SYNOPSIS AS INTRODUCED:

See Index

Creates the Digital Fair Repair Act. Provides that original equipment manufacturers shall: (i) make available to any independent repair provider or owner of equipment manufactured by the original equipment manufacturer the same diagnostic and repair documentation in the same manner as that information is made available to the manufacturer's authorized repair providers; and (ii) make available for purchase by the owner, his or her authorized agent, or any independent repair provider, parts, inclusive of any updates to the embedded software of the parts, upon fair and reasonable terms. Requires original equipment manufacturers to make available for purchase by owners and independent repair providers all diagnostic repair tools incorporating the same diagnostic, repair, and remote communications capabilities that the original equipment manufacturer makes available to its own repair or engineering staff or an authorized repair provider. Requires an independent repair provider that purchases or acquires embedded software or service parts to notify the owner of the equipment in writing of certain warranties prior to performing any services on digital electronic equipment. Provides, with one exception, an authorized provider shall have all the rights and remedies provided under the Act. Provides for enforcement by the Attorney General. Authorizes the Attorney General to seek to enjoin violations and to recover civil penalties. Requires the Attorney General to establish an outreach program to inform the public of rights under the Act. Defines terms. Excludes motor vehicle manufacturers. Provides for recovery of damages and attorney's fees. Provides for the protection of trade secrets. Amends the Consumer Fraud and Deceptive Business Practices Act to incorporate a violation of the Digital Fair Repair Act as a violation of that Act. Effective January 1, 2020.
AN ACT concerning business.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 1. Short title. This Act may be cited as the Digital Fair Repair Act.

Section 5. Definitions. In this Act:

(a) "Authorized repair provider" means an individual or business who is unaffiliated with an original equipment manufacturer and who has an arrangement with the original equipment manufacturer, for a definite or indefinite period, under which the original equipment manufacturer grants to the individual or business a license to use a trade name, service mark, or other proprietary identifier for the purposes of offering the services of diagnosis, maintenance, or repair of digital electronic equipment under the name of the original equipment manufacturer, or other arrangement with the original equipment manufacturer to offer such services on behalf of the original equipment manufacturer. An original equipment manufacturer who offers the services of diagnosis, maintenance, or repair of its own digital electronic equipment, and who does not have an arrangement described in this subsection with an unaffiliated individual or business, shall be considered an authorized repair provider with respect to
such equipment.

(b) "Digital electronic equipment" or "equipment" means any product that depends for its functioning, in whole or in part, on digital electronics embedded in or attached to the product.

(c) "Documentation" means any manual, diagram, reporting output, service code description, schematic diagram, or similar kinds of information provided to an authorized repair provider for purposes of its effecting the services of diagnosis, maintenance, or repair of digital electronic equipment.

(d) "Embedded software" means any programmable instructions provided on firmware delivered with digital electronic equipment, or with a part for such equipment, for purposes of equipment operation, including all relevant patches and fixes made by the manufacturer of such equipment or part for these purposes.

(e) "Fair and reasonable terms" for obtaining a part or tool or documentation means at costs and terms, including convenience of delivery, and including rights of use, equivalent to what is offered by the original equipment manufacturer to an authorized repair provider, using the net costs that would be incurred by an authorized repair provider in obtaining an equivalent part or tool or documentation from the original equipment manufacturer, accounting for any discounts, rebates, or other incentive programs in arriving at
the actual net costs. For documentation, including any relevant updates, "fair and reasonable terms" means at no charge, except that, when the documentation is requested in physical printed form, a charge may be included for the reasonable actual costs of preparing and sending the copy.

(f) "Firmware" means a software program or set of instructions programmed on digital electronic equipment, or on a part for such equipment, to allow the equipment or part to communicate with other computer hardware.

(g) "Independent repair provider" means an individual or business operating in this State, who does not have an arrangement described in subsection (a) with an original equipment manufacturer, and who is not affiliated with any individual or business who has such an arrangement, and who is engaged in the services of diagnosis, maintenance, or repair of digital electronic equipment, except that an original equipment manufacturer or, with respect to that original equipment manufacturer, an individual or business who has such an arrangement with that original equipment manufacturer, or who is affiliated with an individual or business who has such an arrangement with that original equipment manufacturer, shall be considered an independent repair provider for purposes of those instances in which it engages in the services of diagnosis, maintenance, or repair of digital electronic equipment that is not manufactured by or sold under the name of that original equipment manufacturer.
(h) "Manufacturer of motor vehicle equipment" means a business engaged in the business of manufacturing or supplying components that are used in the manufacture, maintenance, or repair of a motor vehicle.

(i) "Motor vehicle" means a vehicle that is designed for transporting persons or property on a street or highway and is certified by the manufacturer under all applicable federal safety and emissions standards and requirements for distribution and sale in the United States. "Motor vehicle" does not include:

   (1) a motorcycle; or

   (2) a recreational vehicle or an auto home equipped for habitation.

(j) "Motor vehicle dealer" means an individual or business who, in the ordinary course of business, is engaged in the business of selling or leasing new motor vehicles to an individual or business pursuant to a franchise agreement, has obtained a license under the Illinois Vehicle Code, and is engaged in the services of diagnosis, maintenance, or repair of motor vehicles or motor vehicle engines pursuant to that franchise agreement.

(k) "Motor vehicle manufacturer" means a business engaged in the business of manufacturing or assembling new motor vehicles.

(l) "Original equipment manufacturer" means a business engaged in the business of selling or leasing new digital
electronic equipment manufactured by or on behalf of itself, to any individual or business.

(m) "Owner" means an individual or business who owns or leases digital electronic equipment purchased or used in this State.

(n) "Part" means any replacement part, either new or used, made available by an original equipment manufacturer for purposes of effecting the services of maintenance or repair of digital electronic equipment manufactured or sold by the original equipment manufacturer.

(o) "Trade secret" has the meaning given it in 18 U.S.C. 1839.

Section 10. Requirements.

(a) For digital electronic equipment, and parts for such equipment, sold or used in this State, an original equipment manufacturer shall make available, for purposes of diagnosis, maintenance, or repair, to any independent repair provider, or to the owner of digital electronic equipment manufactured by or on behalf of, or sold by, the original equipment manufacturer, on fair and reasonable terms, documentation, parts, and tools, inclusive of any updates to information or embedded software. Nothing in this Section requires an original equipment manufacturer to make available a part if the part is no longer available to the original equipment manufacturer.

(b) For equipment that contains an electronic security lock
or other security-related function, the original equipment manufacturer shall make available to the owner and to independent repair providers, on fair and reasonable terms, any special documentation, tools, and parts needed to reset the lock or function when disabled in the course of diagnosis, maintenance, or repair of the equipment. Such documentation, tools, and parts may be made available through appropriate secure release systems.

Section 15. Enforcement by Attorney General. Violation of any of the provisions of this Act is an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act. All remedies, penalties, and authority granted to the Attorney General by that Act shall be available to him or her for the enforcement of this Act.

Section 20. Limitations.
(a) Nothing in this Act shall be construed to require an original equipment manufacturer to divulge a trade secret to an owner or an independent service provider except as necessary to provide documentation, parts, and tools on fair and reasonable terms.

(b) No provision of this Act shall be construed to alter the terms of any arrangement described in subsection (a) of Section 5 in force between an authorized repair provider and an original equipment manufacturer, including, but not limited
to, the performance or provision of warranty or recall repair work by an authorized repair provider on behalf of an original equipment manufacturer pursuant to such arrangement, except that any provision in such terms that purports to waive, avoid, restrict, or limit the original equipment manufacturer's obligations to comply with this Act shall be void and unenforceable.

(c) Nothing in this Act shall be construed to require an original equipment manufacturer or an authorized repair provider to provide to an owner or independent repair provider access to information, other than documentation, that is provided by the original equipment manufacturer to an authorized repair provider pursuant to the terms of an arrangement described in subsection (a) of Section 5.

Section 25. Exclusions. Nothing in this Act applies to a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity, or to any product or service of a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity.

Section 30. Applicability. This Act applies with respect to equipment sold or in use on or after the effective date of this Act.
Section 90. The Consumer Fraud and Deceptive Business Practices Act is amended by changing Section 2Z as follows:

(815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

Sec. 2Z. Violations of other Acts. Any person who knowingly violates the Automotive Repair Act, the Automotive Collision Repair Act, the Digital Fair Repair Act, the Home Repair and Remodeling Act, the Dance Studio Act, the Physical Fitness Services Act, the Hearing Instrument Consumer Protection Act, the Illinois Union Label Act, the Installment Sales Contract Act, the Job Referral and Job Listing Services Consumer Protection Act, the Travel Promotion Consumer Protection Act, the Credit Services Organizations Act, the Automatic Telephone Dialers Act, the Pay-Per-Call Services Consumer Protection Act, the Telephone Solicitations Act, the Illinois Funeral or Burial Funds Act, the Cemetery Oversight Act, the Cemetery Care Act, the Safe and Hygienic Bed Act, the Illinois Pre-Need Cemetery Sales Act, the High Risk Home Loan Act, the Payday Loan Reform Act, the Mortgage Rescue Fraud Act, subsection (a) or (b) of Section 3-10 of the Cigarette Tax Act, subsection (a) or (b) of Section 3-10 of the Cigarette Use Tax Act, the Electronic Mail Act, the Internet Caller Identification Act, paragraph (6) of subsection (k) of Section 6-305 of the Illinois Vehicle Code, Section 11-1431, 18d-115, 18d-120, 18d-125, 18d-135, 18d-150, or 18d-153 of the Illinois Vehicle Code, Article 3 of the Residential Real Property Disclosure
Act, the Automatic Contract Renewal Act, the Reverse Mortgage Act, Section 25 of the Youth Mental Health Protection Act, the Personal Information Protection Act, or the Student Online Personal Protection Act commits an unlawful practice within the meaning of this Act.

(Source: P.A. 99-331, eff. 1-1-16; 99-411, eff. 1-1-16; 99-642, eff. 7-28-16; 100-315, eff. 8-24-17; 100-416, eff. 1-1-18; 100-863, eff. 8-14-18.)

Section 99. Effective date. This Act takes effect January 1, 2020.
INDEX

Statutes amended in order of appearance

New Act

815 ILCS 505/2Z from Ch. 121 1/2, par. 262Z