

Sec. 5. **TRANSFERS; REVISOR'S INSTRUCTIONS.** The commissioner of administration shall transfer by reorganization order personnel, funds, and materials necessary to implement section 4. The revisor of statutes shall in the next and subsequent editions of Minnesota Statutes change the references to "director" in section 362.41 to read "commissioner".

Sec. 6. **RECOMMENDED STATUTORY CHANGES.** No later than February 1, 1979, the commissioner of economic development shall recommend to the governor and the legislature statutory changes designed to provide for a coordinated and comprehensive delivery of assistance to commercial and industrial enterprises in the state. The commissioner shall examine and catalogue those existing services provided by state agencies, and shall recommend a delivery structure. The heads of affected agencies shall assist the commissioner in the preparation of these recommendations.

Sec. 7. **EFFECTIVE DATE.** Sections 1 to 6 are effective the day after final enactment. Sections 3 and 6 shall expire July 1, 1979.

Approved March 28, 1978.

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CHAPTER 710-S.F.No.1468

[Coded]

*An act relating to commerce; regulating the repair of motor vehicles, appliances, and dwelling places; regulating service calls, estimates, and repairs; providing penalties.*

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

Section 1. ~~[325.968]~~ **DEFINITIONS.** Subdivision 1. For the purposes of sections 1 to 11, the following terms have the meanings given them.

Subd. 2. "Repairs" means work performed for a total price of more than \$100 and less than \$2,000, including the price of parts and materials, to restore a malfunctioning, defective, or worn motor vehicle, appliance, or dwelling place used primarily for personal, family, or household purposes and not primarily for business or agricultural purposes. "Repairs" do not include service calls or estimates.

Subd. 3. "Motor vehicle" means a vehicle which is self-propelled.

Subd. 4. "Appliance" means any electrical, mechanical, or thermal device or machine.

Subd. 5. "Dwelling place" means a room, apartment, or structure in which one or more persons live or any fixture thereof.

Subd. 6. "Shop" means an individual, corporation, partnership, or any other form of business organization which derives income, in whole or part, by engaging in the

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business of repairs.

Subd. 7. "Customer" means a customer of a shop and the agents of a customer.

Subd. 8. "Written estimate" means a writing which includes:

(a) The name and address of the shop;

(b) A description of the problem to be repaired as described by the customer and any specific repair requested by the customer.

(c) The charges for parts or materials listed with reasonable particularity and indicating whether the parts are used, rebuilt, or reconditioned if this information is known by the shop;

(d) Labor charges;

(e) Tax;

(f) Any delivery charge;

(g) Any other charges; and

(h) The total estimated price.

Sec. 2. **[325.969] SERVICE CALLS.** A shop may impose a towing, minimum, or other service charge for making a call at a place other than the shop. The service charge may be imposed in addition to any charges for making an estimate or performing repairs, and it may be imposed even though no estimate is made or repairs performed. Upon the request of the customer, the shop shall inform the customer before making a service call that a service charge will be imposed and the basis on which the charge will be calculated.

Sec. 3. **[325.97] ESTIMATES.** Subdivision 1. Upon the request of a customer for a written estimate and prior to the commencement of repairs, a shop shall provide the customer with a written estimate. The shop shall include in the estimate all the parts and materials and labor which in the standard practice of the trade or industry would normally be included in the repairs for which the estimate was requested.

Subd. 2. A shop may impose an additional charge for making a written estimate, and the charge may include charges for disassembly, diagnosis, and reassembly necessary to make the estimate. However, a shop shall not impose a charge for making an estimate unless the shop informs the customer that there will be a charge and the basis on which the charge will be calculated before making the estimate and receives authorization to make the estimate.

Subd. 3. At the time a shop provides a customer with a written estimate, the shop shall inform the customer that any charge for a service call or for making an estimate shall be in addition to the estimated price for the repairs.

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Subd. 4. At the option of the customer and upon his authorization a shop which provides a written estimate shall:

(a) If the customer elects and the shop undertakes the repairs, perform the repairs described in the estimate; or

(b) Return the unrepaired motor vehicle, appliance, or dwelling place as close as possible to its former condition and release the motor vehicle or appliance to the customer upon payment of any charges for making the estimate or a service call.

Subd. 5. A shop is not required to provide a written estimate for repairs or service calls it does not agree to perform.

Subd. 6. If a shop provides a written estimate of the price of repairs, it shall not charge more than 110 percent of the total price stated in its estimate for the repairs; except if a shop after commencing repairs determines that additional work is necessary to accomplish repairs that are the subject of a written estimate and if the shop did not unreasonably fail to disclose the possible need for the additional work when the estimate was made, the shop may charge more than 110 percent of the estimate for the repairs if the shop immediately provides the customer a revised written estimate pursuant to this section and receives authorization to continue with the repairs. If continuation of the repairs is not authorized, the shop shall return the motor vehicle, appliance, or dwelling place as close as possible to its former condition or place it in a mutually agreed upon condition and shall release the item to the customer upon payment of charges for repairs actually performed and not in excess of 110 percent of the original estimate. Nothing in this subdivision shall be construed to authorize repair charges in excess of reasonable charges for parts and materials and labor.

Subd. 7. The requirement of a written estimate in sections 1 to 11 is fulfilled if a shop orally communicates the contents of a required writing to the customer prior to commencing repairs and provides the writing to the customer upon completion of the repairs. If the contents are orally communicated, the shop shall make a notation on the writing of the date, time, and telephone number called, if any, and the name of the person who receives the information and orally authorizes the making of the estimated repairs.

Subd. 8. If a shop after commencing repairs determines that additional repairs not previously authorized are necessary, the shop may perform the additional repairs if it complies with this section. A customer shall have a right to request a written estimate before any additional repairs are commenced on the motor vehicle, appliance, or dwelling place regardless of whether the customer requested a written estimate of the price of the original repairs.

Sec. 4. [325.971] REPAIRS. No shop shall charge for unauthorized repairs. No shop shall perform repairs it knows or has reason to know are unnecessary to the restoration of a motor vehicle, appliance, or dwelling place unless the customer authorizes the repairs after the shop informs the customer that they are unnecessary.

Sec. 5. [325.972] INVOICE. Subdivision 1. Upon completion of repairs, a shop  
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shall provide the customer with a copy of a dated invoice for the repairs performed. If the customer receives a repaired motor vehicle or appliance without face to face contact with the shop, the shop shall mail the invoice to the customer within two business days after the shop has knowledge of removal of the item. The invoice shall contain the following information:

- (a) The name and address of the shop;
- (b) A description of all repairs performed;
- (c) An itemization of the charges for parts, materials, labor, tax, delivery, and any other charges assessed against the customer;
- (d) A notation specifying which parts, if any, are used, rebuilt, or reconditioned if that information is known by the shop; and
- (e) A statement of any charge for a service call or for making an estimate.

Subd. 2. A written estimate may be used as an invoice if the required invoice information is written on the face of the estimate.

**Sec. 6. [325.973] RETURN OF PROPERTY.** A shop shall return to a customer, upon reasonable demand, the customer's repaired motor vehicle or appliance if the customer pays the shop's bill except the proportion of the bill which represents:

- (a) Repairs, service calls, or estimates which were performed but not authorized;
- (b) Charges for service calls or for making estimates which exceed the charges disclosed to the customer prior to the service call or estimate; or
- (c) Charges for repairs which exceed 110 percent of charges authorized for repairs by the customer pursuant to section 3, subdivision 6, plus 110 percent of the sum of the total prices in written estimates given in connection with repairs. Nothing in this section shall be construed to authorize repair charges in excess of reasonable charges for parts and materials and labor.

**Sec. 7. [325.974] REQUIRED SHOP PRACTICES.** Subdivision 1. If a customer makes a request before repairs are commenced, the shop shall return replaced parts to the customer, except parts which the shop is required to return to the manufacturer, distributor, or other person under a warranty or exchange arrangement, is required to retain pursuant to law, or is necessary for pending litigation. The customer shall be given an opportunity to examine warranty or exchange parts for a period of five business days after completion of repairs.

Subd. 2. When repairs are performed, a shop shall retain for at least one year the name and address of the customer, any written estimates and the repair invoice. The records shall be available for reasonable inspection and copying by law enforcement officials upon reasonable prior notice and during regular business hours. Upon payment

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to a shop of any reasonable costs of reproduction, a customer shall have the right to a copy of documents retained by the shop reflecting any repair transaction to which the customer was a party.

Subd. 3. Each shop shall conspicuously display a sign that states the following: "Upon a customer's request, this shop is required to provide a written estimate for repairs costing \$100 to \$2,000 if the shop agrees to perform the repairs. The shop's final price cannot exceed its written estimate by more than ten percent without the prior authorization of the customer."

Sec. 8. **[325.975] REMEDIES; PENALTIES.** Subdivision 1. A violation of section 6 shall entitle the customer to the return of the repaired motor vehicle or appliance without payment of the unauthorized or excess charges, or to consequential damages, reasonable attorney's fees as determined by the court, and punitive damages not to exceed three times the total charges. Acceptance by the shop of the amount offered by the customer shall not be an admission that the amount offered is the true and correct amount owing and payable.

Subd. 2. If a shop refuses return of a customer's replaced parts in violation of section 7, subdivision 1 despite a timely request, the shop shall be liable for the reasonable value of the parts.

Subd. 3. Any violation of sections 1 to 11 shall be deemed a violation of Minnesota Statutes, Section 325.79, Subdivision 1, and the provisions of Minnesota Statutes, Section 325.907, shall apply.

Subd. 4. The remedies of this section are to be construed as cumulative in addition to those provided by the common law and other statutes of this state.

Sec. 9. **[325.976] EXEMPTIONS.** Subdivision 1. Sections 1 to 11 shall not apply if an insurer or service contract company pays up to 90 percent of the charge for repairs or pays a charge for repairs above a deductible amount specified in an insurance agreement or service contract.

Subd. 2. Sections 1 to 11 shall not apply when repairs are performed free of charge to the customer under warranty.

Sec. 10. **[325.977] PREEMPTION BY STATE.** The provisions of sections 1 to 11 shall be construed to supersede local ordinances regulating repairs, service calls, and estimates except for more restrictive regulation.

Sec. 11. **[325.978] TITLE.** Sections 1 to 10 may be cited as the Truth in Repairs Act.

Approved March 28, 1978.

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