



NEW YORK STATE SENATOR

Lee M. Zeldin

Zeldin Bill to Protect Consumers Against Counterfeit Airbags Passes Senate and Assembly

LEE M. ZELDIN June 20, 2013

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ALBANY- Chairman of the Senate Consumer Protection Committee, Senator Lee M. Zeldin (R-C-I, Shirley), today announced that the State Senate has passed his legislation, the Counterfeit Airbag Prevention Act (S. 5037-B), to protect unsuspecting consumers from the installation of potentially fatal counterfeit airbags.

Since 2010, when U.S. customs intercepted over 300 counterfeit airbags manufactured at Guangzhou Global Auto parts, and bearing the logos of Honda, BMW, Lexus, and Audi, the US has become aware of a growing proliferation of counterfeit automobile parts.

According to an independent think tank, Frost and Sullivan, in 2011, automobile suppliers lost \$45 billion world-wide to counterfeiting. While most of the counterfeit parts can be traced to China, U.S. officials have identified several other Asian nations as the source of these parts. The one constant: uniformly, these airbags do not perform to the standard of the original manufacturer's replacement equipment.

Of particular concern to federal and state officials are the distribution and installation of counterfeit airbags. Airbag systems are highly-sophisticated mechanisms, intricately coordinated to provide a lifesaving function. Indeed, with so many components required to work in concert, manufacturers code each airbag mechanism in order to make certain that a replacement airbag will deploy to the exact same specifications as the original.

The National Highway Traffic Administration (NHTSA) has found that, while the counterfeit airbags are packaged to look like manufacturer's equipment, including the use of insignia and branding of the original manufacturer, NHTSA testing showed "consistent malfunctioning ranging from non-deployment of the air bag to the expulsion of metal shrapnel during deployment."

"Only 7/1000s of a second can mean the difference between life and death," said Senator Zeldin, Chair of the Senate Consumer Protection Committee. "We need to take proactive action to protect New York consumers and their most precious cargo—their families."

While Federal officials have ramped up their efforts to prevent counterfeit airbags from entering the United States, the practice has become so pervasive that counterfeit airbags can

be easily purchased wholesale, online through mainstream websites like Amazon and eBay.

“Any legitimate body or repair shop that accesses airbags through these sources clearly understands that this is not original factory equipment and is doing so with the intention to deceive the consumer. In the most abusive cases, dishonest shop owners will purchase these cheap airbags, but charge the customer or insurance company the full cost of a manufacturer's airbag, and pocket the difference. Such actions demonstrate blatant disregard for the safety of their customers,” concluded Senator Zeldin.

The Counterfeit Airbag Prevention Act makes it unlawful to knowingly traffic in or install a counterfeit or nonfunctional airbag and it provides the Attorney General with the necessary powers to address any large scheme to do so. Senator Zeldin's legislation proactively addresses the full scope of the problem and puts the safety of New York's consumers in the driver's seat.

This legislation was carried in the Assembly by Assemblyman Dinowitz (A6378-B), where it passed earlier today. The bill will be sent to the Governor for consideration.