

**TITLE 16. BUREAU OF AUTOMOTIVE REPAIR**  
**DEPARTMENT OF CONSUMER AFFAIRS**  
**INITIAL STATEMENT OF REASONS**

**Hearing Date:** No hearing scheduled

**Subject Matter of Proposed Regulations:** Airbag Safety

**Sections Affected:** 3367 of Article 8 of Chapter 1 of Division 33 of Title 16 of the California Code of Regulations (CCR)

**Background and Statement of the Problem:**

The Department of Consumer Affairs (DCA), Bureau of Automotive Repair (Bureau or BAR) is the state agency charged with licensing automotive repair dealers (ARDs), Smog Check stations, STAR stations, brake and lamp stations, Vehicle Safety Systems Inspection Stations, and their respective inspectors, repair technicians, and adjusters. Pursuant to Article 1 of Chapter 20.3 of Division 3 of the Business and Professions Code (BPC) (commencing with section 9880), the Bureau regulates automotive repair and has the authority to adopt, amend, and repeal necessary rules and regulations.

The Bureau regulates approximately 35,000 ARDs in the State of California. The Bureau ensures persons operating as ARDs are registered with the Bureau and comply with laws and regulations established to protect consumers in repair transactions. The Bureau proposes amending existing regulations specific to airbag safety. These regulation changes are necessary to protect the public and ensure ARDs comply with consumer protection laws and regulations.

The Bureau proposes amending section 3367 of Chapter 1 of Division 33 of Title 16 of the CCR to expand airbag safety regulations to help protect California consumers by ensuring ARDs:

- Do not manufacture, import, install, reinstall, distribute, sell, or offer for sale any airbags that meet the criteria specified in the regulation section,
- Restore airbags to the original operating condition as designed by the original equipment manufacturer (OEM),
- Only purchase replacement airbag parts or components from the original manufacturer or an entity that meets the criteria specified in the regulation section, and
- Retain receipts for all parts received or purchased, and maintain the receipts in accordance with existing record-keeping requirements.

### **Anticipated benefits from this regulatory action:**

The Bureau has determined this regulatory proposal will have the following benefits to the health and welfare of California residents: by implementing these regulatory changes, the Bureau will expand airbag safety regulations to ensure ARDs are prohibited from manufacturing, importing, installing, reinstalling, distributing, selling, or offering for sale substandard/unsafe airbags, as specified. ARDs must restore airbags to the original operating condition as designed by the OEM, buy replacement airbag parts or components only from suppliers that meet specified criteria, and keep receipts for all parts in compliance with record-keeping requirements.

This regulatory proposal will establish engineering safety standards that will help to ensure substandard/unsafe airbags are not installed in California automobiles.

The regulations do not have an impact on worker safety or the state's environment because they set standards for airbags, as specified.

### **Specific purpose of, and rationale for, each adoption, amendment, or repeal:**

#### **1. Subdivision (a)**

The Bureau proposes changing "Automotive Repair Dealer" to lowercase "automotive repair dealer". This change is non-substantive because it is a capitalization change as part of an effort to "[revise] structure, syntax, cross-reference, grammar, or punctuation" within the meaning of Title 1, CCR section 100(a)(4). This is necessary for consistency throughout the Bureau's regulations. Inconsistent capitalization/lowercasing may result in misinterpretation and confusion.

The Bureau proposes adding "manufacture, import," removing "or" before "reinstall", and adding "or offer for sale" ahead of "any airbag which is".

Purpose: To add that an ARD shall not manufacture, import, or offer for sale to the list of things the ARD shall not do to an airbag under the circumstances listed below.

Necessity: This is necessary to ensure that in addition to installing, reinstalling, distributing, or selling, the ARD also shall not manufacture or import an airbag that has the traits on the list below. Additionally, adding "offer for sale" is necessary because "sell" means a sale happened, but adding to "offer for sale" means the ARD can't even offer to make a sale of an airbag that meets the criteria specified in the section, so the change will prohibit ARDs from offering substandard/unsafe airbags for sale.

The Bureau proposes moving "part of an inflatable restraint system".

Purpose: Rearranging the sentence to include new subdivisions.

Necessity: With the addition of the items listed in (a)(2)-(4), it is necessary to rearrange the sentence for clarity so that the reader understands that each subdivision applies to

“part of an inflatable restraint system”. This change is non-substantive, made for the purpose of “renumbering, reordering, or relocating a regulatory provision” within the meaning of Title 1, CCR section 100(a)(1).

The Bureau proposes making “have been previously deployed” subdivision (a)(1). This change is non-substantive because it is a structural change as part of an effort to “renumber[], reorder[], or relocate[e] a regulatory provision” within the meaning of Title 1, CCR section 100(a)(1) and “[revise] structure, syntax, cross-reference, grammar, or punctuation” within the meaning of Title 1, CCR section 100(a)(4).

## **2. Subdivision (a)(2)**

The Bureau proposes adding new subdivision (a)(2) to read “have an electrical fault”.

**Purpose:** To ensure an ARD does not manufacture, import, install, reinstall, distribute, sell, or offer for sale any airbag which is part of an inflatable restraint system that has an electrical fault.

**Necessity:** This addition is necessary to protect vehicle occupants and ensure compliance with safety standards. Under Vehicle Code (VEH) section 27317, a replacement airbag is considered nonfunctional if it has an electrical fault detected by the vehicle’s airbag diagnostic system. An airbag with an electrical fault may fail to deploy or deploy improperly during a collision, increasing the risk of injury or death to vehicle occupants. Prohibiting airbags with electrical faults helps ensure the reliability and effectiveness of inflatable restraint systems.

## **3. Subdivision (a)(3)**

The Bureau proposes adding new subdivision (a)(3) to read “include a component designed to mislead vehicle’s supplemental restraint system electronic control unit to incorrectly determine that a functional airbag has been installed, or”

**Purpose:** To ensure an ARD does not manufacture, import, install, reinstall, distribute, sell, or offer for sale any airbag which is part of an inflatable restraint system that includes a component designed to mislead a vehicle control unit to incorrectly determine that a functional airbag has been installed.

**Necessity:** This provision is necessary to protect public safety and prevent consumer deception. Components designed to falsely indicate the presence of a functional airbag may cause the supplemental restraint system electrical control unit to determine that a functional airbag is installed when, in fact, it is not. Such misleading components undermine the effectiveness of inflatable restraint systems and increase the risk of serious injury or death in the event of a collision. Prohibiting these practices helps ensure that all installed airbags are genuine, functional, and compliant with OEM safety standards.

#### **4. Subdivision (a)(4)**

The Bureau proposes adding new subdivision (a)(4) to read “display a mark identical or substantially similar to the genuine mark of a motor vehicle manufacturer, or of a supplier of parts to the manufacturer of a motor vehicle, without authorization from that manufacturer or supplier”.

**Purpose:** To ensure an ARD does not manufacture, import, install, reinstall, distribute, sell, or offer for sale any airbag which is part of an inflatable restraint system that displays a mark identical or substantially similar to the genuine mark of a motor vehicle manufacturer, or of a supplier of parts to the manufacturer of a motor vehicle, without authorization from that manufacturer or supplier.

**Necessity:** This provision is necessary to prevent the use and distribution of counterfeit or deceptively branded airbag components. Unauthorized marks that are identical or substantially similar to genuine manufacturer or supplier marks may mislead consumers and repair professionals into believing the airbag is authentic, approved, and compliant with OEM standards when it is not. Counterfeit or falsely branded airbags may fail to meet safety and performance requirements, increasing the risk of malfunction, injury, and/or death in a collision. Prohibiting unauthorized markings helps protect public safety and prevent consumer deception.

#### **5. Subdivision (b)**

The Bureau proposes adding new subdivision (b) to read “An automotive repair dealer shall replace an airbag that is part of an inflatable restraint system to its original operating condition as designed by the original equipment manufacturer and in accordance with the accepted trade standards for good and workmanlike repair in this Article. The replacement shall not contradict any position statement from the manufacturer of the vehicle for which the airbag is being replaced.”

**Purpose:** To ensure ARDs restore airbags to their original operating condition as designed by the OEM in accordance with accepted trade standards, and that the replacement does not contradict any position statement from the manufacturer.

**Necessity:** This requirement is necessary to ensure the proper performance and reliability of airbag systems following repair or replacement. Airbags that are not restored to the original operating condition as designed by the OEM may fail to deploy, deploy improperly, or otherwise malfunction during a collision, increasing the risk of injury or death to vehicle occupants. Requiring restoration to the OEM specifications promotes vehicle safety, ensures consistency with manufacturer safety standards, and helps prevent substandard/unsafe airbag repair practices.

Good and workmanlike repair means repairs are done to the standards expected of skilled professionals in repairing and/or replacing airbags. Replacing airbags in accordance with accepted trade standards for good and workmanlike repair is necessary to ensure airbags are properly replaced and therefore safe.

The replacement shall not contradict any position statement from the manufacturer of the vehicle for which the airbag is being replaced because if the OEM determines their airbag parts or components are not suitable for replacement, then the ARD should not use those parts. This is necessary to ensure that a replacement airbag contains parts and components approved by the OEM, to further ensure the safety of the airbag.

## **6. Subdivision (c)**

The Bureau proposes adding new subdivision (c) to read “An automotive repair dealer shall only purchase airbag replacement parts and components from the following:”

Purpose: To ensure ARDs purchase any replacement airbag part or component from the OEM or from suppliers or resellers that meet the specified criteria.

Necessity: This requirement is necessary to prevent the use of counterfeit, defective, or otherwise noncompliant airbag parts or components. Purchasing airbag components from the OEM or from suppliers or resellers that meet the specified criteria helps ensure the parts are genuine, meet OEM safety and performance standards, and are compatible with the vehicle’s inflatable restraint system. Limiting sourcing to authorized channels reduces the risk of airbag malfunction, protects vehicle occupants, and supports consumer confidence in automotive repair practices.

## **7. Subdivision (c)(1)**

The Bureau proposes adding new subdivision (c)(1) to read “The original equipment manufacturer of the vehicle;”

Purpose: Adding a permitted supplier that an ARD may purchase a replacement airbag part or component from.

Necessity: This is necessary to allow an ARD to purchase a replacement airbag part or component from the OEM because the OEM parts are genuine, meet safety and performance standards, and are compatible with the vehicle’s inflatable restraint system.

## **8. Subdivision (c)(2)**

The Bureau proposes adding new subdivision (c)(2) to read “A supplier or reseller authorized by the original equipment manufacturer to manufacture, assemble, provide for vehicle production, or sell new or replacement airbags, or”

Purpose: Adding a permitted supplier that an ARD may purchase a replacement airbag part or component from.

Necessity: This is necessary to allow an ARD to purchase a replacement airbag part or component from a supplier or reseller authorized by the OEM, because if the supplier or reseller is authorized by the OEM, the parts purchased from them meet safety and performance standards and are compatible with the vehicle's inflatable restraint system.

### **9. Subdivision (c)(3)**

The Bureau proposes adding new subdivision (c)(3) to read "An automotive dismantler licensed by the Department of Motor Vehicles, provided the ARD has verified."

Purpose: Adding a permitted supplier that an ARD may purchase a replacement airbag part or component from, contingent on the ARD verifying the information specified in the section.

Necessity: This is necessary to allow an ARD to purchase a replacement airbag part or component from an automotive dismantler licensed by the Department of Motor Vehicles provided the specified information is verified by the ARD.

### **10. Subdivision (c)(3)(A)**

The Bureau proposes adding new subdivision (c)(3)(A) to read "The replacement airbag parts or components are original equipment manufacturer parts or components,"

Purpose: Ensure that prior to purchasing an airbag part or component, an ARD verifies that the airbag parts or components are OEM parts or components.

Necessity: This is necessary to ensure that the parts and/or components are compatible and specifically designed for that exact vehicle's make and model, ensuring they fit and integrate correctly with sensors and control modules and that the entire airbag system works together as intended.

### **11. Subdivision (c)(3)(B)**

The Bureau proposes adding new subdivision (c)(3)(B) to read "None of the airbag parts or components experienced an airbag deployment,"

Purpose: Ensure that prior to purchasing an airbag part or component, an ARD verifies that the airbag part or component had not previously been deployed.

Necessity: This addition is necessary to protect vehicle occupants and ensure compliance with safety standards. Under Vehicle Code section 27317, a replacement airbag is considered nonfunctional if it has been previously deployed. Previously deployed airbag parts and components may fail to deploy or may deploy improperly during a collision, increasing the risk of injury or death to vehicle occupants. Prohibiting

the use of previously deployed airbag parts and components helps ensure the reliability and effectiveness of inflatable restraint systems.

### **12. Subdivision (c)(3)(C)**

The Bureau proposes adding new subdivision (c)(3)(C) to read “The assembly, including the inflator module, shows no indication of damage, previous deployment, or tampering, and”.

Purpose: Ensure that prior to purchasing an airbag part or component, an ARD verifies that the assembly, including the inflator module, shows no indication of damage, previous deployment, or tampering.

Necessity: This addition is necessary to protect vehicle occupants and ensure compliance with safety standards. An airbag part or component may be unsafe if the assembly shows indications of damage or tampering. A previously deployed, damaged, or tampered with airbag part or component may fail to deploy or may deploy improperly during a collision, increasing the risk of injury or death to vehicle occupants. Prohibiting the use of previously deployed, damaged, or tampered with airbag parts and components helps ensure the reliability, effectiveness, and safety of inflatable restraint systems.

### **13. Subdivision (c)(3)(D)**

The Bureau proposes adding new subdivision (c)(3)(D) to read “Any airbag-related recalls have been performed on the vehicle from which the replacement airbag parts or components are being removed.”

Purpose: Ensure that prior to purchasing an airbag part or component, an ARD verifies that any airbag-related recalls have been performed on the vehicle from which the used replacement airbag parts or components are being removed.

Necessity: This is necessary to protect vehicle occupants and ensure compliance with safety standards. If an airbag-related recall has not been performed on the vehicle, there is no way to confirm that the part or component is safe and meets OEM safety and performance standards.

### **14. Subdivision (c)(4)**

The Bureau proposes adding new subdivision (c)(4) to read “An automotive repair dealer shall not purchase a replacement airbag part or component if the airbag part or component is subject to a recall issued by the original equipment manufacturer or the National Highway Traffic Safety Administration.”

Purpose: Ensure that an ARD does not purchase an airbag part or component if it is subject to a recall issued by the original equipment manufacturer or the National Highway Traffic Safety Administration.

Necessity: This is necessary to ensure that an ARD does not purchase any airbag parts or components that are subject to a recall issued by the original equipment manufacturer or the National Highway Traffic Safety Administration. If an airbag part or component is subject to a recall, there is no way to confirm that the part or component is safe and meets performance standards. It is necessary to exclude any parts and components that are subject to a recall because if a part or component is recalled it may be defective in some way and could fail to deploy properly and/or cause harm.

### **15. Subdivision (d)**

The Bureau proposes adding new subdivision (d) to read “An automotive repair dealer shall retain receipts for all parts received or purchased, and the receipts shall be maintained in accordance with section 3358 of this Chapter.”

Purpose: To ensure ARDs retain receipts for all parts received or purchased, and maintain compliance with record-keeping requirements.

Necessity: This requirement is necessary to support regulatory oversight, accountability, and consumer protection. ARDs retaining receipts for all parts allows the Bureau to verify that airbag components were lawfully obtained from the OEM or from suppliers or resellers that meet the specified criteria, and that repairs comply with applicable safety and sourcing requirements. Proper record-keeping also assists in investigations, audits, and dispute resolution, helps deter the use of counterfeit or unauthorized parts, and promotes transparency and compliance.

### **16. Subdivision (e)**

The Bureau proposes re-lettering existing subdivision (b) to (e). This change is non-substantive, made for the purpose of “renumbering, reordering, or relocating a regulatory provision” within the meaning of Title 1, CCR section 100(a)(1).

#### **Underlying Data:**

None.

#### **Business Impact:**

BAR has made the initial determination that the proposed regulations will not have a significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states. This initial determination is based on the fact that this proposal will help prevent substandard/unsafe airbag repair practices.

This proposal will expand airbag safety regulations to ensure ARDs are prohibited from manufacturing, importing, installing, reinstalling, distributing, selling, or offering for sale airbags that meet the criteria specified in the regulation section. ARDs must restore airbags to the original operating condition as designed by the OEM, buy replacement

airbag parts or components only from suppliers that meet specified criteria, and keep receipts for all parts in compliance with record-keeping requirements.

It is difficult to estimate the total cost impact resulting from the proposed regulations because the number of future non-compliant airbags being manufactured, imported, installed, reinstalled, distributed, sold, or offered for sale is unknown.

Additionally, the number or percentage of non-compliant airbags already installed in the state's fleet is also unknown, plus the cost of an OEM airbag or the component parts of an airbag system varies by vehicle make and model. As a result, BAR does not have a total economic cost estimate at this time.

However, sales cost data indicates OEM airbags of various popular automobiles, including automobiles from Toyota, Honda, Ford, and Tesla, range from \$500 to \$1,000 per unit (not including installation). BAR notes non-compliant airbags from these brands can be purchased on the internet at up to 50 percent lower costs.

BAR also notes that a non-compliant airbag failing to deploy properly and/or causing harm or death has no intrinsic value, and could result in significant healthcare costs, as well as unmeasurable pain and suffering to Californians.

### **Economic Impact Assessment:**

The Bureau has determined that this regulatory proposal will not:

- (1) Create or eliminate jobs within California because the amendments will help prevent substandard/unsafe airbag repair practices;
- (2) Create new businesses or eliminate existing businesses within California because the amendments will help prevent substandard/unsafe airbag repair practices;
- (3) Expand businesses currently doing business in the State of California because the amendments will help prevent substandard/unsafe airbag repair practices; or
- (4) Affect the health of California residents, worker safety, or the state's environment because the amendments will help prevent substandard/unsafe airbag repair practices.

The regulatory amendments will expand airbag safety regulations to ensure ARDs are prohibited from manufacturing, importing, installing, reinstalling, distributing, selling, or offering for sale airbags that meet the criteria specified in the regulation section. ARDs must restore airbags to the original operating condition as designed by the OEM, buy replacement airbag parts or components only from suppliers that meet specified criteria, and keep receipts for all parts in compliance with record-keeping requirements.

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#### **Specific Technologies or Equipment:**

This regulation does not mandate the use of specific technologies but requires airbag systems to be in the original operating condition as designed by the OEM.

#### **Consideration of Alternatives:**

No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of the Bureau would be more effective in carrying out the purpose for which the regulation was proposed, as effective and less burdensome to affected private persons than the adopted regulation, or more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Set forth below is the alternative that was considered and the reason the alternative was rejected:

**Alternative 1:** The Bureau considered taking no action. However, with no action, the regulations would exclude these additional airbag safety requirements.

Description of reasonable alternatives to the regulation that would lessen any adverse impact on small business:

No such alternatives have been proposed, however, the Bureau welcomes comments from the public.