LEGISLATURE OF NEBRASKA

ONE HUNDRED SEVENTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 543

Introduced by Brandt, 32; Brewer, 43; Dorn, 30; Friesen, 34; Gragert, 40; Murman, 38.

Read first time January 19, 2021

Committee:

- 1 A BILL FOR AN ACT relating to trade practices; to adopt the Agricultural
- 2 Equipment Right-To-Repair Act.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. <u>Sections 1 to 6 of this act shall be known and may be</u>

- 2 <u>cited as the Agricultural Equipment Right-To-Repair Act.</u>
- 3 Sec. 2. For purposes of the Agricultural Right-To-Repair Act:
- 4 (1) Authorized repair provider means an individual or business who
 5 is unaffiliated with an original equipment manufacturer and who has an
- 6 <u>arrangement with the original equipment manufacturer, for a definite or</u>
- 7 <u>indefinite period, under which the original equipment manufacturer grants</u>
- 8 <u>to the individual or business a license to use a trade name, service</u>
- 9 mark, or other proprietary identifier for the purposes of offering the
- 10 <u>services of diagnosis, maintenance, or repair of electronics-enabled</u>
- 11 agricultural equipment under the name of the original equipment
- 12 <u>manufacturer</u>, or other arrangement with the original equipment
- 13 <u>manufacturer to offer such services on behalf of the original equipment</u>
- 14 <u>manufacturer</u>. An original equipment manufacturer who offers the services
- 15 of diagnosis, maintenance, or repair of its own electronics-enabled
- 16 agricultural equipment, and who does not have an arrangement described in
- 17 this subsection with an unaffiliated individual or business, shall be
- 18 considered an authorized repair provider with respect to such equipment;
- 19 (2) Electronics-enabled agricultural equipment or equipment means
- 20 any product, part of a product, or attachment to a product, when sold or
- 21 leased for use in farming, ranching, or other agriculture, that depends
- 22 for its functioning, in whole or in part, on digital electronics embedded
- 23 in or attached to it. The term includes, but is not limited to, a
- 24 tractor, trailer, combine, tillage, planting, irrigation, or cultivating
- 25 implement, baler, unmanned aircraft system, or off-road vehicle.
- 26 Electronics-enabled agricultural equipment or equipment does not include
- 27 <u>motor vehicles</u>, and does not include consumer electronic devices,
- 28 including wireless communication devices and computers;
- 29 (3) Documentation means any manual, diagram, reporting output,
- 30 service code description, schematic, product guides, or other guidance or
- 31 information used in effecting the services of diagnosis, maintenance, or

- 1 repair of electronics-enabled agricultural equipment;
- 2 <u>(4) Embedded software means any programmable instructions provided</u>
- 3 on firmware delivered with electronics-enabled agricultural equipment, or
- 4 with a part for such equipment, for purposes of equipment operation,
- 5 including all relevant patches and fixes made by the manufacturer of such
- 6 equipment or part for such purposes;
- 7 (5)(a) Fair and reasonable terms for obtaining a part, a tool,
- 8 <u>documentation</u>, or <u>software means at costs and terms that are equivalent</u>
- 9 to the most favorable costs and terms under which an original equipment
- 10 <u>manufacturer offers the part, tool, or documentation to an authorized</u>
- 11 <u>repair provider:</u>
- 12 <u>(i) Accounting for any discount, rebate, convenient means of</u>
- 13 <u>delivery, means of enabling fully restored and updated functionality,</u>
- 14 rights of use, or other incentive or preference the original equipment
- 15 <u>manufacturer offers to an authorized repair provider, or any additional</u>
- 16 cost, burden, or impediment the original equipment manufacturer imposes
- on an independent repair provider;
- 18 <u>(ii) Not conditioned on or imposing a substantial obligation or</u>
- 19 <u>restriction that is not reasonably necessary for enabling the owner or</u>
- 20 independent repair provider to engage in the diagnosis, maintenance, or
- 21 repair of electronics-enabled agricultural equipment made by or on behalf
- 22 of the original equipment manufacturer; and
- 23 (iii) Not conditioned on an arrangement described in subdivision (1)
- 24 of this section.
- 25 (b) For documentation, including any relevant updates, fair and
- 26 reasonable terms also means at no charge, except that, when the
- 27 <u>documentation is requested in physical printed form, a charge may be</u>
- 28 <u>included for the reasonable actual costs of preparing and sending the</u>
- 29 <u>copy</u>.
- 30 (c) For software tools, fair and reasonable terms also means without
- 31 requiring authorization or Internet access, or imposing impediments to

- 1 access or use, in the course of effecting the diagnosis, maintenance, or
- 2 repair and enabling full functionality of electronics-enabled
- 3 agricultural equipment, in a manner that impairs the efficient and cost-
- 4 effective performance of any of those activities;
- 5 <u>(6) Firmware means a software program or set of instructions</u>
- 6 programmed on electronics-enabled agricultural equipment, or on a part
- 7 for such equipment, to allow the equipment or part to communicate within
- 8 <u>itself or with other computer hardware;</u>
- 9 (7) Independent repair provider means an individual or business
- 10 operating in this state, who does not have an arrangement described in
- 11 subdivision (1) of this section with an original equipment manufacturer,
- 12 and who is not affiliated with any individual or business who has such an
- 13 arrangement, and who is engaged in the services of diagnosis,
- 14 maintenance, or repair of electronics-enabled agricultural equipment,
- 15 <u>except that an original equipment manufacturer or, with respect to that</u>
- 16 original equipment manufacturer, an individual or business who has such
- 17 an arrangement with that original equipment manufacturer, or who is
- 18 <u>affiliated with an individual or business who has such an arrangement</u>
- 19 <u>with that original equipment manufacturer, shall be considered an</u>
- 20 independent repair provider for purposes of those instances in which it
- 21 engages in the services of diagnosis, maintenance, or repair of
- 22 electronics-enabled agricultural equipment that is not manufactured by or
- 23 sold under the name of that original equipment manufacturer;
- 24 (8) Motor vehicle means a vehicle that is designed for transporting
- 25 persons or property on a street or highway and is certified by the
- 26 <u>manufacturer under all applicable federal safety and emissions standards</u>
- 27 <u>and requirements for distribution and sale in the United States;</u>
- 28 (9) Original equipment manufacturer means a business engaged in the
- 29 <u>business of selling, leasing, or otherwise supplying new electronics-</u>
- 30 enabled agricultural equipment manufactured by or on behalf of itself, to
- 31 any individual or business;

LB543 2021

- 1 (10) Owner means an individual or business that owns or leases
- 2 <u>electronics-enabled agricultural equipment purchased or used in this</u>
- 3 state;
- 4 (11) Part means any replacement part, either new or used, made
- 5 available by an original equipment manufacturer for purposes of effecting
- 6 the services of maintenance or repair of electronics-enabled agricultural
- 7 equipment manufactured by or on behalf of, sold or otherwise supplied by
- 8 the original equipment manufacturer;
- 9 (12) Repair means to maintain, diagnose, and repair machinery; but,
- 10 <u>does not include modify. For safety, durability, environmental, and</u>
- 11 <u>liability reasons, diagnostic and repair information and tools does not</u>
- 12 include the ability to:
- 13 <u>(a) Reset an immobilizer system or security-related electronic</u>
- 14 modules unless necessary for repair;
- 15 (b) Reprogram any electronic processing units or engine control
- 16 <u>units unless necessary for repair;</u>
- 17 <u>(c) Change any equipment or engine settings negatively affecting</u>
- 18 emissions or safety compliance; and
- 19 (d) Download or access the source code of any proprietary embedded
- 20 software or code;
- 21 (13) Tools means any software program, hardware implement, product
- 22 service demonstrations, training, seminars, clinics, on-board diagnostics
- 23 via diagnostics port or wireless interface, electronic field diagnostic
- 24 service tools and training on how to use them, or other apparatus used
- 25 for diagnosis, maintenance, or repair of electronics-enabled agricultural
- 26 <u>equipment</u>, <u>including</u> <u>software</u> or <u>other</u> <u>mechanisms</u> <u>that</u> <u>provision</u>,
- 27 program, or pair a new part, calibrate functionality, or perform any
- 28 other function required to bring the product back to fully functional
- 29 condition; and
- 30 (14) Trade secret has the same meaning as in section 87-502.
- 31 Sec. 3. (1) For electronics-enabled agricultural equipment, and

- 1 parts for such equipment, sold or used in this state, an original
- 2 equipment manufacturer shall make available, for purposes of diagnosis,
- 3 maintenance, or repair of such equipment, to any independent repair
- 4 provider, or to the owner of electronics-enabled agricultural equipment
- 5 manufactured by or on behalf of, or sold or otherwise supplied by, the
- 6 <u>original equipment manufacturer, on fair and</u> reasonable terms,
- 7 documentation, parts, and tools, inclusive of any updates to information
- 8 or embedded software. Nothing in this subsection requires an original
- 9 equipment manufacturer to make available a part if the part is no longer
- 10 available to the original equipment manufacturer.
- 11 (2) For equipment that contains an electronic security lock or other
- 12 security-related function, the original equipment manufacturer shall make
- 13 available to the owner and to independent repair providers, on fair and
- 14 <u>reasonable terms, any special documentation, tools, and parts needed to</u>
- 15 <u>disable the lock or function, and to reset it when disabled in the course</u>
- 16 of diagnosis, maintenance, or repair of the equipment. Such
- 17 <u>documentation, tools, and parts may be made available by means of an</u>
- 18 <u>appropriate secure system.</u>
- 19 (3) When the original equipment manufacturer has made an express
- 20 warranty with respect to electronics-enabled agricultural equipment and
- 21 the wholesale price of the equipment is one hundred dollars or more, the
- 22 <u>manufacturer shall provide such parts, tools, and documentation as to</u>
- 23 enable the repair of the equipment during the warranty period, at an
- 24 equitable price and convenience of delivery and of enabling
- 25 <u>functionality</u>, in consideration of:
- 26 <u>(a) The actual cost to the original equipment manufacturer to</u>
- 27 prepare and distribute the part, tool, or documentation, exclusive of any
- 28 <u>research and development costs incurred;</u>
- 29 <u>(b) The ability of owners and independent repair providers to afford</u>
- 30 the part, tool, or documentation; and
- 31 (c) The means by which the part, tool, or documentation is

LB543 2021

- 1 <u>distributed</u>.
- 2 Sec. 4. <u>Violation of the Agricultural Right-To-Repair Act is an</u>
- 3 unlawful practice under the Uniform Deceptive Trade Practices Act. All
- 4 remedies, penalties, and authority granted to the Attorney General by the
- 5 Uniform Deceptive Trade Practices Act shall be available to the Attorney
- 6 General for the enforcement of the Agricultural Right-To-Repair Act.
- 7 Sec. 5. (1) Nothing in the Agricultural Right-To-Repair Act shall
- 8 <u>be construed to require an original equipment manufacturer to divulge a</u>
- 9 trade secret to an owner or an independent service provider except as
- 10 <u>necessary to provide documentation, parts, and tools on fair and</u>
- 11 reasonable terms.
- 12 (2) No provision in the Agricultural Right-To-Repair Act shall be
- 13 <u>construed to alter the terms of any arrangement described in subdivision</u>
- 14 (1) of section 2 of this act in force between an authorized repair
- 15 provider and an original equipment manufacturer, including, but not
- 16 limited to, the performance or provision of warranty or recall repair
- 17 work by an authorized repair provider on behalf of an original equipment
- 18 manufacturer pursuant to such arrangement, except that any provision in
- 19 such terms that purports to waive, avoid, restrict, or limit the original
- 20 equipment manufacturer's obligations to comply with the act shall be void
- 21 <u>and unenforceable.</u>
- 22 Sec. 6. The Agricultural Right-To-Repair Act applies with respect
- 23 to equipment sold or in use on or after the effective date of this act.