



**House
Legislative
Analysis
Section**

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REGULATE APPLIANCE SERVICE DEALERS

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House Bills 5269 and 5270
Sponsor: Rep. Perry Bullard
Committee: State Affairs

Mich. State Law Library

Complete to 1-25-88

A SUMMARY OF HOUSE BILLS 5269 AND 5270 AS INTRODUCED 1-13-88

House Bill 5269 would amend the Occupational Code (MCL 339.2131 et al.) to provide for the licensing and regulation of people who repair or service major home appliances. Major home appliances would include refrigerators, freezers, ovens, ranges, microwave ovens, washers, dryers, dishwashers, trash compactors, and room air conditioners sold for household use. The bill would require the Department of Licensing and Regulation to promulgate rules necessary to implement the bill, but the department would be required to consult with appliance service dealers before doing so.

A person could not act as a service dealer or give the appearance of being a service dealer without being registered under the bill. The bill would require the department to issue a service dealer registration to a person who:

- applied to the department on a form provided by the department;
- paid the fee prescribed in the State License Fee Act;
- was 18 years of age or older;
- was "of good moral character"; and
- maintained a place of business in the state.

The bill would stipulate that a person registered by the department would be required to renew the registration on a form provided by the department on or before the date prescribed by the department. This renewal application would have to be accompanied by the appropriate fee.

A person would be subject to various penalties already set forth in the act for committing one or more of the following while providing, or offering to provide, repair, service, or maintenance as an appliance service dealer:

- making or authorizing a statement or advertisement that is untrue or misleading and that is known, or should be known by the exercise of reasonable care, to be untrue or misleading;

- making a false promise of a character likely to influence, persuade, or induce a customer to authorize the repair, service, or maintenance of equipment covered under the bill;

- acting for more than one customer in a transaction without knowledge or consent of all parties involved in the transaction;

- committing any other act that constitutes fraud or dishonest dealing;

- providing services in an incompetent or negligent manner;

- failing in a material respect to comply with the bill or rules promulgated under the bill; or

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- willfully departing from or disregarding accepted trade standards for good repair.

The bill would require a service dealer, before repairing, servicing, or maintaining an appliance, to make an estimate of the cost of the repair, service, or maintenance in writing. The estimate provided to a customer by a service dealer would have to include parts and labor, and the service dealer could not charge for work done or parts supplied in excess of the estimate without previous consent of the customer.

House Bill 5270 would amend the State License Fee Act (MCL 338.2230) to establish fees for persons who would be licensed as appliance repair dealers under House Bill 5269, as follows:

- a registration fee of \$100;
- a registration renewal fee of \$50; and
- a late registration renewal fee of \$10.

The bills are tie-barred to each other.