



March 1, 2023

Kansas State Senate
Kansas Senate Committee on Transportation

Support Statement: Senate Bill 106

Dear Chairman Peterson and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Kansas. Working together with our member companies and Kansas law enforcement, we help to detect, prevent, and deter insurance crime, including vehicle theft and theft of component parts. While NICB provides value to our member companies, we also serve a significant public benefit by helping to stem the estimated billions of dollars in economic harm that insurance crime causes to individual policyholders across the country every year.

Counterfeit airbags are a national and growing concern. The National Highway Traffic Safety Administration (NHTSA) has warned consumers that counterfeit airbags have been shown to consistently malfunction, from non-deployment to the expulsion of metal shrapnel during deployment. Vehicle safety equipment is important as airbags are subject to strict quality control standards to keep the public safe. Counterfeiters are much more likely to skirt these standards which can lead to disastrous consequences.

Counterfeit airbags are procured in many different ways, from consumers unwittingly purchasing them on online to unscrupulous body shops purposely installing counterfeits while billing consumers and insurers for genuine, original bags. Federal authorities in Philadelphia recently [announced](#) an indictment of an individual accused of fraudulently importing counterfeit airbags from China and installing them in salvaged automobiles which were then reintroduced to the market. No matter how counterfeit airbags are obtained and installed in the vehicles of unsuspecting motorists, the results can be deadly. NICB has provided more information for the public and policymakers on our website which can be found [here](#).

Accordingly, we support SB 106 which creates a new statute penalizing those who knowingly sell a counterfeit or nonfunctioning airbag.

We thank you for this scheduling a hearing and for considering our views as you deliberate the merits of the bill. If you have any questions or need additional information, please contact me at tlynch@nicb.org.

Regards,

A handwritten signature in blue ink, appearing to read "Tim Lynch", is written over a horizontal line.

Tim Lynch
Senior Director
Strategy, Policy and Government Affairs
National Insurance Crime Bureau