breaches an express written statement provided to the Attorney General under this Section 5(b), the Attorney General may initiate an action as described in Section 5(a).
- (c) Nothing in this bill shall be construed to create an individual or private right of action, or to provide the basis for, or be subject to, an individual or private right of action for violations of any parts of this bill, including under any other law.

**Section 6.** Effective date. This bill shall take effect one year after it shall have become a law and shall apply only to digital electronic equipment that was manufactured for the first time, and first sold or used in the State, on or after the date that is one year after this bill becomes law.