



February 7, 2024

The Honorable Lina Khan
Chairwoman
Federal Trade Commission
600 Pennsylvania Ave. NW
Washington, DC 20580

RE: Unfair or Deceptive Fees NPRM, R207011

Dear Chairwoman Khan,

The [Automotive Service Association](#) (ASA) is the largest and oldest national organization dedicated solely to protecting independent automotive repairers. Our members own and operate automotive mechanical and collision repair facilities. Independent repair shops are responsible for the majority of all post-warranty repair services in the United States. ASA members hail from all fifty states.

Our organization lauds the Federal Trade Commission's objectives underlying the Unfair or Deceptive Fees proposed regulatory rulemaking. Repairers strive to give their clients estimates that are as close as possible to the final repair cost. Not only is it the right thing to do, but it's also an important practice for building clients' trust and repeat business. However, repair facilities can only provide best-effort estimates.

Automotive technology is advancing at a pace to which small independent repairers struggle to keep up. One such area of innovation is electric vehicle technology. The Administration's efforts to increase the share of electric vehicles (EVs) on American roads portends a greater rate of EVs that enter ASA members' facilities. New technologies make it even harder to predict final repair, environmental, waste, and administrative costs.

ASA is concerned that the regulatory proposal could unfairly penalize independent automotive repair businesses, especially those shops who perform collision repairs. Independent repairers cannot afford to absorb unexpected costs that arise due to no fault of their own, yet without more clarification, this regulatory proposal could do just that. For collision repair shops, supplements could prove more critical to repairers as they see EV repairs increase. Not allowing repairers to assess supplemental charges risks unduly damaging EVs' reputation with regards to



their reparability. There needs to be an exclusion or more clarification about repair costs that arise once a collision repair begins.

There are many unpredictable factors that may increase the cost to repair. Technicians might discover a previously unidentified issue after the repair procedure has begun. Supply chain delays might prolong how long the vehicle remains in the facility. These circumstances are outside their control, yet they do not diminish repairers' obligation to return a vehicle to safe operable condition. When a customer's insurance policy is covering a repair, repairers account for these unexpected situations by submitting a "supplement" to the insurance company.

If approved, 16 CFR Part 464.2(a) would read: "It is an unfair and deceptive practice and a violation of this part for any Business to offer, display, or advertise an amount a consumer may pay without Clearly and Conspicuously disclosing the Total Price." We fear that a supplement to an estimate could be interpreted as a violation of this clause.

ASA recommends that the FTC insert language in the next regulatory draft that explicitly exempts supplements to automotive repair estimates from 16 CFR Part 464.2(a). The preamble of the NPRM states "The Commission anticipates the possibility of providing certain exclusions from the proposed rule...where the Total Price cannot practically be determined." We feel ASA's recommendation fits this description well.

Thank you for considering our concerns and recommendations. ASA offers you its partnership in finding a fair solution for all stakeholders.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Redding Jr.', with a stylized flourish at the end.

Robert Redding Jr.
Washington, DC Representative

ASA is the largest and oldest national organization committed to protecting the automotive repair industry with ONE VOICE. Our members own and operate automotive mechanical and collision repair facilities responsible for the majority of all, post warranty, repair services in the United States. ASA advocates for the interests of its members and their customers in Washington, D.C. The education, resources, and services ASA provides empowers its members in all 50 states to remain trusted stewards of mobility in their communities. www.ASAShop.org