#### SESSION OF 2023

#### SUPPLEMENTAL NOTE ON SENATE BILL NO. 106

### As Amended by House Committee on <u>Transportation</u>

#### Brief\*

SB 106, as amended, would amend the Uniform Act Regulating Traffic on Highways to add law to prohibit counterfeit airbags and amend law to authorize certain ground effect lighting on vehicles.

# Counterfeit Airbags

The bill would create the crime of knowingly or intentionally manufacturing, importing, distributing, selling, offering for sale, installing, or reinstalling a device intended to replace a supplemental restraint system component in a vehicle if the device is counterfeit, a nonfunctional airbag, or an object not designed in accordance with federal safety regulations for the make, model, and year of the vehicle.

Violation would be a class A nonperson misdemeanor.

The bill would define four terms:

- "Airbag," to mean an inflatable occupant restraint system device that is part of a supplemental restraint system in a vehicle;
- "Counterfeit supplemental restraint system component," to mean a replacement component displaying a mark identical or substantially similar to the genuine mark of a motor vehicle

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

- manufacturer or parts supplier without authorization from that manufacturer or supplier;
- "Nonfunctional airbag," to mean a replacement airbag that was previously deployed or damaged, has an electric fault that is detected by the vehicle's diagnostic systems, includes a part or object installed in the vehicle to mislead the owner into believing that a functional airbag has been installed, or is an airbag prohibited by federal law; and
- "Supplemental restraint system," to mean a passive inflatable vehicle occupant crash protection system designed for use in conjunction with active restraint systems [i.e., seat belts] that includes each airbag, installed according to the vehicle manufacturer's design, and all components required to ensure the airbag operates as designed and meeting federal safety standards.

The bill would add these provisions to the Uniform Act Regulating Traffic on Highways.

# **Ground Effect Lighting**

The bill would authorize equipping a motor vehicle with any type of ground effect lighting rather than only neon ground effect lighting, as authorized by current law. The bill would make conforming amendments to specify that no portion of the bulb or lighting fixture, rather than neon tubes, could be visible and would make conforming amendments to the definition of "ground effect lighting," which is lighting that illuminates the ground below the vehicle.

#### Effective Date

The bill would be in effect upon publication in the Kansas Register.

# **Background**

The bill, as amended by the House Committee, includes the provisions of SB 106 and the provisions of SB 143, as amended by the Senate Committee on Transportation.

# SB 106—Counterfeit Airbags

The bill was introduced upon request of a representative of the Alliance for Automotive Innovation.

#### Senate Committee on Transportation

In the Senate Committee hearing, a representative of American Honda Motor Company provided **proponent** testimony. Written-only proponent testimony was provided by representatives of the Alliance for Automotive Innovation, Automotive Anti-Counterfeiting Council, Coalition Against Insurance Fraud, and Kansas Automobile Dealers Association. Proponents generally stated counterfeit airbags pose significant safety risks to consumers.

No other testimony was provided.

The Senate Committee amended the bill to make it effective upon publication in the *Kansas Register*.

#### House Committee on Transportation

In the House Committee hearing, a representative of American Honda Motor Company provided proponent testimony. Written-only proponent testimony was provided by representatives of the Alliance for Automotive Innovation, Coalition Against insurance Fraud, Kansas Automobile Dealers Association, and National Insurance Crime Bureau. Proponents generally stated counterfeit airbags pose significant safety risks to consumers and are used to defraud consumers and insurance companies.

No other testimony was provided.

The House Committee amended the bill to add the contents of SB 143, a bill pertaining to vehicle ground effect lighting.

#### Fiscal Information

According to the fiscal note prepared by the Division of the Budget on SB 106, as introduced, the Office of Judicial Administration indicates enactment of the bill could increase the number of cases filed in district court because it would create a new crime, which would increase the workload of judicial and nonjudicial personnel and could require more supervision of offenders by court services officers. Enactment also could result in collection of supervision fees, docket fees, and fines. However, a fiscal effect cannot be determined because the number of additional cases cannot be estimated.

The Kansas Department of Transportation indicates enactment of the bill would increase revenues to the Traffic Records Enhancement Fund and the Seat Belt Safety Fund from fines collected, but any increase is expected to be negligible.

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2024 Governor's Budget Report*.

# SB 143—Ground Effect Lighting

The bill was introduced by the Senate Committee on Transportation at the request of a representative of the Johnson County Sheriff's Office.

Senate Committee on Transportation

In the Senate Committee hearing, a representative of the Johnson County Sheriff's Office provided **proponent**  testimony. The conferee stated the technology used for these lights has changed, and the bill would make it clear that any ground effect lighting must follow statutory requirements.

No other testimony was provided.

[Note: Continuing law states ground effect lighting may not flash or be any shade of red.]

The Senate Committee recommended the bill be placed on the Consent Calendar.

House Committee on Transportation

In the House Committee hearing, a representative of the Johnson County Sheriff's Office provided **proponent** testimony. The conferee stated the technology used for these lights has changed, and the bill would make it clear that any ground effect lighting must follow statutory requirements.

No other testimony was provided.

# Fiscal Information

According to the fiscal note prepared by the Division of the Budget on SB 143, the Department of Revenue indicates enactment of the bill would have no fiscal effect.

Airbag; vehicle; counterfeit; consumer protection; lights; ground effect lighting; Uniform Act Regulating Traffic on Highways