

## **BILL ANALYSIS**

Senate Research Center  
81R11515 JD-F

S.B. 2110  
By: West  
Transportation & Homeland Security  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

During recent automotive emissions enforcement efforts in north central Texas, evidence of pervasive fraud was discovered among inspection stations in the region. Based on a review of data collected by the North Central Texas Council of Governments and the Texas Commission on Environmental Quality, analysts estimate that 20 percent of all light duty cars and trucks in the region display improper, fraudulent, counterfeit, or fictitious inspection certificates.

In Dallas County alone, enforcement officials detected 22,618 Vehicle Identification Number mismatches with on board diagnostic systems. Twelve percent of all inspection stations in Dallas County were improperly conducting at least 10 percent of all emissions tests. The fee requirement for certification of inspectors and inspections stations is so nominal that they provide no meaningful deterrent effect. Additionally, even in the most egregious circumstances, the penalty for fraudulent activity is limited to a Class C misdemeanor.

As proposed, S.B. 2110 amends current law relating to the compulsory inspection of motor vehicles and provides penalties.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Commission on Environmental Quality is modified in SECTION 2 (Section 548.3065, Transportation Code) and SECTION 4 (Section 548.4045, Transportation Code) of this bill.

Rulemaking authority previously granted to the Department of Public Safety of the State of Texas is modified in SECTION 4 (Section 548.4045, Transportation Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends the heading to Section 548.3065, Transportation Code, to read as follows:

Sec. 548.3065. ADMINISTRATIVE AND CIVIL PENALTIES.

SECTION 2. Amends Section 548.3065, Transportation Code, by amending Subsection (c), and adding Subsections (c-1), (e), and (f), as follows:

(c) Provides that, for purposes of Subsection (a), rather than except as otherwise provided by this section, the procedures for determining and administering an administrative penalty against a person charged with violating this chapter are the same as those prescribed by Section 643.251 (Administrative Penalty) for determining and administering an administrative penalty against a motor carrier under that section. Deletes existing text referencing the procedures for determining and administering an administrative penalty under this section.

(c-1) Authorizes the Texas Commission on Environmental Quality (TCEQ) to impose an administrative penalty on a person in the amount of \$500 for each violation of this subchapter or a rule adopted by TCEQ under this subchapter.

(e) Provides that an inspection station that violates a provision of this chapter or a rule of the Department of Public Safety of the State of Texas (DPS) issued under this chapter is liable for a civil penalty of not less than \$250 or more than \$500 for each violation.

Authorizes the district or county attorney for the county in which the inspection station is located or the attorney general to bring suit in the name of this state to collect the penalty.

(f) Provides that an inspector who violates a provision of this chapter or a rule of DPS issued under this chapter is liable for a civil penalty of not less than \$250 or more than \$500 for each violation. Authorizes the district or county attorney for the county in which the inspection station that employs the inspector is located or the attorney general to bring suit in the name of this state to collect the penalty.

SECTION 3. Amends Sections 548.506 and 548.507, Transportation Code, as follows:

Sec. 548.506. FEE FOR CERTIFICATION AS INSPECTOR. Requires an applicant for certification as an inspector to submit with the applicant's first application a fee of \$250, rather than \$10, for certification until August 31 of the even-numbered year following the date of certification. Makes a conforming change.

Sec. 548.507. FEE FOR CERTIFICATION AS INSPECTION STATION. Requires an applicant, when the applicant for certification as an inspection station is notified that the applicant will be approved, to pay a fee of \$500, rather than \$30, for certification until August 31 of the odd-numbered year after the date of appointment. Makes a conforming change.

SECTION 4. Amends Subchapter G, Chapter 548, Transportation Code, by adding Section 548.4045, as follows:

Sec. 548.4045. BOND REQUIRED. (a) Requires that an application for certification as an inspection station or an inspector be accompanied by a surety bond in the amount of \$500, payable to this state and conditioned on the future compliance with this chapter and rules adopted by DPS or TCEQ under this chapter.

(b) Authorizes the attorney general or the district or county attorney for the county in which the inspection station is located or in which the inspection station that employs the inspector is located to bring suit in the name of this state to recover on the bond.

SECTION 5. Amends Section 548.601, Transportation Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Provides that, except as provided by Subsection (b-1) or as otherwise specified by this chapter, an offense under this section is a Class A misdemeanor. Makes a nonsubstantive change.

(b-1) Provides that an offense under Subsection (a)(1) (relating to it being a violation to issue an inspection certificate knowing it is a violation), (a)(5) (relating to it being a violation to knowingly issue an inspection certificate on a vehicle to which necessary repairs have not been made), or (a)(6) (relating to it being a violation to knowingly issue an inspection certificate on a vehicle without performing an inspection or omitting a missing required item to be inspected) is a Class A misdemeanor.

SECTION 6. (a) Makes application of Sections 548.3065 and 548.601, Transportation Code, prospective.

(b) Provides that the changes in law made by this Act in connection with an application for certification as a vehicle inspection station or a vehicle inspector apply only to an application for certification that is filed on or after the effective date of this Act. Provides that an application for certification as a vehicle inspection station or a vehicle inspector that is filed before the effective date of this Act is governed by the law in effect when the application was filed, and the former law is continued in effect for that purpose.

SECTION 7. Effective date: September 1, 2009.