

SENATE BILL NO. 861

February 4, 1998, Introduced by Senator GEAKE 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 PA
7 192, 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) An 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 provide a written estimate of the cost of dismantl-
14 ing and reassembling the appliance and the cost, if any, of any
15 parts that would be destroyed or rendered inoperable by the dis-
16 mantling 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 final bill described in section 5
21 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 so long as
27 the service dealer provides to the customer, at the completion of

1 the repair, service, or maintenance, a written statement on the
2 final 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 Sec. 6. (1) A service dealer shall provide the following:

23 (a) A warranty for not less than 30 days on any labor
24 regarding a specific service or repair of the appliance.

25 (b) A warranty on any parts used in the service or repair of
26 the appliance for not less than the time period warranted by the
27 manufacturer.

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

5 (3) A warranty under subsection (1) requires the service
6 dealer to correct, at no cost to the customer, any failure of the
7 warranted service or parts if the customer notifies the service
8 dealer in writing within the applicable warranty time period. A
9 service dealer shall make a warranted correction in not more than
10 10 days after receipt of the written notice of the failure unless
11 parts, after having been ordered in a timely manner, are not
12 received by the service dealer. The service dealer shall make a
13 written record of the ordering of those parts. A service dealer
14 may impose a labor charge upon the receipt of a written notice of
15 failure from a customer which is after the 30-day labor warranty
16 described in subsection (1).

17 (4) A service dealer may honor a warranty issued under
18 subsection (1) by reimbursing the customer for the warranted
19 service or repairs.

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

23 (6) A warranty issued under subsection (1) excludes coverage
24 for a failure caused by abuse, negligence, theft, vandalism,
25 fire, or other casualty loss.

26 Sec. 7. A service dealer shall maintain each service and
27 repair record for not less than 1 year. A service dealer shall

1 make available to a customer those records relating to that
2 customer upon request and payment of a reasonable copy charge.

3 Sec. 8. A service dealer who commits 1 or more of the fol-
4 lowing is subject to the remedies prescribed by section 9:

5 (a) Making a false statement of a character likely to influ-
6 ence, persuade, or induce a customer to authorize the repair,
7 service, or maintenance of an appliance.

8 (b) Providing services in an incompetent or negligent
9 manner.

10 (c) Failing in a material respect to comply with this act.

11 Sec. 9. (1) A person may bring an action in a court of com-
12 petent jurisdiction for damages or for enforcement of this act.

13 A person who suffers loss as a result of a violation of this act
14 may bring an action to recover actual damages or \$250.00, which-
15 ever is greater, together with reasonable attorney fees.

16 (2) A person may bring an action in a court of competent
17 jurisdiction to enjoin any act or omission conducted in violation
18 of this act and, if successful, may be awarded attorney fees.

19 (3) This act does not prohibit the attorney general, a pros-
20 ecuting attorney, or a person who has suffered a loss as a result
21 of a violation of this act from bringing an action pursuant to
22 the Michigan consumer protection act, 1976 PA 331, MCL 445.901 to
23 445.922, for any act or omission relative to this act.

24 (4) The remedies under this section are cumulative and
25 independent. The use of 1 remedy by a person or the department
26 of attorney general shall not bar the use of other lawful

1 remedies, including injunctive relief, by that person or the
2 department of attorney general.

3 Enacting section 1. This act takes effect June 1, 1998.