## **BILL ANALYSIS**

Senate Research Center 81R16054 JD-D C.S.S.B. 368 By: Carona Transportation & Homeland Security 3/18/2009 Committee Report (Substituted)

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

Some Texas cities and counties have experienced problems with fraudulent or improper vehicle inspections. Vehicles that receive improper inspections from unscrupulous inspectors continue to travel Texas highways generating pollution and posing traffic safety threats. Currently, the Texas Department of Public Safety (DPS) is authorized to deny, revoke, suspend, place on probation, or reprimand the application for an inspection station or inspector's certificate if the certificate holder, the applicant, or the station owner has been convicted of a felony in this state or violates requirements for the vehicle inspection process as set by Chapter 548 (Compulsory Inspection of Vehicles), Transportation Code.

C.S.S.B. 368 amends Section 548.405 of the Transportation Code to require DPS to deny a person's application for an inspection station certificate or revoke an inspection station certificate if that person has been convicted of a felony in this state or another during the seven years proceeding the date the application was filed. C.S.S.B. 368 prohibits DPS from denying an application for or revoking an inspection station certificate if the applicant has been convicted of a felony unless the offense involved fraud, a deceptive trade practice, a misrepresentation, a deceptive business practice, extortion, bribery, a breach of fiduciary duty, counterfeiting, or the falsification of a government document.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 548.405, Transportation Code, by adding Subsections (a-1), (a-2), (a-3) and (a-4), and amending Subsection (b), as follows:

(a-1) Requires the Department of Public Safety (DPS) to deny a person's application for an inspection station certificate or revoke an inspection station certificate if the applicant, the certificate holder, or the owner of the inspection station has been convicted of a felony under the laws of this state, another state, or the United States during the seven years preceding the date the application was filed or the date the certificate is revoked.

(a-2) Requires DPS to deny a person's application for an inspector certificate or revoke an inspector certificate if the applicant or certificate holder has been convicted of a felony under the laws of this state, another state, or the United States, during the seven years preceding the date the application was filed or the date the certificate is revoked.

(a-3) Prohibits a felony conviction from being grounds for denial or revocation under Subsection (a-1) or (a-2) unless the offense involved fraud, a deceptive trade practice, a misrepresentation, a deceptive business practice, extortion, bribery, a breach of a fiduciary duty, counterfeiting, or the falsification of a government document.

(a-4) Requires the Dallas County Sheriff's Office, beginning September 1, 2009, to track and monitor the number of citations issued in this state to operators of motor vehicles on which a counterfeit or fraudulent inspection certificate is displayed. Requires the Dallas County Sheriff's Office, not later than July 1, 2015, to submit a report to DPS on the total number of such citations issued between September 1, 2009, and June 1, 2015. Requires

DPS, if DPS determines that the number of reported citations does not indicate a decrease in the frequency of fraudulent inspections, not later than July 1, 2015, to issue an order stating that determination. Provides that if DPS issues such an order, this subsection and Subsections (a), (a-1), (a-2), (a-3), and (b) expire September 1, 2015.

(b) Provides that for purposes of Subsections (a)(7) (relating to the denial, revocation, or suspension of a certificate if the inspector or owner of an inspection station is convicted of certain crimes or misdemeanors), (a-1), and (a-2), rather than Subsection (a)(7), a person is convicted of an offense if a court enters against the person an adjudication of the person's guilt, including an order of probation or deferred adjudication.

SECTION 2. Reenacts Section 548.405(b), Transportation Code, effective September 1, 2015, as follows:

(b) Provides that for purposes of Subsection (a)(7), a person is convicted of an offense if the court enters against the person an adjudication of the person's guilt, including an order of probation or deferred adjudication.

(b) Provides that Subsection (a) of this section takes effect only if DPS issues an order under Section 548.405(a-4), Transportation Code, as added by this Act. Provides that if DPS does not issue an order under Section 548.405(a-4), Transportation Code, as added by this Act, Subsection (a) of this section has no effect.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date, except as otherwise provided by this Act: September 1, 2009.