

## **BILL ANALYSIS**

C.S.H.B. 891  
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Transportation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Today, one in 25 previously damaged vehicles have a non-functioning dummy airbag fraudulently installed in the place of one that has been deployed or stolen. Dummy airbags are usually either old airbags refitted to look like new or the old airbag compartment is filled with rags, foam or other items and then the plastic cover is remolded over the compartment. Some unscrupulous body shops and auto dealers put in dummy airbags because replacing a real airbag can cost up to \$2,000.

CSHB 891 strengthens the law against installing a dummy airbag or knowingly selling a vehicle with dummy airbags. Currently, installing a dummy airbag is a Class A misdemeanor. CSHB 891 increases the penalty to a third degree felony for a second violation. It is also a second degree felony if someone is injured in an accident involving a dummy airbag. The substitute also applies these penalties to someone who sells a vehicle with a dummy airbag with the intent to defraud the buyer. Additionally, on a third offense within five years, or if a person is injured in an accident involving a dummy airbag, an auto dealer will have their license suspended for five years. The bill requires a seller to disclose to a buyer whether the airbag has been deployed, and if the airbag was deployed, whether it was replaced to manufacturer specifications and standards.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Requires a vehicle title to have checkboxes that indicates the airbag deployment history as required by Section 2 of the substitute bill.

SECTION 2. This bill requires the addition of airbag deployment history to a vehicle title so the seller must disclose whether or not an airbag deployed while owned by the seller and if the airbag was replaced properly.

SECTION 3. Enhances the penalty for installing a dummy airbag to a third degree felony if the person has been convicted of installing or selling a vehicle with the intent to defraud the buyer with a dummy airbag before. If someone is injured in an accident involving a motor vehicle with a dummy airbag, then the charge for installing or selling a vehicle with a dummy airbag is enhanced to a second degree felony.

SECTION 4. An automobile dealer's license will be suspended for five years if they are convicted of three violations within five years of installing or selling a dummy airbag or if someone is involved in an accident with a motor vehicle in which they installed or sold a vehicle with a dummy airbag.

SECTION 5. This bill only applies to offenses committed after the effective date of this bill.

SECTION 6. Effective Date is September 1, 2005

## **EFFECTIVE DATE**

September 1, 2005.

## **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute adds a new Section 1 that requires a vehicle title to have checkboxes that indicate the airbag deployment history as required by Section 2 of the substitute bill. There is no equivalent of the substitute's Section 1 in the original bill.

In Section 2 of the substitute, it modifies Section 1 of the original bill to require the addition of airbag deployment history to a vehicle title so the seller must disclose whether or not an airbag deployed while owned by the seller and if the airbag was replaced properly. In Section 1 of the original bill, the disclosure history required was a written statement.

In Section 3 of the substitute, the penalties in this section apply to someone who sells a vehicle with a dummy airbag with the intent to defraud a buyer in addition to someone who installs a dummy airbag. In the original Section 2, the penalties only applied to the installer of a dummy airbag.

In Section 3 of the original bill, an auto dealer would have their license suspended for five years for three offenses under Section 547.614, Transportation Code or if an offense under Section 547.614, Transportation Code results in an injury to an individual. In Section 4 of the substitute, the license will be suspended for three offenses over a five year period or if an offense results in an injury to an individual.