First Regular Session Seventy-third General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction HOUSE BILL 21-1193

LLS NO. 21-0424.01 Yelana Love x2295

HOUSE SPONSORSHIP

Gray,

Priola,

SENATE SPONSORSHIP

House Committees Business Affairs & Labor **Senate Committees**

A BILL FOR AN ACT

101 CONCERNING CONSUMER PROTECTION FOR ACTS RELATED TO A

102 SUPPLEMENTAL RESTRAINT SYSTEM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <u>http://leg.colorado.gov.</u>)

The bill makes it a deceptive trade practice for a person to knowingly or intentionally manufacture, import, distribute, sell, offer for sale, install, or reinstall a device intended to replace a supplemental restraint system component if the device is:

- A counterfeit supplemental restraint system component;
- A nonfunctional airbag; or



• Any object in lieu of a supplemental restraint system component that was not designed in accordance with federal safety regulations for the make, model, and year of the vehicle in which it is or will be installed.

The bill also prohibits a motor vehicle repair facility or any employee or contract laborer of the facility from installing or reinstalling any device that causes the motor vehicle's diagnostic systems to fail to warn that the motor vehicle is equipped with a counterfeit supplemental restraint system component, the motor vehicle is equipped with a nonfunctional airbag, or no airbag is installed.

2 SECTION 1. In Colorado Revised Statutes, 6-1-710, amend (1);

- 3 and **add** (3) as follows:
- 4

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:

11 (a) A COUNTERFEIT SUPPLEMENTAL RESTRAINT SYSTEM 12 COMPONENT;

13 (b) A NONFUNCTIONAL AIRBAG; OR

(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.

- 18 (3) AS USED IN THIS SECTION:
- (a) "AIRBAG" MEANS A MOTOR VEHICLE INFLATABLE OCCUPANT
 RESTRAINT SYSTEM DEVICE THAT IS PART OF A SUPPLEMENTAL RESTRAINT

¹ Be it enacted by the General Assembly of the State of Colorado:

1 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.

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

10

(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;

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

20 (IV) IS PROHIBITED FROM BEING SOLD OR LEASED IN ACCORDANCE
21 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:

27 (I) EACH AIRBAG INSTALLED IN ACCORDANCE WITH THE MOTOR

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1 VEHICLE MANUFACTURER'S DESIGN; AND

2 (II) ALL COMPONENTS REQUIRED TO ENSURE THAT AN AIRBAG 3 OPERATES AS DESIGNED IN THE EVENT OF A CRASH AND IN ACCORDANCE 4 WITH THE FEDERAL MOTOR VEHICLE SAFETY STANDARDS FOR THE SPECIFIC 5 MAKE, MODEL, AND YEAR OF THE MOTOR VEHICLE. 6 **SECTION 2.** In Colorado Revised Statutes, 42-9-111, **amend** (1) 7 introductory portion and (1)(j); and **add** (2) as follows: 8 **42-9-111.** Prohibited acts - definitions. (1) No A motor vehicle 9 repair facility or any employee or contract laborer of such THE facility 10 shall NOT: 11 (j) (I) Install or reinstall, as part of a vehicle inflatable restraint 12 system, any object in lieu of an air bag that was designed in accordance 13 with federal safety regulations for the make, model, and year of the 14 vehicle DEVICE THAT CAUSES THE MOTOR VEHICLE'S DIAGNOSTIC SYSTEMS 15 TO FAIL TO WARN THAT: 16 (A) THE MOTOR VEHICLE IS EQUIPPED WITH A COUNTERFEIT 17 SUPPLEMENTAL RESTRAINT SYSTEM COMPONENT; 18 (B) THE MOTOR VEHICLE IS EQUIPPED WITH A NONFUNCTIONAL 19 AIRBAG; OR 20 (C) NO AIRBAG IS INSTALLED. 21 (II) FOR PURPOSES OF SUBSECTION (1)(j)(I) OF THIS SECTION, AN 22 INSTALLATION OR REINSTALLATION DOES NOT OCCUR UNTIL THE WORK IS 23 COMPLETED AND THE MOTOR VEHICLE IS RETURNED TO THE CUSTOMER, OR 24 TITLE IS TRANSFERRED. 25 (2) AS USED IN THIS SECTION: 26 (a) "AIRBAG" MEANS A MOTOR VEHICLE INFLATABLE OCCUPANT 27 RESTRAINT SYSTEM DEVICE THAT IS PART OF A SUPPLEMENTAL RESTRAINT

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1 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.

8 (c) "NONFUNCTIONAL AIRBAG" MEANS A REPLACEMENT AIRBAG
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(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
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17 RESTRAINT SYSTEM COMPONENT, INSTALLED IN A MOTOR VEHICLE TO
18 MISLEAD THE OWNER OR OPERATOR OF THE MOTOR VEHICLE INTO
19 BELIEVING THAT A FUNCTIONAL AIRBAG HAS BEEN INSTALLED; OR

20 (IV) IS PROHIBITED FROM BEING SOLD OR LEASED IN ACCORDANCE
21 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:

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1 VEHICLE MANUFACTURER'S DESIGN; AND

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

6 Act subject to petition - effective date -SECTION 3. 7 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following 8 the expiration of the ninety-day period after final adjournment of the 9 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 10 11 item, section, or part of this act within such period, then the act, item, 12 section, or part will not take effect unless approved by the people at the 13 general election to be held in November 2022 and, in such case, will take 14 effect on the date of the official declaration of the vote thereon by the 15 governor.

16 (2) This act applies to offenses committed on or after the17 applicable effective date of this act.