AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

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(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION	ON	J
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{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 1/24/25 *Check all that apply:* **Bill Number:** SB 69 Original X Correction Amendment Substitute

> **Agency Name AOC** and Code

218

Number: **Sponsor:** Sen. Harold Pope

Right to Repair Consumer **Person Writing Short** Kathleen Sabo

Electronics Act Phone: 505-470-3214 Email aoccaj@nmcourts.gov Title:

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund	
FY25	FY26	or Nonrecurring	Affected	
None	None	Rec.	General	

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

	Recurring	Fund			
FY25	FY26	FY27	or Nonrecurring	Affected	
Unknown	Unknown	Unknown	Rec.	General	

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Unknown	Unknown	Unknown	Unknown	Rec.	General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None.

Duplicates/Relates to Appropriation in the General Appropriation Act: None.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: SB 69 enacts the "Right to Repair Consumer Electronics Act," (RRCEA) as follows:

Section 2: Defines, "authorized service provider," "certifying entity," "consumer electronic equipment," "documentation," "independent repair provider," "medical device," "original equipment manufacturer," "owner," "part," "parts pairing," "repair certification," "tool," "trade secret" and "video game console".

Section 3: governing the original equipment manufacturer's (OEM) obligations regarding repair services.

Section 4: requiring documentation, tools and parts provided by an OEM to be offered at fair and reasonable terms and costs.

Section 5: details the limitations of the Act

Section 6: sets out the repair provider's duties

Section 7: permits the Attorney General (AG) to execute and cause an investigative demand to be served under prescribed circumstances and details what that investigative demand may require. Permits a person to petition the district court to extend the return date or modify or set aside the investigative demand. The petition is required to state good cause, including all privileged material. If the AG finds in response to a complaint that a person has violated the RRCEA, the AG may bring a civil action in the first judicial court to:

- (1) Obtain and injunction to restrain the violation; or
- (2) Impose a civil penalty of not more than \$1,000 for each day on which the violation continues.

The law requires civil penalties to be deposited to the credit of the current school fund as provided in Article 12, Section 4 of the Constitution of New Mexico.

Section 8: requires the AG to submit a report to the governor and legislature, detailing information re: number and nature of consumer complaints, as specified.

Section 9: Subsection A provides that, except as provided in Subsection B, the provisions of Section 3 of the Act, governing the original equipment manufacturer's (OEM) obligations regarding repair services, apply to consumer electronic equipment sold in this state or in use in this state on or after the effective date of the Act.

SB 69 provides that the discretion to execute and investigative demand, the discretion to bring a civil action to obtain an injunction or impose a civil penalty of up to \$1K for each day on which a violation continues applies to violations of Section 3 of the RRCEA that occur on or after July 1, 2027.

The effective date of the Act is July 1, 2025.

FISCAL IMPLICATIONS

There will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the enforcement of this law, petitions to the district court to extend the return date or modify or set aside an investigative demand, commenced civil actions and appeals from the imposition of

injunctive relief or civil penalties. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

SIGNIFICANT ISSUES

1. As of January 2024, the Right to Repair Act passed as law in 4 states, requiring manufacturers to sell parts, tools and to provide necessary documents to anyone who wants to repair their electronics at home or in local repair shops. According to the website Built In, the movement was born from the consumer's need to repair or prolong the lifespan of their electronic devices faster and more efficiently with a lower budget. https://builtin.com/articles/right-to-repair-act#:~:text=The%20Right%20to%20Repair%20Act%20passed%20as%20law%20in%20four,or%20in%20local%20repair%20shops.

According to the National Conference of State Legislators,

Right to repair legislation is directed at the ability of consumers to repair their own products instead of going back to the original manufacturer for service. Right to repair legislation includes bills addressing specific products, like wheelchairs, and those targeting broader categories, such as medical, digital or agricultural equipment. The measures often include language on what tools, parts, software or instructions manufacturers should provide to independent repairers or product owners so they may repair the products they own.

In 2012, Massachusetts enacted both an automobile right to repair bill (HB 4362) and a similar ballot initiative, followed by a measure (HB 3757; 2013) that reconciled the two new laws. In 2020, Massachusetts voters approved an initiative to expand the automobile right to repair law to include telematics; the law is currently facing a legal challenge from automobile manufacturers.

In 2022, Colorado enacted a law (HB 1031) authorizing consumers to repair wheelchairs.

Thirty-three states and Puerto Rico considered right to repair legislation during the 2023 legislative session.

Four states enacted right to repair legislation in 2023

- 1. Colorado requires agricultural equipment manufacturers to provide resources for individuals to repair their own agricultural equipment.
- 2. California requires manufacturers to provide the means to diagnose, maintain or repair for seven years for products with a price point more than \$100; three years for products under \$100.
- 3. New York requires manufacturers to provide consumers with parts or tools for electronic equipment manufactured for the first time and sold or used in New York after July 1, 2023.
- 4. Minnesota enacted the Digital Fair Repair Act.

https://www.ncsl.org/technology-and-communication/right-to-repair-2023-legislation, and see for a full listing of Right to Repair legislation proposed by states in 2023. See

also 'Right to Repair' Laws Seek to Put DIYers and Manufacturers on Level Field, NCSL, August 2023, https://www.ncsl.org/state-legislatures-news/details/right-to-repair-laws-seek-to-put-diyers-and-manufacturers-on-level-field

Additionally, the Oregon state legislature adopted a right to repair law in 2024 which took effect Jan. 1, 2025. The law applies to consumer electronics for retail sale and intended for personal, family or household use and does not apply to any product which has never been available for retail sale to a consumer. https://www.securityindustry.org/2024/05/15/5-new-state-right-to-repair-laws-and-what-they-mean-for-the-security-industry/ (May 2024)

See also, State "Right to Repair" Patchwork Grows as Electronic Device Manufactures Face New Compliance Deadlines, Wiley, May 2024, https://www.wiley.law/alert-State-Right-to-Repair-Patchwork-Grows-as-Electronic-Device-Manufacturers-Face-New-Compliance-Deadlines

PERFORMANCE IMPLICATIONS

The courts are participating in performance-based budgeting. This bill may have an impact on the measures of the district courts in the following areas:

- Cases disposed of as a percent of cases filed
- Percent change in case filings by case type

ADMINISTRATIVE IMPLICATIONS

See "Fiscal Implications," above.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP None.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS