

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1350
By: West
Transportation
4/25/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas has experienced significant problems related to fraudulent activities associated with vehicle inspections and the vehicle inspection certificate. Despite improvements in these areas in recent years, and increased law enforcement scrutiny, the problem persists. Currently, Texas issues a vehicle inspection certificate to automobile owners that is attached to the windshield of the vehicle in addition to the vehicle registration certificate. Technology now exists that will allow Texas to move from a physical vehicle inspection sticker.

Under C.S.S.B. 1350, verification of a valid vehicle inspection will be included in the information collected and maintained electronically for vehicle registration. This will not change the requirement for vehicles that are more than two years old to be inspected on an annual basis.

Moving to a single certificate system that combines vehicle inspection with the yearly vehicle registration cycle was recommended in a study conducted jointly by the Texas Department of Public Safety and the Texas Department of Motor Vehicles. The study reported that this system will help to eliminate fraud while also reducing costs to the state. Of the 30 states that require vehicle emissions testing, 27 utilize a single sticker registration and inspection system.

C.S.S.B. 1350 will also require annual emissions testing for diesel vehicles. Diesel emissions testing of some type is required in 23 states. Diesel engine vehicles are already equipped with on-board diagnostic systems similar to those on gasoline engine automobiles. Emissions testing for diesel vehicles will help Texas to comply with clean air standards.

C.S.S.B. 1350 amends current law relating to the motor vehicle inspection program, creates an offense, and changes the collection method for certain fees.

[**Note:** While the statutory reference in this bill is to Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality, as the successor agency to TNRCC.]

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Natural Resource Conservation Commission is modified in SECTION 5 (Section 382.202, Health and Safety Code) of this bill.

Rulemaking authority previously granted to the Department of Public Safety of the State of Texas (DPS) is modified in SECTION 7 (Section 382.205, Transportation Code), SECTION 21 (Section 548.101, Transportation Code), SECTION 23 (Section 548.104, Transportation Code), SECTION 28 (Section 548.253, Transportation Code), SECTION 31 (Section 548.258, Transportation Code), SECTION 35 (Section 548.401, Transportation Code), SECTION 36 (Section 548.407, Transportation Code), SECTION 37 (Section 548.501, Transportation Code), SECTION 39 (Section 548.503, Transportation Code), SECTION 41 (Section 548.505, Transportation Code), and SECTION 44 (Section 548.601, Transportation Code) of this bill.

Rulemaking authority is expressly granted to DPS in SECTION 11 (Section 502.0023, Transportation Code) and SECTION 27 (Section 548.252, Transportation Code) of this bill.

Rulemaking authority previously granted to DPS is rescinded in SECTION 27 (Section 548.252, Transportation Code) and SECTION 37 (Section 548.501, Transportation Code) of this bill.

Rulemaking authority is expressly granted to the Texas Department of Motor Vehicles, DPS, and the Texas Commission on Environmental Quality in SECTION 53 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article 45.003, Code of Criminal Procedure, to provide that for the purposes of dismissing a charge under Section 502.407 (Operation of Vehicle with Expired License Plate), Transportation Code, rather than Section 502.407 or 548.605 (Dismissal of Charge; Administrative Fee), Transportation Code, "day" does not include Saturday, Sunday, or a legal holiday.

SECTION 2. Amends Section 51.207(d), Education Code, to prohibit a public institution of higher education from issuing a permit to a student of the institution for driving or parking a motor vehicle on institutional property unless the institution provides written notice to the student that failure to register the vehicle in this state may violate state law if the owner of the vehicle resides in this state, rather than prohibits certain public institutions of higher education campus from issuing a permit to a student of the institution for driving or parking a motor vehicle on institutional property unless the institution provides written notice to the student that failure to register the vehicle in this state or to display a current and appropriate inspection certificate issued under Chapter 548 (Compulsory Inspection of Vehicles), Transportation Code, may violate state law if the owner of the vehicle resides in this state.

SECTION 3. Amends Section 103.0213, Government Code, to delete an administrative fee on remediation of charge of driving with an expired inspection certificate (Sec. 548.605, Transportation Code) not to exceed \$20 from certain fees and costs required to be paid by an accused or defendant or a party to a civil suit, as applicable, under the Transportation Code if ordered by the court or otherwise required, and to make nonsubstantive changes.

SECTION 4. Amends Section 382.0622(a), Health and Safety Code, to provide that Clean Air Act fees consist of certain fees, including \$2 of each fee collected for inspections of vehicles other than mopeds under Section 548.501, Transportation Code, rather than \$2 of each advance payment collected by the Department of Public Safety of Texas (DPS) for inspection certificates for vehicles other than mopeds under Section 548.501, Transportation Code.

SECTION 5. Amends Sections 382.202(d), (i), and (l), Health and Safety Code, as follows:

(d) Requires DPS, on adoption of a resolution by the Texas Natural Resource Conservation Commission (TNRCC) and after proper notice, to implement a system that requires, as a condition of obtaining a passing vehicle inspection report, rather than a safety inspection certificate, issued under Subchapter C (Periods of Inspection; Prerequisites to Issuance of Inspection Certificate), Chapter 548, Transportation Code, in a county that is included in a vehicle emissions inspection and maintenance program under Subchapter F (Motor Vehicle Emissions Inspection and Maintenance) of that chapter, that the vehicle, unless the vehicle is not covered by the system, be annually or biennially inspected under the vehicle emissions inspection and maintenance program as required by the state's air quality state implementation plan.

(i) Requires TNRCC to apply a vehicle emissions inspection and maintenance program to diesel vehicles for compliance with applicable federal emission standards, compliance with an opacity or other emissions-related standard established by TNRCC rule, or both, rather than requires TNRCC to examine the efficacy of annually inspecting diesel vehicles for compliance with applicable federal emission standards, compliance with an opacity or other emissions-related standard established by TNRCC rule, or both and to implement that inspection program if TNRCC determines the program would minimize emissions. Requires TNRCC to require annual inspections under this subsection. Authorizes TNRCC to use onboard diagnostic systems for inspections under this subsection.

(l) Provides that, except as provided by this subsection, a person who sells or transfers ownership of a motor vehicle for which a passing vehicle inspection report has been issued is not liable for the cost of emission control system repairs that are required for the vehicle subsequently to receive a passing report, rather than a person who sells or transfers ownership of a motor vehicle for which a vehicle emissions inspection certificate has been issued is not liable for the cost of emission control system repairs that are required for the vehicle subsequently to receive an emissions inspection certificate.

SECTION 6. Amends Section 382.203(b), Health and Safety Code, to provide that the vehicle emissions inspection and maintenance program, in addition to a vehicle described by Subsection (a) (relating to the provision that the inspection and maintenance program applies to any gasoline-powered vehicle that is meets certain requirements), applies to certain vehicles, including a diesel vehicle to which Section 382.202(i) applies, and to make nonsubstantive changes.

SECTION 7. Amends Section 382.205(d), Health and Safety Code, as follows:

(d) Requires DPS by rule to adopt:

(1) Makes no change to this subdivision; and

(2) procedures for issuing a vehicle inspection report following an emissions inspection and submitting information to the inspection database described by Section 548.251, Transportation Code, following an emissions inspection, rather than procedures for issuing or denying an emissions inspection certificate.

SECTION 8. Amends Sections 382.220(b) and (d), Health and Safety Code, as follows:

(b) Requires that a program under this section be implemented in consultation with TNRCC and authorizes it to include a program to develop and implement projects in consultation with the director of DPS for coordinating with local law enforcement officials to reduce the use of counterfeit registration insignia and vehicle inspection reports, rather than state inspection stickers, by providing local law enforcement officials with funds to identify vehicles with counterfeit registration insignia and vehicle inspection reports, rather than state inspection stickers, and to carry out appropriate actions. Makes nonsubstantive changes.

(d) Authorizes TNRCC to reduce the match requirement for a county that proposes to develop and implement independent test facility fraud detection programs, including the use of remote sensing technology for coordinating with law enforcement officials to detect, prevent, and prosecute the use of counterfeit registration insignia and vehicle inspection reports, rather than counterfeit state inspection stickers.

SECTION 9. Amends Sections 2308.253(d) and (e), Occupations Code, as follows:

(d) Prohibits a parking facility owner, except as provided by a contract described by Subsection (e), from having a vehicle removed from the parking facility merely because the vehicle does not display an unexpired license plate or registration insignia issued for the vehicle under Chapter 502 (Registration of Vehicles), Transportation Code, or the vehicle registration law of another state or country. Deletes existing text prohibiting a parking facility owner from having a vehicle removed because the vehicle does not display a valid vehicle inspection certificate issued under Chapter 548, Transportation Code, or the vehicle inspection law of another state or country. Makes nonsubstantive changes.

(e) Provides that a contract provision providing for the removal from a parking facility of a vehicle that does not display an unexpired license plate or registration insignia, rather than an unexpired license plate or registration insignia or a valid inspection certificate, is valid only if the provision requires the owner or operator of the vehicle to be given at

least 10 days' written notice that the vehicle will be towed from the facility at the vehicle owner's or operator's expense if it is not removed from the parking facility.

SECTION 10. Amends Section 501.030(a), Transportation Code, to require the county assessor-collector, before a motor vehicle that was last registered or titled in another state or country may be titled in this state, to verify that the vehicle has passed the inspections required by Chapter 548, as indicated in DPS's inspection database under Section 548.251, rather than requiring the applicant, before a motor vehicle that was last registered or titled in another state or country may be titled in this state, to furnish the county assessor-collector with a verification form under Section 548.256.

SECTION 11. Amends Section 502.0023, Transportation Code, by adding Subsection (j), as follows:

(j) Provides that a motor vehicle, semitrailer, or trailer registered under this section is subject to the inspection requirements of Chapter 548, as if the vehicle, semitrailer, or trailer were registered without extended registration. Requires the Texas Department of Motor Vehicles (TxDMV) and DPS to by rule establish a method to enforce the inspection requirements of Chapter 548 for motor vehicles, semitrailers, and trailers registered under this section.

SECTION 12. Amends Section 502.047, Transportation Code, as follows:

Sec. 502.047. New heading: REGISTRATION-BASED ENFORCEMENT OF MOTOR VEHICLE INSPECTION REQUIREMENTS. (a) Requires TxDMV and DPS to ensure compliance with the motor vehicle inspection requirements under Chapter 548, including compliance with the motor vehicle emissions inspection and maintenance program under Subchapter F of that chapter, through a vehicle registration-based enforcement system. Deletes existing text requiring DPS to ensure compliance with the motor vehicle emissions and inspection and maintenance program through a vehicle inspection sticker-based enforcement system except as provided by this section or Section 548.3011 (Emissions Test on Resale). Deletes existing text providing that Subsections (b)-(e) apply only if the United States Environmental Protection Agency determines that the state has not demonstrated, as required by 40 C.F.R. Section 51.361, that sticker-based enforcement of the program is more effective than registration-based enforcement and gives the Texas Commission on Environmental Quality (TCEQ) or the governor written notification that the reregistration-based enforcement of the program, as described by those subsections, will be required. Deletes existing text requiring DPS, if Subsections (b)-(e) are made applicable as provided by this subsection, to terminate reregistration-based enforcement of the program under those subsections on the date the United States Environmental Protection Agency gives TCEQ or a person TCEQ designates written notification that reregistration-based enforcement is not required for the state implementation plan.

(b) Prohibits a motor vehicle from being registered if TxDMV receives from TCEQ or DPS notification that the registered owner of the vehicle has not complied with Chapter 548, rather than Subchapter F, Chapter 548.

(c) Makes a conforming change.

(d) Requires TxDMV and DPS to enter into an agreement regarding the timely submission by DPS of inspection compliance information to TxDMV.

(d-1) Creates this subsection from existing text. Makes no further change to this subsection.

(e) Makes a conforming change.

SECTION 13. Amends Section 502.059(c), Transportation Code, to require that the registration insignia for validation of a license plate, except as provided by Subsection (f) (relating to the

requirement that the registration insignia be attached to the rear license plate of the vehicle, if the vehicle meets certain requirements) be attached to the inside of the vehicle's windshield if the vehicle has a windshield, in the lower left corner in a manner that will not obstruct the vision of the driver, rather than if the vehicle has a windshield, within six inches of the place where the motor vehicle inspection sticker is required to be placed.

SECTION 14. Amends the heading to Section 521.3465, Transportation Code, to read as follows:

Sec. 521.3465. AUTOMATIC SUSPENSION ON CONVICTION OF CERTAIN OFFENSES INVOLVING FICTITIOUS MOTOR VEHICLE LICENSE PLATES, REGISTRATION INSIGNIA, OR VEHICLE INSPECTION REPORTS.

SECTION 15. Amends Section 521.3465(a), Transportation Code, to provide that a license is automatically suspended on final conviction of the license holder of an offense under Section 502.475(a)(4) (relating to the provision that a person commits an offense if the person attaches to or displays on a motor vehicle a registration insignia that is fictitious), rather than under 502.409(a)(4) (relating to a fictitious motor vehicle registration insignia); or an offense under Section 548.603(a)(1) that involves a fictitious vehicle inspection report, rather than a fictitious safety inspection certificate.

SECTION 16. Amends Section 521.3466(a), Transportation Code, to provide that a license is automatically revoked on final conviction of license holder of an offense under Section 37.10 (Tampering with Governmental Record), Penal Code, if the governmental record was a motor vehicle license plate or registration insignia, within the meaning of Chapter 502, or a vehicle inspection report, rather than a safety inspection certificate, within the meaning of Chapter 548.

SECTION 17. Amends Section 548.001, Transportation Code, by adding Subdivision (10), to define "vehicle inspection report."

SECTION 18. Amends Section 548.004(c), Transportation Code, as follows:

(c) Authorizes the facility to inspect only a vehicle owned by the political subdivision or state agency. Deletes existing text prohibiting an officer, employee, or inspector of the subdivision or agency from placing an inspection certificate received from DPS under this section on a vehicle not owned by the subdivision or agency.

SECTION 19. Amends Section 548.053(a), Transportation Code, to prohibit an inspection station or inspector, if an inspection discloses the necessity for adjustment, correction, or repair, from issuing a passing vehicle inspection report, rather than issuing an inspection certificate, until the adjustment, correction, or repair is made.

SECTION 20. Amends the heading to Subchapter C, Chapter 548, Transportation Code, to read as follows:

SUBCHAPTER C. PERIODS OF INSPECTION; PREREQUISITES TO ISSUANCE OF PASSING VEHICLE INSPECTION REPORT

SECTION 21. Amends Section 548.101, Transportation Code, as follows:

Sec. 548.101. GENERAL ONE-YEAR INSPECTION PERIOD. Requires DPS to set the periods of inspection and authorizes DPS to make rules with respect to those periods. Requires that the rules provide that a vehicle owner is authorized to obtain an inspection not earlier than 90 days before the date of expiration of the vehicle's registration and not later than the date of expiration of the vehicle's registration.

SECTION 22. Amends Section 548.103, Transportation Code, to authorize DPS to extend the time within which the resident owner of a vehicle that is not in this state when an inspection is required to obtain a vehicle inspection report, rather than obtain an inspection certificate, in this state.

SECTION 23. Amends Section 548.104, Transportation Code, as follows:

Sec. 548.104. New heading: EQUIPMENT-RELATED PREREQUISITES TO ISSUANCE OF PASSING VEHICLE INSPECTION REPORT. (a) Makes no change to this subsection.

(b) Authorizes an inspection station or inspector to issue a passing vehicle inspection report, rather than an inspection certificate, only if the vehicle is inspected and found to be in proper and safe condition and to comply with this chapter and the rules adopted under this chapter.

(c) Authorizes an inspection station or inspector to inspect only the equipment required to be inspected by Section 548.051 and prohibits the station or inspector from requiring an applicant to have another part of the vehicle or other equipment inspected as a prerequisite for issuance of a passing vehicle inspection report, rather than of an inspection certificate.

(d) Prohibits an inspection station or inspector from issuing a passing vehicle inspection report, rather than issuing an inspection certificate, for a vehicle equipped with a sunscreening device prohibited by Section 547.613 (Restrictions on Windows), except that DPS by rule is required to provide procedures for issuance of a passing vehicle inspection report, rather than an inspection certificate, for a vehicle exempt under Section 547.613(c) (relating to requiring a manufacturer to certify that the sunscreening device complies with the light transmission and luminous reflectance specifications for sunscreening devices in combination with a window).

(e) Requires DPS to adopt rules relating to inspection of and issuance of a vehicle inspection report, rather than an inspection certificate, for a moped.

SECTION 24. Amends Section 548.105, Transportation Code, as follows:

Sec. 548.105. New heading: EVIDENCE OF FINANCIAL RESPONSIBILITY AS PREREQUISITE TO ISSUANCE OF PASSING VEHICLE INSPECTION REPORT.

(a) Changes references to an inspection certificate to a passing vehicle inspection report. Requires that a personal automobile insurance policy used as evidence of financial responsibility be written for a term of 30 days or more as required by Section 1952.054 (Required Disclosures Regarding Short-Term Policies), Insurance Code, rather than Article 5.06 (Policy Forms and Endorsements), Insurance Code.

(b) Makes a conforming change.

SECTION 25. Amends the heading to Subchapter E, Chapter 548, Transportation Code, to read as follows:

SUBCHAPTER E. ISSUANCE OF VEHICLE INSPECTION REPORTS; SUBMISSION OF INFORMATION TO DEPARTMENT DATABASE

SECTION 26. Amends Section 548.251, Transportation Code, as follows:

Sec. 548.251. DEPARTMENT TO MAINTAIN DATABASE. Requires DPS to maintain an electronic database to which inspection stations are authorized to electronically submit the information required by Section 548.253. Deletes existing text requiring DPS to provide serially numbered inspection certificates and verification forms to inspection stations. Deletes existing text authorizing DPS to issue a unique inspection certificate for a commercial motor vehicle inspected under Section 548.201 (Commercial Motor Vehicle Inspection Program) or a vehicle inspected under Subchapter F.

SECTION 27. Amends Section 548.252, Transportation Code, as follows:

Sec. 548.252. New heading: ISSUANCE OF VEHICLE INSPECTION REPORTS. (a) Requires DPS by rule to require an inspection station to issue a vehicle inspection report to the owner or operator of each vehicle inspected by the station and issue a passing vehicle inspection report to the owner or operator of each vehicle inspected by the station that passes the inspections required by this chapter.

(b) Authorizes DPS to adopt rules regarding the issuance of vehicle inspection reports, including rules providing for the format and safekeeping of the reports. Deletes existing text requiring an inspector or owner of an inspection station, on being licensed, to provide for inspection certificates and verification forms; safeguard the certificates and forms against theft, loss, or damage; control the sequence of issuance of the certificates and forms; and ensure that the certificates and forms are issued in accordance with DPS rules.

(c) Requires DPS to provide to inspection stations equipment and supplies necessary to comply with this section.

SECTION 28. Amends Section 548.253, Transportation Code, as follows:

Sec. 548.253. New heading: INFORMATION TO BE SUBMITTED ON COMPLETION OF INSPECTION. Requires an inspection station or inspector, on completion of an inspection, rather than on issuing an inspection certificate and verification form, to electronically submit to DPS's inspection database:

(1) the vehicle identification number of the inspected vehicle and an indication of whether the vehicle passed the inspections required by this chapter, rather than make a record and report as prescribed by DPS of the inspection and certificate issued; and

(2) any additional information required, rather than include in the inspection certificate and verification form the information required, by DPS for the type of vehicle inspected.

SECTION 29. Amends Section 548.254, Transportation Code, as follows:

Sec. 548.254. New heading: VALIDITY OF VEHICLE INSPECTION REPORT. Provides that a vehicle inspection report, rather than an inspection certificate, is invalid after the end of the 12th month following the month in which the report, rather than certificate, is issued. Deletes existing text prohibiting an unused inspection certificate representing a previous inspection period from being issued after the beginning of the next period.

SECTION 30. Amends Section 548.256, Transportation Code, as follows:

Sec. 548.256. New heading: PROOF OF INSPECTION REQUIRED TO REGISTER VEHICLE. Requires TxDMV or the county assessor-collector registering the vehicle, before a vehicle is authorized to be registered, to verify that the vehicle has passed the inspections required by this chapter, as indicated in DPS's inspection database. Authorizes the owner of the vehicle, if the database information is not available, to present a vehicle inspection report issued for the vehicle. Deletes existing text requiring the owner, before a vehicle that is brought into this state by a person other than a manufacturer or importer is authorized to be registered, to have the vehicle inspected and have the inspection station record the following information on a verification form prescribed and provided by DPS the vehicle identification number; the number appearing on the odometer of the vehicle at the time of the inspection, if the vehicle has an odometer; and other information DPS requires.

Deletes existing Subsection (b) prohibiting an inspection station from issuing the verification form unless the vehicle complies with the inspection requirements of this chapter.

SECTION 31. Amends Section 548.258(b), Transportation Code, to authorize DPS to adopt rules to require an inspection station to use the state electronic Internet portal to send to DPS a record, report, or other information required by DPS, rather than purchase inspection certificates.

SECTION 32. Amends Section 548.301(c), Transportation Code, to require a program established under this section to include registration and reregistration-based enforcement, rather than authorizing a program established under Subsection (b) (relating to the authorization of the Public Safety Commission by rule to establish a motor vehicle emissions inspection and maintenance program for vehicles specified by the conservation commission) or (b-1) (relating to the authorization of the Public Safety Commission by rule to establish a motor vehicle emissions inspection and maintenance program for specified vehicles) include reregistration-based enforcement.

SECTION 33. Amends Section 548.302, Transportation Code, as follows:

Sec. 548.302. COMMISSION TO ADOPT STANDARDS AND REQUIREMENTS.
Requires TNRCC to:

- (1) Makes no change to this subdivision; and
- (2) develop and impose requirements necessary to ensure that a passing vehicle inspection report, rather than an inspection certificate, is not issued to a vehicle subject to a program established under this subchapter and that information stating that a vehicle has passed an inspection is not submitted to the DPS database unless the vehicle has passed a motor vehicle emissions inspection at a facility authorized and certified by DPS.

SECTION 34. Amends Section 548.304, Transportation Code, as follows:

Sec. 548.304. STATIONS LICENSED TO CONDUCT EMISSIONS INSPECTIONS.
Deletes existing Subsection (a) designation. Makes no further change to the existing text of this subsection.

Deletes existing Subsection (b) requiring DPS to provide inspection certificates for distribution and issuance at inspection stations certified by DPS.

SECTION 35. Amends Section 548.401, Transportation Code, to authorize a person to perform an inspection, issue a vehicle inspection report, or submit inspection information to DPS's inspection database only if certified to do so by DPS under rules adopted by DPS, rather than perform an inspection or issue an inspection certificate only if certified to do so by DPS under rules adopted by DPS.

SECTION 36. Amends Section 548.407(d), Transportation Code, as follows:

(d) Provides that violations that present a threat to public health, safety, or welfare include:

- (1) issuing a passing vehicle inspection report or submitting inspection information to DPS's database, rather than an inspection certificate, with knowledge that the issuance or submission is in violation of this chapter or rules adopted under this chapter;
- (2) Makes no change to this subdivision;

(3) issuing a vehicle inspection report or submitting inspection information to DPS's database, rather than an inspection certificate, without authorization to issue the report or submit the information, rather than issue the certificate;

(4) issuing a passing vehicle inspection report or submitting inspection information to DPS's database, rather than an inspection certificate, for a vehicle with knowledge that the vehicle has not been repaired, adjusted, or corrected after an inspection has shown a repair, adjustment, or correction to be necessary;

(5) knowingly issuing a passing vehicle inspection report or submitting inspection information to the department's database, rather than issuing an inspection certificate; or

(6)-(10) Makes no change to these subdivisions.

SECTION 37. Amends Section 548.501, Transportation Code, as follows:

Sec. 548.501. INSPECTION FEES GENERALLY. (a) Deletes existing text providing that the fee for a verification form issued as required by Section 548.256 is \$1.

(b) Requires that \$5.50, out of each fee for an inspection, be remitted to the state under Section 548.509. Deletes existing text requiring an inspection station to pay to DPS \$5.50 of each fee for an inspection. Deletes existing text authorizing DPS to require the station to make an advance payment of \$5.50 for each inspection certificate provided to the station. Deletes existing text providing that, if advance payment is made, no further payment is authorized to be required on issuance of a certificate; the inspection station is authorized to waive the fee due from the owner of an inspected vehicle who is issued a certificate to which the advance payment applies; DPS is required to refund to the inspection station \$5.50 for each unissued certificate that the station returns to DPS in accordance with DPS rules; and the conservation commission is required to pay to DPS \$2 for each unissued certificate that the station returns to DPS.

SECTION 38. Amends Section 548.502, Transportation Code, to provide that a political subdivision or state agency for which DPS certifies an inspection station under Section 548.004, is required to pay to the state for each inspection under Section 548.509, rather than pay to DPS an advance payment of, \$5.50 for each inspection certificate provided to it, and may not be required to pay the remainder of the inspection fee, rather than the compulsory inspection fee.

SECTION 39. Amends Section 548.503, Transportation Code, as follows:

Sec. 548.503. INITIAL TWO-YEAR INSPECTION OF PASSENGER CAR OR LIGHT TRUCK. (a) Requires that a fee set by DPS under this subsection be based on the costs of providing inspections and administering the program, but prohibits the fee from being less than \$21.75, rather than be based on the costs of producing certificates providing inspections, and administering the program, but prohibits it from being less than \$21.75.

(b) Requires that \$14.75, out of each fee for an inspection under this section, be remitted to the state under Section 548.509. Deletes existing text requiring DPS to require an inspection station to make an advance payment of \$14.75 for a certificate to be issued under this section. Deletes existing text prohibiting additional payment from being required of the station for the certificate. Deletes existing text authorizing the inspection station to waive the fee due from the owner of the vehicle inspected. Deletes existing text requiring that a refund for an unissued certificate be made in the same manner as provided for other certificate refunds.

SECTION 40. Amends Section 548.504(b), Transportation Code, as follows:

(b) Requires \$10 out of each fee for inspection of a commercial motor vehicle to be remitted to DPS under Section 548.509. Deletes existing text requiring the inspection station to pay to DPS \$10 of each fee for inspection of a commercial motor vehicle. Deletes existing text authorizing DPS to require the station to make an advance payment of \$10 for a certificate to be issued under this section. Deletes existing text providing that, if advance payment is made, no additional payment is authorized to be required of the station for the certificate and a refund for an unissued certificate is required to be made in the same manner as provided for other certificate refunds.

SECTION 41. Amends Section 548.505(a), Transportation Code, to require that a fee imposed under this subsection be based on the costs of providing inspections and administering the program, rather than producing certificates, providing inspections, and administering the program.

SECTION 42. Amends Section 548.508, Transportation Code, to require that each fee remitted to the comptroller of public accounts of the State of Texas (comptroller), rather than collected by DPS, under this subchapter, except as provided by Sections 382.0622 (Clean Air Act Fees) and 382.202 (Vehicle Emissions Inspection and Maintenance Program), Health and Safety Code, and Section 548.5055 (Texas Emission Reduction Plan Fee), by deposited to the credit of the Texas mobility fund.

SECTION 43. Amends Subchapter H, Chapter 548, Transportation Code, by adding Section 548.509, as follows:

Sec. 548.509. COLLECTION OF FEE DURING REGISTRATION. Requires TxDMV or a county assessor-collector that registers a motor vehicle that is subject to an inspection fee under this chapter to collect at the time of registration of the motor vehicle the portion of the inspection fee that is required to be remitted to the state. Requires TxDMV or the county assessor-collector to remit the fee to the comptroller.

SECTION 44. Amends Section 548.601(a), Transportation Code, as follows:

(a) Provides that a person, including an inspector or an inspection station, commits an offense if the person:

(1) submits information to DPS's inspection database or issues a vehicle inspection report, rather than an inspection certificate, with knowledge that the submission or issuance is in violation of this chapter or rules adopted under this chapter;

(2)-(3) Makes no change to these subdivisions;

(4) submits information to DPS's inspection database or issues a vehicle inspection report, rather than an inspection certificate, without authorization to issue the report or submit the information, rather than certificate, or without inspecting the vehicle;

(5) submits information to DPS's database indicating that a vehicle has passed the applicable inspections or issues a passing vehicle inspection report, rather than an inspection certificate, for a vehicle with knowledge that the vehicle has not been repaired, adjusted, or corrected after an inspection has shown a repair, adjustment, or correction to be necessary;

(6) knowingly submits information to DPS's inspection database or issues a vehicle inspection report, rather than an inspection certificate, for certain vehicles; or

(7)-(9) Makes no change to these subdivisions.

SECTION 45. Amends Sections 548.603(a), (b), and (c), Transportation Code, as follows:

(a) Provides that a person commits an offense if the person:

(1) presents to an official of this state or a political subdivision of this state a vehicle inspection report or insurance document knowing that the report or document is counterfeit, tampered with, altered, fictitious, issued for another vehicle, or issued in violation of certain laws, rather than the person displays or causes or permits to be displayed an inspection certificate or insurance document knowing that the certificate or document is counterfeit, tampered with, altered, fictitious, issued for another vehicle, issued for a vehicle failing to meet all emissions inspection requirements, or issued in violation of certain laws, rather than displays or causes or permits to be displayed an inspection certificate or insurance document knowing that the certificate or document is counterfeit, tampered with, altered, fictitious, issued for another vehicle, issued for a vehicle failing to meet all emissions inspection requirements, or issued in violation of certain laws; and

(2)-(3) Redesignates existing Subdivisions (3)-(4) as Subdivisions (2)-(3) and makes no further change to these subdivisions.

Deletes existing Subsection (2) providing that a person commits an offense if the person transfers an inspection certificate from a windshield or location to another windshield or location. Deletes existing Subdivision (5) providing that a person commits an offense if the person displays on a vehicle an inspection certificate that was obtained knowing that the vehicle does not meet all emissions inspection requirements for the vehicle.

(b) Provides that a person commits an offense if the person makes or possesses, with the intent to sell, circulate, or pass, a counterfeit vehicle inspection report, rather than inspection certificate, or insurance document or possesses any part of a stamp, dye, plate, negative, machine, or other device that is used or designated for use in making a counterfeit vehicle inspection report, rather than inspection certificate, or insurance document.

(c) Provides that the owner of a vehicle commits an offense if the owner knowingly allows the vehicle to be registered using a vehicle inspection report in violation of Subsection (a), rather than registered or operated while the vehicle displays an inspection certificate in violation of Subsection (a).

SECTION 46. Amends Section 548.603(f), Transportation Code, as added by Chapter 851 (H.B. 1048), Acts of the 75th Legislature, Regular Session, 1997, to provide that, notwithstanding Subsection (c) (relating to the owner of a vehicle committing an offense if they knowingly allow the vehicle to be registered or operated while the vehicle displays an inspection certificate in violation of Subsection (a) (relating to a person committing an offense under certain conditions)), as offense under Subsection (a)(1) (relating to a person committing an offense if the person displays or causes or permits to be displayed an inspection certificate or document knowing that it is counterfeit or altered) that involves a fictitious vehicle inspection report, rather than a fictitious inspection certificate, is a Class B misdemeanor.

SECTION 47. Amends Section 548.6035(a), Transportation Code, to provide that a person commits an offense if, in connection with a required emissions inspection of a motor vehicle, the person knowingly submits information to DPS's inspection database stating that a vehicle has passed the applicable inspections or issues a passing vehicle inspection report, rather than places or causes to be placed on a motor vehicle an inspection certificate.

SECTION 48. Amends Section 623.011(d), Transportation Code, to require TxDMV, when TxDMV issues a permit under this section, to issue a sticker to be placed on the front windshield of the vehicle, rather than to issue a sticker to be placed on the front windshield of the vehicle above the inspection certificate issued to the vehicle.

SECTION 49. Amends Section 683.051, Transportation Code, as follows:

Sec. 683.051. APPLICATION FOR AUTHORIZATION TO DISPOSE OF CERTAIN MOTOR VEHICLES. Authorizes a person to apply to TxDMV for authority to dispose of, sell or give away certain vehicles, including to dispose of a motor vehicle to a motor vehicle demolisher for demolition, wrecking, or dismantling if the abandoned motor vehicle is in the possession of the person, is more than eight years old, either has no motor or is otherwise totally inoperable or does not comply with all applicable air pollution emissions control related requirements included in the vehicle emissions inspection and maintenance requirements contained in the Public Safety Commission's motor vehicle emissions inspection and maintenance program, rather than included in the vehicle inspection requirements under Chapter 548, as evidenced by a current inspection certificate affixed to the vehicle windshield, or the vehicle emissions inspection and maintenance requirements contained in the Public Safety Commission's motor vehicle emissions inspection and maintenance program, under Subchapter F, Chapter 548, or the state's air quality state implementation plan; and was authorized to be towed by a law enforcement agency. Makes nonsubstantive changes.

SECTION 50. Reenacts Section 683.071, Transportation Code, as amended by Chapters 720 (H.B. 787) and 753 (H.B. 1376), Acts of the 82nd Legislature, Regular Session, 2011, and amends it as follows:

Sec. 683.071. DEFINITION AND APPLICABILITY. (a) Makes no change to this subsection.

(b) Provides that this subchapter applies only to certain vehicles, including a motor vehicle that displays an expired license plate or does not display a license plate, rather than a motor vehicle that displays an expired license plate or invalid motor vehicle inspection certificate or does not display a license plate or motor vehicle inspection certificate.

SECTION 51. Repealer: Section 548.053(c) (relating to requiring the investigating officer to remove the inspection certificate from a vehicle windshield and give the operator of the vehicle a dated receipt, if the vehicle is damaged to the extent that it would require repair before passing inspection), Transportation Code;

Repealer: Section 548.255 (Attachment or Production of Inspection Certificate), Transportation Code;

Repealer: Section 548.257 (Lost, Stolen, or Destroyed Certificate), Transportation Code;

Repealer: Section 548.602 (Failure to Display Inspection Certificate), Transportation Code;

Repealer: Section 548.603(e)(2) (defining "inspection certificate"), Transportation Code;

Repealer: Section 548.603(f) (relating to authorizing certain entities to impound vehicles on which a vehicle emission inspection certificate is displayed in violation of certain statutes and is parked on public roadway), Transportation Code, as added by Chapter 1069 (S.B. 1856), Acts of the 75th Legislature, Regular Session, 1997.

Repealer: Section 548.605 (Dismissal of Charge; Administrative Fee), Transportation Code.

SECTION 52. Provides that Article 45.003 (Definition for Certain Prosecutions), Code of Criminal Procedure, Section 103.0213 (Additional Fees and Costs in Criminal or Civil Cases: Transportation Code), Government Code, and Sections 521.3465, 521.3466 (Automatic Revocation for Offense Involving Certain Fraudulent Governmental Records), 548.601 (Offense Generally), 548.603 (Fictitious or Counterfeit Inspection Certificate or Insurance Document), and 548.6035 (Fraudulent Emissions Inspection of Motor Vehicle), Transportation Code, as

amended by this Act, and the repeal by this Act of Sections 548.602 and 548.605, Transportation Code, apply only to an offense committed on or after January 1, 2015. Provides that an offense committed before January 1, 2015, is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. Provides that, for purposes of this section, an offense was committed before January 1, 2015, if any element of the offense occurred before that date.

SECTION 53. (a) Requires TxDMV, DPS, and TCEQ, not later than January 1, 2014, to adopt rules necessary to implement the changes in law made by this Act.

(b) Requires DPS, not later than January 1, 2014, to create the database described by Section 548.251, Transportation Code, as amended by this Act, and require inspection stations to submit to the database the information required by Section 548.253, Transportation Code, as amended by this Act.

SECTION 54. Provides that, to the extent of any conflict, this Act prevails over another Act of the 83rd Legislature, Regular Session, 2013, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 55. (a) Effective date, except as otherwise provided by Subsection (b) of this section: January 1, 2015.

(b) Effective date, Section 53 of this Act: September 1, 2013.