

March 22nd, 2024

The Honorable Scott Conklin Chairman PA House Commerce Committee 314 Irvis Office Building Harrisburg, PA 17120-3031 The Honorable Joe Emrick Republican Chairman PA House Commerce Committee 108 Ryan Office Building Harrisburg, PA 17120-3045

Re: Ramifications of Right to Repair legislation

Dear Chairmen:

I write on behalf of the PA Chamber, the largest, broad-based business advocacy association in Pennsylvania. We represent employers of all sizes, crossing all industry sectors throughout the Commonwealth. Thank you for the opportunity to share some thoughts ahead of the House Commerce Committee's hearing focused on so-called "Right to Repair" legislation.

Over the past several years, there has been a push in various states to enact "right to repair" legislation in the name of empowering consumers and removing barriers to repairs. In short, the "right to repair" provides consumers and independent repair shops with access to repair manuals, diagnostic tools, and spare parts for electronic devices. While we appreciate the intent behind these proposals, we are concerned that they do not adequately account for the complexities of modern manufacturing and safety standards

and that these requirements could lead to extensive unintended negative consequences for a vast array of critical industries.

Safety Concerns

Manufacturers spend extensive resources ensuring their products meet the strictest safety standards to protect their customers. However, granting access to repair information to unqualified third parties or individuals who lack the training necessary to know the complexity of these goods places their safety at risk. Improper repairs lead to malfunctions, electrical risk, and overall structural weaknesses. If the ultimate intent is to protect consumers, the ability to repair complicated products should be left to the manufacturers that have invested in training qualified individuals to repair their products. These concerns are exacerbated in critical industries, such as medical supplies and automotives, where repair mistakes are not only an inconvenience, but could place individuals in life threatening situations.

Liability Concerns

Right to Repair legislation could also trigger significant concerns over product liability. As previously noted, manufacturers spend extensive resources ensuring their products meet the strictest safety standards; however, when third parties are incentivized to offer repairs on products using information mandated to be supplied by the producer, manufacturers may still find themselves subject to extensive and costly legal fights over potential malfunctions even when third parties engage in repairs. Proving that a malfunction is the result of shoddy repair work and not the fault of a manufacturer error could be arduous,

and even if successful in transferring liability to the third party, the manufacturer could be on the hook for extensive legal bills.

Additionally, Right to Repair legislation intersects with government environmental requirements in complex ways, presenting challenges related to liability and accountability. For example, manufacturers of cars or agriculture equipment ultimately bear the responsibility of ensuring their products meet the ever-growing list of environmental standards and without the necessary safeguards, primary manufacturers may potentially find themselves responsible for substandard results caused by the repair work of underqualified third-party repairmen. the EPA provides strict limits on emissions from tractors and farm equipment. If a farmer takes his equipment to be repaired by a third party, and as a result, the equipment produces increased levels of emissions, the manufacturer could be on the hook for violating the standards set by the EPA. How is the manufacturer to ensure they will not be subjected to fines or inspections despite their products meeting all necessary environmental regulations at the point of sale? Unclear liability can lead to manufacturers being unjustly subject to costly lawsuits or fines from government agencies.

Vulnerability of Intellectual Property Rights

Manufacturers and businesses routinely invest vast resources in developing cutting edge technology and processes for the creation of their products. By permitting widespread access to valuable data, we open the possibility of dubious actors, even foreign adversaries, replicating or counterfeiting data, costing businesses millions of dollars in

revenue and even more importantly, placing consumers at risk of unsafe replications of technology, counter to the stated intention of this legislation. For example, repairing electronic devices may involve accessing sensitive data stored on them, such as personal information, financial data, or business documents. Ensuring that this data is properly protected during the repair process is crucial to prevent data breaches or unauthorized access, including to sensitive personal consumer information.

Furthermore, the increased possibility of theft of intellectual property creates a pessimism among entrepreneurs and discourages further investment in the Commonwealth, stymieing economic development, particularly in industries critical to the continuing growth of the Pennsylvania economy, such as robotics, biosciences, agriculture, and technology. Entrepreneurs strive to create innovative technologies that set their businesses apart from the rest of the competitive market. The level playing field of a free market incentivizes creative businesspeople to create products that serve a needed purpose. On the other hand, when technological innovations or intellectual property are at risk of theft or counterfeiting in the Commonwealth, entrepreneurs may opt to create and sell their goods in other states, or worse, be too discouraged to pursue new technologies at all. Any policy that has the potential to stymie entrepreneurship in the Commonwealth places us at an economic disadvantage to our competitor states when we can least afford it.

Conclusion

Thank you for allowing the business community to submit our thoughts on right to repair legislation. Before considering this concept, lawmakers should critically consider the extensive negative consequences that will result from the implementation.

Sincerely,

Aaron Riggleman

Manager of Government Affairs

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CC: Honorable Members of the House Commerce Committee