

SENATE BILL REPORT

SHB 1766

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, APRIL 1, 1993

Brief Description: Concerning automotive repair.

SPONSORS: 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

Majority Report: Do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Amondson, Barr, Fraser, McAuliffe, Newhouse, Pelz, Sutherland, and Vognild.

Staff: Erika Lim (786-7488)

Hearing Dates: March 25, 1993; April 1, 1993

BACKGROUND:

The Automotive Repair Act establishes practices which must be followed by auto repair shops.

Upon a customer's request or if the repair shop wants to preserve its right to assert a possessory lien, a customer will receive a written estimate if the repairs are estimated to be more than \$75. The customer must also receive a written, detailed invoice of parts and service. A sign stating a customer's rights must be posted in auto repair shops. There is specific language that is required on the sign.

Any violation of the act is a violation of the Consumer Protection Act.

In 1992, auto repair complaints were the second most common consumer complaint filed by the Attorney General.

SUMMARY:

The presumption regarding written estimates is reversed. If repairs are estimated to exceed \$100, a customer will receive a written estimate unless this right is waived. A written, itemized invoice must still be given to the customer. A written estimate is not required if there is no face-to-face contact between the customer and the repair shop--for example, an early-morning drop-off. However, the repair shop must get the customer's oral or written authorization before doing any work. A repair shop cannot charge more than 110 percent of

the written estimate unless it first gets the customer's oral or written authorization to exceed the estimate. Upon request, a repair shop must make available to a customer a copy of any express warranty that covers repairs.

The provision that requires replaced parts to be returned to the customer is unchanged.

If a repair shop fails to comply with the written estimate provisions, it cannot assert a possessory lien or collect more than 110 percent of the amount authorized by the customer. These limits are unchanged from current law.

A sign stating a customer's rights must be posted. The required language is changed to reflect changes in the law.

Seven different acts or practices are specifically identified and prohibited. Included are "lowballing," which is purposely underestimating the price of a repair, and "overselling," which is providing and charging for unnecessary repairs.

The Attorney General will study the recommendations of the National Association of Attorneys General Automotive Repair Task Force. Until December 1, 1994, the Attorney General may submit a report of findings regarding the use of the task force's recommendations in this state.

Appropriation: none

Revenue: none

Fiscal Note: available

Effective Date: January 1, 1994

TESTIMONY FOR:

This bill tightens current law and will improve communications between auto repair shops and consumers. Consumers rely heavily on repair shops' expertise. If they are victimized, they are often unaware of it. This bill is a clear directive to repair shops of what is right and what is wrong.

TESTIMONY AGAINST:

Certain terms may be seen as pejorative.

TESTIFIED: Representative Cole, prime sponsor; Christine Gregoire, Attorney General; Bruce Olson, AAA; Larry Stevens, Washington Automotive Wholesalers Association