

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1588
By: Huffines et al.
Natural Resources & Economic Development
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Since 1951, Texans have spent their time and money complying with the state's vehicle safety inspection mandate. At the height of the safety inspection's popularity, in the mid 1970s, 31 states administrated such a program. By 2018, there will only be 15 states with passenger vehicle inspection programs. Since the federal government ended the program requirement in 1976, states have begun eliminating their antiquated programs because they have been unable to identify a correlation between the presence of state-mandated passenger vehicle safety inspection programs and any benefit to road safety. In fact, there are dozens of peer-reviewed studies demonstrating that vehicle safety inspections have no discernible impact on reducing accident injury or fatality rates.

In Texas, the mandate forces an average of 50,000 trips to inspection stations every day of the year and consumes more than nine million hours of time from those complying with the requirement, based on Texas Department of Public Safety data.

Ending the state-mandated inspection would return money and time to Texans without impacting the safety of Texas roads.

S.B. 1588 eliminates the annual safety inspection requirement for all vehicles not defined as commercial motor vehicles. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 1588 amends current law relating to the elimination of regular mandatory vehicle safety inspections and the imposition of replacement fees.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Department of Public Safety (DPS) is modified in SECTION 3 (Section 382.203, Health and Safety Code) and SECTION 20 (Section 548.505, Transportation Code) of this bill.

Rulemaking authority previously granted to DPS is rescinded in SECTION 23 (Sections 548.101, 548.104, and 548.503, Transportation Code) of this bill.

Rulemaking authority previously granted to the Public Safety Commission is rescinded in SECTION 23 (Section 548.203, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 382.0622(a), Health and Safety Code, to provide that Clean Air Act fees consist of, among certain other fees, each fee collected under Section 502.360, Transportation Code, which is added by this Act, rather than \$2 from the portion of each fee collected for inspections of vehicles other than mopeds and remitted to the state under Sections 548.501 (Inspection Fees Generally) and 548.503 (Initial Two-Year Inspection of Passenger Car or Light Truck), Transportation Code.

SECTION 2. Amends Section 382.202, Health and Safety Code, by amending Subsection (d) and adding Subsection (e-1), as follows:

(d) Requires the Texas Department of Public Safety (DPS), on adoption of a resolution by the Texas Commission on Environmental Quality (TCEQ) and after proper notice, to implement a system that requires, in a county that is included in a vehicle emissions inspection and maintenance program under Subchapter F (Motor Vehicle Emissions Inspection and Maintenance), Chapter 548, Transportation Code, that a motor vehicle registered in this state be annually or biennially inspected under a certain program, unless the vehicle is not covered by the system. Deletes existing text requiring DPS, on adoption of a resolution by TCEQ and after proper notice, to implement a system that requires, as a condition of obtaining a passing vehicle inspection report issued under Subchapter C (Periods of Inspection; Prerequisites to Issuance of Passing Vehicle Inspection Report), Chapter 548, Transportation Code, in a county that is included in a vehicle emissions inspection and maintenance program under Subchapter F of that chapter, that the vehicle be annually or biennially inspected under a certain program, unless the vehicle is not covered by the system.

(e-1) Requires the portion of a fee imposed under Subsection (e) (relating to authorizing TCEQ to assess fees of certain amounts for certain vehicle emissions-related inspections) that is not authorized to be retained by an inspection station to be collected as provided by Section 502.361, which is added by this Act.

SECTION 3. Amends Section 382.203(c), Health and Safety Code, to authorize DPS, by rule, to waive the inspection and maintenance program requirements, in accordance with standards adopted by TCEQ, for certain vehicles and vehicle owners, including a vehicle that DPS can verify is driven an average of fewer than 5,000 miles each year, rather than including a vehicle that DPS can verify was driven fewer than 5,000 miles since the last safety inspection and reasonably determines will be driven fewer than 5,000 miles during the period before the next safety inspection is required.

SECTION 4. Amends Section 386.251(c), Health and Safety Code, to provide that the Texas emissions reduction plan fund consists of the amount of money deposited to the credit of the fund under, among certain other sections of law, Sections 501.138 (Collection and Disposition of Fees) and 502.358 (Texas Emissions Reduction Plan Surcharge), Transportation Code, rather than Sections 501.138, 502.358, and 548.5055 (Texas Emission Reduction Plan Fee), Transportation Code.

SECTION 5. Amends Section 502.092(c), Transportation Code, to authorize a person to obtain a permit under this section (Nonresident-Owned Vehicles Used to Transport Farm Products) by, among certain other methods, furnishing evidence that the vehicle has been inspected if required under Chapter 548, rather than as required under Chapter 548.

SECTION 6. Amends Section 502.094(e), Transportation Code, to provide that a vehicle issued a permit under this section (72- or 144-Hour Permits) is subject to Chapter 548, rather than subject to Subchapters B (Vehicles and Equipment Subject to Inspection and Reinspection) and F, Chapter 548, unless the vehicle meets certain criteria.

SECTION 7. Amends Section 502.146(d), Transportation Code, to provide that a vehicle described by Subsection (b) (relating to providing that certain vehicles used temporarily on highways are not required to be registered) is exempt from the inspection requirements of Subchapter F, Chapter 548, rather than exempt from the inspection requirements of Subchapters B and F, Chapter 548.

SECTION 8. Amends Subchapter G, Chapter 502, Transportation Code, by adding Sections 502.360 and 502.361, as follows:

Sec. 502.360. INSPECTION PROGRAM REPLACEMENT FEES. (a) Requires the applicant, at the time of application for registration or renewal of registration of a motor vehicle and in addition to other fees imposed at the time of registration, to pay an annual fee of:

(1) \$9.75 for a noncommercial motor vehicle that:

(A) is sold in this state or purchased by a certain commercial fleet buyer for use in this state;

(B) has not been previously registered in this or another state; and

(C) on the date of sale is of the current or preceding model year;

(2) \$5.50 for a noncommercial motor vehicle that is not a vehicle described by Subdivision (1); and

(3) \$20 for a commercial motor vehicle.

(b) Requires the Texas Department of Motor Vehicles (TxDMV) or the county tax assessor-collector, as applicable, to remit the fee collected under Subsection (a) to the Texas comptroller of public accounts (comptroller) at the time and in the manner prescribed by the comptroller.

(c) Requires the comptroller to deposit fees received under Subsection (a)(1) to the credit of the Texas mobility fund (TMF).

(d) Requires the comptroller, out of fees received under Subsection (a)(2), to deposit:

(1) \$1.85 of each fee to the credit of the clean air account;

(2) 15 cents of each fee to the credit of the state highway fund to be used only by the Texas Department of Transportation for safety initiatives; and

(3) the remainder of each fee to the credit of the TMF.

(e) Requires the comptroller, out of fees received under Subsection (a)(3), to deposit \$10 of each fee to the credit of the TMF and \$10 of each fee to the credit of the Texas emissions reduction plan fund.

Sec. 502.361. COLLECTION OF EMISSIONS-RELATED INSPECTION FEE. Requires TxDMV or a county tax assessor-collector, as applicable, that registers a motor vehicle that is subject to an emissions-related inspection fee under Section 382.202 (Vehicle Emissions Inspection and Maintenance Program), Health and Safety Code, or Section 548.505 (Emissions-Related Inspection Fee) of this code to collect the fee at the time of registration of the motor vehicle. Requires TxDMV or the county tax assessor-collector to remit the fee to the comptroller at the time and in the manner prescribed by the comptroller.

SECTION 9. Amends Section 545.352(b), Transportation Code, as follows:

(b) Provides that, unless a special hazard exists that requires a slower speed for compliance with Section 545.351(b) (relating to speed requirements of motor vehicle operators), a speed of 60 miles per hour outside an urban district is lawful if the vehicle is a school bus that is on a highway numbered by the United States or this state, including a farm-to-market road, rather than a speed of 60 miles per hour outside an urban district is lawful if the vehicle is a school bus that has passed a commercial motor vehicle inspection under Section 548.201 (Commercial Motor Vehicle Inspection Program) and is on a highway numbered by the United States or this state, including a farm-to-market road. Provides that, unless a special hazard exists that requires a slower speed for compliance with Section 545.351(b), a speed of 50 miles per hour outside an urban district is lawful if the vehicle is a school bus that is traveling on a highway not numbered by the United States or this state, rather than a speed of 50 miles per hour outside an urban district is lawful if the vehicle is a school bus that has not passed a commercial

motor vehicle inspection under Section 548.201 or is traveling on a highway not numbered by the United States or this state. Makes nonsubstantive changes.

SECTION 10. Amends Section 547.601, Transportation Code, to require a motor vehicle, rather than a motor vehicle required by Chapter 548 to be inspected, to be equipped with front safety belts if safety belt anchorages were part of the manufacturer's original equipment on the vehicle.

SECTION 11. Amends the heading to Chapter 548, Transportation Code, to read as follows:

CHAPTER 548. INSPECTION OF VEHICLES

SECTION 12. Amends Section 548.001(10), Transportation Code, to redefine "vehicle inspection report."

SECTION 13. Amends Section 548.005, Transportation Code, as follows:

Sec. 548.005. New heading: **INSPECTION ONLY BY CERTAIN INSPECTION STATIONS.** Authorizes a compulsory inspection under this chapter to be made only by an inspection station, except that DPS is authorized to, among certain other actions, authorize the acceptance in this state of a certificate of inspection and approval issued by a certain inspector and issued to a commercial motor vehicle that is part of the fleet and registered in this state.

SECTION 14. Amends Section 548.006(b), Transportation Code, as follows:

(b) Requires the members of the Public Safety Commission (PSC) to appoint four persons to the advisory committee (committee) who represent inspection station owners and operators. Deletes existing text requiring PSC to appoint four persons to the committee who represent inspection station owners and operators, with two of those persons from counties conducting vehicle emissions testing under Subchapter F and two of those persons from counties conducting safety only inspections.

SECTION 15. Transfers Section 548.052, Transportation Code, to Subchapter K, Chapter 547, Transportation Code, redesignates it as Section 547.6011, Transportation Code, and amends it, as follows:

Sec. 547.6011. New heading: **VEHICLES NOT REQUIRED TO BE EQUIPPED WITH SAFETY BELTS.** Provides that Section 547.601, rather than this chapter, does not apply to certain equipment or vehicles.

SECTION 16. Transfers Section 548.053, Transportation Code, to Subchapter E, Chapter 548, Transportation Code, redesignates it as Section 548.255, Transportation Code, and amends it, as follows:

Sec. 548.255. **REINSPECTION OF VEHICLE REQUIRING ADJUSTMENT, CORRECTION, OR REPAIR.** Deletes existing designation of Subsection (a) and makes no further changes to this subsection. Deletes existing Subsection (b) requiring a vehicle that is inspected and is subsequently involved in an accident affecting the safe operation of an item of inspection to be reinspected following repair and requiring that reinspection be at an inspection station and to be treated and charged as an initial inspection.

SECTION 17. Transfers Section 548.105, Transportation Code, to Subchapter E, Chapter 548, Transportation Code, redesignates it as Section 548.2521, Transportation Code, and makes no further changes to this section.

SECTION 18. Amends Section 548.201, Transportation Code, as follows:

Sec. 548.201. **COMMERCIAL MOTOR VEHICLE INSPECTION PROGRAM.** Authorizes, rather than requires, PSC to establish an inspection program for commercial motor vehicles only if necessary to comply with the requirements of federal motor carrier

safety regulations, rather than to establish an inspection program for commercial motor vehicles that meets the requirements of federal motor carrier safety regulations and requires a commercial motor vehicle registered in this state to pass an annual inspection of all safety equipment required by these regulations. Deletes existing designation of Subsection (a) and makes nonsubstantive changes. Deletes existing Subsection (b) providing that a program under this section also applies to certain vehicles.

SECTION 19. Amends Subchapter E, Chapter 548, Transportation Code, by adding Section 548.257, as follows:

Sec. 548.257. TIMING OF INSPECTION FOR REGISTRATION-BASED ENFORCEMENT. Requires PSC to require a vehicle required to be inspected under this chapter to pass the required inspection not earlier than 90 days before the date of expiration of the vehicle's registration or, if the vehicle is a used motor vehicle sold by a dealer as defined by Section 503.001 (Definitions), in the 180 days preceding the date the dealer sells the vehicle.

SECTION 20. Amends Section 548.505, Transportation Code, as follows:

Sec. 548.505. EMISSIONS-RELATED INSPECTION FEE. (a) Authorizes DPS, by rule, to impose an inspection fee for a vehicle inspected under Section 548.301(a) (relating to requiring PSC to establish a certain emissions inspection and maintenance program) in addition to a fee adopted under Section 382.202, Health and Safety Code, rather than in addition to the fee provided by certain sections of this code.

(b) Requires that a fee described by Subsection (a) be collected as provided by Section 502.361. Deletes existing text authorizing DPS to provide a maximum fee for an inspection under this subchapter (Inspection and Certification Fees) and prohibiting DPS from setting a minimum fee for an inspection.

SECTION 21. Amends Section 548.603(a), Transportation Code, as follows:

(a) Deletes existing text providing that a person commits an offense if the person, with intent to circumvent the emissions inspection requirements, seeks an inspection of a vehicle at a station not certified to perform an emissions inspection if the person knows that the vehicle is required to be inspected under Section 548.301 (Commission to Establish Program). Redesignates existing Subdivision (3) as Subdivision (2). Makes a nonsubstantive change.

SECTION 22. Amends Section 548.604(a), Transportation Code, as follows:

(a) Deletes existing text providing that a person commits an offense if the person operates or moves a certain vehicle, or a combination of vehicles, that is in a mechanical condition that endangers a person, including the operator or an occupant, or property. Makes nonsubstantive changes.

SECTION 23. Repealer: the heading to Subchapter B (Vehicles and Equipment Subject to Inspection and Reinspection), Chapter 548, Transportation Code.

Repealer: Section 548.051 (Vehicles and Equipment Subject to Inspection), Transportation Code.

Repealer: the heading to Subchapter C (Periods of Inspection; Prerequisites to Issuance of Passing Vehicle Inspection Report), Chapter 548, Transportation Code.

Repealers: Sections 548.101 (General One-Year Inspection Period), 548.102 (Two-Year Initial Inspection Period for Passenger Car or Light Truck), 548.103 (Extended Inspection Period for Certain Vehicles), and 548.104 (Equipment-Related Prerequisites to Issuance of Passing Vehicle Inspection Report), Transportation Code.

Repealers: Sections 548.202 (General Applicability of Chapter to Commercial Motor Vehicles) and 548.203 (Exemptions), Transportation Code.

Repealers: Sections 548.301(d) (relating to authorizing a vehicle emissions inspection to be performed by a certain facility) and 548.3045(b) (relating to authorizing a certain decentralized facility to perform certain inspections), Transportation Code.

Repealers: Sections 548.501 (Inspection Fees Generally), 548.502 (Inspection by Political Subdivision or State Agency), 548.503 (Initial Two-Year Inspection of Passenger Car or Light Truck), 548.504 (Inspection of Commercial Motor Vehicle), 548.5055 (Texas Emission Reduction Plan Fee), 548.508 (Disposition of Fees), and 548.509 (Collection of Fee During Registration), Transportation Code.

SECTION 24. Requires DPS, not later than January 1, 2019, to submit to the lieutenant governor and the speaker of the house of representatives a report on changes in DPS's expenses and income that result from implementing the changes in law required by this Act, including the increase or decrease, if any, of the number of full-time equivalent employees needed to administer Chapters 547 and 548, Transportation Code, between September 1, 2017, and the date the report is prepared.

SECTION 25. Makes application of this Act prospective.

SECTION 26. Effective date: January 1, 2018.