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SFA



BILL ANALYSIS

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House Bill 4076 (as reported without amendment)
Sponsor: Representative Terry London
House Committee: Transportation
Senate Committee: Transportation and Tourism

Date Completed: 4-28-97

RATIONALE

The Motor Vehicle Service and Repair Act requires motor vehicle repair facilities to maintain records of the purchase or sale of each major component part that a facility purchased or acquired. The record must include the date of purchase or acquisition of the part, a description of the part, the identification number assigned to the part, and the name and address of the person to or from whom the part was purchased, acquired, or sold. This record must be maintained in or attached to a police book, as described in the Michigan Vehicle Code. A facility's police book and the records of vehicle part sales, purchases, or acquisitions must be immediately available upon request for inspection by the Secretary of State, or his or her designee, and other law enforcement officials. The Act includes in the definition of "major component part" a number of pieces of equipment on a vehicle, such as an engine, the transmission, fenders, doors, and bumpers. Public Act 254 of 1988 revised the definition to make it consistent with the Federal use of the term, but the revision did not specify air bags. Since then, air bags have become widely available in today's passenger vehicles because, when used in conjunction with lap and shoulder safety belts, they can help reduce serious injuries or deaths by preventing a person from being projected into a hard object, such as a windshield or a steering column. Air bags reportedly are among the top items stolen from cars because they are highly valued. Some of the stolen air bags evidently are being sold to vehicle repair shops, where they are installed in other vehicles. Some people believe that air bags should be treated as other major component car parts and that motor vehicle repair facilities that repair or replace air bags should be required to maintain records on them as they do for other car parts.

CONTENT

The bill would amend the Motor Vehicle Service and Repair Act to require a facility that repaired or replaced air bags in a motor vehicle to maintain for at least five years a record of the purchase or sale of each used or reconditioned air bag purchased or acquired by the facility.

The record would have to contain the date of purchase or acquisition of each air bag, a description of each air bag, the identification number assigned to each air bag, and the name and address of the person to or from whom each air bag had been purchased, acquired, or sold. The record of the sale, purchase, or acquisition of each air bag would have to be maintained in or attached to a police book, as described in the Michigan Vehicle Code. The facility's police book and the record of air bag sales, purchases, or acquisitions would have to be made available immediately for inspection by the administrator (the Secretary of State or his or her designee) and other law enforcement officials after a request for inspection had been made.

Proposed MCL 257.1318a

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

When the Motor Vehicle Service and Repair Act was last amended in 1988, air bags were not widely available and, consequently, they were not addressed in the Act's revision. Today, they are considered to be a standard feature on many vehicles. Air bags are an expensive vehicle part and reportedly may cost from \$1,000 to \$5,000 to replace. Consequently, they are an attractive item to car thieves. If air bags were included in the Act's

regulations, vehicle repair facilities would have to keep track of the sale, purchase, or acquisition of each air bag in police books, as they are required to do for other vehicle parts. These facilities and their record books already are subject to occasional inspections by the Department of State. The incidence of air bag theft could be reduced since vehicle repair shops would have to create a "paper trail" for the acquisition and sale of this car part and would have to present this record for inspection. By reducing air bag theft, the bill could keep costs down for insurers and consumers.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The Department of State reports that there would be no new costs to the Department regarding administration of the Motor Vehicle Service and Repair Act.

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.