



# Alaska State Legislature

## Senator Matt Claman

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### Senate Bill 17

#### Sponsor Statement — Version A

*“An Act establishing the crime of airbag fraud.”*

Senate Bill 17 establishes the crime of airbag fraud for knowingly selling, installing, or manufacturing a counterfeit or nonfunctioning airbag. Counterfeit airbags are highly dangerous as they can be left empty or filled with sawdust and newspaper and may improperly deploy or not deploy at all. Currently in Alaska, there is no law to prohibit the installation or reinstallation of airbags that do not meet federal safety standards. By establishing airbag fraud, Senate Bill 17 prohibits dangerous actors from knowingly selling, installing, or manufacturing these dangerous and improper devices.

Similar legislation already exists in over 30 states. For example, the Michigan Penal Code establishes airbag fraud as a felony punishable by four years of imprisonment or a fine of \$10,000.00. Senate Bill 17 establishes airbag fraud as a Class A misdemeanor or a Class C felony if death or serious injury to another person results.

Many counterfeit airbags are manufactured abroad and sold at a fraction of the cost of authentic ones. Establishing the crime of airbag fraud on a state level helps federal law enforcement and customs to stop these products at our borders.

Senate Bill 17 protects owners and employees of motor vehicle dealerships if they are unaware of counterfeit parts in a vehicle. It does not create a duty for owners and employees to inspect a vehicle for counterfeit parts before selling it. It does not inhibit the sale of vehicles for parts or salvage, or as a transfer to or from an insurance company to fulfil an insurance claim.