

State of Louisiana

LOUISIANA MOTOR VEHICLE COMMISSION

Lessie A. House Executive Director

August 10, 2022

BULLETIN #B-2022-001

RE: Louisiana Motor Vehicle Commission Rule Regarding Vehicle Repairs and Services

Your attention is called to Chapter 11, of the Louisiana Motor Vehicle Commission Rules and Regulations which states:

§1101. Definitions

A. For the purpose of Chapter 11 only, the following definitions shall apply.

Anticipated Repairs, Services, Labor, and Parts — those repairs, services, labor, and parts, which based on the judgement, training, and experience of the supplier will be foreseeably required in order to achieve the results desired by the consumer who requests repairs and services.

Necessary Repairs, Services, Parts and Labor — those repairs, services, parts and labor which, in the judgement of the supplier, are required to fully remedy or prevent a defect or malfunction.

Original Estimate — an approximation of the cost of anticipated repairs and services to be performed by a supplier which does not exceed the subsequent actual cost of such anticipated repairs and services by more than 25 percent.

Supplier — any new or unused vehicle dealer who furnishes or supplies vehicle repairs and services, either directly or through the employment of other mechanics or repairmen; provided, however, that vehicle repairs and services performed on vehicles over 20,000 pounds, GVWR are excluded for the purposes of Chapter 11.

§1103. Unfair Acts and Practices

A. It shall be an unfair act or practice, in connection with a transaction involving motor vehicle repairs and services for a supplier of such repairs and services to do any of the following:

1. if specifically requested by consumer, when the anticipated repairs exceed \$125, then to fail to provide in advance, to a consumer seeking repairs and services, a written original estimate of the cost to the consumer of all anticipated repairs and service, including any charge for disassembly or reassembly of any parts disassembled for inspection and any service charge of any type to be imposed:

a. such written estimate shall include, in separate columns an itemized list of each anticipated repair to be performed, the anticipated labor charge involved for each repair, and the cost to the consumer of anticipated parts to be replaced;

b. the requirement of §1103 shall be satisfied by the statement of a flat rate price if such repairs and services are customarily done and billed on a flat rate basis;

c. notwithstanding anything herein to the contrary, if disassembly for inspection is necessary to determine the extent of anticipated repairs before an original estimate can be given, then any charge for such disassembly and/or reassembly shall be disclosed in advance: provided further that the amount of the charge referred to herein shall not be conditioned upon the consumer consenting to performance of the inspection by the supplier who performs said inspection;

d. a fair charge may be made by the supplier for the service of preparing this written estimate; said charge not to exceed \$5 for an estimate up to \$200 and not to exceed \$10 for estimate in excess of \$200 if same is made on the premises of the supplier, and notice of this charge must be posted as designated in §1103.A.3;

2. if an original written estimate is requested by a consumer, then, to fail to obtain oral or written authorization from the consumer for subsequently arising unanticipated, but necessary, repairs, services, parts and labor, when those repairs, services, parts and labor will exceed the cost estimated in the original estimate, or itemized part thereof, by more than 25 percent excluding tax:

a. when unanticipated, but necessary, repairs, services, parts and labor are needed and authorization to perform same is obtained from the consumer, the cost of these additional repairs, services, parts and labor shall be separately estimated in writing and a copy of this separate estimate made available to the consumer;

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3. to fail to post in a conspicuous place in the service reception area a sign with a white background and having black letters at least 1 inch in height which reads as follows:

a. Notice to our customers:

i. "You may request a written estimate, in advance, before authorizing us to repair your vehicle if it is anticipated that such repairs might exceed \$125. Our charge for such estimate is \$___ for any job up to \$200 and \$__ for jobs in excess of \$200";

b. provided that the supplier makes no charge for a written estimate then he may delete the last sentence of the above notice and insert in its place a statement that no charge is made for the estimate;

c. provided further that the supplier may at his option, change the \$125 requirement to a lesser amount;

4. to fail to reassemble any parts disassembled for inspection unless the consumer is so advised prior to acceptance for inspection by the supplier;

5. to willfully represent that repairs are necessary when such is not the fact;

6. to willfully represent that repairs have been made when such is not the fact;

7. to willfully represent that the parts being inspected or diagnosed are in a dangerous condition or that the consumer's continued use of them may be harmful to him when such is not the fact;

8. to willfully understate or misstate the estimated cost of repairs, services, parts and labor in excess of 25 percent for the purpose of inducing a consumer to enter into a transaction for repairs and services;

9. to fail to disclose the intended use of used parts in conjunction with repairs and services, or to install used parts without the knowledge and consent of the consumer;

10. a. to fail to provide the consumer with an itemized bill indicating repairs and services actually performed, parts actually replaced, or materials actually used, the total labor charge, and the name of the mechanic, repairman, or supplier who performed the work;

b. the requirements of §1103.A.10.a shall be satisfied by a bill reflecting a flat rate price if such repairs and services are customarily done and billed on a flat rate basis.

Please pay particular attention to the requirements of the highlighted section, §1103. A. 3.

Copies of the law administered by the Commission and the Rules and Regulation maybe downloaded from the Commission's website, <u>www.lmvc.la.gov</u>.

Yours very truly,

LOUISIANA MOTOR VEHICLE COMMISSION

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