

March 20, 2023

Hon. Floyd Prozanski and Members of the Committee
Committee on Judiciary
Oregon State Senate

RE: SB 256 – Counterfeit Airbags

Dear Chair Prozanski 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 Oregon. Working hand-in-hand with our Member companies and Oregon law enforcement, we help to detect, prevent, and deter insurance crimes.

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 as 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 256 which criminalizes knowingly or intentionally manufacturing, selling, or installing counterfeit or nonfunctioning airbags.

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 hhandler@nicb.org or 847-544-7083.

Sincerely,



Howard Handler, MPPA
Senior Director
Office of Strategy, Policy, and Government Affairs
National Insurance Crime Bureau