| 1 | STATE OF OKLAHOMA |
|-----|----------------------------------------------------------------------------------------------------------|
| 2 | 1st Cossion of the Eath Israelature (2022) |
| | 1st Session of the 59th Legislature (2023) |
| 3 | SENATE BILL 869 By: Floyd |
| 4 | |
| 5 | |
| 6 | AS INTRODUCED |
| 7 | An Act relating to consumer protection; creating the |
| 8 | Digital Fair Repair Act; providing short title; defining terms; requiring disclosure of certain |
| 9 | documentation, parts, and tools for repairs; limiting disclosed information; excluding certain industry; |
| L O | releasing certain individuals from liability; providing for enforcement; providing for |
| L1 | codification; and providing an effective date. |
| L2 | |
| L3 | BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: |
| L 4 | SECTION 1. NEW LAW A new section of law to be codified |
| 15 | in the Oklahoma Statutes as Section 772 of Title 15, unless there is |
| L 6 | created a duplication in numbering, reads as follows: |
| L7 | This act shall be known and may be cited as the "Digital Fair |
| L8 | Repair Act". |
| L 9 | SECTION 2. NEW LAW A new section of law to be codified |
| 20 | in the Oklahoma Statutes as Section 772.1 of Title 15, unless there |
| 21 | is created a duplication in numbering, reads as follows: |
| 22 | As used in this act: |
| 23 | 1. "Authorized repair provider" means an individual or business |
| 24 | who is unaffiliated with an original equipment manufacturer and 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. An original equipment manufacturer who offers the services of diagnosis, maintenance or repair of its own digital electronic equipment, and who does not have an arrangement described in this paragraph with an unaffiliated individual or business, shall be considered an authorized repair provider with respect to such equipment;

- 2. "Diagnosis" means the process of identifying the issue or issues that cause digital electronic equipment or equipment not be in fully working order;
- 3. "Digital electronic equipment" or "equipment" means any product with a value over Ten Dollars (\$10.00), adjusted annual by the rate of change in the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States Department of Labor, that depends for its functioning, in whole or in part, on digital electronics embedded in or attached to the product;

23

24

- 4. "Documentation" means any manual, diagram, reporting output, service code description, schematic diagram, or similar kinds of information provided to an authorized repair provider for purposes of its effecting the services of diagnosis, maintenance, or repair of digital electronic equipment;
- 5. "Fair and reasonable terms" means making available parts, tools, or documentation as follows:
 - a. with respect to documentation, that the documentation is made available by the original equipment manufacturer at no charge, except when the documented is requested in physical printed form, a charge may be included for the reasonable actual costs of preparing sending the copy,
 - b. with respect to tools, that the tools are made available by the original equipment manufacturer at no charge and without requiring authorization or Internet access for use of the tool to diagnose, maintain, or repair and enable full functionality of digital electronic equipment, or in a manner that impairs the efficient and cost-effective performance of any diagnosis, maintenance, or repair, except when such tool is request in physical form, a charge may be included for the reasonable, actual costs of preparing and sending such tool,

Page 3

Req. No. 1240

1

c. with respect to parts, that such parts are made available by the original equipment manufacturer, either directly or through an authorized repair provider, to independent repair providers and owners at costs and terms that are equivalent to the most favorable costs and terms under which an original equipment manufacturer offers the part to an authorized repair provider and which:

- (1) accounts for any discount, rebate, convenient and timely means of delivery, means of enabling fully restored and updated functionality, rights of use, or other incentive or preference the original equipment manufacturer offers to an authorized repair provider, or any additional cost, burden, or impediment the original equipment manufacturer imposes on an owner or independent repair provider,
- (2) is not conditioned on or imposing a substantial obligation or independent repair provider to engage in the diagnosis, maintenance, or repair of digital electronic equipment made by or on behalf of the original equipment manufacturer, and

1

(3) is not conditioned on an arrangement described in paragraph 1 of this section, and

- d. such parts, tools, and documentation shall be made available to an authorized repair provider, and shall further be made available by an authorized repair provider to any independent repair provider owner; provided, that the 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, and provided further that such original equipment manufacturer shall not:
 - (1) retaliate against or hinder the ability of any authorized repair provider to sell such parts, tools, or documentation through any means, including advertising restrictions or product allocation limitations unrelated to legitimate product shortages, or
 - (2) condition or impose a substantial obligation or restriction that is not reasonably necessary for enabling the owner or independent repair provider to engage in the diagnosis, maintenance, or repair of digital electronic equipment made by or on behalf of the original equipment manufacturer;

Page 5

Req. No. 1240

6. "Independent repair provider" means an individual or
business operating in this state who does not have an arrangement
described in paragraph 1 of this section with an original equipment
manufacturer, and 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;

- 7. "Maintenance" means any act necessary to keep currently working digital electronic equipment or equipment in fully working order:
- 8. "Manufacturer of motor vehicle equipment" means a business engaged in the business of manufacturing or supplying components that are used in the manufacture, maintenance, or repair of a motor vehicle:
- 9. "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 USC, Section 321 (h) as amended from time to time, which is intended for use in the diagnosis of disease or other conditions, or in the cure, mitigation, treatment, or prevention of disease, in a person or animal;
- 10. "Modifications" or "modify" means any alteration of digital electronic equipment that is not maintenance and not a repair;

1 11. "Motor vehicle" means the same as provided in Section 562
2 of Title 47 of the Oklahoma Statutes;

12. "Motor vehicle dealer" means the same as provided in Section 562 of Title 47 of the Oklahoma Statutes;

- 13. "Motor vehicle manufacturer" means the same as provided in Section 562 of Title 47 of the Oklahoma Statues;
- 14. "Original equipment manufacturer" means any individual or business engaged in the business of selling or leasing new digital electronic equipment manufactured by or on behalf of itself, to any individual or business;
- 15. "Owner" means an individual or business who owns or leases digital electronic equipment purchased or used in this state;
- 16. "Part" means any replacement part, either new or used, made available by an original equipment manufacturer for purposes of effecting the services of maintenance or repair of digital electronic equipment manufactured or sold by the original equipment manufacturer;
- 17. "Repair" means any act needed to restore digital electronic equipment or equipment to fully working order;
- 18. "Tool" means any software program, hardware implement, or other apparatus used for diagnosis, maintenance, or repair of digital electronic equipment, including software or other mechanisms that provide, program, or pair a part, calibrate functionality, or

program any other function required to bring the equipment or part back to fully functional condition, including any updates; and

- 19. "Trade secret" shall have the same meaning as such term is defined in Section 86 of Title 78 of the Oklahoma Statutes.
- SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 772.2 of Title 15, unless there is created a duplication in numbering, reads as follows:
- A. For digital electronic equipment, and parts for such equipment, sold or used in this state, an original equipment manufacturer shall make available to any independent repair provider and owner of digital electronic equipment manufacturer by or on behalf of or sold by such original equipment manufacturer, on fair and reasonable terms, any documentation, parts, and tools required for the diagnosis, maintenance, or repair of such digital electronic equipment and parts for the equipment. The documentation, parts, and tools shall be made available either directly by such original equipment manufacturer or by an authorized repair provider.
- B. For equipment that contains an electronic security lock or other security-related function, the original equipment manufacturer shall make available to the owner and to independent repair providers, on fair and reasonable terms, any special documentation, tools, and parts needed to reset the lock or function when disabled in the course of diagnosis, maintenance, or repair of the equipment.

Such documentation, tools, and parts may be made available through appropriate secure release systems.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 772.3 of Title 15, unless there is created a duplication in numbering, reads as follows:

Nothing in this act shall be construed to:

- 1. Require an original equipment manufacturer to divulge a trade secret to an owner or an independent repair provider except as necessary to provide documentation, parts, and tools on fair and reasonable terms;
- 2. Alter the terms of any arrangement described in paragraph 1 of Section 2 of this act in force between an authorized repair provider and an original equipment manufacturer, 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 arrangement, except that any provision in such terms that purports to waive, avoid, restrict, or limit the original equipment manufacturer's obligations to comply with this act shall be void and unenforceable;
- 3. Require an original equipment manufacturer or an authorized repair provider to provide to an owner or independent repair provider access to information, other than documentation, that is provided by the original equipment manufacturer to an authorized

Req. No. 1240 Page 9

repair provider pursuant to the terms of an arrangement described in paragraph 1 of Section 2 of this act;

- 4. Require an original equipment manufacturer or authorized repair provider to make available any parts, tools, or documentation for the purpose of modifying or making modifications to any digital electronic equipment;
- 5. Require an original equipment manufacturer or authorized repair provider to make available any parts, tools, or documentation required for the diagnosis, maintenance, or repair of public 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 emergency medical services agency;
- 6. Require any original equipment manufacturer or authorized repair provider to make available any parts, tools, or documentation required for the diagnosis, maintenance, or repair of digital electronic equipment in a manner that is inconsistent with or in violation of any federal law, such as gaming and entertainment consoles, related software, and components; or
- 7. Require any original equipment manufacturer or authorized repair provider to make available any parts, tools, or documentation required for the diagnosis, maintenance, or repair of any home applicant that has a digital electronic product embedded within it including, but not limited to, refrigerators, ovens, microwaves, air

conditioning and heating units, including any related software and components.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 772.4 of Title 15, unless there is created a duplication in numbering, reads as follows:

Nothing in this act shall apply to:

- 1. A motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity, or to any product or service of a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity;
- 2. A medical device or a digital electronic product found in a medical setting including diagnostic, monitoring, or control equipment or any product or service that may be offered; or
- 3. A manufacturer, distributor, importer, or dealer of any offroad equipment including, but not limited to, farm and utility
 tractors, farm implements, farm machinery, forestry equipment,
 industrial equipment, utility equipment, construction equipment, and
 any tools, technology, attachments, accessories, components, and
 repair parts for any equipment pursuant to this paragraph.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 772.5 of Title 15, unless there is created a duplication in numbering, reads as follows:

Req. No. 1240

1 No original equipment manufacturer or authorized repair provider 2 shall be liable for any damage or injury caused to any digital 3 electronic equipment by an independent repair provider, or owner 4 which occurs during the course of repair, diagnosis, maintenance, or 5 modification including, but not limited to, any indirect, 6 incidental, special, or consequential damages, any loss of data, 7 privacy, or profits, any inability to use, or reduced functionality 8 of, the digital electronic equipment. 9 A new section of law to be codified SECTION 7. NEW LAW 10 in the Oklahoma Statutes as Section 772.6 of Title 15, unless there 11 is created a duplication in numbering, reads as follows: 12 Violation of any of the provisions of this act is an unlawful 13 practice under the Consumer Protection Act in Section 751 et seq. of 14 Title 15 of the Oklahoma Statutes. All remedies, penalties, and 15 authority granted to the Attorney General by that act shall be 16 available for the enforcement of this act. 17 SECTION 8. This act shall become effective November 1, 2023. 18 19 59-1-1240 MR 1/19/2023 10:03:07 PM 20 21 22 23 24