

BILL ANALYSIS

Senate Research Center
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H.B. 3297
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties question whether vehicle safety inspection programs do enough to contribute to road safety to justify their existence. Vehicle inspections are costly, time-consuming, and often provide little benefit to public safety. The process requires Texans to take time off work or out of their busy schedules to have their vehicles inspected at a designated location. This can be especially difficult for those living in rural areas, where inspection stations may be few and far between. Many of the items checked during an inspection are not related to safety. For example, inspectors often check the tint on windows and the condition of license plates, which have no bearing on whether a vehicle is safe to drive. These inspections do little to improve road safety and serve only to generate revenue for the state. Furthermore, advances in vehicle technology have made inspections even more unnecessary. Modern vehicles are equipped with onboard diagnostic systems that constantly monitor their performance and can detect any potential issues. As a result, many of the issues that were previously caught during inspections can now be identified and addressed by the vehicle itself.

H.B. 3297 seeks to address this issue by eliminating regular mandatory vehicle safety inspections.

H.B. 3297 amends current law relating to the elimination of regular mandatory vehicle safety inspections for noncommercial vehicles and the imposition of replacement fees.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Department of Public Safety of the State of Texas is modified in SECTION 3 (Section 382.203, Health and Safety Code) and SECTION 18 (Section 548.505, Transportation Code) of this bill.

Rulemaking authority previously granted to the Texas Department of Motor Vehicles is modified in SECTION 5 (Section 502.0025, Transportation Code) of this bill.

Rulemaking authority previously granted to the Public Safety Commission is modified in SECTION 16 (Section 548.203, Transportation Code) of this bill.

Rulemaking authority previously granted to the Department of Public Safety of the State of Texas is rescinded in SECTION 26 (Sections 548.051, 458.101, 548.104, and 548.503, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 382.0622(a), Health and Safety Code, as follows:

(a) Provides that Clean Air Act fees consist of:

(1) makes no changes to this subdivision;

(2) each amount described by Sections 548.510(d)(3) and (e)(3), Transportation Code, 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; and

(3) makes no changes to this subdivision.

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

(d) Requires the Department of Public Safety of the State of Texas (DPS), on adoption of a resolution by 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, 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.

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 548, 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.

(e-1) Requires that the portion of a fee imposed under Subsection (e) (relating to authorizing TCEQ to assess fees for vehicle emissions-related inspections performed at inspection or reinspection facilities authorized and licensed by TCEQ in amounts reasonably necessary to recover certain costs) that is not authorized to be retained by an inspection station be collected as provided by Section 548.509 (Collection of Fee During Registration), Transportation Code.

SECTION 3. Amends Section 382.203(c), Health and Safety Code, to authorize DPS by rule to waive 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 less than 5,000 miles each year, rather than 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. Makes nonsubstantive changes.

SECTION 4. Amends Section 502.0024, Transportation Code, as follows:

Sec. 502.0024. New heading: EXTENDED REGISTRATION OF CERTAIN TRAILERS. (a) Requires the Texas Department of Motor Vehicles (TxDMV), notwithstanding Section 502.044(c) (relating to authorizing TxDMV to designate a registration period of less than 12 months to be computed at a rate of one-twelfth the annual registration fee multiplied by the number of months in the registration period), to develop and implement a system of registration to allow an owner of a trailer, semitrailer, or pole trailer having an actual gross weight or registered gross weight of 7,500 pounds or less, rather than allow an owner of a vehicle described by Section 548.052(3) (relating to a trailer, semitrailer, pole trailer, or mobile home having an actual gross weight or registered gross weight of 7,500 pounds or less) other than a mobile home, to register the vehicle for an extended registration period of not more than five years.

(b) Makes a conforming change to this subsection.

(c) Makes no changes to this subsection.

SECTION 5. Amends Sections 502.0025(d) and (e), Transportation Code, as follows:

(d) Provides that a motor vehicle, semitrailer, or trailer registered under Section 502.0025 (Extended Registration of Certain County Fleet Vehicles) is subject to any applicable inspection requirements, rather than the inspection requirements, of Chapter 548 as if the vehicle, semitrailer, or trailer were registered without an extended registration period.

(e) Makes a conforming change to this subsection.

SECTION 6. Amends Section 502.047(a), Transportation Code, to require TxDMV and DPS, except as provided by Chapter 548, to ensure compliance with motor vehicle inspection requirements under Chapter 548, rather than 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. Makes a nonsubstantive change.

SECTION 7. Amends Section 502.092(c), Transportation Code, to authorize a person to obtain a permit under Section 502.092 (Nonresident-Owned Vehicles Used to Transport Farm Products) by taking certain actions, including furnishing evidence that the vehicle has been inspected if required, rather than as required, under Chapter 548.

SECTION 8. Amends Section 502.094(e), Transportation Code, to provide that a vehicle issued a permit under Section 502.094 (72- or 144-Hour Permits) is subject to Chapter 548, rather than Subchapters B (Vehicles and Equipment Subject to Inspection and Reinspection) and F, Chapter 548, unless the vehicle meets certain criteria.

SECTION 9. Amends Section 502.146(d), Transportation Code, to provide that a vehicle described by Subsection (b) (relating to providing that an owner is not required to register a vehicle that is used only temporarily on the highways if the vehicle meets certain criteria) is exempt from the inspection requirements of Subchapter F, rather than Subchapters B and F, Chapter 548.

SECTION 10. Amends Section 547.601, Transportation Code, as follows:

Sec. 547.601. SAFETY BELTS REQUIRED. Requires that a motor vehicle, rather than a motor vehicle required by Chapter 548 to be inspected, be equipped with:

(1) creates this subdivision from existing text; or

(2) for a motor vehicle that is an assembled vehicle, as defined by Section 731.001 (Definitions), front safety belts in vehicles that contain safety belt anchorages.

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 548.006(b), Transportation Code, to require the members of the Public Safety Commission (commission) to appoint seven members of the committee including four persons to represent inspection station owners and operators, rather than four persons to 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 14. 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 Subsection (b) requiring that a vehicle that is inspected and is subsequently involved in an accident affecting the safe operation of an item of inspection be reinspected following repair. Deletes existing text requiring that the reinspection be at an inspection station and be treated and charged as an initial inspection. Makes a nonsubstantive change.

SECTION 15. 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.

SECTION 16. Amends Sections 548.203(a) and (b), Transportation Code, as follows:

(a) Authorizes the commission by rule to exempt a type of commercial motor vehicle from the application of Subchapter D (Inspection of Commercial Motor Vehicles) if the vehicle:

(1)-(2) makes no changes to these subdivisions; and

(3) complies with each applicable provision in Title 49, Code of Federal Regulations, rather than with Section 548.051 (Vehicles and Equipment Subject to Inspection) and each applicable provision in Title 49, Code of Federal Regulation.

(b) Provides that a commercial motor vehicle, rather than a commercial motor vehicle, notwithstanding Subchapter B, is not subject to the inspection requirements of this chapter if the vehicle meets certain criteria.

SECTION 17. 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 DPS to require a vehicle required to be inspected under this chapter to pass the required inspection:

(1) for initial registration, not earlier than 90 days before the date of registration;

(2) for a renewal of registration, not earlier than 90 days before the date of expiration of the vehicle's registration;

(3) 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; or

(4) if the vehicle is subject to the federal motor carrier safety regulations, in a period that complies with those regulations.

SECTION 18. Amends Section 548.505(a), Transportation Code, to authorize DPS by rule to impose an inspection fee for a vehicle inspected under Section 548.301(a) (relating to requiring the commission to establish a motor vehicle emissions inspection and maintenance program for vehicles as required by any law of the United States or the state's air quality state implementation plan) in addition to a fee adopted under Section 382.202 (Vehicle Emissions Inspection and Maintenance Program), Health and Safety Code, rather than in addition to the fee provided by Section 548.501, 548.502 (Inspection by Political Subdivision or State Agency), 548.503, or 548.504 (Inspection of Commercial Motor Vehicle).

SECTION 19. Amends Section 548.508, Transportation Code, as follows:

Sec. 548.508. DISPOSITION OF FEES. Requires that each fee remitted to the Comptroller of Public Accounts of the State of Texas (comptroller) under Subchapter H

(Inspection and Certification Fees), except as provided by certain sections, including Section 548.510 of this code, be deposited to the credit of the Texas mobility fund.

SECTION 20. Amends Section 548.509, Transportation Code, as follows:

Sec. 548.509. COLLECTION OF FEE DURING REGISTRATION. (a) Creates this subsection from existing text. Requires TxDMV or a county assessor-collector that registers a motor vehicle that is subject to an inspection fee under this chapter or Section 382.202, Health and Safety Code, or a replacement fee under Section 548.510 of this code 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.

(b) Creates this subsection from existing text.

SECTION 21. Amends Section 548.510, Transportation Code, as follows:

Sec. 548.510. New heading: INSPECTION PROGRAM REPLACEMENT FEE. (a) Requires an applicant, except as provided by Subsections (b) and (c), in addition to other fees imposed at the time of registration, at the time of application for initial registration or renewal of registration of a motor vehicle, trailer, semitrailer, pole trailer, or mobile home, to pay an annual fee of \$7.50. Deletes existing text providing that a vehicle described by Section 548.052(3) that has an actual gross weight or registered gross weight of more than 4,500 pounds is subject to a fee in the amount of \$7.50.

(b) Requires an applicant, instead of the fee provided by Subsection (a), to pay a one-time fee of \$16.75 if the application is for the initial registration of a passenger car or light truck that:

(1) is sold in this state or purchased by a commercial fleet buyer described by Section 501.0234(b)(4) for use in this state;

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

(3) on the date of sale is of the current model year or preceding model year.

Deletes existing text requiring TxDMV or a county assessor-collector that registers a vehicle described by Subsection (a) to collect at the time of registration of the vehicle the fee prescribed by Subsection (a). Deletes existing text requiring TxDMV or the county assessor-collector, as applicable, to remit the fee to the comptroller. Deletes existing text requiring that each fee remitted to the comptroller under this section be deposited as follows: \$3.50 to the credit of the Texas mobility fund, \$2 to the credit of the general revenue fund, and \$2 to the credit of the clean air account.

(c) Provides that an applicant who pays a fee under Subsection (b) for a registration year is not required to pay a fee under Subsection (a) for the next registration year for the same vehicle.

(d) Creates this subsection from existing text. Requires that each fee paid under Subsection (a) be deposited by the comptroller after receipt under Section 548.509 as follows:

(1) \$3.50 to the credit of the Texas mobility fund;

(2) \$2 to the credit of the general revenue fund; and

(3) \$2 to the credit of the clean air account.

(e) Requires that each fee paid under Subsection (b) be deposited by the comptroller after receipt under Section 548.509 as follows:

(1) \$12.75 to the credit of the Texas mobility fund;

(2) \$2 to the credit of the general revenue fund; and

(3) \$2 to the credit of the clean air account.

(f) Redesignates existing Subsection (c) as Subsection (f). Provides that a fee collected under this section, rather than Subsection (a), is not a motor vehicle registration fee and the revenue collected from the fee is not required to be used for a purpose specified by Section 7-a (Use of Revenues From Motor vehicle Registration Fees and Taxes on Motor Fuels and Lubricants), Article VIII (Taxation and Revenue), Texas Constitution.

SECTION 22. Amends Subchapter H, Chapter 548, Transportation Code, by adding Section 548.511, as follows:

Sec. 548.511. VEHICLES NOT SUBJECT TO INSPECTION PROGRAM REPLACEMENT FEE. Provides that Section 548.510 does not apply to certain vehicles.

SECTION 23. Amends Section 548.603(a), Transportation Code, to delete 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). Makes a nonsubstantive change.

SECTION 24. Amends Section 548.604(a), Transportation Code, to delete existing text providing that a person commits an offense if the person operates or moves a motor vehicle, trailer, semitrailer, pole trailer, or mobile home, or a combination of those vehicles, that is in a mechanical condition that endangers a person, including the operator or an occupant, or property. Makes nonsubstantive changes.

SECTION 25. Amends Section 731.101(a), Transportation Code, to require that an assembled vehicle, in addition to any inspection, rather than the inspection, required under Chapter 548, pass an inspection conducted by a master technician for the type of assembled vehicle being inspected.

SECTION 26. Repealer: the heading to Subchapter B (Vehicles and Equipment Subject to Inspection and Reinspection), Chapter 548, Transportation Code.

Repealers: Sections 548.051 (Vehicles and Equipment Subject to Inspection) and 548.052 (Vehicles Not 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) and 548.102 (Two-Year Initial Inspection Period for Passenger Car or Light Truck), Transportation Code.

Repealers: Sections 548.103 (Extended Inspection for Certain Vehicles) and 548.104 (Equipment-Related Prerequisites to Issuance of Passing Vehicle Inspection Report), Transportation Code.

Repealers: Sections 548.301(d) (relating to authorizing a vehicle emissions inspection to be performed by the same facility that performs a safety inspection if the facility meets certain criteria) and 548.3045(b) (relating to providing that a decentralized facility issued a certain certificate is authorized to perform certain inspections), Transportation Code.

Repealers: Sections 548.501 (Inspection Fees Generally) and 548.502 (Inspection by Political Subdivision or State Agency), Transportation Code.

Repealer: Section 548.503 (Initial Two-Year Inspection of Passenger Car or Light Truck), Transportation Code.

SECTION 27. Requires DPS, not later than January 1, 2025, to submit to the lieutenant governor and the speaker of the house of representatives a report on changes in DPS' 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 (Vehicle Equipment) and 548, Transportation Code, between September 1, 2023, and the date the report is prepared.

SECTION 28. Makes application of this Act prospective.

SECTION 29. Effective date: September 1, 2023.