



HOUSE BILL 546: Prohibit Counterfeit/Nonfunctional Airbags.

2019-2020 General Assembly

Committee:		Date:	December 10, 2019
Introduced by:		Prepared by:	Shawn Middlebrooks Staff Attorney
Analysis of:	S.L. 2019-155		

OVERVIEW: *S.L. 2019-155 creates new definitions regarding airbags and motor vehicle supplemental restraint systems. Section 2 of the act makes it an unfair and deceptive trade practice to knowingly transfer a vehicle with a faulty airbag or restraint system. Section 3 of the act makes it unlawful to knowingly import, manufacture, sell, offer for sale, or distribute a motor vehicle with a faulty airbag or restraint system, and makes it a Class H felony if physical injury or death results from these actions.*

This act became effective October 1, 2019, and applies to offenses committed on or after that date.

CURRENT LAW: *Standard No. 208 of the Federal Motor Vehicle Safety Standards (FMVSS) specifies equipment requirements for active and passive restraint systems that are installed in passenger cars, multipurpose passenger vehicles, trucks and buses, such as airbags. 49 C.F.R. 571.208.*

It is a **Class 1 misdemeanor** (up to 120 days incarceration) to install or reinstall an air bag in any motor vehicle other than one designed for the make, model and year of the vehicle. G.S. 20-136.2.

BILL ANALYSIS:

Section 1 of the act creates new defined terms for *Airbag, Counterfeit Supplemental Restraint System Component, Nonfunctional airbag, and Supplemental Restraint System (SRS).*

Section 2 of the act does the following:

- Makes it an unfair and deceptive trade practice, a **Class 2 misdemeanor**, to transfer a motor vehicle knowing that a counterfeit SRS component, nonfunctional airbag, or no airbag had been installed in the vehicle.
- Clarifies that in order to be in violation of this section, a franchised motor vehicle dealer and its owners must have actual knowledge of the counterfeit SRS component or nonfunctional airbag.

Section 3 of the act does the following:

- Makes it unlawful to knowingly *import, manufacture, sell, offer for false or distribute* a counterfeit SRS component or nonfunctional airbag in any motor vehicle, or other component device that causes the vehicle to fail federal safety standards.
- Makes it a **Class H felony** if a violation of this section results in physical injury or death.
- Clarifies that in order to be in violation of this section, a franchised motor vehicle dealer and its owners must have actual knowledge of the counterfeit SRS component or nonfunctional airbag.
- Clarifies that this section does not affect the lawful disposal of counterfeit SRS components or nonfunctional airbags.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

House Bill 546

Page 2

EFFECTIVE DATE: The act became effective October 1, 2019, and applies to offenses committed on or after that date.