



## Oppose So-Called “Right to Repair” Legislation (H.R. 1566/S. 1379)

### ISSUE

Advocates for “right to repair” legislation claim that independent automotive repair shops do not have access to the parts or data necessary to repair vehicles. However, this concern was rectified by a 2014 Memorandum of Understanding, signed by “right to repair” proponents and auto manufacturers, and reaffirmed by a [2023 industry commitment](#) that includes telematics. Today, the information independent shops need to repair vehicles is readily [available](#) from every auto and truck manufacturer. H.R. 1566/S. 1379 has little to do with repairing a vehicle; instead, the bill would allow vehicle owners to give all technical and compatibility information, software, and technology to any third party they designate “without restriction or limitation.” This bill regulates only vehicles and does not apply to other products, such as farm equipment or mobile phones. **Members of Congress should oppose H.R. 1566/S. 1379, which is redundant in nature and creates an unlevel playing field for small business dealers.**

### BACKGROUND

Instead of increasing competition in the service market, H.R. 1566/S. 1379 would reduce competition and consumer choice. Dealerships currently service multiple brands, including those outside their franchise. However, this legislation may exclude franchised dealers from receiving so-called “necessary” vehicle-generated data that would be needed for repairs. For example, a franchised GM dealer may be barred from receiving the repair information necessary from any other automaker to repair vehicles outside of their brand. This could put dealers at a competitive disadvantage and limit where customers can take their vehicle for repairs leading to fewer service options.

Congress should also consider whether this bill is necessary to ensure “right to repair” as automakers and independent repairers already have a longstanding formal mechanism through the [National Automotive Service Task Force](#) to ensure service information, tool information and training data is made available from every truck and auto manufacturer.

Despite this effective dispute resolution mechanism, S. 1379 would unnecessarily expand the powers of federal agencies. The legislation would empower the Federal Trade Commission (FTC) to expand the definitions included in the bill at their own discretion. Additionally, the bill requires the FTC to “promulgate regulations” requiring additional paperwork for customers at the point of purchase when dealers are trying to streamline and shorten the purchasing process. Failure to comply with this new requirement could result in up to a \$51,744 fine per violation. This regulation would not apply to independent dealers or direct sellers, further creating an unlevel playing field.

### KEY POINTS

- **The legislation provides an unfair competitive market since dealers annually invest significant amounts of capital into their service and repair capabilities, first rate technician training and state of the art diagnostic and repair tools to provide safe repairs.** Under their franchise sales and service agreements, dealers invest on average \$334,000 annually on machinery and shop equipment and \$82,000 annually on technician training to keep up with the latest technology to repair vehicles safely and securely.
- **Dealers must meet significant regulatory requirements under the FTC Safeguards Rule and FTC Act to be able to safely and securely handle customer’s vehicle data.** Technological requirements under the FTC Safeguards Rule alone are significant, with an average small dealership having an initial \$220,000 cost and a \$218,000 annual cost to comply. While in both House and Senate REPAIR bills repair information must be subject to the “same technological protections” it remains unclear what in practicality that means and if ‘any third party’ will have to meet the same data privacy and security regulatory safeguards that dealers do to handle their customers’ vehicle data.
- **A Government Accountability Office (GAO) report confirms the information and tools necessary to repair vehicles are already available to independent repair shops.** The report found that of the eight automakers GAO interviewed, all confirmed that “they provide to independent repair shops, on fair and reasonable conditions, equal access to the information, data, and tools needed for repairs, and will continue to do so.” Independent repair shops currently perform more than 70% of all non-warranty repairs, and according to the Auto Care Association, which supports this legislation, their total revenue grew 43% from 2014-2022.

### STATUS

Rep. Neal Dunn (R-Fla.) reintroduced H.R. 1566, the REPAIR Act in February and Sens. Ben Lujan (D-N.M.) and Josh Hawley (R-Mo.) introduced S. 1379 in April. Last Congress, NADA and industry stakeholders submitted a [coalition letter](#) opposing this flawed legislation. **Members of Congress are urged not to cosponsor H.R. 1566/S. 1379.**

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