

1 AN ACT relating to a consumer's right to repair.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO  
4 READ AS FOLLOWS:

5 *As used in Sections 1 and 2 of this Act, unless the context requires otherwise:*

- 6 *(1) "Authorized repair provider" means a person whom the original equipment*  
7 *manufacturer grants a license to use a trade name, service mark, or other*  
8 *identifier for the purpose of offering the services of diagnosis, maintenance, or*  
9 *repair of consumer goods;*
- 10 *(2) "Consumer" means a natural person who seeks to acquire goods or services for*  
11 *personal, family, or household use;*
- 12 *(3) "Consumer goods" means goods used for personal, family, or household*  
13 *purposes;*
- 14 *(4) "Documentation" means any manual, diagram, reporting output, service code,*  
15 *description, schematic, security codes, or passwords used for diagnosis,*  
16 *maintenance, or repair of consumer goods;*
- 17 *(5) "Fair and reasonable terms" means costs and terms that are equivalent to the*  
18 *most favorable costs and terms under which the original equipment*  
19 *manufacturer offers the part, tool, or documentation to an authorized repair*  
20 *provider in light of discounts, rebates, and convenient means of delivery;*
- 21 *(6) "Independent repair provider" means a person who has not been granted a*  
22 *license from the original equipment manufacturer to use a trade name, service,*  
23 *mark, or other identifier for the purpose of offering the services of diagnosis,*  
24 *maintenance, or repair of consumer goods;*
- 25 *(7) "Original equipment manufacturer" means a person who produces parts or*  
26 *equipment that are incorporated in or make up the entire consumer good;*
- 27 *(8) "Part" means any replacement part, either new or used, made available by or to*

- 1        *an original equipment manufacturer for the purpose of diagnosis, maintenance,*  
 2        *or repair of consumer equipment supplied by the original manufacturer;*  
 3        *(9) "Person" means an individual, corporation, or any other business organization;*  
 4        *(10) "Tool" means any software program, hardware implement, or other device used*  
 5        *for the diagnosis, maintenance, or repair of a consumer good; and*  
 6        *(11) "Trade secret" has the meaning given it in 18 U.S.C. sec. 1839(3).*

7        ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO  
 8        READ AS FOLLOWS:

9        *An original equipment manufacturer shall make available to consumers and*  
 10       *independent repair providers, on fair and reasonable terms, all documentation, parts,*  
 11       *and tools that are provided to authorized repair providers, needed for the diagnosis,*  
 12       *maintenance, or repair of a consumer good. Nothing in this section shall require the*  
 13       *original equipment manufacturer to divulge a trade secret.*

14       ➔Section 3. KRS 367.990 is amended to read as follows:

- 15       (1) Any person who violates the terms of a temporary or permanent injunction issued  
 16       under KRS 367.190 shall forfeit and pay to the Commonwealth a civil penalty of  
 17       not more than twenty-five thousand dollars (\$25,000) per violation. For the  
 18       purposes of this section, the Circuit Court issuing an injunction shall retain  
 19       jurisdiction, and the cause shall be continued, and in such cases the Attorney  
 20       General acting in the name of the Commonwealth may petition for recovery of civil  
 21       penalties.
- 22       (2) In any action brought under KRS 367.190, if the court finds that a person is  
 23       willfully using or has willfully used a method, act, or practice declared unlawful by  
 24       KRS 367.170, the Attorney General, upon petition to the court, may recover, on  
 25       behalf of the Commonwealth, a civil penalty of not more than two thousand dollars  
 26       (\$2,000) per violation, or where the defendant's conduct is directed at a person aged  
 27       sixty (60) or older, a civil penalty of not more than ten thousand dollars (\$10,000)

- 1 per violation, if the trier of fact determines that the defendant knew or should have  
2 known that the person aged sixty (60) or older is substantially more vulnerable than  
3 other members of the public.
- 4 (3) Any person with actual notice that an investigation has begun or is about to begin  
5 pursuant to KRS 367.240 and 367.250 who intentionally conceals, alters, destroys,  
6 or falsifies documentary material is guilty of a Class A misdemeanor.
- 7 (4) Any person who, in response to a subpoena or demand as provided in KRS 367.240  
8 or 367.250, intentionally falsifies or withholds documents, records, or pertinent  
9 materials that are not privileged shall be subject to a fine as provided in subsection  
10 (3) of this section.
- 11 (5) The Circuit Court of any county in which any plan described in KRS 367.350 is  
12 proposed, operated, or promoted may grant an injunction without bond, upon  
13 complaint filed by the Attorney General to enjoin the further operation thereof, and  
14 the Attorney General may ask for and the court may assess civil penalties against  
15 the defendant in an amount not to exceed the sum of five thousand dollars (\$5,000)  
16 which shall be for the benefit of the Commonwealth of Kentucky.
- 17 (6) Any person, business, or corporation who knowingly violates the provisions of KRS  
18 367.540 shall be guilty of a violation. It shall be considered a separate offense each  
19 time a magazine is mailed into the state; but it shall be considered only one (1)  
20 offense for any quantity of the same issue of a magazine mailed into Kentucky.
- 21 (7) Any solicitor who violates the provisions of KRS 367.513 or 367.515 shall be guilty  
22 of a Class A misdemeanor.
- 23 (8) In addition to the penalties contained in this section, the Attorney General, upon  
24 petition to the court, may recover, on behalf of the Commonwealth a civil penalty of  
25 not more than the greater of five thousand dollars (\$5,000) or two hundred dollars  
26 (\$200) per day for each and every violation of KRS 367.175 or Section 2 of this  
27 Act.

- 1 (9) Any person who shall willfully and intentionally violate any provision of KRS  
2 367.976 to 367.985 shall be guilty of a Class B misdemeanor.
- 3 (10) (a) Any person who violates the terms of a temporary or permanent injunction  
4 issued under KRS 367.665 shall forfeit and pay to the Commonwealth a  
5 penalty of not more than five thousand dollars (\$5,000) per violation. For the  
6 purposes of this section, the Circuit Court issuing an injunction shall retain  
7 jurisdiction, and the cause shall be continued, and in such cases the Attorney  
8 General acting in the name of the Commonwealth may petition for recovery of  
9 civil penalties.
- 10 (b) 1. The Attorney General may, upon petition to a court having jurisdiction  
11 under KRS 367.190, recover on behalf of the Commonwealth from any  
12 person found to have willfully committed an act declared unlawful by  
13 KRS 367.667 a penalty of not more than five thousand dollars (\$5,000)  
14 per violation.
- 15 2. In addition to any other penalties provided for the commission of the  
16 offense, any person found guilty of violating KRS 367.667(1)(c):
- 17 a. Shall be punished by a fine of no less than five hundred dollars  
18 (\$500) for the first offense and no less than five thousand dollars  
19 (\$5,000) for any subsequent offense; and
- 20 b. Pay restitution of any financial benefit secured through conduct  
21 proscribed by KRS 367.667(1)(c).
- 22 3. The Office of the Attorney General or the appropriate Commonwealth's  
23 attorney shall have concurrent enforcement powers as to fines, felonies,  
24 and misdemeanors under this paragraph.
- 25 (c) Any person who knowingly violates any provision of KRS 367.652, 367.653,  
26 367.656, 367.657, 367.658, 367.666, or 367.668 or who knowingly gives false  
27 or incorrect information to the Attorney General in filing statements or reports

- 1           required by KRS 367.650 to 367.670 shall be guilty of a Class D felony.
- 2 (11) Any dealer who fails to provide a statement under KRS 367.760 or a notice under  
3 KRS 367.765 shall be liable for a penalty of one hundred dollars (\$100) per  
4 violation to be collected in the name of the Commonwealth upon action of the  
5 Attorney General.
- 6 (12) Any dealer or manufacturer who falsifies a statement under KRS 367.760 shall be  
7 liable for a penalty not exceeding one thousand dollars (\$1,000) to be collected in  
8 the name of the Commonwealth upon action by the Attorney General.
- 9 (13) Any person who violates KRS 367.805, 367.809(2), 367.811, 367.813(1), or  
10 367.816 shall be guilty of a Class C felony.
- 11 (14) Either the Attorney General or the appropriate Commonwealth's attorney shall have  
12 authority to prosecute violations of KRS 367.801 to 367.819.
- 13 (15) A violation of KRS 367.474 to 367.478 and 367.482 is a Class C felony. Either the  
14 Attorney General or the appropriate Commonwealth's attorney shall have authority  
15 to prosecute violators of KRS 367.474 to 367.478 and 367.482.
- 16 (16) Any person who violates KRS 367.310 shall be guilty of a violation.
- 17 (17) Any person, partnership, or corporation who violates the provisions of KRS  
18 367.850 shall be guilty of a Class A misdemeanor.
- 19 (18) Any dealer in motor vehicles or any other person who fraudulently changes, sets  
20 back, disconnects, fails to connect, or causes to be changed, set back, or  
21 disconnected, the speedometer or odometer of any motor vehicle, to effect the sale  
22 of the motor vehicle shall be guilty of a Class D felony.
- 23 (19) Any person who negotiates a contract of membership on behalf of a club without  
24 having previously fulfilled the bonding requirement of KRS 367.403 shall be guilty  
25 of a Class D felony.
- 26 (20) Any person or corporation who operates or attempts to operate a health spa in  
27 violation of KRS 367.905(1) shall be guilty of a Class A misdemeanor.

- 1 (21) (a) Any person who violates KRS 367.832 shall be guilty of a Class C felony; and  
2 (b) The appropriate Commonwealth's attorney shall have authority to prosecute  
3 felony violations of KRS 367.832.
- 4 (22) (a) Any person who violates the provisions of KRS 367.855 or 367.857 shall be  
5 guilty of a violation. Either the Attorney General or the appropriate county  
6 health department may prosecute violators of KRS 367.855 or 367.857.
- 7 (b) The provisions of this subsection shall not apply to any retail establishment if  
8 the wholesaler, distributor, or processor fails to comply with the provisions of  
9 KRS 367.857.
- 10 (23) Notwithstanding any other provision of law, any telemarketing company,  
11 telemarketer, caller, or merchant shall be guilty of a Class D felony when that  
12 telemarketing company, telemarketer, caller, or merchant three (3) times in one (1)  
13 calendar year knowingly and willfully violates KRS 367.46955(15) by making or  
14 causing to be made an unsolicited telephone solicitation call to a telephone number  
15 that appears in the current publication of the zero call list maintained by the Office  
16 of the Attorney General, Division of Consumer Protection.
- 17 (24) Notwithstanding any other provision of law, any telemarketing company,  
18 telemarketer, caller, or merchant shall be guilty of a Class A misdemeanor when  
19 that telemarketing company, telemarketer, caller, or merchant uses a zero call list  
20 identified in KRS 367.46955(15) for any purpose other than complying with the  
21 provisions of KRS 367.46951 to 367.46999.
- 22 (25) (a) Notwithstanding any other provision of law, any telemarketing company,  
23 telemarketer, caller, or merchant that violates KRS 367.46951 to 367.46999  
24 shall be assessed a civil penalty of not more than five thousand dollars  
25 (\$5,000) for each offense.
- 26 (b) The Attorney General, or any person authorized to act in his or her behalf,  
27 shall initiate enforcement of a civil penalty imposed under paragraph (a) of

1           this subsection.

2           (c) Any civil penalty imposed under paragraph (a) of this subsection may be  
3           compromised by the Attorney General or his or her designated representative.  
4           In determining the amount of the penalty or the amount agreed upon in  
5           compromise, the Attorney General, or his or her designated representative,  
6           shall consider the appropriateness of the penalty to the financial resources of  
7           the telemarketing company, telemarketer, caller, or merchant charged, the  
8           gravity of the violation, the number of times the telemarketing company,  
9           telemarketer, caller, or merchant charged has been cited, and the good faith of  
10          the telemarketing company, telemarketer, caller, or merchant charged in  
11          attempting to achieve compliance, after notification of the violation.

12          (d) If a civil penalty is imposed under this subsection, a citation shall be issued  
13          which describes the violation which has occurred and states the penalty for the  
14          violation. If, within fifteen (15) working days from the receipt of the citation,  
15          the affected party fails to pay the penalty imposed, the Attorney General, or  
16          any person authorized to act in his or her behalf, shall initiate a civil action to  
17          collect the penalty. The civil action shall be taken in the court which has  
18          jurisdiction over the location in which the violation occurred.

19          (26) Any person who violates KRS 367.500 shall be liable for a penalty of two thousand  
20          five hundred dollars (\$2,500) per violation. Either the Attorney General or the  
21          appropriate Commonwealth's attorney may prosecute violations of KRS 367.500.

22          ➔Section 4. This Act may be cited as the Consumer Right to Repair Act.