



Car Shops — Truth in Repairs

From the Office of Minnesota Attorney General Lori Swanson

Every car, whether new or used, requires maintenance and repairs from time to time. The Minnesota Attorney General's Office offers the following tips on how to select a mechanic, get a good deal on repairs, and resolve potential disputes.

Warranties or Service Contracts

If a car is covered by the factory warranty, a used car warranty, or a service contract, the owner may need to take the vehicle to a *specific* repair shop designated in the contract. The warranty, contract, or insurance policy may require you to get prior permission before the repair is performed. If you don't get prior approval, the company may not pay. Owners who obtain repair work at a shop not covered in the contract risk having to pay the full price for repairs. If the warranty or service contract has expired, or if the owner purchased a used car "as is," he/she will need to select a repair shop on their own. An "as is" car is a vehicle sold at a used car lot which exceeds the car mileage or age requirements covered by Minnesota's Used Car Warranty Law. For more information on the Used Car Warranty Law or the Lemon Law protecting new car purchases, contact the Minnesota Attorney General's Office to obtain a copy of *Minnesota's Car Laws* free of charge.

Finding a Mechanic

Contact friends, relatives, or co-workers to obtain recommendations on quality repair shops. Some websites also offer helpful evaluations of car repair shops. Make sure, however, that the site is maintained by an unbiased source before believing everything you read. Talk with several repair shops to get an idea of the shops' pricing policies, turnaround time, and customer service before committing to one particular shop. Some shops may specialize in repairing certain makes or models. Others may specialize in body work or specific vehicle parts. Make sure that the repair shop you choose is prepared to accommodate your repair needs.

Getting the Best Price

Under the Truth in Repairs Act, Minnesotans have the right to receive a written estimate from a shop before it begins any actual repair work. Obtain several estimates and compare costs before deciding upon a given shop. The shop cannot perform unnecessary or unauthorized repairs. When you take a car in for an estimate, you should clearly explain to the shop that they do not want the shop to make any repairs until they have examined the estimate. You may wish to document this request in writing at the shop to protect against potential disputes later.

Once an estimate has been obtained, the Truth in Repairs Act dictates that the shop generally may not charge more than 10 percent above the estimated cost. After repairs have begun, if a shop determines that additional work needs to be done, the shop may exceed the price of the written estimate, but only after it has informed the customer and provided them with an updated estimate. If the consumer authorizes the additional work, the shop may not charge more than 10 percent above the revised estimate.

In some cases, unscrupulous repair shops may recommend unnecessary or marginal repairs to make additional money. Mechanics may operate on commission and therefore have an incentive to make more repairs than necessary. Consumers who are unsure whether a repair is necessary may wish to take their vehicle to a car shop specializing in diagnostic work. Since diagnostic-only shops don't actually repair cars, they do not have any reason to recommend unnecessary repairs.

Keep the Invoice

Repair shops are required to provide customers with an invoice if the repairs cost more than \$50 and/or the work is done under a manufacturer's warranty, service contract, or insurance policy. If the repair work is covered by a contract, warranty, or insurance policy,

consumers may need to submit a copy of the invoice to the warrantor or insurance company to receive coverage or reimbursement. You may wish to ask repair shops for an itemized breakdown of all the parts that were replaced, its cost, and labor charges. You also have the right to obtain any replaced part upon request if you make the request before the work begins (unless the warranty or service contract dictates that the part must be sent to the company offering coverage). Consumers, however, may still need to pay an additional cost to receive the part.

Keep a Log

Consumers should document all communications with the repair shop. Keep a dated journal of the staff members you speak with, price estimates, potential problems, billing procedures, etc. In the event that a dispute develops, this information may be extremely important in resolving the problem.

Steps for Resolving Disputes

- 1) If a consumer disputes a repair or pricing practice, he/she should attempt to settle the problem with the shop manager or owner. Some businesses have special programs or practices for handling disputes.
- 2) If a consumer is unable to resolve the dispute with the repair shop directly, he/she may file a complaint and seek assistance from the Minnesota Attorney General's Office.
- 3) Consumers who are unable to resolve a dispute amicably may wish to file a claim in Conciliation or "small claims" court. Conciliation Court may award up to \$15,000 if a consumer wins the case. Consumers who wish to proceed in Conciliation Court do not need an attorney. The Minnesota Attorney General's Office produces a brochure entitled *Conciliation Court: A User's Guide to Small Claims Court*, which can be obtained free of charge by contacting the Office.

If consumers would like to file a complaint against a company or obtain more information about cars or other consumer issues, they may contact the Attorney General's Office as follows:

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