STAND. COM. REP. NO.



Honolulu, Hawaii

FEB - 9 2010

RE: S.B. No. 2022 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2022 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLES,"

begs leave to report as follows:

The purpose of this measure is to establish standards and procedures for the use of salvaged airbags in motor vehicles and to establish penalties for violations of those procedures.

Your Committee received testimony in opposition to this measure from the Alliance of Automobile Manufacturers, the Automotive Recyclers Association, and the Hawaii Automobile Dealers Association. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure contains worthy consumer protection and vehicle safety provisions, however, the portions of the measure that allow for the use of salvaged airbags are contrary to the measure's purpose of promoting automotive safety. Your Committee finds that salvaged airbags are unable to meet critical standards of safety assurance since a salvage yard environment cannot ensure proper storage or handling conditions and since there is no certifiable evidence demonstrating that salvaged airbags will function properly at the time they are needed. Your Committee finds that since there is currently no means of determining why a salvaged airbag did not deploy in a crash situation, including because of manufacturer's defect, the



STAND. COM. REP. NO. Page 2



risks of using salvaged airbags is too great to allow the practice at this time.

Accordingly, your Committee has amended this measure by:

- (1)Deleting all provisions that permitted the installation of salvaged airbags in motor vehicles;
- (2)Deleting all provisions that imposed standards or created mandatory procedures for the installation of salvaged airbags;
- Permitting the installer of a new airbag to submit to (3) the vehicle owner a repair invoice that includes the parts number of the installed airbag as confirmation that the airbag installed in the vehicle is a new airbag;
- Inserting a new section to prohibit the installation or (3) reinstallation of a salvaged airbag as part of a vehicle inflatable occupant restraint system; and
- (4) Making technical, nonsubstantive changes for the purposes of clarity and accuracy in language.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2022, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2022, S.D. 1, and be referred to the Committee on Judiciary and Government Operations.

> Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,



The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral: Date:				>
GB 2022	CPN, JQO 02/05/10				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	1. 1. A.A.A.A.A.A.A.A.A.A.A.A.A.A.A.A.A.	\checkmark			
IGE, David Y. (VC)					
ESPERO, Will		\sim			
GREEN, M.D., Josh					
IHARA, Jr., Les		· .			\checkmark
SAKAMOTO, Norman		\checkmark			
HEMMINGS, Fred			· .	\checkmark	Row
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TOTAL		5	Ø	l l	
Recommendation:					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					
*Only <u>one</u> measure per Record of Votes					