# **Business & Financial Services Committee**

# HB 1690

Brief Description: Requiring disclosure of nonoriginal repair parts.

Sponsors: Representative Kirby.

#### **Brief Summary of Bill**

- Prohibits an auto repair facility from using non-original equipment manufacturer crash parts when repairing certain motor vehicles unless the customer consents in writing at the time of the repair.
- Requires an auto repair facility to include a disclosure statement on a repair estimate if the customer consents to the use of non-original equipment manufacturer crash parts.

#### Hearing Date: 2/11/11

Staff: Alison Hellberg (786-7152).

#### Background:

#### Original Equipment Manufacturer Crash Part.

Consumers and body shops that repair crash-damaged vehicles have a choice of either buying new replacement parts from the original equipment manufacturer or using non-original equipment manufacturer parts (commonly called "aftermarket" crash parts), produced by copying the design of the original vehicle parts.

#### Auto Repair Law.

The Automotive Repair Act (Act) was originally enacted in 1977. The Act requires repair estimates exceeding one hundred dollars to be provided to a customer in writing. In addition, even if a written estimate is not required, parts and labor provided by an auto repair facility must be clearly and accurately recorded in writing on an invoice given to the customer upon completion of the repairs. The invoice must include, among other things, an indication of whether the parts supplied are rebuilt, used, or where collision repair is involved, aftermarket

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body parts or non-original equipment manufacturer body parts.

"Non-original equipment manufacturer body part" is defined under the Act as an exterior body panel or nonstructural body component manufactured by someone other than the original equipment manufacturer and supplied through suppliers other than those in the manufacturer's normal distribution channels.

## Consumer Protection Act.

A violation of the Act is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the Consumer Protection Act. Under the Consumer Protection Act, the Attorney General may bring an action in the name of the state against any person to restrain and prevent an unlawful action. In addition, any person who is injured in his or her business or property by a violation may bring a civil action to stop further violations, to recover the actual damages sustained by him or her, or both. The court may in its discretion, increase the award of damages to an amount not to exceed three times the actual damages sustained.

# Summary of Bill:

"Non-original equipment manufacturer crash part" is defined as a replacement for any of the non-mechanical sheet metal or plastic parts that generally constitute the exterior of a motor vehicle, including inner and outer panels, that was not made for or by the manufacturer of the motor vehicle.

An auto repair facility is prohibited from using non-original equipment manufacturer crash parts when repairing motor vehicles unless the customer consents in writing at the time of the repair. This requirement applies to motor vehicles for a period of five years running from the production month and year the motor vehicle was manufactured or while the vehicle is under manufacturer's warranty.

If the customer consents to the use of non-original equipment manufacturer crash parts, the repair facility must specify on the repair estimate which parts are original equipment manufacturer crash parts and which parts are non-original equipment manufacturer crash parts. The repair estimate must be accompanied by a disclosure document in no smaller than twelve point type. The disclosure document must state that the estimate is based on the use of non-original equipment manufacturer crash parts that were manufactured neither by the original manufacturer nor by a manufacturer authorized by the original manufacturer.

### Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.