

**STORAGE NAME:** h3357s1.tr

**DATE:** March 1, 1998

**HOUSE OF REPRESENTATIVES  
AS REVISED BY THE COMMITTEE ON  
TRANSPORTATION  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** CS/HB 3357

**RELATING TO:** Motor Vehicle Airbags

**SPONSOR(S):** Committee on Crime and Punishment and Representatives Stafford and Effman

**COMPANION BILL(S):** SB 944 (s)

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) CRIME AND PUNISHMENT YEAS 9 NAYS 0
  - (2) TRANSPORTATION
  - (3)
  - (4)
  - (5)
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**I. SUMMARY:**

The bill creates the "Airbag Antitheft Act" which requires any person who offers to sell any salvaged airbag to submit the airbag part number to an appropriate law enforcement agency for determination of whether the airbag is stolen via a national theft computer system. This information must accompany the airbag during the sale.

The bill, also, requires all motor vehicle repair shops to supply the identity of the person or business which supplied any airbag they install. Any salvaged airbags, also, must include the vehicle identification number from which it was salvaged.

The bill creates a new, 3rd-degree felony penalty (punishable by up to 5-years in prison) for possession of a stolen airbag, and a new 1st-degree misdemeanor (punishable by up to 1-year in jail) for failure to provide or maintain proper records as required by the Act.

The bill does not have a fiscal impact on state agencies. However, the bill requires auto repair shops to implement additional record-keeping procedures. The additional cost of implementing the new record-keeping requirements is indeterminate.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

**Concerns Over Airbag Thefts**

1998 is the first year in which all passenger vehicles are required to be equipped with inflatable restraint systems (airbags) for, both, driver and front passenger. By the year 2010, ninety percent of all vehicles will be equipped with airbags. Naturally, this requirement will create a significant need for replacement airbags for cars which have been in an accident.

Airbags are not reusable. That is, if they were deployed in an accident, they must be replaced. Ordinarily, a new airbag may be obtained through licensed manufacturers which is guaranteed to meet certain safety requirements. Because airbags cost around \$750, however, an automobile owner may be faced with repair costs of as much as \$1,500 after even a minor accident. Naturally, the high expense will create a market for used airbags, those which were salvaged from wrecked cars, but which did not deploy and are still serviceable. Likewise, criminal elements will be eager to supply the "salvaged" airbags, as well.

Insurance industry estimates predict approximately 170,000 airbags thefts per year, by the year 2010. Factoring in the cost per unit, this loss could cost policyholders between \$127 and \$253 million per year in higher premiums. Moreover, stolen airbags cannot guarantee the safety standards which are essential for proper use of this explosive device.

**The National Crime Information Center (N.C.I.C.)**

The National Crime Information Center is a computer network designed as a clearinghouse for information regarding criminal records and stolen property. The network is continually updated with new information, taken from police reports and court records. For example, when a car is stolen, the handling police agency enters the Vehicle Identification Number (V.I.N.) into the N.C.I.C. network. If a buyer needs to know whether a vehicle is stolen, he may request his local police agency to enter that vehicle's VIN number into the N.C.I.C.. If the car has been reported stolen, his entry will be returned with information identifying the car as stolen and the name of the police agency that reported the theft. The N.C.I.C. is not limited to information on stolen cars. Literally, any item which can be identified by a number, or other markings, may be registered.

Likewise, all airbags are labeled with a unique serial number distinguishing each airbag. Thus, if these numbers were to be entered into the N.C.I.C. computer system, it would be possible for any person who suspected an airbag was stolen to find out by checking with the local police agency.

**Existing Record Keeping Requirements**

Section 860.14, F.S., requires every person engaged in the business of buying and selling parts and accessories for motor vehicles who purchases such parts and accessories from any person other than manufacturers, distributors, wholesalers,

retailers, or other persons usually and regularly engaged in the business of selling such parts and accessories shall keep a daily record of all such parts and accessories so purchased. The records are required to show the date and time of each purchase of such parts and accessories, the name and address of each person from whom such parts and accessories were purchased, the number of the driver's license of such person or, if such person does not have a driver's license, adequate information to properly identify the person, and a detailed description of the parts and accessories purchased from such person, which description shall include all serial and other identifying numbers, if any. Records must be retained for not less than 1 year and are subject to inspection by law enforcement officers. Any person violating the provisions of s. 860.14, F.S., is guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083, F.S.

**B. EFFECT OF PROPOSED CHANGES:**

**Airbags Defined**

The bill defines an airbag as, "an inflatable restraint system that is designed to be installed and to operate in a motor vehicle to activate in the event of a crash."

The bill defines a salvaged airbag as, "one which has been removed from a motor vehicle."

**Mandatory Identification Of All Salvaged Airbags Before Sale**

The bill requires any person who offers to sell any salvaged airbag to submit the airbag part number to an appropriate law enforcement agency for determination of whether the airbag is stolen as indicated via a national theft computer system. This information must accompany the airbag during the sale.

**Record-Keeping Requirements For Auto Repair Shops**

The bill places specific requirements on motor vehicle repair shops to supply the identity of the person or business which supplied any airbag they install. Any salvaged airbags, also, must include the vehicle identification number from which it was salvaged.

Each auto repair shop which either removes or installs airbags shall maintain a log book containing:

- 1) The date of removal or installation;
- 2) The motor vehicle identification number, license plate number, and make and model of the motor vehicle;
- 3) The part number of the airbag;
- 4) In the case of a salvaged airbag:
  - ▶ The vehicle identification number, license plate number, and make and model of the motor vehicle;

- ▶ The name, address, and driver license number or other means of accurately identifying the person or business from whom such salvaged inflatable airbag was purchased;
- ▶ In the case of a new airbag, the name, address, and any other information necessary to accurately identify the supplier.

### **Penalties**

The bill creates a new, 3rd-degree felony penalty (punishable by up to 5-years in prison) for the knowing possession of a stolen airbag, and a new 1st-degree misdemeanor (punishable by up to 1-year in jail) for failure to provide or maintain proper records as required by the Act.

### **Auto Repair Shops**

The bill, also, requires all motor vehicle repair shops to supply the identity of the person or business which supplied any airbag they install. Any salvaged airbags, also, must include the vehicle identification number from which it was salvaged.

## **C. APPLICATION OF PRINCIPLES:**

### **1. Less Government:**

- a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The bill requires any person who offers to sell any salvaged airbag to submit the airbag part number to an appropriate law enforcement agency for a determination of whether the airbag is stolen as indicated via a national theft computer system. Specific requirements are placed on motor vehicle repair shops to supply the identity of the person or business which supplied any airbag they install. All salvaged airbags must include the vehicle identification number of the vehicle from which it was salvaged.

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

N/A

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Persons who buy and sell airbags will pass the increased administrative cost on to the consumer.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

The bill further regulates how air bags are to be bought and sold.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

The bill requires auto repair shops to implement and maintain new record-keeping procedures for the installation of airbags. Failure to maintain such records is a criminal offense -- a 1st-degree misdemeanor.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

No.

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

- (1) parents and guardians?

N/A

- (2) service providers?

N/A

- (3) government employees/agencies?

N/A

**D. STATUTE(S) AFFECTED:**

The bill creates a new statute.

**E. SECTION-BY-SECTION RESEARCH:**

Section 1: Creates the "Airbag Antitheft Act" and provides requirements for airbag dealers and auto repair shops; provides penalties for possession of a stolen airbag and failure to maintain records.

Section 2: Provides an effective date.

**III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:**

**A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:**

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

Law enforcement agencies may experience an increase in the number of computer checks on the N.C.I.C.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

The bill requires auto repair shops to implement additional record-keeping procedures. However, the bill requires auto repair shops to implement additional record-keeping procedures. The additional cost of implementing the new record-keeping requirements is indeterminate.

2. Direct Private Sector Benefits:

The number of airbag thefts may decrease.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

The Criminal Justice Estimating Conference has determined that the bill has no impact.



IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

Because the bill involves a criminal statute, it is exempt from this provision.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce anyone's revenue raising authority.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the state tax shared with counties and municipalities.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The bill passed favorably out of the Crime & Punishment Committee on February 17, 1998, with one amendment.

VII. SIGNATURES:

COMMITTEE ON CRIME AND PUNISHMENT:

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