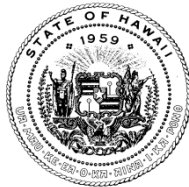


DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
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EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

June 29, 2020
2:00 P.M.
State Capitol, Room 325

LATE

S.B. 3158, S.D. 1
RELATING TO MOTOR VEHICLES.

House Committee Judiciary

The Department of Transportation **supports** S.B. 3158, S.D. 1 which prohibits a person from intentionally or knowingly manufacturing, importing, installing, reinstalling, distributing, selling, or offering for sale any counterfeit supplemental restraint system component, nonfunctional airbag, or airbag that does not meet federal safety requirements.

The purpose of the bill is to curtail the distribution of counterfeit airbags in Hawaii. Since air bags are an important safety device, vehicle owners who have them repaired expect the repair to be completed properly. This bill provides recourse for motor vehicle owners who have the misfortune of having an air bag replaced with a worthless counterfeit.

Thank you for the opportunity to provide testimony.

DEPARTMENT OF THE PROSECUTING ATTORNEY
CITY AND COUNTY OF HONOLULU

ALII PLACE
1060 RICHARDS STREET • HONOLULU, HAWAII 96813
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DWIGHT K. NADAMOTO
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LYNN B.K. COSTALES
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**THE HONORABLE CHRIS LEE, CHAIR
HOUSE COMMITTEE ON JUDICIARY
Thirtieth State Legislature
Regular Session of 2020
State of Hawai'i**

LATE

June 29, 2020

RE: S.B. 3158, S.D. 1; RELATING TO MOTOR VEHICLES.

Chair Lee, Vice Chair San Buenaventura, members of the House Committee on Judiciary, the Department of the Prosecuting Attorney of the City and County of Honolulu (“Department”) submits the following comments, **expressing concerns** regarding S.B. 3158, S.D. 1.

The purpose of this bill is to deter the distribution of counterfeit and non-federally approved airbags. While the Department strongly supports improving Hawaii’s safety regulations to ensure safety on our roadways, we have serious concerns about creating a new definition for the term “motor vehicle” (see page 5, line 18-20). Currently, the term “motor vehicle,” as it is used throughout Chapter 286 of the Hawaii Revised Statutes (“HRS”), is defined as “every vehicle which is self-propelled and every vehicle which is propelled by electric power but which is not operated upon rails, but excludes a moped.”

Because the new definition for “motor vehicle”—proposed in S.B. 3158, S.D. 1—is extremely different from the current definition, and the new definition would be contained within HRS Chapter 286, it is unclear whether this could affect the interpretation of other statutes that contain the term “motor vehicle” within Chapter 286. To our knowledge, this does not occur anywhere else in the HRS, possibly to avoid just this type of confusion. To ensure Chapter 286 does not contain multiple definitions for the exact same term, the Department respectfully requests that the Committee **replace the term “motor vehicle” with a different term, such as “airbag-required vehicle” or any other term not yet defined in Chapter 286.**

Based on the foregoing, the Department of the Prosecuting Attorney of the City and County of Honolulu **expresses concern** regarding the passage of S.B. 3158, S.D. 1. Thank you for the opportunity to testify on this matter



SanHi

GOVERNMENT STRATEGIES
A LIMITED LIABILITY LAW PARTNERSHIP

DATE: June 27, 2020

TO: Representative Chris Lee
Chair, Committee on Judiciary

FROM: Tiffany Yajima

RE: **S.B. 3158, S.D.1 – Relating Motor Vehicles**
Hearing Date: Monday, June 29, 2020 at 2:00p.m.
Conference Room: 325

LATE

Dear Chair Lee, Vice Chair San Buenaventura and Members of the Committee on Judiciary:

On behalf of the Alliance for Automotive Innovation we submit this testimony in **strong support** of S.B. 3158, S.D.1.

The Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. Members include motor vehicle manufacturers, original equipment suppliers, technology, and other automotive-related companies and trade associations.

This measure would prohibit a person from intentionally or knowingly manufacturing, importing, installing, reinstalling, distributing, selling, or offering for sale any counterfeit supplemental restraint system component, nonfunctional airbag, or airbag that does not meet federal safety requirements.

Airbags are one of the most important safety features of today's automobile. These devices have saved countless lives and reduced the severity of injury of those involved in automobile accidents an immeasurable number of times. Unfortunately, there has been a dramatic rise in the number of counterfeit or nonfunctional airbags in recent years. These products primarily originate overseas and are imported to the United States where they can be installed in the vehicles of unknowing consumers.

Counterfeit airbags present a serious public safety risk to consumers because they are known to malfunction by either failing to inflate or by inflating but expelling dangerous shrapnel. Regulation of counterfeit airbags will play an important role in maintaining the integrity of this life-saving device.

Current Hawaii law is silent on the topic of counterfeit airbags. This measure would bring Hawaii in line with at least 22 other states that have adopted similar legislation to address this critical consumer safety issue.

We note that this measure already has an effective date upon its approval and has no fiscal impact to the state. We respectfully ask the committee to move this measure forward. Thank you for the opportunity to submit testimony in strong support of this measure.

LATE

SB-3158-SD-1

Submitted on: 6/29/2020 3:31:43 AM

Testimony for JUD on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Craig Orlan	American Honda Motor Company	Support	No

Comments:

Members of the Committee,

Honda strongly supports SB 3158, and thanks you for considering this important consumer safety legislation. Twenty-three other states have enacted similar legislation with overwhelming bipartisan support and no public opposition. Honda respectfully asks that Hawaii join those states in protecting motorists from those looking to profit by jeopardizing public safety.

Thank you.

LATE

SB-3158-SD-1

Submitted on: 6/29/2020 5:25:29 AM

Testimony for JUD on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Caris	Automotive Anti-Counterfeiting Council, Inc.	Support	No

Comments:

LATE

June 28, 2020

Chair Chris Lee and Members of the Committee
Committee on Judiciary
Hawaii House of Representatives

RE: Support for Senate Bill 3158, SD1 – Counterfeit Airbags

Dear Chair Lee and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,300 property and casualty insurance companies including many who write business in Hawaii. Working hand-in-hand with our member companies and law enforcement, we investigate organized criminal conspiracies dealing with insurance fraud and vehicle crime.

Counterfeit airbags are a national and growing concern. The National Highway Traffic Safety Administration (NHTSA) states that counterfeit airbags have been shown to “consistently malfunction,” from non-deployment to the expulsion of metal shrapnel during deployment. John Morton, then-director of U.S. Immigration and Customs Enforcement warned: “These airbags don't work. They're not going to save you in an accident. They are a fraud and a danger from start to finish, and you don't want them in your car, period.”

How counterfeit airbags are procured varies, from consumer unwittingly purchasing them on eBay to unscrupulous body shops purposely installing counterfeit bags while billing consumers and insurers for genuine, original bags.

No matter how counterfeit airbags are obtained and installed in the vehicles of unsuspecting motorists, the results can be deadly. For this reason, the NICB urges your support for SB 3158, SD1.

Thank you for your review and consideration; if you have any questions or need additional information, please contact me at hhandler@nicb.org or 847-544-7083.

Sincerely,



Howard Handler
Director, Government Affairs