

FINAL BILL REPORT

SHB 1766

C 424 L 93
Synopsis as Enacted

Brief Description: Concerning automotive repair.

By House Committee on Commerce & Labor (originally sponsored by Representatives G. Cole, Heavey, Ogden, Zellinsky, R. Meyers, Wang, Conway and J. Kohl; by request of Attorney General).

House Committee on Commerce & Labor
Senate Committee on Labor & Commerce

Background: In 1977, the Automotive Repair Act was enacted in response to a significant number of complaints received by the Department of Licensing and Office of the Attorney General. The complaints involved auto repair shops charging for services not rendered, selling old parts for new, and charging for repairs done without first obtaining the car owner's approval.

The act, as amended in 1982, provides that if the estimated price of a repair job exceeds \$75, the consumer is entitled to a written estimate. If the original estimate is under \$75, no more than \$75 may be charged without customer approval. The act also requires auto repair facilities to return replaced auto parts at the request of the customer. Shops are required to prominently post notice of the customers' rights as to estimates. Violations of the act are subject to the Consumer Protection Act. Costs and attorney fees are authorized to the prevailing party in a suit for repair charges. The Department of Licensing and the Department of Revenue annually must provide written notice of this act with license plate renewals and business and occupation tax forms.

In 1992, automotive repair problems were the second most frequent consumer complaint received by the Office of the Attorney General. Frequent complaints focus on a perceived lack of clarity of the notice and estimate of cost provisions in the law.

Summary: The automotive repair statute is amended to provide more specificity and to improve communication between automotive repair facilities and consumers.

Gender specific language is replaced with gender neutral language, for example, the term "automotive repairman" is replaced with "automotive repair facility."

All estimates exceeding \$100 must be in writing and include: the date, the name, address, and phone number of the repair facility; the name, address, and phone number of the customer, or the customer's designee; if the vehicle was delivered for repair, the year, make, model, license plate number or last eight numbers of the vehicle identification number, and odometer reading of the vehicle; a description of the problem or the specific repairs requested; and a choice of alternatives for the customer. The customer's alternatives remain essentially the same. They are: (1) I request an estimate in writing before you begin repairs. Contact me if the price will exceed the estimate by more than 10 percent; (2) Proceed with repairs, but contact me if the price will exceed a given price; or (3) I do not want a written estimate.

A repair facility is required to provide more specific information on an invoice. The invoice must include: a description of the services performed; a list and description of all parts supplied and an indication of whether the parts are rebuilt, used, or after market body parts or nonoriginal equipment manufacturer body parts; the price per part and total amount charged for all parts; the total amount charged for all labor; and the total charge. A copy of the estimate must be provided to the customer and a copy retained by the repair shop. A copy of the invoice must be provided to the customer. Only material omissions in the estimate or invoice are actionable in a court of law or equity.

The rights of the customer regarding written estimates are made more specific. The repair facility may not charge more than 110 percent of the estimated price unless it has first obtained written or oral authorization of the customer. If the customer gives his or her oral authorization, the repair facility must note on the estimate the date and time of the oral authorization, the cost of additional parts and labor required or where collision repair is involved, after market body parts or nonoriginal equipment manufacturer body parts, the name of the employee who obtains the authorization, the name or identification number of the employee obtaining the authorization, and the name and the phone number of the person authorizing the additional costs.

A written estimate is not required when there is no face-to-face contact between the customer and the repair facility. However, prior to providing parts or labor, the repair

facility must obtain either the customer's oral or written authorization.

The requirement that the repair facility post a sign advising the customer of his or her rights is retained. However, the language of the sign is changed to reflect changes in the law.

If a repair shop fails to comply with the requirements governing estimates and invoices, it is barred from recovering more than 110 percent of the amount authorized by the customer, unless the repair shop can prove that the action it took was reasonable, necessary, and justified. A repair shop that fails to comply with specific requirements of the act relating to estimates, invoices, and other consumer rights, is barred from asserting a possessory or chattel lien for the amount of the unauthorized parts or labor.

Specific acts or practices are declared to be unfair or deceptive:

- (1) advertising that is false, deceptive, or misleading;
- (2) materially misstating the estimated price for a specified repair procedure;
- (3) retaining payment from a customer for parts not delivered or installed or a repair procedure not performed;
- (4) unauthorized operation of a customer's vehicle for purposes not related to repair or diagnosis;
- (5) failing or refusing to provide a customer, upon request, a copy of any document signed by the customer, at no cost;
- (6) retaining duplicative payment from both the customer and the warranty or extended service provider for the same covered part or labor; and
- (7) charging a customer for repairs for which there is no reasonable basis.

The repair shop must make available upon request a copy of any express warranty provided by the repair facility to the customer that covers repairs performed on the vehicle.

The language making a violation of the chapter a per se violation of the Consumer Protection Act is updated.

Votes on Final Passage:

House	97	0	
Senate	47	0	(Senate amended)
House	97	0	(House concurred)

Effective: January 1, 1994