

MI HB4673: Agriculture Right to Repair

Agricultural equipment "right to repair" laws have emerged in response to challenges farmers face as a result of proprietary software and technology built into modern farm equipment, and the restrictive clauses in many equipment contracts that prohibit the buyer from making repairs. Owners of technology from smartphones to cars face similar restrictions. Right to repair legislation was introduced in 27 states in the 2023 legislative session¹ to address consumer concerns and frustrations with these restrictions, including 11 states² with legislation specifically focused on farm equipment. MI HB4673, the Agricultural Equipment Repair Act, is one of these.

Background

Historically, farmers have relied on their ability to maintain and repair their own equipment to ensure efficient operation of their business. However, now that most agricultural machinery runs on computers, equipment license agreements typically prohibit the buyer from making repairs, instead requiring them to see a licensed technician. Given the consolidation of rural farm equipment dealers and mechanics in recent decades, this means that a farmer could have to drive an hour or more to the closest licensed service shop – an especially expensive trip while hauling a malfunctioning tractor. If key equipment breaks during harvest time, the farmer may lose their crop while waiting for a licensed service agent to come diagnose the problem.

Agriculture right to repair laws provide farmers the ability to repair their own equipment or access independent repair services. The laws typically require manufacturers to make available the necessary tools, documentation, and parts for farmers to perform repairs on their equipment.

Agriculture Right to Repair Laws Gaining Momentum Nationally

Currently 11 states have introduced legislation to require that manufacturers provide farmers with the necessary tools, software, parts, and manuals to conduct their own equipment repairs. Right to repair laws have found support from national agriculture organizations such as the American Farm Bureau Federation, the National Farmers Union, and the National Corn Growers, to name a few.³

Nationally, Montana Senator Jon Tester introduced S.3549, the Agricultural Right to Repair Act, in Congress in 2022, with the intent to "require original equipment manufacturers to make available certain documentation, parts, software, and tools with respect to electronics-enabled implements of agriculture, and for other purposes."⁴

Outside of agriculture, the right to repair movement is gaining momentum across industries,

¹ <u>https://www.repair.org/stand-up</u>

² https://apnews.com/article/farm-equipment-repairs-d5ea466725328d965a85a62130503d49

³ https://www.repair.org/agriculture

⁴ <u>https://www.congress.gov/bill/117th-congress/senate-bill/3549</u>

reflecting the growing demand from consumers to fully own the products they buy rather than being forced into limitations on repair and servicing.

Colorado: The Agricultural Right to Repair Law

In April 2023, Colorado became the first state to enact an agricultural "right to repair" law (HB23-1011 2023), guaranteeing farmers the ability to fix their own farm equipment.

Beginning January 1, 2024, the law will require a manufacturer to provide parts, embedded software, firmware, tools, or documentation, such as diagnostic, maintenance, or repair manuals, diagrams, or similar information, to independent repair providers and owners of the manufacturer's agricultural equipment to allow an independent repair provider or owner to conduct diagnostic, maintenance, or repair services on the owner's agricultural equipment.⁵

The bill folds agricultural equipment into Colorado's existing consumer right-to-repair statutes, which provide the following:

- A manufacturer's failure to comply with the requirement to provide resources is a deceptive trade practice;
- In complying with the requirement to provide resources, a manufacturer need not divulge any trade secrets to independent repair providers and owners; and
- Any new contractual provision or other arrangement that a manufacturer enters into that would remove or limit the manufacturer's obligation to provide resources to independent repair providers and owners is void and unenforceable ; and
- An independent repair provider or owner is not authorized to make modifications to agricultural equipment that permanently deactivate any safety notification system or bring the equipment out of compliance with safety or emissions laws or to engage in any conduct that would evade emissions, copyright, trademark, or patent laws.

MI HB4673: The Agricultural Equipment Repair Act

Three other states have passed general right to repair bills in recent years, but, in a concession to the farm equipment manufacturer lobby, all have specifically exempted agricultural equipment. Michigan's HB4673, the Agricultural Equipment Repair Act, would instead follow Colorado's lead, returning to Michigan's hard-working farmers the ability to fix the machinery they own. HB4673 is a win for independent family farmers across Michigan and provides another important precedent for other states across the nation.

About SiX Action

SiX Action is a 501 (c)(4) organization that informs the policy and strategy goals of progressive state legislators through policy development, communications tools, and technical assistance.

⁵ <u>https://leg.colorado.gov/bills/hb23-1011</u>