



Car Shops—Truth in Repairs

From the Office of Minnesota Attorney General Keith Ellison

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 manufacturer's warranty, a used car warranty, or a motor vehicle 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 also require you to get prior approval before the repair is performed. If you do not get prior approval, the company may not pay, or may not pay the costs of diagnosing an issue if no problem is found or the problem is not covered. 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 or she will need to select a repair shop that suits the owner's needs and budget. 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 Minnesota lemon law protecting new car purchasers, contact the Minnesota Attorney General's Office to obtain a copy of *Minnesota's Car Laws* free of charge.

For more information on what to consider before purchasing a motor vehicle service contract, also known as an "extended warranty," contact the Minnesota Attorney General's Office to obtain a free copy of *Motor Vehicle Service Contract Offers*.

Finding a Mechanic

Contact friends, relatives, or co-workers to obtain recommendations for quality repair shops. Some websites also offer helpful evaluations of car repair

shops. Make sure, however, that the site is an unbiased source before relying on its recommendations. 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 repair shop before it begins any actual repair work. Obtain several estimates and compare costs before deciding upon a given shop. The shop is not supposed to perform unnecessary or unauthorized repairs. When you take a car in for an estimate, you should clearly explain to the shop that you do not want the shop to make any repairs until you have received and examined the written estimate. You may wish to document this request in writing at the shop to protect against potential disputes. The shop must also inform you of additional charges associated with making the written estimate or with the repair, such as diagnostic costs or charges for storage of the car.

Once an estimate has been obtained, the Truth in Repairs Act generally prohibits the shop from charging you more than ten percent above the estimated cost. If a shop determines that additional work needs to be done after the repairs have begun, the shop may exceed the price of the written estimate, but only after it provides you with an updated estimate and you authorize the extra cost. If you authorize the additional work, the shop may not charge more than ten 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. Owners who are unsure whether a repair is necessary may wish to take their vehicle to a shop specializing in diagnostic work. Since diagnostic-only shops don't actually repair cars, they have no 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 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, owners may need to submit a copy of the invoice to the warranty company or insurance company to receive coverage or reimbursement. The invoice should include a list of all the parts that were replaced, the cost of the parts, 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 providing coverage). Owners, however, may still need to pay an additional cost to receive the replaced part.

Keep a Log

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

Steps for Resolving Disputes

- 1) If an owner disputes a repair or pricing practice, he or she should first attempt to settle the problem with the shop manager or owner. Some businesses have special programs or practices for handling disputes.
- 2) If an owner is unable to resolve the dispute with the repair shop directly, he or she may want to file a complaint with the Minnesota Attorney General's Office.
- 3) Finally, owners 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 to the winning party. Owners 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 owners 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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(651) 296-3353 (Twin Cities Calling Area)

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