

**SUBSTITUTE FOR
SENATE BILL NO. 217**

A bill to regulate the servicing, repair, and maintenance of certain appliances and the compensation received by certain persons for those activities; to provide for certain disclosures and warranties regarding those activities; to limit certain representations by service dealers; and to provide for certain remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "appliance repair act".

3 Sec. 2. As used in this act:

4 (a) "Appliance" means a refrigerator, dehumidifier, freezer,
5 oven, range, microwave oven, washer, dryer, dishwasher, trash
6 compactor, or window room air conditioner.

7 (b) "Customer" means a member of the general public who
8 seeks the services of a service dealer for the repair,
9 maintenance, or service of an appliance that he or she uses

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1 personally and not as part of a business or commercial
2 enterprise.

3 (c) "Service dealer" means a person or other legal entity
4 that, for compensation, engages or offers to engage in repairing,
5 servicing, or maintaining an appliance. Service dealer does not
6 include a contractor licensed under the Forbes mechanical con-
7 tractors act, 1984 PA 192, MCL 338.971 to 338.988.

8 Sec. 3. (1) Except as otherwise provided in this section
9 and before repairing, servicing, or performing maintenance on an
10 appliance, a service dealer shall make a written estimate of the
11 cost of the repair, service, or maintenance. The written esti-
12 mate shall comply with subsection (2). The customer shall
13 approve the estimate by signing the estimate, verbally approving
14 the estimate via the telephone, or by any other equivalent
15 method. If the customer approves the estimate by means of a
16 telephone call or other equivalent method, the service dealer
17 shall so indicate on the estimate and shall, if possible, obtain
18 the customer's signature on the estimate at a later time. A
19 service dealer shall not charge in excess of 110% of the amount
20 noted in the written estimate unless the service dealer receives
21 the verbal or written permission of the customer.

22 (2) A written estimate or attached documentation shall pro-
23 vide all of the following:

24 (a) The service dealer's name, mailing address, and tele-
25 phone number. If the service dealer's mailing address is not a
26 street address, then the street address of the service dealer.

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1 (b) A description of the problem requiring service, repair,
2 or maintenance or the maintenance procedure desired by the
3 customer.

4 (c) Any charge for labor to be performed or parts to be
5 installed, each stated separately. The estimate shall state the
6 hourly rate, if any, or flat rate by which the labor charge is
7 determined.

8 (d) The cost for removing the appliance from and returning
9 the appliance to the customer's premises, if applicable.

10 (3) A service dealer may charge a fee, as indicated in the
11 written estimate, for any labor performed in examining the appli-
12 ance and diagnosing any problems. If the appliance would require
13 dismantling as part of the diagnosis, the service dealer shall
14 include in the written estimate of the cost of dismantling and
15 reassembling the appliance and the cost, if any, of any parts
16 that would be destroyed or rendered inoperable by the dismantling
17 and reassembly of the appliance.

18 (4) This act does not prohibit a service dealer from charg-
19 ing for a service call.

20 (5) This act does not prohibit a service dealer from combin-
21 ing the written estimate with the final bill described in section
22 5 into the same document.

23 Sec. 4. (1) Except as otherwise provided in subsection (2),
24 the service dealer shall return all parts removed from the appli-
25 ance to the customer unless the customer declines, in writing, to
26 receive the removed part.

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1 (2) The service dealer may retain any part that has a core
2 charge or exchange rate, contains hazardous material, or is
3 returned to the manufacturer as required by the manufacturer's
4 warranty if the service dealer provides to the customer, at the
5 completion of the repair, service, or maintenance, a written
6 statement on the final bill describing the reason for the reten-
7 tion of the part.

8 Sec. 5. The final bill shall separately state in writing
9 the following:

10 (a) The name and address of the service dealer as described
11 in section 3(2)(a).

12 (b) Service call charges, if any.

13 (c) The labor charge.

14 (d) Parts charge, if any, including whether the parts were
15 new or used and the actual part number and manufacturer.

16 (e) The warranty provided by the supplier of the part. If
17 the service dealer has no knowledge of a supplier's or
18 manufacturer's warranty or knows that no supplier's or
19 manufacturer's warranty exists, he or she shall so state.

20 (f) The service dealer's labor warranty.

21 (g) Other charges, stated in detail.

22 (h) Sales tax.

23 (i) A statement that the customer, in order to enforce any
24 warranty provided by this act, is required to notify the service
25 dealer in writing, in person, or by telephone not later than the
26 time period of the warranty for the part or labor.

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1 (j) The right of a customer to bring an action under this
2 act.

3 Sec. 6. (1) A service dealer shall provide a warranty for
4 not less than 30 days on the service dealer's labor regarding the
5 repair of the appliance.

6 (2) Subsection (1) does not void, reduce, or supersede a
7 warranty made by the manufacturer of the appliance and does not
8 void any provisions of a service contract that covers the
9 appliance.

10 (3) A warranty under subsection (1) requires the service
11 dealer to correct, at no cost to the customer, any failure of the
12 warranted parts if the customer notifies the service dealer in
13 writing within the applicable warranty time period. A service
14 dealer shall make a warranted correction in not more than 10 days
15 after receipt of the written notice of the failure unless parts,
16 after having been ordered in a timely manner, are not received by
17 the service dealer. The service dealer shall make a written
18 record of the ordering of those parts.

19 (4) A service dealer may impose a labor charge upon the
20 receipt of a written notice of failure from a customer which is
21 after the 30-day labor warranty described in subsection (1).

22 (5) A warranty issued under subsection (1) for service is
23 extended by any period of time the service dealer has possession
24 of the appliance for work related to the warranty.

25 Sec. 7. (1) A service dealer who makes a false statement of
26 a character likely to influence, persuade, or induce a customer
27 to authorize the repair, service, or maintenance of an appliance

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1 or who fails to substantially comply with the disclosure
2 requirements of this act is subject to the remedies prescribed by
3 subsection (2).

4 (2) A person may bring an action in a court of competent
5 jurisdiction for actual damages resulting from a violation of
6 this act in the amount of his or her actual damages or \$250.00,
7 whichever is greater, together with reasonable attorney fees.
8 The court may award up to twice the amount of damages if it finds
9 that the violation of this act was willful.

10 (3) This act does not prohibit the attorney general, a pros-
11 ecuting attorney, or a person who has suffered a loss as a result
12 of a violation of this act from bringing an action pursuant to
13 the Michigan consumer protection act, 1976 PA 331, MCL 445.901 to
14 445.922, for any act or omission relative to this act.

15 (4) The remedies under this section are cumulative and
16 independent. The use of 1 remedy by a person or the department
17 of attorney general shall not bar the use of other lawful reme-
18 dies, including injunctive relief, by that person or the depart-
19 ment of attorney general.

20 Enacting section 1. This act takes effect June 1, 2002.