

June 15, 2024

Industry Advisory

The Right to Repair Act Effective July 1, 2024

The Right to Repair Act (<u>SB 244, Eggman 2023</u>) requires that manufacturers of electronic and/or appliance products provide documentation, parts, and tools to owners, service and repair facilities, and service dealers so they can diagnose, maintain, or repair the products. The new law is intended to provide a fair marketplace for repairing electronic and appliance products and to prohibit manufacturers from making third-party repairs more difficult. It takes effect July 1, 2024.

COVERED PRODUCTS

What Is Covered

The Right to Repair Act covers an electronic or appliance product when it meets **all** of the following requirements:

- The product was manufactured on or after July 1, 2021; and
- The product was sold or used in California on or after July 1, 2021; and
- The wholesale cost of the product was \$50 or more; and
- The product is an "electronic set," "appliance," "antenna," or "rotator" as defined in <u>Business and Professions Code (BPC) section 9801</u>.

What is Not Covered:

- Agricultural, construction, utility, industrial, mining, outdoor power, forestry, and lawn and garden equipment as provided in Chapter 28, Division 28, of the BPC.
- Alarm system as defined in BPC section 7590.1(c).
- Fire protection system as defined in the CA Fire Code.
- Video game console: a computing device other than a general or all-purpose computer (e.g., desktop or laptop) primarily used by consumers for playing video games, such as a console machine, handheld console device, or another device or system.



REQUIREMENTS OF MANUFACTURERS

Manufacturers must make documentation, parts, and tools ("repair materials") available to owners, service and repair facilities, and service dealers so they can diagnose, maintain, or repair a product. Manufacturers must provide these materials **even if no warranty was made**.

The product's wholesale cost determines how long manufacturers must continue to provide the repair materials. If a warranty was made, manufacturers may have to continue to provide the repair materials even after the warranty expires.

- \$50 to \$99.99 For products that wholesale between \$50 and \$99.99, manufacturers must provide the materials for at least 3 years after the last manufacturing date of a product model or type, even if the 3-year period exceeds the warranty period.
- \$100 or more For products that wholesale for \$100 or more, manufacturers must provide the materials for at least 7 years after the last manufacturing date of a product or model type, even if the 7-year period exceeds the warranty period.

A manufacturer can charge to provide the repair materials, but the charge must meet "fair and reasonable terms."

"Fair and reasonable terms" means:

- At costs and terms equal to the most favorable costs and terms that the manufacturer offers to an authorized repair provider.
- Documentation must be made available for no charge. EXCEPT: If the
 documentation is requested in physical printed form, the manufacturer may
 charge for the reasonable, actual costs of preparing and sending the copy.
- Tools must be made available at no charge and the manufacturer cannot impose barriers to access or use the tools. EXCEPT: If a tool is requested in physical form, the manufacturer may charge for the reasonable, actual costs of preparing and sending the tool.
- If the manufacturer does not use an authorized repair provider, "fair and reasonable terms" means at a price that reflects the actual cost to the manufacturer to prepare and deliver the part, tool, or documentation (excludes research and development costs).

LIMITATIONS

Manufacturers **DO NOT** have to disclose trade secrets, or license any intellectual property, including copyrights or patents, or distribute a product's source code.



Manufacturers **DO NOT** have to make available special documentation, tools, and parts that would disable or override antitheft security measures set by the owner without the owner's authorization.

Manufacturers **DO NOT** have to sell service parts if they no longer provide the service parts or make them available to authorized repair providers.

Manufacturers **DO NOT** have to comply with SB 244 if they provide, at no charge to the consumer, a replacement product that is equivalent or better and is readily available.