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# OREGON VEHICLE DEALERS AND DISMANTLERS HAVE CONCERNS ABOUT SB256

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By: Darrell W. Fuller / fuller\_darrell@yahoo.com / 971-388-1786

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Chair Prozanski and Members of the Committee:

The Northwest Automobile Trades Association (NATA) represents more than 450 business members across Oregon. NATA members include collision and mechanical repairs shops, dismantlers, and auto parts manufacturers and distributors.

The Oregon Vehicle Dealer Association (OVDA) represents all Oregon businesses required to hold a vehicle dealer certificate. This includes franchise dealers, independent dealers, auctions, wholesalers, RV dealers, and even marine dealers (boat dealers sell trailers, so they need a dealer's certification).



The Oregon RV Dealers Association (ORVDA) represents Oregon's franchised dealers of RV trailers and self-propelled RVs. ORVDA members sell, service and repair vehicles which are used for recreation, and in many cases, as homes for retired Oregonians.

The three associations listed above support the intent of Senate Bill 256. The manufacture or sale of counterfeit airbags or restraint systems literally threaten the lives of the motoring public.

However, SB256 also restricts the sale of vehicles with nonfunctioning airbags or restraint systems. This restriction will impact thousands of sales in Oregon. Dismantlers buy and sell wrecked vehicles with nonfunctioning airbags and restraint systems. Dealers sell vehicles with nonfunctioning airbags and restraint systems. Insurance companies sell vehicles with nonfunctioning airbags and restraint systems. The key in these transactions is disclosure of the vehicle defect prior to the sale.

We respectfully request the bill be amended to remove references to nonfunctioning airbags and restraint systems.

With regard to counterfeit systems, we believe the language in Section 2(a)(C) should include the "may not knowingly or intentionally" which is already found in Section 2(a).

Finally, Section 1(c)(B) is problematic in that it prohibits the sale of an airbag or restraint system which triggers an error code in a vehicle's diagnostic system. However, it is impossible to know if a fault will be triggered until it is installed. As a result, this section could prohibit or substantially restrain any sales of uninstalled airbags at wholesale or resale.

We strongly support legislation tackling counterfeit airbags and restraint systems. However, we believe the portions regarding nonfunctioning airbags and restraint systems will create substantial unintended consequences. I am happy to answer any questions.

Thank you.