

1 IN THE SENATE

BY CHANCE AND CROFT

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 647

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act regulating motor vehicle repairs."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 45.45 is amended by adding new sections to read:

9 ARTICLE 4. REGULATION OF MOTOR VEHICLE REPAIRS.

10 Sec. 45.45.130. REPAIR ORDER. Before the commencement of repairs
11 whose price to the customer may exceed \$25, the shop shall provide the
12 customer with a copy of a dated written repair order legibly describing
13 the repairs to be performed. However, the copy need not be provided if
14 the customer's motor vehicle has been brought to the shop without face-
15 to-face contact between the customer and a representative of the shop.
16 The shop shall record the odometer reading of the customer's motor
17 vehicle on the repair order, and shall sign the customer's copy.

18 Sec. 45.45.140. REPAIR PRICE INFORMATION. (a) Before the com-
19 mencement of repairs whose price to the customer may exceed \$25, the
20 shop shall provide the customer with either (1) a price quotation for
21 the repairs, under (b) of this section; or (2) a choice of estimate
22 alternatives, under (c) of this section. However, neither a price
23 quotation nor a choice of estimate alternatives need be provided if the
24 customer's motor vehicle has been brought to the shop without face-to
25 face contact between the customer and a representative of the shop.
26 Nothing in this section may be construed as requiring a shop to provide
27 a price quotation or choice of estimate alternatives if the shop does
28 not agree to perform the requested repairs, but no shop may make the
29 performance of repairs contingent upon the customer's waiver of a right

1 under secs. 130 - 240 of this chapter.

2 (b) If the shop elects to give the customer a price quotation for
3 the requested repairs rather than a choice of estimate alternatives, the
4 quotation shall be made in writing on the repair order, and shall be
5 accompanied by the statement, conspicuously printed on the repair order,
6 that

7 "THIS PRICE FOR THE AUTHORIZED REPAIRS WILL NOT BE EXCEEDED IF THE
8 MOTOR VEHICLE IS DELIVERED TO THE SHOP WITHIN FIVE DAYS."

9 The price quoted for the authorized repairs shall not be exceeded if the
10 customer's motor vehicle is delivered to the shop within five days after
11 the date on which the price is quoted in writing on the repair order.

12 (c) If the shop elects to give the customer a choice of estimate
13 alternatives, rather than a price quotation, the following statement
14 shall be conspicuously disclosed to the customer either on the repair
15 order or by a form, attached to the repair order, on which the repair
16 order number has been entered:

17 "YOU ARE ENTITLED TO A PRICE ESTIMATE FOR THE REPAIRS YOU HAVE
18 AUTHORIZED. THE REPAIR PRICE MAY BE LESS THAN THE ESTIMATE, BUT
19 WILL NOT EXCEED THE ESTIMATE WITHOUT YOUR PERMISSION. YOUR SIG-
20 NATURE WILL INDICATE YOUR ESTIMATE SELECTION.

21 (1) I request an estimate in writing before you begin repairs.

22 _____
23 (2) Please proceed with repairs, but call me before continuing
24 if the price will exceed \$_____.

25 _____
26 (3) I do not want an estimate.
27 _____"

28 A copy of the signed statement shall be given to the customer along with
29 his copy of the repair order, if the statement is on a separate form.

1 If the customer signs estimate alternative (1), or if none of the esti-
2 mate alternatives is signed by the customer, the shop shall provide the
3 customer with a written, good faith estimate on the repair order before
4 commencing repairs.

5 Sec. 45.45.150. WAIVERS. (a) The shop may accept a written
6 revocable waiver covering at least four motor vehicles owned or leased
7 by the customer, under which the customer waives his right under sec.
8 140 of this chapter to a prior price quotation or estimate for all
9 repairs to the motor vehicles.

10 (b) Neither a revocable blanket waiver made under (a) of this sec-
11 tion nor a single estimate waiver made by signing alternative (3) under
12 sec. 140(c) of this chapter shall have effect unless made by the customer
13 voluntarily and with knowledge of the meaning of the waiver.

14 Sec. 45.45.160. CHARGES. No shop may charge for making a repair
15 price quotation or estimate unless, before making the price quotation
16 or estimate, the shop discloses to the customer the amount of the
17 charge, or, if the amount cannot be determined, the basis on which the
18 charge will be calculated. No shop may impose, or threaten to impose, a
19 charge which is clearly excessive in relation to the work involved in
20 making the price quotation or estimate.

21 Sec. 45.45.170. AUTHORIZATION TO PROCEED WITH REPAIRS. (a)
22 Before undertaking repairs other than those previously authorized by the
23 customer, the shop shall call the customer and provide him with a de-
24 scription of the proposed additional repairs, together with a good faith
25 estimate of the price for the repairs. The shop may not then undertake
26 the additional repairs until it receives the customer's written or oral
27 authorization to do so.

28 (b) If the shop has given the customer an estimate and the price
29 for the authorized repairs will exceed the estimate, or, if the customer

1 has signed estimate alternative (2) under sec. 140(c) of this chapter
2 and the price for the authorized repairs will exceed the amount desig-
3 nated, the shop shall call the customer before continuing with the
4 repairs, and shall provide the customer with a new, good faith estimate
5 of the repair price. The shop may not then continue with the repairs
6 until it receives the customer's written or oral authorization to do so.

7 (c) If the shop does not receive the customer's authorization to
8 proceed with the repairs under (a) or (b) of this section, the shop
9 shall either agree to perform the repairs at the original estimated
10 price or provide for the customer to retake possession of the vehicle in
11 at least as good condition as it was delivered to the shop and notify
12 the customer accordingly.

13 (d) A written authorization under (a) or (b) of this section shall
14 be made on the repair order or on the invoice when a repair order is not
15 required by sec. 130 of this chapter and shall specify newly authorized
16 repairs, as well as the newly authorized repair price estimate. If
17 authorization under (a) or (b) of this section is received orally, the
18 shop shall specify on the repair order or invoice newly authorized
19 repairs, as well as the newly authorized repair price estimate. It
20 shall also specify the date and time of authorization, and the person
21 and telephone number called.

22 Sec. 45.45.180. RETURN OF PARTS. (a) Parts from a customer's
23 motor vehicle which are replaced by the shop shall be returned to the
24 customer if they are requested by the customer at the time the repair
25 order is taken. However, parts which must be returned to the manufac-
26 turer because of a warranty or exchange agreement need not be returned
27 to the customer upon request but shall instead be made available for the
28 customer's inspection when the customer retakes possession of his motor
29 vehicle.

1 (b) At the time the repair order is taken, the shop shall inform
2 the customer, either orally or in writing, that the customer is entitled
3 to the return of replaced parts if he requests them at that time. How-
4 ever, disclosure need not be made if the customer's motor vehicle has
5 been brought to the shop without face-to-face contact between the
6 customer and a representative of the shop.

7 Sec. 45.45.190. INVOICE. The shop shall provide every customer,
8 at the time the customer retakes possession of his motor vehicle, with a
9 copy of a dated invoice for repairs to the motor vehicle. The invoice
10 shall include the following information:

11 (1) an itemized description of all labor, parts, and merchan-
12 dise supplied, including that which is supplied without cost, or at a
13 reduced cost, to the customer because of a shop or manufacturer's war-
14 ranty; if labor, parts, or merchandise carry a warranty from the shop or
15 manufacturer, that fact shall be stated on the invoice;

16 (2) if a used, rebuilt, or reconditioned part has been
17 installed, a statement identifying the part as being used, rebuilt, or
18 reconditioned, as the case may be;

19 (3) if a part of a system is composed of both new parts and
20 used, rebuilt, or reconditioned parts, a statement indicating that fact;

21 (4) the price for the authorized repairs, stated as the
22 total price or as separate total prices for parts and labor; if units
23 of time based on flat-rate average time are stated, the actual time
24 required to complete the repairs shall also be stated;

25 (5) the identity of each person performing the repairs,
26 including the name of a shop retained as a subcontractor.

27 Sec. 45.45.200. PROHIBITED PRACTICES. (a) No shop may misrepre-
28 sent, directly or by implication,

29 (1) the cost of repairs authorized by the customer;

1 (2) the terms or conditions of a warranty or service agree-
2 ment;

3 (3) that repairs are necessary;

4 (4) that repairs have been made; or

5 (5) that the motor vehicle is in a dangerous condition, or
6 that the customer's continued use of the motor vehicle will be hazardous
7 to persons or harmful to the motor vehicle.

8 (b) No shop may collect or attempt to collect for

9 (1) repairs not authorized either orally or in writing by the
10 customer;

11 (2) repairs which the shop knew or reasonably ought to have
12 known to be unnecessary; or

13 (3) repairs which have not been made.

14 (c) No shop which is also a warrantor or a party to a service
15 agreement may refuse to repair a motor vehicle in accordance with the
16 terms and conditions of the warranty or service agreement.

17 (d) No shop may fail to return a customer's motor vehicle because
18 the customer has refused to pay for unauthorized repairs, or because
19 the customer has refused to pay repair charges in excess of the price
20 authorized under secs. 130 - 140 of this chapter, if the customer pays
21 the authorized price for the authorized repairs.

22 (e) No shop may alter a customer's motor vehicle with intent to
23 create a condition requiring repairs.

24 Sec. 45.45.210. DISCLOSURE OF REGULATION. The following statement
25 shall be conspicuously printed, either on the invoice or on another form
26 given to every customer for whom the shop performs repairs:

27 "MOTOR VEHICLE REPAIR TRADE PRACTICES ARE REGULATED BY ALASKA
28 STATUTES 45.45.130 - 45.45.240 ADMINISTERED BY THE CONSUMER
29 PROTECTION SECTION, ALASKA DEPARTMENT OF LAW, POUCH K, JUNEAU,

1 ALASKA 99811."

2 Sec. 45.45.220. RECORDS. A shop shall maintain repair records
3 which shall include repair orders and attached forms, repair invoices,
4 payroll records, and invoices for parts purchased by the shop. The
5 records shall be available for reasonable inspection by the state
6 consumer protection section or other law enforcement agency and shall be
7 retained for at least two years.

8 Sec. 45.45.230. WAIVER. No shop may solicit or accept the waiver
9 of a provision of secs. 130 - 240 of this chapter except as specifically
10 authorized otherwise in a provision of secs. 130 - 240 of this chapter.

11 Sec. 45.45.240. DEFINITIONS. In secs. 130 - 240 of this chapter

12 (1) "customer" includes a person authorized by the customer
13 to act on the customer's behalf;

14 (2) "motor vehicle" or "vehicle" means a motor vehicle as
15 defined in AS 28.10.650 which is required to be registered with the
16 Department of Public Safety under AS 28.10.040, or with a governmental
17 agency of another state performing a similar function;

18 (3) "motor vehicle repair shop" or "shop" means an individual,
19 corporation, partnership, or other form of business organization engaged
20 in the motor vehicle repair business and includes owners, officers,
21 directors, agents, employees, and representatives but excludes the
22 following:

23 (A) a shop engaged solely in the business of repairing
24 the motor vehicles of a single commercial, industrial or govern-
25 mental establishment, or of two or more of these establishments
26 which are related by common ownership or corporation affiliation;

27 (B) a person repairing his own or a family member's
28 motor vehicle;

29 (4) "repairs" means maintenance of and repairs to motor

1 vehicles performed by a motor vehicle repair shop but excluding

2 (A) repairing or changing tires;

3 (B) lubricating vehicles;

4 (C) installing light bulbs, batteries, windshield wiper
5 blades, and other minor accessories;

6 (D) cleaning, adjusting and replacing spark plugs;

7 (E) replacing fan belts, oil and air filters;

8 (F) other minor services which the state consumer pro-
9 tection section by regulation determines are customarily performed
10 by motor vehicle repair shops and do not

11 (i) require mechanical expertise,

12 (ii) give rise to a high incidence of fraud or
13 deceptive practices, or

14 (iii) involve a part of the vehicle essential to its
15 safe operation.

16 * Sec. 2. AS 45.50.471 is amended by adding a new paragraph to read:

17 (23) failing to comply with AS 45.45.130 - 45.45.240.
18
19
20
21
22
23
24
25
26
27
28
29