

BILL ANALYSIS

C.S.H.B. 3457
By: Branch
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The unlawful distribution of vehicle inspection stickers by inspection stations or inspectors is a continuing issue for Texas. The North Texas Central Council of Governments has found that 91 percent of the inspection stations in the North Texas nonattainment area have performed at least one inspection where there was a vehicle identification number mismatch, potentially indicating fraudulent activity. Nearly 717,000 inspections of approximately 3.5 million performed annually were counterfeit, fictitious, or improperly conducted. As a result, thousands of cars on Texas roads could not only be unsafe but environmentally harmful, as well.

C.S.H.B. 3457 creates a civil penalty for an inspection station's or inspector's violation of provisions relating to the compulsory inspection of vehicles and makes certain offenses relating to the compulsory inspection a Class A misdemeanor. The bill authorizes the Texas Commission on Environmental Quality to impose the penalty on a person for each violation of the bill's provisions.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Commission on Environmental Quality and the Department of Public Safety in SECTIONS 2 and 3 of this bill.

ANALYSIS

C.S.H.B. 3457 amends the Transportation Code to authorize the Texas Commission on Environmental Quality (TCEQ) to impose an administrative penalty on a person in the amount of \$500 for each violation under provisions relating to motor vehicle emissions inspection and maintenance or a rule adopted by TCEQ under such provisions. The bill establishes that an inspection station or an inspector that violates a provision relating to the compulsory inspection of vehicles or a rule of the Department of Public Safety (DPS) issued under such provisions is liable for a civil penalty of not less than \$250 or more than \$500 for each violation. The bill authorizes the district or county attorney for the county in which the inspection station, or the inspection station that employs the inspector, is located or the attorney general to bring suit in the name of Texas to collect the penalty.

C.S.H.B. 3457 requires an application for certification as an inspection station or an inspector to be accompanied by a surety bond in the amount of \$500, payable to Texas and conditioned on the future compliance with provisions relating to the compulsory inspection of vehicles and rules adopted by DPS or TCEQ under such provisions. The bill 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 Texas to recover on the bond.

C.S.H.B. 3457 enhances the penalty from a Class C misdemeanor to a Class A misdemeanor for issuing an inspection certificate with knowledge that the issuance is in violation of established

laws or adopted rules; for issuing 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; and for knowingly issuing an inspection certificate for a vehicle without conducting an inspection of each item required to be inspected or for a vehicle that is missing an item required to be inspected or that has an item required to be inspected that is not in compliance with state law or DPS rules.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 3457 removes a provision in the original increasing from \$10 to \$250 the fee required to be submitted with the first application for certification as an inspector until August 31 of the even-numbered year following certification, and increasing from \$10 to \$250 the renewal fee for each subsequent two-year period. The substitute removes a provision in the original increasing from \$30 to \$500 the fee an applicant for certification as an inspection station is required to pay for certification until August 31 of the odd-numbered year after the date of appointment, and increasing from \$30 to \$500 the renewal fee for each subsequent two-year period.