ASSEMBLY, No. 3612

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED MARCH 17, 2022

Sponsored by: Assemblyman PARKER SPACE District 24 (Morris, Sussex and Warren)

SYNOPSIS

Concerns right to repair farm equipment and lawn mowers.

CURRENT VERSION OF TEXT

As introduced.



AN ACT concerning the repair of certain equipment and supplementing Title 56 of the Revised Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. As used in this act:

"Authorized repair provider" means a person or entity that has an arrangement for a definite or indefinite period in which a manufacturer grants to a separate person or entity a license to use a tradename, service mark, or related characteristic for purposes of offering repair services under the name of the manufacturer.

"Embedded software" means any programmable instructions provided on firmware, and all relevant patches and fixes made by the manufacturer, delivered with farm equipment or a lawn mower and used for its operation. "Embedded software" includes a basic internal operating system, an internal operating system, a machine code, an assembly code, a root code, a microcode, and other similar components.

"Fair and reasonable terms" means an equitable price in light of relevant factors including, but not limited to: (1) the net cost to the authorized repair provider for similar information obtained from a manufacturer, less any discounts, rebates, or other incentive programs; (2) the cost to the manufacturer for preparing and distributing the information, including amortized capital costs for the preparation and distribution of the information, but excluding any research and development costs incurred in designing and implementing, upgrading, or altering the product; (3) the price charged by other manufacturers for similar information; (4) the price charged by other manufacturers for similar information prior to the launch of manufacturer websites; (5) the ability of aftermarket facilities or providers to afford the information; (6) the means by which the information is distributed; (7) the extent to which the information is used, which includes the number of users and the frequency, duration, and volume of use; and (8) inflation.

"Farm equipment" means equipment that is used or intended for use in a farm or ranch operation, including a combine, farm tractor as defined in R.S.39:1-1, implement, engine, motor, or attachment, but excluding a motor vehicle designed primarily for transporting persons or property on public roadways.

"Firmware" means a software program or set of instructions programmed on a hardware device to allow the device to communicate with other computer hardware.

"Independent repair provider" means a person or business operating in the State that is not affiliated with a manufacturer or its authorized repair provider, which is engaged in the diagnosis, service, maintenance, or repair of farm equipment or lawn mowers. An "independent repair provider" includes a manufacturer when it

engages in the diagnosis, service, maintenance, or repair of farm equipment or lawn mowers that are not affiliated with the original manufacturer.

"Manufacturer" means a person or business engaged in the manufacturing or assembling of new farm equipment or lawn mowers, and engaged in the selling or leasing of new farm equipment or lawn mowers or the diagnosis, service, maintenance, or repair of farm equipment or lawn mowers.

"Owner" means a person who owns or leases farm equipment or lawn mowers in this State.

"Part" means any replacement part, whether new or used, made available by a manufacturer to an authorized repair provider for purposes of effecting repair.

"Trade Secret" means the same as defined in 18 U.S.C. s.1839(3).

- 2. a. A manufacturer of farm equipment or lawn mowers sold, offered for sale, or used in this State shall make available:
- (1) to any independent repair provider or owner of farm equipment or lawn mowers manufactured by that manufacturer, the same diagnostic, service, or repair documentation, including repair technical updates and updates and corrections to embedded software, at no charge or in the same manner and in the same timeframe as the manufacturer makes diagnostic, service, or repair documentation available to an authorized repair provider; and
- (2) farm equipment, lawn mowers, or service parts, including any updates to the embedded software, for purchase by the owner, an authorized agent, or any independent repair provider under fair and reasonable terms.

A manufacturer shall not be required to sell farm equipment, lawn mowers, or service parts if the parts are no longer available to the manufacturer or an authorized repair provider.

- b. A manufacturer that sells farm equipment or lawn mower diagnostic, service, or repair documentation to an independent repair provider or owner in a format that is standardized with other manufacturers, and on terms and conditions more favorable than those in which the authorized repair provider obtains the same documentation, shall be prohibited from requiring an authorized repair provider to continue purchasing the documentation in a proprietary format unless the proprietary format includes diagnostic, service, or repair documentation or functionality that is not available in a standardized format.
- c. A manufacturer of farm equipment or lawn mowers sold, offered for sale, or used in this State shall make available for purchase by independent repair providers and owners all diagnostic repair tools incorporating the same diagnostic, repair, and remote communications capabilities that the manufacturer makes available to its own repair or engineering staff or any authorized repair

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1 A manufacturer shall offer tools for sale to an provider. 2 independent repair provider or owner under fair and reasonable 3

A manufacturer that provides diagnostic, service, or repair documentation to aftermarket diagnostic tool manufacturers, diagnostics providers, or service information publications and systems shall have fully satisfied its obligations under this subsection and shall not be responsible for the content and functionality of aftermarket diagnostic tools, diagnostics, or service

9 10 information systems.

d. A manufacturer selling or offering for sale in this State farm equipment or lawn mowers with security-related functions shall include diagnostic, service, and repair documentation necessary to reset a security-related electronic function from information provided to an independent repair provider or owner. If excluded during the transaction, the manufacturer shall provide the documentation necessary to reset an immobilizer system or security-related electronic module to an independent repair provider or owner through the appropriate secure data release systems.

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- 3. Nothing in P.L.) (pending before the , c. (C. Legislature as this bill) shall be construed to:
- a. require a manufacturer or authorized repair provider to provide an owner or independent repair provider access to nondiagnostic and repair documentation provided by the manufacturer to an authorized repair provider pursuant to the terms of an authorizing agreement;
- b. abrogate, interfere with, contradict, or alter the terms of any authorized repair agreement executed and in force between an authorized repair provider and manufacturer including, but not limited to, the performance or provision of warranty or recall repair work by an authorized repair provider on behalf of a manufacturer pursuant to the agreement, except that any provision in the agreement purporting to waive, avoid, restrict, or limit the manufacturer's compliance with this section shall be void; or
 - require a manufacturer to divulge a trade secret.

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4. A manufacturer that violates any provision of P.L. C.) (pending before the Legislature as this bill) shall be subject to a civil penalty of not more than \$500 for each offense, to be collected in a civil action by a summary proceeding under the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court or municipal court shall have jurisdiction of proceedings for the enforcement of the penalty provided by this section.

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47 This act shall take effect on the first day of the fourth month 48 next following enactment.

STATEMENT

This bill establishes the right to repair farm equipment and lawn mowers with repair providers other than the original manufacturer. This essentially allows independent repair providers, owners, and authorized repair providers to have the same access to diagnostic repair information for farm equipment and lawn mowers.

Specifically, the bill requires a manufacturer of farm equipment or lawn mowers sold, offered for sale, or used in this State to make available to any independent repair provider or owner the same diagnostic, service, or repair documentation at no charge or in the same manner and in the same timeframe as the manufacturer makes the documentation available to an authorized repair provider. The bill also requires a manufacturer to provide farm equipment, lawn mowers, or service parts for purchase by the owner, an authorized agent, or any independent repair provider. A manufacturer is not required to sell parts that are no longer available.

The bill prohibits a manufacturer that sells farm equipment or lawn mower diagnostic, service, or repair documentation in a standardized format from requiring an authorized repair provider to purchase it in a proprietary format unless the proprietary format includes documentation or functionality that is not available in the standardized format.

Under the bill, a manufacturer of farm equipment or lawn mowers sold, offered for sale, or used in this State is to make available for purchase by independent repair providers and owners all diagnostic repair tools incorporating the same diagnostic, repair, and remote communications capabilities that the manufacturer makes available to its own repair or engineering staff or any authorized repair provider. A manufacturer is also required to offer tools for sale to an independent repair provider or owner under fair and reasonable terms.

Farm equipment or lawn mowers with security-related functions are required to include diagnostic, service, and repair documentation necessary to reset a security-related electronic function. In the alternative, the manufacturer is to provide the documentation necessary to reset an immobilizer system or security-related electronic module through the appropriate secure data release systems.

The bill imposes a civil penalty of not more than \$500 for each violation of its provisions.

It is increasingly difficult to repair lawn mowers and farm equipment, such as tractors, without going directly to the manufacturer. This puts consumers at a disadvantage because fewer repair options are available and market competition is decreased.