Washington State House of Representatives Office of Program Research



Consumer Protection & Business Committee

HB 1801

Brief Description: Concerning the repair of digital electronic equipment.

Sponsors: Representatives Gregerson, Ryu, Fitzgibbon, Berry, Cody, Macri, Peterson, Ramel, Wylie, Bergquist, Valdez, Pollet, Stonier, Ormsby, Harris-Talley and Kloba.

Brief Summary of Bill

- Establishes a commission on digital electronic equipment repairability to report on emerging local, national, and global repairability standards for digital electronic equipment and make corresponding recommendations to the Legislature.
- Requires the Department of Commerce (Commerce) to provide staff support to the commission on digital electronic equipment repairability.
- Requires original equipment manufacturers (OEM) and certain sellers of digital electronic equipment to label their products with a repairability score and provide additional information to consumers related to the products' repairability.
- Requires Commerce to establish specific standards for repairability criterion used by OEMs for repairability score labeling and post related information received from OEMs on its website.
- Provides criminal and civil penalties for violations of regulations related to repairability score labeling.

Hearing Date: 1/19/22

Staff: Corey Patton (786-7388).

House Bill Analysis - 1 - HB 1801

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

Digital electronic equipment may be considered a product that depends, in whole or in part, on digital electronics embedded in or attached to the product for the product to function. An original equipment manufacturer (OEM) may be considered a company that manufactures or contracts another company to manufacture digital electronic equipment.

Original equipment manufacturers of digital electronic equipment generally control and can restrict access to information, components, and tools necessary to diagnose, service, and repair their products, which may make their products difficult or impractical to repair by end users and independent repair shops.

Summary of Bill:

Commission on Digital Electronic Equipment Repairability.

A commission on digital electronic equipment repairability is established. The commission is comprised of the following membership:

- two House Members (one from each caucus);
- two Senators (one from each caucus);
- one member representing the Department of Commerce (Commerce);
- one member representing the Department of Ecology;
- one member representing the Office of the Attorney General;
- one member representing an advocacy group focused on sustainability of digital electronic equipment;
- one member representing an organization representing the interests of local technology companies;
- one member representing a distributor or marketplace platform for digital electronic equipment; and
- one member representing an original equipment manufacturer (OEM).

The commission must hold its first meeting by July 1, 2023. Commerce must provide staff support for the commission, including arranging the first meeting of the commission and assisting the chair of the commission in arranging subsequent meetings. The commission must provide a public comment period at every meeting. The commission must elect a chair from among its legislative members at the first meeting by a majority vote. The chair of the commission is responsible for arranging subsequent meetings and developing meeting agendas and must appoint one or more qualified attorneys to serve as commission counsel. After the commission holds its first meeting, Commerce must provide the chair with the names of one or more attorneys who are willing and able to serve as commission counsel.

The chair of the commission may invite individuals representing other communities and organizations to participate in a non-voting advisory capacity in meetings of the commission. The chair or their designee is authorized to administer oaths and take testimony on any subject relevant to the commission's duties. A majority of the commission may vote to issue a subpoena

to obtain documents or testimony from any entity or individual for the purpose of gathering information that will assist the commission in the execution of its duties.

Beginning in 2024, and in every other year thereafter, the commission must submit a report to the Legislature on the status and development of local, national, and global repairability standards for digital electronic equipment, and provide recommendations to the Legislature regarding the creation, implementation, management, and enforcement of repairability standards for digital electronic equipment in Washington, with a focus on achieving compatibility with emerging national and global repairability standards.

The commission must submit its initial report and recommendations to the Legislature by October 1, 2024. Subsequent reports and recommendations must be submitted to the Legislature by October 1 every two years thereafter.

Repairability Labeling Requirements.

An OEM of digital electronic equipment sold or used in Washington must make specific repairability score information available for its products in the following manner:

- A label providing the product's average repairability score must be placed on the front and rear panels of the product's container or package.
- The label's text must be in capital letters in conspicuous and legible type, and the text must be black font on a white background or white font on a black background.
- Quick response codes, other codes, or a web address may be used to guide a consumer to the full repairability information available on either the OEM's or Commerce's publicly accessible website.

A product's average repairability score (ranging from one, least repairable, to 10, most repairable) is calculated by averaging the numeric scores (ranging from one to 10) given for each of the following repairability criterion:

- duration and availability of technical documents and related advice on the use and maintenance of the product;
- ease of dismantling, tools required, and other characteristics of the fasteners used or other parts;
- the OEM's estimation of the duration of parts for the product;
- the amount of time the OEM plans on manufacturing replacement parts for the product;
- price ratio of replacement parts to the price of new equipment;
- potential to recycle or dispose of the product;
- expertise required to safely effect the repair; and
- any other information deemed necessary by Commerce.

An OEM must include the following information along with the repairability score:

- the product's model number and suggested retail price;
- information on the nature of software updates provided by the OEM;
- potential for a factory reset of the product;
- whether or not remote assistance is available from the OEM and the price charged for

providing assistance; and

• any other information deemed necessary by Commerce.

A person or entity that sold 1,000 or more digital electronic equipment products in the prior calendar year, and which lists digital electronic equipment for online sale in Washington, must include the average repairability score and other required repairability information on the online listing. The repairability score may not be placed behind a link, drop-down, toggle, or any other feature that requires a consumer's interaction or the passage of time before it is made visible.

Ninety days before selling digital electronic equipment in Washington, an OEM must submit the product's average repairability score and other required repairability information to Commerce, including reasons why the product received the chosen scores for each repairability criterion. Commerce must establish specific standards for each criterion before the OEM may assign the device a repairability score higher than five for a specific criterion. Commerce may establish additional standards for any score values for each criterion.

Commerce must post information received from an OEM on its publicly accessible website. Commerce may publish its own comments alongside the information and scores provided by the OEM if it determines the OEM's information or scores are materially incomplete, inaccurate, unsupported, or misleading. Before publishing any comments regarding an OEM's submission, Commerce must attempt to notify the OEM of any problems in the submission and afford the OEM up to 30 days to amend it.

Criminal & Civil Penalties.

A person who knowingly falsifies information, knowingly submits fraudulent information to Commerce, or conspires to mislead consumers regarding the above repairability guidelines is guilty of a gross misdemeanor.

Violations of the above repairability guidelines are deemed to affect the public interest and constitute an unfair or deceptive act in trade or commerce for purposes of a Consumer Protection Act claim, and an individual bringing a successful action may recover \$1,000 in statutory damages for each violation.

Appropriation: None.

Fiscal Note: Requested on January 18, 2022.

Effective Date: The bill takes effect on January 1, 2023.