A bill for an act
relating to commerce; digital fair repair; requiring penalties; proposing coding for
new law in Minnesota Statutes, chapter 325E.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [325E.72] DIGITAL FAIR REPAIR.

Subdivision 1. Short title. This act may be cited as the "Digital Fair Repair Act."

Subd. 2. Definitions. (a) For the purposes of this section, the following terms have the
meanings given them.

(b) "Authorized repair provider" means an individual or business who is unaffiliated
with an original equipment manufacturer and who has: (1) 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 to offer diagnostic, maintenance, or repair
services for digital electronic equipment under the name of the original equipment
manufacturer; or (2) an arrangement with the original equipment manufacturer to offer
diagnostic, maintenance, or repair services for digital electronic equipment on behalf of the
original equipment manufacturer. An original equipment manufacturer that offers diagnostic,
maintenance, or repair services for the original equipment manufacturer's digital electronic
equipment is considered an authorized repair provider with respect to the digital electronic
equipment if the original equipment manufacturer does not have an arrangement described
in this paragraph with an unaffiliated individual or business.
(c) "Digital electronic equipment" or "equipment" means any product that depends, in whole or in part, on digital electronics embedded in or attached to the product in order for the product to function.

(d) "Documentation" means a manual, diagram, reporting output, service code description, schematic diagram, or similar information provided to an authorized repair provider to facilitate diagnostic, maintenance, or repair services for digital electronic equipment.

(e) "Embedded software" means any programmable instructions provided on firmware delivered with digital equipment, or with a part for the equipment, in order to operate the equipment. Embedded software includes all relevant patches and fixes made by the manufacturer of the equipment or part in order to operate the equipment.

(f) "Fair and reasonable terms" means, with respect to:

(i) parts offered by an original equipment manufacturer:

(A) a substantial obligation to use or restrict the use of the part to diagnose, maintain, or repair agricultural equipment sold, leased, or otherwise supplied by the original equipment manufacturer, including a condition that the owner or independent repair provider become an authorized repair provider of the original equipment manufacturer; or

(B) a requirement that a part be registered, paired with, or approved by the original equipment manufacturer or an authorized repair provider before the part is operational or prohibit an original equipment manufacturer from imposing any additional cost or burden that is not reasonably necessary or is designed to be an impediment on the owner or independent repair provider;

(ii) terms that do not impose on an owner or an independent repair provider:

(A) costs that are fair to both parties, considering the agreed-upon conditions, promised quality, and timeliness of delivery; and

(ii) costs that are equivalent to the lowest actual cost for which the original equipment manufacturer offers the tool, software, or documentation to an authorized repair provider, including any discount, rebate, or other financial incentive offered to an authorized repair provider; and

(ii) terms that are equivalent to the most favorable terms under which an original equipment manufacturer offers the tool, software, or documentation to an authorized repair provider;
provider, including the methods and timeliness of delivery of the tool, software, or
documentation, do not impose on an owner or an independent repair provider:

(A) a substantial obligation to use or restrict the use of the tool, software, or
documentation to diagnose, maintain, or repair agricultural equipment sold, leased, or
otherwise supplied by the original equipment manufacturer, including a condition that the
owner or independent repair provider become an authorized repair provider of the original
equipment manufacturer; or

(B) a requirement that a tool be registered, paired with, or approved by the original
equipment manufacturer or an authorized repair provider before the part or tool is operational;
and

(3) documentation offered by an original equipment manufacturer: that the documentation
is made available by the original equipment manufacturer 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.

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

(h) "Independent repair provider" means an individual or business operating in Minnesota
that: (1) does not have an arrangement described in paragraph (b) with an original equipment
manufacturer; (2) is not affiliated with any individual or business that has an arrangement
described in paragraph (b); and (3) is engaged in providing diagnostic, maintenance, or
repair services for digital electronic equipment. An original equipment manufacturer or,
with respect to the original equipment manufacturer, an individual or business that has an
arrangement with the original equipment manufacturer or is affiliated with an individual or
business that has an arrangement with that original equipment manufacturer, is considered
an independent repair provider for purposes of the instances the original equipment
manufacturer engages in diagnostic, maintenance, or repair services for digital electronic
equipment that is not manufactured by or sold under the name of the original equipment
manufacturer.

(i) "Manufacturer of motor vehicle equipment" means a business engaged in the business
of manufacturing or supplying components used to manufacture, maintain, or repair a motor
vehicle.

(j) "Motor vehicle" means a vehicle that is: (1) designed to transport persons or property
on a street or highway; and (2) certified by the manufacturer under (i) all applicable federal
safety and emissions standards, and (ii) all requirements for distribution and sale in the
United States. Motor vehicle does not include a motorcycle, a recreational vehicle, or an
auto home equipped for habitation.

(k) "Motor vehicle dealer" means an individual or business that, in the ordinary course
of business: (1) is engaged in the business of selling or leasing new motor vehicles to an
individual or business pursuant to a franchise agreement; (2) has obtained a license under
section 168.27; and (3) is engaged in providing diagnostic, maintenance, or repair services
for motor vehicles or motor vehicle engines pursuant to a franchise agreement.

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

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

(n) "Owner" means an individual or business that owns or leases digital electronic
equipment purchased or used in Minnesota.

(o) "Part" means any replacement part, either new or used, made available by an original
equipment manufacturer to facilitate the maintenance or repair of digital electronic equipment
manufactured or sold by the original equipment manufacturer.

(p) "Trade secret" has the meaning given in section 325C.01, subdivision 5.

Subd. 3. Requirements. (a) For digital electronic equipment and parts for the equipment
sold or used in Minnesota, an original equipment manufacturer must make available 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, for diagnostic, maintenance, or repair purposes. 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 must 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 performing
diagnostic, maintenance, or repair services on the equipment. Documentation, tools, and
parts may be made available through appropriate secure release systems.
Subd. 4. Enforcement by attorney general. A violation of this section is an unlawful practice under section 325D.44. All remedies, penalties, and authority granted to the attorney general under chapter 8 are available to the attorney general to enforce this section.

Subd. 5. Limitations. (a) Nothing in this section requires 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) Nothing in this section alters the terms of any arrangement described in subdivision 2, paragraph (b), 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 the arrangement, in force between an authorized repair provider and an original equipment manufacturer. A provision in the terms of an arrangement described in subdivision 2, paragraph (b), that purports to waive, avoid, restrict, or limit the original equipment manufacturer's obligations to comply with this section is void and unenforceable.

(c) Nothing in this section requires 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 subdivision 2, paragraph (b).

(d) Nothing in this section requires an original equipment manufacturer or authorized repair provider to make available any parts, tools, or documentation for the purpose of making modifications to any digital electronic equipment.

Subd. 6. Exclusions. (a) Nothing in this section applies to: (1) a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity; or (2) any product or service of a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity.

(b) Nothing in this section applies to manufacturers or distributors of a medical device as defined in the Federal Food, Drug, and Cosmetic Act, codified at United States Code, title 21, section 301 et seq., or a digital electronic product or software manufactured for use in a medical setting including diagnostic, monitoring, or control equipment or any product or service that the manufacturer or distributor of a medical device offers.

(c) Nothing in this section applies to manufacturers, distributors, importers, or dealers of any off-road or nonroad equipment, including without limitation farm and utility tractors; farm implements; farm machinery; forestry equipment; industrial equipment; utility...
Subd. 7. **Applicability.** This section applies to equipment sold or in use on or after January 1, 2024.

**EFFECTIVE DATE.** This section is effective January 1, 2024.