

March 20, 2023

The Honorable Floyd Prozanski 900 Court St. NE, S-413 Salem, OR 97301 <u>Sen.FloydProzanski@OregonLegislature.gov</u>

Re: Support for Senate Bill 256 (Counterfeit Airbags)

Dear Chairman Prozanski,

On behalf of the Automotive Anti-Counterfeiting Council, Inc. (A2C2), and our membership, I write to express our strong support for Senate Bill 256, which would create the offense of airbag fraud in Oregon.

A2C2 is a collaborative industry group composed of Ford, General Motors, Honda, Hyundai, Kia, Mercedes-Benz IP, Nissan, Stellantis, Subaru, Toyota, Volkswagen Group of America, and their subsidiary brands. Our mission is collaboration among automakers and their partners that strives to eliminate counterfeit automotive components that could harm U.S. consumers. A2C2 is a platform for member companies to collaborate with federal and state authorities in response to increasing trends in automotive counterfeiting.

The emergence and increase of counterfeit airbags and other critical safety parts in the marketplace is extremely troubling, as they jeopardize the safety of vehicle occupants. In October 2012, the National Highway Traffic Safety Administration (NHTSA) and multiple federal law enforcement agencies issued a consumer advisory¹ alerting vehicle owners and repair professionals to the dangers of counterfeit airbags and their prevalence in the marketplace. Airbags are a key component of vehicle supplemental restraint systems (SRS), which are credited with saving countless lives nationwide over the course of their history. A single counterfeit airbag or SRS component part can disrupt an entire SRS system and put occupants at risk for serious injury. Because of the complexity of such parts and the need for effective quality control, many counterfeiters refrain from attempting to replicate the life-saving technology contained in SRS systems. For example, many of the counterfeit airbags that have been recovered and examined in recent years were filled with newspaper or other debris.

¹ NHTSA / ICE Safety Advisory Alerting Consumers to Dangers of Counterfeit Air Bags: <u>https://www.ice.gov/news/releases/nhtsa-ice-alert-consumers-dangers-counterfeit-air-bags</u>













While federal law addresses counterfeiting in a broader sense, A2C2 believes that state legislation prohibiting the trafficking, sale or installation of counterfeit and nonfunctional airbags and supplemental restraint systems is important because it provides an additional disincentive to would-be counterfeiters and unscrupulous repair shops. Oregon does not currently have laws on the books that would protect consumers against the truly bad actors who are knowingly and intentionally manufacturing, importing, and offering these products for sale en masse.

A2C2 commends the 31 states that have already enacted similar legislation to address this problem and urges Oregon to join them. If you have any questions, or if A2C2 can otherwise be of assistance to you, please do not hesitate to let me know.

Thank you for your time and consideration.

Sincerely,

William "Andy" Forsythe President Automotive Anti-Counterfeiting Council, Inc. <u>www.a2c2.com</u>



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