



This Bill Analysis reflects the contents of the bill as it was presented in committee.

HOUSE BILL 546: Prohibit Counterfeit/Nonfunctional Airbags.

2019-2020 General Assembly

Committee:	Senate Rules and Operations of the Senate	Date:	June 27, 2019
Introduced by:	Reps. Faircloth, R. Turner, Cleveland, McNeill	Prepared by:	Jennifer H. Bedford
Analysis of:	Fourth Edition		Staff Attorney

OVERVIEW: House Bill 546 would provide definitions and create criminal offenses regarding airbags and motor vehicle restraint systems, and clarify that actual knowledge of the new violations is required for criminal liability.

[As introduced, this bill was identical to S589, as introduced by Sen. Gunn, which is currently in Senate Judiciary.]

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 House Bill 546 would create defined terms for *Airbag*, *Counterfeit Supplemental Restraint System Component*, *Nonfunctional airbag*, and *Supplemental Restraint System (SRS)*.

Section 2 would:

- Create 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.
- Clarify that in order to be in violation, a franchised motor vehicle dealer and owners must have actual knowledge of the counterfeit SRS component or nonfunctional airbag.

Section 3 would:

- Create a **Class 1 misdemeanor** for the unfair and deceptive trade practice of regarding a counterfeit SRS component or nonfunctional airbag in any motor vehicle, or other component device that causes the vehicle to fail federal safety standards.
- Create a **Class H felony** if a violation of this section results in physical injury or death.
- Clarify that in order to be in violation, a franchised motor vehicle dealer and owners must have actual knowledge of the counterfeit SRS component or nonfunctional airbag.
- Clarify that the lawful disposal of counterfeit SRS components or nonfunctional airbags is not prohibited.

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

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