

Testimony of Mike Blank CTIA

In Opposition to Michigan House Bill 4562

Before the Michigan House Committee on Regulatory Reform

September 12, 2023

On behalf of CTIA®, the trade association for the wireless communications industry, I submit this testimony in opposition to House Bill 4562, which places mandates on original equipment manufacturers regarding diagnostic and repair information for digital electronic equipment. The marketplace already provides a wide range of consumer choice for repair with varying levels of quality, price and convenience without the mandates imposed by this legislation.

The marketplace continues to evolve, and manufacturers continue to make changes to address consumer demand while offering consumers safe and reliable repair options. For example, manufacturers have relationships with authorized repair providers. These providers – which include small businesses in Michigan – have received the appropriate training from manufacturers and have the qualifications to help ensure that repairs are done properly and safely.

In addition to authorized repair providers, manufacturers may offer walk-in repair options at retail as well as mail-in services. Insurance providers may also offer repair options, including authorized third-party remote technicians that will travel to the consumer to perform repairs.

Moreover, consumers can currently avail themselves of numerous independent repair alternatives although manufacturers cannot guarantee the quality assurance of independent repair providers.



Additionally, many manufacturers have expanded repair options for consumers, from growing the number of authorized repair providers, to increasing access to tools, parts, and manuals directly to consumers. It is important that with more repair options available to consumers, consumers continue to have access to professional repair providers with demonstrable competence to provide a safe and reliable repair.

To further address the repair marketplace, CTIA launched two programs related to repair, the Wireless Industry Service Excellence (WISE) Technician Certification Program and the WISE Authorized Service Provider (ASP) Certification Program. The WISE technician program educates and tests wireless device repair technicians on industry-recognized standards, certifying those that meet the highest standards for service quality and technical skill. The first certification of its kind, WISE-certified device repair technicians provide consumers with a predictable, high-quality repair experience.¹

The WISE ASP program creates a network of certified retail locations, helping consumers identify qualified providers that meet the highest standards for service quality and wireless device repair.² Both programs were created by CTIA's Reverse Logistics and Service Quality Working Groups, which convene members representing the entire reverse logistics community to address the wireless industry's challenges and develop requirements for industry-recognized standards in repair and refurbishment of wireless devices.

Wireless companies, individually, and through industry associations have taken proactive steps to provide consumers with more device repair options, while accounting for the need to

¹ https://www.ctia.org/news/ctia-launches-technician-certification-program

² https://www.ctia.org/news/ctia-launches-retail-certification-program-for-wireless-device-repair

000000

maintain device integrity and security and to protect intellectual property rights. These include the expansion of CTIA's WISE program to include over <u>18,000</u> certified technicians nationally, continued growth of manufacturers' authorized repair networks, and the availability of access to tools, parts, and manuals directly to consumers.

CTIA is also concerned that this bill would have the unintended consequence of negatively impacting consumers by eliminating the need for repairers to demonstrate to consumers that they have the technical competence to perform safe, secure, and reliable repairs. Manufacturers want to make certain the repair providers they work with understand the numerous components of the electronic products being repaired. Their authorization to perform repairs ensures that the changes made to the devices are compatible with current technology and the networks on which they operate.

Finally, CTIA is concerned that this legislation has the potential to weaken the privacy and security features of electronic products. The security of user information is of the utmost importance to consumers. The potential weakening of privacy and security protections will increase risks to consumers. With broad and unchecked access to technical information, security protections could be easily circumvented. In an era of sophisticated cyberattacks, we should not make it easier to hack devices and networks.

This bill is an unnecessary intervention in the marketplace, and its mandates could cause safety, privacy and security risks that compromise consumer safety and protection. For these reasons, CTIA respectfully asks that you not move this legislation.