HOUSE BILL 21-1193

BY REPRESENTATIVE(S) Gray, Bernett, Bird, Duran, Exum, Ricks; also SENATOR(S) Priola and Kolker, Rodriguez.

CONCERNING CONSUMER PROTECTION FOR ACTS RELATED TO A SUPPLEMENTAL RESTRAINT SYSTEM.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 6-1-710, amend (1); and add (3) as follows:

6-1-710. Trafficking of false airbag - deceptive trade practices - criminal liability - definitions. (1) A person engages in a deceptive trade practice when such THE person KNOWINGLY OR INTENTIONALLY MANUFACTURES, IMPORTS, DISTRIBUTES, SELLS, OFFERS FOR SALE, installs, or reinstalls as part of a vehicle inflatable restraint system, A DEVICE INTENDED TO REPLACE A SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT IF THE DEVICE IS:

(a) A COUNTERFEIT SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT;

(b) A NONFUNCTIONAL AIRBAG; OR

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(c) Any object in lieu of an air bag A SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT that was NOT designed in accordance with federal safety regulations for the make, model, and year of the MOTOR vehicle IN WHICH IT IS OR WILL BE INSTALLED.

(3) AS USED IN THIS SECTION:

(a) "AIRBAG" MEANS A MOTOR VEHICLE INFLATABLE OCCUPANT RESTRAINT SYSTEM DEVICE THAT IS PART OF A SUPPLEMENTAL RESTRAINT SYSTEM.

(b) "Counterfeit supplemental restraint system component" MEANS A REPLACEMENT SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT THAT DISPLAYS A MARK IDENTICAL OR SUBSTANTIALLY SIMILAR TO THE GENUINE MARK OF A MOTOR VEHICLE MANUFACTURER OR A SUPPLIER OF PARTS TO THE MANUFACTURER OF A MOTOR VEHICLE WITHOUT AUTHORIZATION FROM THAT MANUFACTURER OR SUPPLIER.

(c) "NONFUNCTIONAL AIRBAG" MEANS A REPLACEMENT AIRBAG THAT:

(I) WAS PREVIOUSLY DEPLOYED OR DAMAGED;

(II) HAS AN ELECTRIC FAULT THAT IS DETECTED BY THE MOTOR VEHICLE'S DIAGNOSTIC SYSTEMS WHEN THE INSTALLATION PROCEDURE IS COMPLETED AND THE MOTOR VEHICLE IS RETURNED TO THE CUSTOMER WHO REQUESTED THE WORK TO BE PERFORMED OR WHEN OWNERSHIP IS INTENDED TO BE TRANSFERRED;

(III) INCLUDES A PART OR OBJECT, INCLUDING A SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT, INSTALLED IN A MOTOR VEHICLE TO MISLEAD THE OWNER OR OPERATOR OF THE MOTOR VEHICLE INTO BELIEVING THAT A FUNCTIONAL AIRBAG HAS BEEN INSTALLED; OR

(IV) IS PROHIBITED FROM BEING SOLD OR LEASED IN ACCORDANCE WITH 49 U.S.C. SEC. 30120 (j).

(d) "SUPPLEMENTAL RESTRAINT SYSTEM" MEANS A PASSIVE INFLATABLE MOTOR VEHICLE OCCUPANT CRASH PROTECTION SYSTEM

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DESIGNED FOR USE IN CONJUNCTION WITH ACTIVE RESTRAINT SYSTEMS AS DESCRIBED IN 49 CFR 571.208. A SUPPLEMENTAL RESTRAINT SYSTEM INCLUDES:

(I) EACH AIRBAG INSTALLED IN ACCORDANCE WITH THE MOTOR VEHICLE MANUFACTURER'S DESIGN; AND

(II) ALL COMPONENTS REQUIRED TO ENSURE THAT AN AIRBAG OPERATES AS DESIGNED IN THE EVENT OF A CRASH AND IN ACCORDANCE WITH THE FEDERAL MOTOR VEHICLE SAFETY STANDARDS FOR THE SPECIFIC MAKE, MODEL, AND YEAR OF THE MOTOR VEHICLE.

SECTION 2. In Colorado Revised Statutes, 42-9-111, **amend** (1) introductory portion and (1)(j); and **add** (2) as follows:

42-9-111. Prohibited acts - definitions. (1) No A motor vehicle repair facility or any employee or contract laborer of such THE facility shall NOT:

(j) (I) Install or reinstall, as part of a vehicle inflatable restraint system, any object in lieu of an air bag that was designed in accordance with federal safety regulations for the make, model, and year of the vehicle DEVICE THAT CAUSES THE MOTOR VEHICLE'S DIAGNOSTIC SYSTEMS TO FAIL TO WARN THAT:

(A) THE MOTOR VEHICLE IS EQUIPPED WITH A COUNTERFEIT SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT;

(B) THE MOTOR VEHICLE IS EQUIPPED WITH A NONFUNCTIONAL AIRBAG; OR

(C) NO AIRBAG IS INSTALLED.

(II) For purposes of subsection (1)(j)(I) of this section, an installation or reinstallation does not occur until the work is completed and the motor vehicle is returned to the customer, or title is transferred.

(2) AS USED IN THIS SECTION:

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(a) "AIRBAG" MEANS A MOTOR VEHICLE INFLATABLE OCCUPANT RESTRAINT SYSTEM DEVICE THAT IS PART OF A SUPPLEMENTAL RESTRAINT SYSTEM.

(b) "Counterfeit supplemental restraint system component" MEANS A REPLACEMENT SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT THAT DISPLAYS A MARK IDENTICAL OR SUBSTANTIALLY SIMILAR TO THE GENUINE MARK OF A MOTOR VEHICLE MANUFACTURER OR A SUPPLIER OF PARTS TO THE MANUFACTURER OF A MOTOR VEHICLE WITHOUT AUTHORIZATION FROM THAT MANUFACTURER OR SUPPLIER.

(c) "NONFUNCTIONAL AIRBAG" MEANS A REPLACEMENT AIRBAG THAT:

(I) WAS PREVIOUSLY DEPLOYED OR DAMAGED;

(II) HAS AN ELECTRIC FAULT THAT IS DETECTED BY THE MOTOR VEHICLE'S DIAGNOSTIC SYSTEMS WHEN THE INSTALLATION PROCEDURE IS COMPLETED AND THE MOTOR VEHICLE IS RETURNED TO THE CUSTOMER WHO REQUESTED THE WORK TO BE PERFORMED OR WHEN OWNERSHIP IS INTENDED TO BE TRANSFERRED;

(III) INCLUDES A PART OR OBJECT, INCLUDING A SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT, INSTALLED IN A MOTOR VEHICLE TO MISLEAD THE OWNER OR OPERATOR OF THE MOTOR VEHICLE INTO BELIEVING THAT A FUNCTIONAL AIRBAG HAS BEEN INSTALLED; OR

(IV) IS PROHIBITED FROM BEING SOLD OR LEASED IN ACCORDANCE WITH 49 U.S.C. SEC. 30120 (j).

(d) "SUPPLEMENTAL RESTRAINT SYSTEM" MEANS A PASSIVE INFLATABLE MOTOR VEHICLE OCCUPANT CRASH PROTECTION SYSTEM DESIGNED FOR USE IN CONJUNCTION WITH ACTIVE RESTRAINT SYSTEMS AS DESCRIBED IN 49 CFR 571.208. A SUPPLEMENTAL RESTRAINT SYSTEM INCLUDES:

(I) EACH AIRBAG INSTALLED IN ACCORDANCE WITH THE MOTOR VEHICLE MANUFACTURER'S DESIGN; AND

(II) ALL COMPONENTS REQUIRED TO ENSURE THAT AN AIRBAG

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OPERATES AS DESIGNED IN THE EVENT OF A CRASH AND IN ACCORDANCE WITH THE FEDERAL MOTOR VEHICLE SAFETY STANDARDS FOR THE SPECIFIC MAKE, MODEL, AND YEAR OF THE MOTOR VEHICLE.

SECTION 3. Act subject to petition - effective date applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor. (2) This act applies to offenses committed on or after the applicable effective date of this act.

Alec Garnett SPEAKER OF THE HOUSE OF REPRESENTATIVES

Leroy M. Garcia PRESIDENT OF THE SENATE

Robin Jones CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES

Cincle of Markwell

Cindi L. Markwell SECRETARY OF THE SENATE

<u>au 17,2021</u> at 10:45 am (Date and Time) APPROVED_ Jared S. Polis/ GOVERNOR OF THE STATE OF COLORADO

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