

SENATE BILL NO. 563

May 4, 1999, Introduced by Senators SCHWARZ, HOFFMAN, BULLARD, MC MANUS, GOSCHKA, ROGERS, JOHNSON, VAUGHN and PETERS and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

A bill to regulate the servicing, repair, and maintenance of certain appliances and the compensation received by certain persons for those activities; to provide for certain disclosures and warranties regarding those activities; to limit certain representations by service dealers; and to provide for certain remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "appliance repair act".

3 Sec. 2. As used in this act:

4 (a) "Appliance" means a refrigerator, dehumidifier, freezer,
5 oven, range, microwave oven, washer, dryer, dishwasher, trash
6 compactor, or window room air conditioner.

7 (b) "Customer" means a member of the general public who
8 seeks the services of a service dealer for the repair,
9 maintenance, or service of an appliance that he or she uses

1 personally and not as part of a business or commercial
2 enterprise.

3 (c) "Service dealer" means a person who, for compensation,
4 engages or offers to engage in repairing, servicing, or maintain-
5 ing an appliance. Service dealer does not include a contractor
6 licensed under the Forbes mechanical contractors act, 1984
7 PA 192, MCL 338.971 to 338.988.

8 Sec. 3. (1) Except as otherwise provided in this section
9 and before repairing, servicing, or performing maintenance on an
10 appliance, a service dealer shall make a written estimate of the
11 cost of the repair, service, or maintenance. The written esti-
12 mate shall comply with subsection (2). The customer shall
13 approve the estimate by signing the estimate, verbally approving
14 the estimate via the telephone, or by any other equivalent
15 method. If the customer approves the estimate by means of a
16 telephone call or other equivalent method, the service dealer
17 shall so indicate on the estimate and shall, if possible, obtain
18 the customer's signature on the estimate at a later time. A
19 service dealer shall not charge in excess of 110% of the amount
20 noted in the written estimate unless the service dealer receives
21 the verbal or written permission of the customer.

22 (2) A written estimate shall provide all of the following:

23 (a) The service dealer's name, mailing address, and tele-
24 phone number. If the service dealer's mailing address is not a
25 street address, then the mailing address or the street address of
26 the service dealer's owner.

1 (b) A description of the problem requiring service, repair,
2 or maintenance or the maintenance procedure desired by the
3 customer.

4 (c) Any charge for labor to be performed or parts to be
5 installed, each stated separately. The estimate shall describe
6 the method by which the labor charge is determined.

7 (d) The cost for removing the appliance from and returning
8 the appliance to the customer's premises, if applicable.

9 (3) A service dealer may charge a reasonable fee, as indi-
10 cated in the written estimate, for any labor performed in examin-
11 ing the appliance and diagnosing any problems. If the appliance
12 would require dismantling as part of the diagnosis, the service
13 dealer shall include in the written estimate of the cost of dis-
14 mantling and reassembling the appliance and the cost, if any, of
15 any parts that would be destroyed or rendered inoperable by the
16 dismantling and reassembly of the appliance.

17 (4) This act does not prohibit a service dealer from charg-
18 ing for a service call.

19 (5) This act does not prohibit a service dealer from combin-
20 ing the written estimate with the final bill described in section
21 5 into the same document.

22 Sec. 4. (1) Except as otherwise provided in subsection (2),
23 the service dealer shall return all parts removed from the appli-
24 ance to the customer.

25 (2) The service dealer may retain any part that has a core
26 charge, exchange rate, or contains hazardous material if the
27 service dealer provides to the customer, at the completion of the

1 repair, service, or maintenance, a written statement on the final
2 bill describing the reason for the retention of the part.

3 Sec. 5. The final bill shall separately state in writing
4 the following:

5 (a) The name and address of the service dealer as described
6 in section 3(2)(a).

7 (b) Service call charges.

8 (c) The labor charge.

9 (d) Parts charge, including whether the parts were new or
10 used, and the actual part number and manufacturer.

11 (e) The warranty provided by the supplier of the part. If
12 the service dealer has no knowledge of a supplier's or
13 manufacturer's warranty or knows that no supplier's or
14 manufacturer's warranty exists, he or she shall so state.

15 (f) The labor warranty.

16 (g) Other charges, stated in detail.

17 (h) Sales tax.

18 (i) A statement that the customer, in order to enforce any
19 warranty provided by this act, is required to notify the service
20 dealer in writing not later than the time period of the warranty
21 for the part or labor.

22 (j) The right of a consumer to bring an action under this
23 act.

24 Sec. 6. (1) A service dealer shall provide a warranty for
25 not less than 30 days on any labor regarding the repair of the
26 appliance and on any parts used in the service or repair of the

1 appliance for not less than the time period warranted by the
2 manufacturer.

3 (2) Subsection (1) does not void, reduce, or supersede a
4 warranty made by the manufacturer of the appliance and does not
5 void any provisions of a service contract that covers the
6 appliance.

7 (3) A warranty under subsection (1) requires the service
8 dealer to correct, at no cost to the customer, any failure of the
9 warranted parts if the customer notifies the service dealer in
10 writing within the applicable warranty time period. A service
11 dealer shall make a warranted correction in not more than 10 days
12 after receipt of the written notice of the failure unless parts,
13 after having been ordered in a timely manner, are not received by
14 the service dealer. The service dealer shall make a written
15 record of the ordering of those parts.

16 (4) A service dealer may impose a labor charge upon the
17 receipt of a written notice of failure from a customer which is
18 after the 30-day labor warranty described in subsection (1).

19 (5) A warranty issued under subsection (1) for service and
20 repairs is extended by any period of time the service dealer has
21 possession of the appliance for work related to the warranty.

22 Sec. 7. (1) A service dealer who makes a false statement of
23 a character likely to influence, persuade, or induce a customer
24 to authorize the repair, service, or maintenance of an appliance
25 or who fails to substantially comply with the disclosure require-
26 ments of this act is subject to the remedies prescribed by
27 subsection (2).

1 (2) A person may bring an action in a court of competent
2 jurisdiction for damages resulting from a violation of this act
3 in the amount of his or her actual damages or \$250.00, whichever
4 is greater, together with reasonable attorney fees. The court
5 may award up to twice the amount of damages if it finds that the
6 violation of this act was willful.

7 (3) This act does not prohibit the attorney general, a pros-
8 ecuting attorney, or a person who has suffered a loss as a result
9 of a violation of this act from bringing an action pursuant to
10 the Michigan consumer protection act, 1976 PA 331, MCL 445.901 to
11 445.922, for any act or omission relative to this act.

12 (4) The remedies under this section are cumulative and
13 independent. The use of 1 remedy by a person or the department
14 of attorney general shall not bar the use of other lawful reme-
15 dies, including injunctive relief, by that person or the depart-
16 ment of attorney general.

17 Enacting section 1. This act takes effect June 1, 1999.