



State Privacy and Security  
Coalition, Inc.



March 15, 2017

The Honorable David Harris  
Illinois House of Representatives  
221-N Stratton Office Building  
Springfield, Illinois 62706

**RE: Electronic Products Manufacturers Opposition to House Bill 3030**

Dear Representative Harris:

On behalf of the thousands of technology companies our organizations represent, we appreciate the opportunity to comment on House Bill 3030, legislation that would mandate manufacturers of digital electronic products sold or used in Illinois to make available for purchase that equipment's diagnostic and repair information, software, tools, and other parts to independent repair facilities and device owners.

Our organizations represent a broad spectrum of electronic products manufacturers that stand behind the quality of their products. These companies are committed to ensuring the safety and security of both their consumers and the products themselves. We are concerned that House Bill 3030 would jeopardize consumer security, compromises intellectual property, and could expose manufacturers to liability risks. **For these reasons and more, we must oppose this legislation.**

**House Bill 3030 threatens consumer safety and security**

Customer safety, security and privacy are fundamental goals in the design of our membership's hardware, software and services. Smartphones, computers, servers and other devices are have high security standards and any weakening of those standards such as sharing sensitive diagnostic tools will increase risks to consumers. Manufacturers also have strong concerns about independent service providers who may take risks or cut corners leaving themselves or consumers in danger if they perform service without the proper training or safety standards. Proper repair is extremely detailed and complicated. Manufacturers want to ensure that their products are serviced by professionals who understand the intricacies of their products and

have spent time procuring the knowledge necessary to safely repair the device and return it to the consumer without compromising those standards. Manufacturers have invested heavily in their research and development, going to extraordinary lengths to maintain the quality of the device for the first owner and all others for the life of the device.

### **House Bill 3030 mandates the disclosure of protected proprietary information**

Manufacturers make significant investments in the development of products and services, and the protection of intellectual property is a legitimate and important aspect of sustaining the health of the vibrant and innovative technology industry. However, House Bill 3030 puts at risk the intellectual property that manufacturers have developed. In some cases, the software tools that would allow a third party to repair hardware would also enable that person to modify other, more sensitive aspects of the firmware. Given the scope of what must be provided under this bill – *including diagnostics, tools, parts, and updates to software* – it is highly likely some of that information would be proprietary. Providing unauthorized repair facilities and individuals with access to proprietary information without the contractual safeguards currently in place between OEMs and authorized service providers places OEMs, suppliers, distributor and repair networks at risk.

### **House Bill 3030 is unnecessary as consumers can choose who repairs their devices**

Consumers have substantial choice when it comes to visiting the repair facility that best suits their needs. When a device requires repair, a consumer has a variety of options, including visiting the original equipment manufacturer's (OEM) retail store, mail-in repair services, or a local shop close to their home. Our free market economy already provides a wide range of consumer choice for repair with varying levels of quality, price and convenience without the mandates in this legislation.

Manufacturers have authorized networks of repair facilities to ensure that repairs meet OEM standards. If an OEM's brand and warranty are to stand behind repair work and assume product liability, it is only reasonable that the repair facility demonstrates competency and reliability. Without the training and other quality assurance requirements of authorized service providers – implemented through enforceable legal contracts that ensure compliance and accountability that protect consumers – manufacturers would not be able to stand behind their work, warranties, technical support, ongoing training, and business support.

### **House Bill 3030 exposes manufacturers to substantial liability risks**

Numerous safety and environmental laws at the federal and state levels subject manufacturers to regulatory actions and to legal challenge by plaintiff's attorneys long after a product is sold. For example, the Illinois Electronic Products Recycling and Reuse Act explicitly states that the state considers it the responsibility of the OEM to properly dispose of an electronic device when it reaches the end of its lifespan. These laws are known as extended producer responsibility and have set into motion a statutory obligation for manufacturers to manage end-of-life electronics. Should House Bill 3030 be enacted, Illinois law may be in direct conflict with itself. Questions that this legislation raises include will manufacturers continue to be responsible for the product at end-of-life or will consumers gain that responsibility? What sort of liability stays with the producer?

Thank you for your thoughtful consideration of our views on this issue. Our coalition of associations would be happy to meet with you to discuss our concerns in further detail.

Sincerely,

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Computing Technology Industry Association

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