

By: Harper-Brown

H.B. No. 3296

A BILL TO BE ENTITLED

AN ACT

1
2 relating to transferring the motor vehicle inspection program from
3 the Texas Department of Public Safety to the Texas Department of
4 Motor Vehicles.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter G, Chapter 382, Health and Safety
7 Code Code, is amended by amending Section 382.201 to read as
8 follows:

9 Sec. 382.201. DEFINITIONS. In this subchapter:

10 (1) "Affected county" means a county with a motor
11 vehicle emissions inspection and maintenance program established
12 under Section 548.301, Transportation Code.

13 (2) "Commercial vehicle" means a vehicle that is owned
14 or leased in the regular course of business of a commercial or
15 business entity.

16 (3) "Department" means the Texas Department of Motor
17 Vehicles

18 ~~(4)(3)~~ "Fleet vehicle" means a motor vehicle
19 operated as one of a group that consists of more than 10 motor
20 vehicles and that is owned and operated by a public or commercial
21 entity or by a private entity other than a single household.

22 ~~(5)(4)~~ "Participating county" means an affected
23 county in which the commissioners court by resolution has chosen to
24 implement a low-income vehicle repair assistance, retrofit, and

1 accelerated vehicle retirement program authorized by Section
2 382.209.

3 (6)~~(5)~~ "Retrofit" means to equip, or the
4 equipping of, an engine or an exhaust or fuel system with new,
5 emissions-reducing parts or equipment designed to reduce air
6 emissions and improve air quality, after the manufacture of the
7 original engine or exhaust or fuel system, so long as the parts or
8 equipment allow the vehicle to meet or exceed state and federal air
9 emissions reduction standards.

10 (7)~~(6)~~ "Retrofit equipment" means
11 emissions-reducing equipment designed to reduce air emissions and
12 improve air quality that is installed after the manufacture of the
13 original engine or exhaust or fuel system.

14 (8)~~(7)~~ "Vehicle" includes a fleet vehicle.

15 SECTION 2. Section 382.202, Health and Safety Code Code, is
16 amended to read as follows:

17 Sec. 382.202. VEHICLE EMISSIONS INSPECTION AND MAINTENANCE
18 PROGRAM. (a) The commission by resolution may request the
19 department ~~Public Safety Commission~~ to establish a vehicle
20 emissions inspection and maintenance program under Subchapter F,
21 Chapter 548, Transportation Code, in accordance with this section
22 and rules adopted under this section. The commission by rule may
23 establish, implement, and administer a program requiring
24 emissions-related inspections of motor vehicles to be performed at
25 inspection facilities consistent with the requirements of the
26 federal Clean Air Act (42 U.S.C. Section 7401 et seq.) and its
27 subsequent amendments.

1 (b) The commission by rule may require emissions-related
2 inspection and maintenance of land vehicles, including testing
3 exhaust emissions, examining emission control devices and systems,
4 verifying compliance with applicable standards, and other
5 requirements as provided by federal law or regulation.

6 (c) If the program is established under this section, the
7 commission:

8 (1) shall adopt vehicle emissions inspection and
9 maintenance requirements for certain areas as required by federal
10 law or regulation; and

11 (2) shall adopt vehicle emissions inspection and
12 maintenance requirements for counties not subject to a specific
13 federal requirement in response to a formal request by resolutions
14 adopted by the county and the most populous municipality within the
15 county according to the most recent federal decennial census.

16 (d) On adoption of a resolution by the commission and after
17 proper notice, the department ~~Department of Public Safety of the~~
18 ~~State of Texas~~ shall implement a system that requires, as a
19 condition of obtaining an electronic inspection authorization ~~a~~
20 ~~safety inspection certificate~~ issued under Subchapter C, Chapter
21 548, Transportation Code, in a county that is included in a vehicle
22 emissions inspection and maintenance program under Subchapter F of
23 that chapter, that the vehicle, unless the vehicle is not covered by
24 the system, be annually ~~or biennially~~ inspected under the vehicle
25 emissions inspection and maintenance program as required by the
26 state's air quality state implementation plan. The department
27 ~~Department of Public Safety~~ shall implement such a system when it is

1 required by any provision of federal or state law, including any
2 provision of the state's air quality state implementation plan.

3 (e) The department and the commission, at the time of
4 vehicle registration or reregistration, ~~commission~~ may assess fees
5 for vehicle emissions-related inspections performed at inspection
6 or reinspection facilities authorized and licensed by the
7 department ~~commission~~ in amounts reasonably necessary to recover
8 the costs of developing, administering, evaluating, and enforcing
9 the vehicle emissions inspection and maintenance program. If the
10 program relies on privately operated or contractor-operated
11 inspection or reinspection stations, an appropriate portion of the
12 fee as determined by department ~~commission~~ rule may be retained by
13 the station owner, contractor, or operator to recover the cost of
14 performing the inspections and provide for a reasonable margin of
15 profit. Any portion of the fee collected by the commission is a
16 Clean Air Act fee under Section 382.0622.

17 (f) The department ~~commission~~:

18 (1) shall, no less frequently than biennially, review
19 the fee established under Subsection (e), ~~and~~

20 ~~(2) may use part of the fee collected under Subsection~~
21 ~~(e) to provide incentives, including financial incentives, for~~
22 ~~participation in the testing network to ensure availability of an~~
23 ~~adequate number of testing stations.~~

24 (g) The department ~~commission~~ shall:

25 (1) use part of the fee collected under Subsection (e)
26 to fund low-income vehicle repair assistance, retrofit, and
27 accelerated vehicle retirement programs created under Section

1 382.209; and

2 (2) to the extent practicable, distribute available
3 funding created under Subsection (e) to participating counties in
4 reasonable proportion to the amount of fees collected under
5 Subsection (e) in those counties or in the regions in which those
6 counties are located.

7 (h) Regardless of whether different tests are used for
8 different vehicles as determined under Section 382.205, the
9 department ~~commission~~ may:

10 (1) set fees assessed under Subsection (e) at the same
11 rate for each vehicle in a county or region; and

12 (2) set different fees for different counties or
13 regions.

14 (i) The commission shall examine the efficacy of annually
15 inspecting diesel vehicles for compliance with applicable federal
16 emission standards, compliance with an opacity or other
17 emissions-related standard established by commission rule, or both
18 and shall implement that inspection program if the commission
19 determines the program would minimize emissions. For purposes of
20 this subsection, a diesel engine not used in a vehicle registered
21 for use on public highways is not a diesel vehicle.

22 (j) The commission may not establish, before January 1,
23 2004, vehicle fuel content standards to provide for vehicle fuel
24 content for clean motor vehicle fuels for any area of the state that
25 are more stringent or restrictive than those standards promulgated
26 by the United States Environmental Protection Agency applicable to
27 that area except as provided in Subsection (o) unless the fuel is

1 specifically authorized by the legislature.

2 (k) The commission by rule may establish classes of vehicles
3 that are exempt from vehicle emissions inspections and by rule may
4 establish procedures to allow and review petitions for the
5 exemption of individual vehicles, according to criteria
6 established by commission rule. Rules adopted by the commission
7 under this subsection must be consistent with federal law. The
8 department ~~commission~~ by rule may establish fees to recover the
9 costs of administering this subsection. Fees collected under this
10 subsection shall be deposited to the credit of the clean air
11 account, an account in the general revenue fund, and may be used
12 only for the purposes of this section.

13 (l) Except as provided by this subsection, a person who
14 sells or transfers ownership of a motor vehicle for which an
15 electronic inspection authorization ~~a vehicle emissions inspection~~
16 ~~certificate~~ has been issued is not liable for the cost of emission
17 control system repairs that are required for the vehicle
18 subsequently to receive an electronic inspection authorization
19 ~~emissions inspection certificate~~. This subsection does not apply
20 to repairs that are required because emission control equipment or
21 devices on the vehicle were removed or tampered with before the sale
22 or transfer of the vehicle.

23 (m) The department ~~commission~~ may conduct audits to
24 determine compliance with this section.

25 (n) The department ~~commission~~ ~~may~~ suspend the emissions
26 inspection program as it applies to pre-1996 vehicles in an
27 affected county if:

1 (1) the department certifies that the number of
2 pre-1996 vehicles in the county subject to the program is 20 percent
3 or less of the number of those vehicles that were in the county on
4 September 1, 2001; and

5 (2) an alternative testing methodology that meets or
6 exceeds United States Environmental Protection Agency requirements
7 is available.

8 (o) The commission may not require the distribution of Texas
9 low-emission diesel as described in revisions to the State
10 Implementation Plan for the control of ozone air pollution prior to
11 February 1, 2005.

12 (p) The commission may consider, as an alternative method of
13 compliance with Subsection (o), fuels to achieve equivalent
14 emissions reductions.

15 (q) Repealed by Acts 2007, 80th Leg., R.S., Ch. 262, Sec.
16 1.10(2), eff. June 8, 2007.

17 (r) Repealed by Acts 2007, 80th Leg., R.S., Ch. 262, Sec.
18 1.10(2), eff. June 8, 2007.

19 SECTION 3. Section 382.203 (c), Health and Safety Code
20 Code, is amended to read as follows: (c) The department

21 ~~Department of Public Safety of the State of Texas~~ by rule may waive
22 program requirements, in accordance with standards adopted by the
23 commission, for certain vehicles and vehicle owners, including:

24 (1) the registered owner of a vehicle who cannot
25 afford to comply with the program, based on reasonable income
26 standards;

27 (2) a vehicle that cannot be brought into compliance

1 with emissions standards by performing repairs;

2 (3) a vehicle:

3 (A) on which at least \$100 has been spent to bring
4 the vehicle into compliance; and

5 (B) that the department:

6 (i) can verify was driven fewer than 5,000
7 miles since the last safety inspection; and

8 (ii) reasonably determines will be driven
9 fewer than 5,000 miles during the period before the next safety
10 inspection is required; and

11 (4) a vehicle for which parts are not readily
12 available.

13 SECTION 4. Section 382.204 (a), Health and Safety Code
14 Code, is amended to read as follows: (a) The commission and the
15 department ~~Department of Public Safety of the State of Texas~~
16 jointly shall develop a program component for enforcing vehicle
17 emissions testing and standards by use of remote or automatic
18 emissions detection and analysis equipment.

19 SECTION 5. Section 382.205, Health and Safety Code Code, is
20 amended to read as follows:

21 Sec. 382.205. INSPECTION EQUIPMENT AND PROCEDURES. (a)
22 The department ~~commission~~ by rule may adopt:

23 (1) standards and specifications for motor vehicle
24 emissions testing equipment;

25 (2) recordkeeping and reporting procedures; and

26 (3) measurable emissions standards a vehicle must meet
27 to pass the inspection.

1 (b) In adopting standards and specifications under
2 Subsection (a), the department ~~commission~~ may require different
3 types of tests for different vehicle models.

4 (c) ~~In consultation with the Department of Public Safety of~~
5 ~~the State of Texas, the commission~~ The department may contract with
6 one or more private entities to provide testing equipment,
7 training, and related services to inspection stations ~~in exchange~~
8 ~~for part of the testing fee~~. A contract under this subsection may
9 apply to one specified area of the state or to the entire state. The
10 department ~~commission~~ at least once during each year shall review
11 each contract entered into under this subsection to determine
12 whether the contracting entity is performing satisfactorily under
13 the terms of the contract. Immediately after completing the
14 review, the department ~~commission~~ shall prepare a report
15 summarizing the review and send a copy of the report to the speaker
16 of the house of representatives, the lieutenant governor, and the
17 governor.

18 (d) The department ~~Department of Public Safety of the State~~
19 ~~of Texas~~ by rule shall adopt:

20 (1) testing procedures in accordance with motor
21 vehicle emissions testing equipment specifications; and

22 (2) procedures for issuing or denying an electronic
23 inspection authorization ~~emissions inspection certificate~~.

24 (e) The commission and the department ~~Department of Public~~
25 ~~Safety of the State of Texas~~ by joint rule may adopt procedures to
26 encourage a stable private market for providing emissions testing
27 to the public in all areas of an affected county, including:

1 (1) allowing facilities to perform one or more types
2 of emissions tests; and

3 (2) any other measure the commission and the
4 department ~~Department of Public Safety~~ consider appropriate.

5 (f) Rules and procedures under this section must ensure that
6 approved repair facilities participating in a low-income vehicle
7 repair assistance, retrofit, and accelerated vehicle retirement
8 program established under Section 382.209 have access to adequate
9 testing equipment.

10 (g) Subject to Subsection (h), the commission and the
11 department ~~Department of Public Safety of the State of Texas~~ by rule
12 may allow alternative vehicle emissions testing if:

13 (1) the technology provides accurate and reliable
14 results;

15 (2) the technology is widely and readily available to
16 persons interested in performing alternative vehicle emissions
17 testing; and

18 (3) the use of alternative testing is not likely to
19 substantially affect federal approval of the state's air quality
20 state implementation plan.

21 (h) A rule adopted under Subsection (g) may not be more
22 restrictive than federal regulations governing vehicle emissions
23 testing.

24 SECTION 6. Section 382.206, Health and Safety Code Code, is
25 amended to read as follows: (a) The commission and the

26 ~~Department of Public Safety of the State of Texas~~ may collect
27 inspection and maintenance information derived from the emissions

1 inspection and maintenance program, including:

- 2 (1) inspection results;
- 3 (2) inspection station information;
- 4 (3) information regarding vehicles operated on
5 federal facilities;
- 6 (4) vehicle registration information; and
- 7 (5) other data the United States Environmental
8 Protection Agency requires.

9 (b) The department ~~commission~~ shall:

- 10 (1) report the information to the United States
11 Environmental Protection Agency; and
- 12 (2) compare the information on inspection results with
13 registration information for enforcement purposes.

14 SECTION 7. Section 382.207, Health and Safety Code Code, is
15 amended to read as follows:

16 Sec. 382.207. INSPECTION STATIONS; QUALITY CONTROL AUDITS.

17 (a) The Department ~~of Public Safety of the State of Texas~~ by rule
18 shall adopt standards and procedures for establishing vehicle
19 emissions inspection stations authorized and licensed by the state.

20 (b) A vehicle emissions inspection may be performed at a
21 decentralized independent inspection station ~~or at a centralized~~
22 ~~inspection facility operated or licensed by the state.~~ In
23 ~~developing the program for vehicle emissions inspections, the~~
24 ~~Department of Public Safety shall make all reasonable efforts to~~
25 ~~preserve the present decentralized system.~~

26 (c) The department, after ~~After~~ consultation with ~~the Texas~~
27 ~~Department of Transportation,~~ the commission shall require state

1 and local transportation planning entities designated by the
2 department ~~commission~~ to prepare long-term projections of the
3 combined impact of significant planned transportation system
4 changes on emissions and air quality. The projections shall be
5 prepared using air pollution estimation methodologies established
6 jointly by the commission and the Texas Department of Motor
7 Vehicles ~~Transportation~~. This subsection does not restrict the
8 Texas Department of Transportation's function as the
9 transportation planning body for the state or its role in
10 identifying and initiating specific transportation-related
11 projects in the state.

12 (d) The Department ~~of Public Safety~~ may authorize
13 enforcement personnel or other individuals to remove, disconnect,
14 adjust, or make inoperable vehicle emissions control equipment,
15 devices, or systems and to operate a vehicle in the tampered
16 condition in order to perform a quality control audit of an
17 inspection station or other quality control activities as necessary
18 to assess and ensure the effectiveness of the vehicle emissions
19 inspection and maintenance program.

20 (e) The Department ~~of Public Safety~~ shall develop a
21 challenge station program to provide for the reinspection of a
22 motor vehicle at the option of the owner of the vehicle to ensure
23 quality control of a vehicle emissions inspection and maintenance
24 system.

25 (f) The department ~~commission~~ may contract with one or more
26 private entities to operate a program established under this
27 section.

1 ~~(g) In addition to other procedures established by the~~
2 ~~commission, the commission shall establish procedures by which a~~
3 ~~private entity with whom the commission has entered into a contract~~
4 ~~to operate a program established under this section may agree to~~
5 ~~perform:~~

6 ~~(1) testing at a fleet facility or dealership using~~
7 ~~mobile test equipment;~~

8 ~~(2) testing at a fleet facility or dealership using~~
9 ~~test equipment owned by the fleet or dealership but calibrated and~~
10 ~~operated by the private entity's personnel; or~~

11 ~~(3) testing at a fleet facility or dealership using~~
12 ~~test equipment owned and operated by the private entity and~~
13 ~~installed at the fleet or dealership facility.~~

14 ~~(h) The fee for a test conducted as provided by Subsection~~
15 ~~(g) shall be set by the commission in an amount not to exceed twice~~
16 ~~the fee otherwise provided by law or by rule of the commission. An~~
17 ~~appropriate portion of the fee, as determined by the commission,~~
18 ~~may be remitted by the private entity to the fleet facility or~~
19 ~~dealership.~~

20 SECTION 8. Section 382.208 (a), Health and Safety Code
21 Code, is amended to read as follows: (a) Except as provided by
22 Section 382.202(j) or another provision of this chapter, the
23 commission and the department shall coordinate with federal, state,
24 and local transportation planning agencies to develop and implement
25 transportation programs and other measures necessary to
26 demonstrate and maintain attainment of national ambient air quality
27 standards and to protect the public from exposure to hazardous air

1 contaminants from motor vehicles.

2 SECTION 9. Sections 382.209 (a),(b),(d). (e), and(j),
3 Health and Safety Code Code, are amended to read as follows:

4 Sec. 382.209. LOW-INCOME VEHICLE REPAIR ASSISTANCE,
5 RETROFIT, AND ACCELERATED VEHICLE RETIREMENT PROGRAM. (a) The
6 commission and the Texas Department of Motor Vehicles Board by
7 joint rule shall establish and authorize the commissioners court of
8 a participating county to implement a low-income vehicle repair
9 assistance, retrofit, and accelerated vehicle retirement program
10 subject to agency oversight that may include reasonable periodic
11 department ~~commission~~ audits.

12 (b) The department ~~commission~~ shall provide funding for
13 local low-income vehicle repair assistance, retrofit, and
14 accelerated vehicle retirement programs with available funds
15 collected under Section 382.202, 382.302, or other designated and
16 available funds. The programs shall be administered in accordance
17 with Chapter 783, Government Code. Program costs may include call
18 center management, application oversight, invoice analysis,
19 education, outreach, and advertising. Not more than 10 percent of
20 the money provided to a local low-income vehicle repair assistance,
21 retrofit, and accelerated vehicle retirement program under this
22 section may be used for the administration of the programs,
23 including program costs.

24 (d) Subject to the availability of funds, a low-income
25 vehicle repair assistance, retrofit, and accelerated vehicle
26 retirement program established under this section shall provide
27 monetary or other compensatory assistance for:

1 (1) repairs directly related to bringing certain
2 vehicles that have failed a required emissions test into compliance
3 with emissions requirements;

4 (2) a replacement vehicle or replacement assistance
5 for a vehicle that has failed a required emissions test and for
6 which the cost of repairs needed to bring the vehicle into
7 compliance is uneconomical; and

8 (3) installing retrofit equipment on vehicles that
9 have failed a required emissions test, if practically and
10 economically feasible, in lieu of or in combination with repairs
11 performed under Subdivision (1). The commission and the Department
12 ~~of Public Safety of the State of Texas~~ shall establish standards and
13 specifications for retrofit equipment that may be used under this
14 section.

15 (e) A vehicle is not eligible to participate in a low-income
16 vehicle repair assistance, retrofit, and accelerated vehicle
17 retirement program established under this section unless:

18 (1) the vehicle is capable of being operated;

19 (2) the registration of the vehicle:

20 (A) is current; and

21 (B) reflects that the vehicle has been registered
22 in the county implementing the program for the 12 months preceding
23 the application for participation in the program;

24 (3) the commissioners court of the county
25 administering the program determines that the vehicle meets the
26 eligibility criteria adopted by the commission, and the Texas
27 Department of Motor Vehicles, ~~and the Public Safety Commission;~~

1 (4) if the vehicle is to be repaired, the repair is
2 done by a repair facility recognized by the Department ~~of Public~~
3 ~~Safety~~, which may be an independent or private entity licensed by
4 the state; and

5 (5) if the vehicle is to be retired under this
6 subsection and Section 382.213, the replacement vehicle is a
7 qualifying motor vehicle.

8 (j) The department ~~commission~~ may provide monetary or other
9 compensatory assistance under the low-income vehicle repair
10 assistance, retrofit, and accelerated vehicle retirement program
11 for a replacement vehicle or replacement assistance for a pre-1996
12 model year replacement vehicle that passes the required United
13 States Environmental Protection Agency Start-Up Acceleration
14 Simulation Mode Standards emissions test but that would have failed
15 the United States Environmental Protection Agency Final
16 Acceleration Simulation Mode Standards emissions test or failed to
17 meet some other criterion determined by the department or the
18 commission; provided, however, that a replacement vehicle under
19 this subsection must be a qualifying motor vehicle.

20 SECTION 10. Sections 382.210 (a), (c), and (e), Health and
21 Safety Code Code, are amended to read as follows: (a) The
22 department ~~commission~~ by rule shall adopt guidelines to assist a
23 participating county in implementing a low-income vehicle repair
24 assistance, retrofit, and accelerated vehicle retirement program
25 authorized under Section 382.209. The guidelines at a minimum
26 shall recommend:

27 (1) a minimum and maximum amount for repair

1 assistance;

2 (2) a minimum and maximum amount toward the purchase
3 price of a replacement vehicle qualified for the accelerated
4 retirement program, based on vehicle type and model year, with the
5 maximum amount not to exceed:

6 (A) \$3,000 for a replacement car of the current
7 model year or the previous three model years, except as provided by
8 Paragraph (C);

9 (B) \$3,000 for a replacement truck of the current
10 model year or the previous two model years, except as provided by
11 Paragraph (C); and

12 (C) \$3,500 for a replacement hybrid vehicle of
13 the current model year or the previous model year;

14 (3) criteria for determining eligibility, taking into
15 account:

16 (A) the vehicle owner's income, which may not
17 exceed 300 percent of the federal poverty level;

18 (B) the fair market value of the vehicle; and

19 (C) any other relevant considerations;

20 (4) safeguards for preventing fraud in the repair,
21 purchase, or sale of a vehicle in the program; and

22 (5) procedures for determining the degree and amount
23 of repair assistance a vehicle is allowed, based on:

24 (A) the amount of money the vehicle owner has
25 spent on repairs;

26 (B) the vehicle owner's income; and

27 (C) any other relevant factors.

1 (c) The department ~~commission~~ may adopt any revisions made
2 by the federal government to the emissions standards described by
3 Subsection (b)(1).

4 (e) In rules adopted under this section, the department
5 ~~commission~~ shall require a mandatory procedure that:

6 (1) produces a document confirming that a person is
7 eligible to purchase a replacement vehicle in the manner provided
8 by this chapter, and the amount of money available to the
9 participating purchaser;

10 (2) provides that a person who seeks to purchase a
11 replacement vehicle in the manner provided by this chapter is
12 required to have the document required by Subdivision (1) before
13 the person enters into negotiation for a replacement vehicle in the
14 manner provided by this chapter; and

15 (3) provides that a participating dealer who relies on
16 a document issued as required by Subdivision (1) has no duty to
17 otherwise confirm the eligibility of a person to purchase a
18 replacement vehicle in the manner provided by this chapter.

19 SECTION 11. Sections 382.213, (a) and (h), Health and
20 Safety Code Code, is amended to read as follows: (a) Except as
21 provided by Subsection (c) and Subdivision (5) of this subsection,
22 a vehicle retired under an accelerated vehicle retirement program
23 authorized by Section 382.209 may not be resold or reused in its
24 entirety in this or another state. Subject to the provisions of
25 Subsection (i), the automobile dealer who takes possession of the
26 vehicle must submit to the program administrator proof, in a manner
27 adopted by the department ~~commission~~, that the vehicle has been

1 retired. The vehicle must be:

2 (1) destroyed;

3 (2) recycled;

4 (3) dismantled and its parts sold as used parts or used
5 in the program;

6 (4) placed in a storage facility of a program
7 established under Section 382.209 and subsequently destroyed,
8 recycled, or dismantled and its parts sold or used in the program;
9 or

10 (5) repaired, brought into compliance, and used as a
11 replacement vehicle under Section 382.209(d)(2).

12 (h) For purposes of this section, the department ~~commission~~
13 shall adopt rules defining "emissions control equipment" and
14 "engine."

15 SECTION 12. Section 382.216, Health and Safety Code Code,
16 is amended to read as follows:

17 Sec. 382.216. INCENTIVES FOR VOLUNTARY PARTICIPATION IN
18 VEHICLE EMISSIONS INSPECTION AND MAINTENANCE PROGRAM. The
19 commission, and the ~~Texas~~ Department ~~of Transportation~~, and the
20 ~~Public Safety Commission~~ may, subject to federal limitations:

21 (1) encourage counties likely to exceed federal clean
22 air standards to implement voluntary:

23 (A) motor vehicle emissions inspection and
24 maintenance programs; and

25 (B) low-income vehicle repair assistance,
26 retrofit, and accelerated vehicle retirement programs;

27 (2) establish incentives for counties to voluntarily

1 implement motor vehicle emissions inspection and maintenance
2 programs and low-income vehicle repair assistance, retrofit, and
3 accelerated vehicle retirement programs; and

4 (3) designate a county that voluntarily implements a
5 motor vehicle emissions inspection and maintenance program or a
6 low-income vehicle repair assistance, retrofit, and accelerated
7 vehicle retirement program as a "Clean Air County" and give
8 preference to a county designated as a Clean Air County in any
9 federal or state clean air grant program.

10 SECTION 13. Section 382.220, (b) and (d) Health and Safety
11 Code, is amended to read as follows: (b) A program under this
12 section must be implemented in consultation with the department
13 ~~commission~~ and may include a program to:

14 (1) expand and enhance the AirCheck Texas Repair and
15 Replacement Assistance Program;

16 (2) develop and implement programs or systems that
17 remotely determine vehicle emissions and notify the vehicle's
18 operator;

19 (3) develop and implement projects to implement the
20 commission's smoking vehicle program;

21 (4) develop and implement projects for coordinating
22 with local law enforcement officials to reduce the number of
23 illegally inspected vehicles ~~use of counterfeit state inspection~~
24 ~~stickers by providing local law enforcement officials with funds to~~
25 ~~identify vehicles with counterfeit state inspection stickers~~ and to
26 carry out appropriate actions;

27 (5) develop and implement programs to enhance

1 transportation system improvements; or

2 (6) develop and implement new air control strategies
3 designed to assist local areas in complying with state and federal
4 air quality rules and regulations.

5 (d) Fees collected under Sections 382.202 and 382.302 may be
6 used, in an amount not to exceed \$5 million per fiscal year, for
7 projects described by Subsection (b). The fees shall be made
8 available only to counties participating in the low-income vehicle
9 repair assistance, retrofit, and accelerated vehicle retirement
10 programs created under Section 382.209 and only on a matching
11 basis, whereby the department ~~commission~~ provides money to a county
12 in the same amount that the county dedicates to a project authorized
13 by Subsection (b). The department ~~commission~~ may reduce the match
14 requirement for a county that proposes to develop and implement
15 independent test facility fraud detection programs, including the
16 use of remote sensing technology for coordinating with law
17 enforcement officials to detect, prevent, and prosecute the illegal
18 inspection of motor vehicles ~~use of counterfeit state inspection~~
19 ~~stickers.~~

20 SECTION 14. Subchapter H, Chapter 382, Health and Safety
21 Code Code, is amended by amending Section 382.302 (b) and (c) to
22 read as follows: (b) After approving a request made under
23 Subsection (a), the commission by resolution may request the Texas
24 Department of Motor Vehicles Board ~~Public Safety Commission~~ to
25 establish motor vehicle emissions inspection and maintenance
26 program requirements for the participating county under Subchapter
27 F, Chapter 548, Transportation Code, in accordance with this

1 section and rules adopted under this section. The motor vehicle
2 emissions inspection and maintenance program requirements for the
3 participating county may include exhaust emissions testing,
4 emissions control devices and systems inspections, or other testing
5 methods that meet or exceed United States Environmental Protection
6 Agency requirements, and a remote sensing component as provided by
7 Section 382.204. The motor vehicle emissions inspection and
8 maintenance program requirements adopted for the participating
9 county may apply to all or to a defined subset of vehicles described
10 by Section 382.203.

11 (c) The department and the commission, at the time of
12 vehicle registration or reregistration, may assess fees for vehicle
13 emissions-related inspections performed at inspection or
14 reinspection facilities authorized and licensed by the department
15 in amounts reasonably necessary to recover the costs of developing,
16 administering, evaluating, and enforcing the vehicle emissions
17 inspection and maintenance program. ~~The commission may assess a~~
18 ~~fee for a vehicle inspection performed in accordance with a program~~
19 ~~established under this section. The fee must be in an amount~~
20 ~~reasonably necessary to recover the costs of developing,~~
21 ~~administering, evaluating, and enforcing the participating~~
22 ~~county's motor vehicle emissions inspection and maintenance~~
23 ~~program. An appropriate part of the fee as determined by commission~~
24 ~~rule may be retained by the station owner, contractor, or operator~~
25 ~~to recover the cost of performing the inspection and provide for a~~
26 ~~reasonable margin of profit.~~

27 SECTION 15. Subchapter A, Chapter 501, Transportation Code,

1 is amended by amending Section 501.0276 to read as follows:

2 Sec. 501.0276. DENIAL OF TITLE RECEIPT OR CERTIFICATE OF
3 TITLE FOR FAILURE TO PROVIDE PROOF OF VEHICLE INSPECTION EMISSIONS
4 TESTING. A county assessor-collector shall ~~may~~ not issue a title
5 receipt and the department shall ~~may~~ not issue a certificate of
6 title for a vehicle subject to Section 548 unless proof that the
7 vehicle has passed a vehicle inspection emissions test as required
8 by that section, in a form authorized by that section, is presented
9 to the county assessor-collector with the application for
10 certificate of title.

11 SECTION 16. Subchapter A, Chapter 502, Transportation Code,
12 is amended by amending Section 502.009 to read as follows:

13 Sec. 502.009. MOTOR VEHICLE ~~EMISSIONS~~ INSPECTION ~~AND~~
14 ~~MAINTENANCE~~ REQUIREMENTS. (a) The department ~~Department of Public~~
15 ~~Safety~~ shall ensure compliance with the motor vehicle ~~emissions~~
16 inspection and maintenance program required by Section 548 through
17 a vehicle registration based denial system. ~~inspection~~
18 ~~sticker-based enforcement system except as provided by this section~~
19 ~~or Section 548.3011. Subsections (b)-(c) apply only if the United~~
20 ~~States Environmental Protection Agency determines that the state~~
21 ~~has not demonstrated, as required by 40 C.F.R. Section 51.361, that~~
22 ~~sticker-based enforcement of the program is more effective than~~
23 ~~registration-based enforcement and gives the Texas Natural~~
24 ~~Resource Conservation Commission or the governor written~~
25 ~~notification that the reregistration-based enforcement of the~~
26 ~~program, as described by those subsections, will be required. If~~
27 ~~Subsections (b)-(c) are made applicable as provided by this~~

1 ~~subsection, the department shall terminate reregistration-based~~
2 ~~enforcement of the program under those subsections on the date the~~
3 ~~United States Environmental Protection Agency gives the Texas~~
4 ~~Natural Resource Conservation Commission or a person the commission~~
5 ~~designates written notification that reregistration-based~~
6 ~~enforcement is not required for the state implementation plan.~~

7 (b) The department may not register a motor vehicle if the
8 ~~department receives from the Texas Natural Resource Conservation~~
9 ~~Commission or the Department of Public Safety notification that the~~
10 registered owner of the vehicle has not complied with Chapter 548.

11 (c) The county tax assessor-collector may not register a
12 vehicle denied registration under Subsection (b) unless the tax
13 assessor-collector has verification that the registered vehicle
14 owner is in compliance with ~~Subchapter F,~~ Chapter 548.

15 (d) The department, and the Texas Commission on
16 Environmental Quality ~~Natural Resource Conservation Commission,~~
17 ~~and the Department of Public Safety~~ shall enter an agreement
18 regarding the responsibilities for costs associated with
19 implementing this section.

20 (e) A county tax assessor-collector is not liable to any
21 person for refusing to register a motor vehicle because of the
22 person's failure to provide verification of the person's compliance
23 with Subchapter F, Chapter 548.

24 SECTION 17. Subchapter A, Chapter 548, Transportation Code,
25 is amended by amending Section 548.001 to read as follows:

26 Sec. 548.001. DEFINITIONS. In this chapter:

27 (1) "Commercial motor vehicle" means a self-propelled

1 or towed vehicle, other than a farm vehicle with a gross weight,
2 registered weight, or gross weight rating of less than 48,000
3 pounds, that is used on a public highway to transport passengers or
4 cargo if:

5 (A) the vehicle, including a school activity bus
6 as defined in Section 541.201, or combination of vehicles has a
7 gross weight, registered weight, or gross weight rating of more
8 than 26,000 pounds;

9 (B) the vehicle, including a school activity bus
10 as defined in Section 541.201, is designed or used to transport more
11 than 15 passengers, including the driver; or

12 (C) the vehicle is used to transport hazardous
13 materials in a quantity requiring placarding by a regulation issued
14 under the Hazardous Materials Transportation Act (49 U.S.C. Section
15 5101 et seq.).

16 (2) "Commission" means the Public Safety Commission.

17 (3) "Conservation commission" means the Texas
18 Commission on Environmental Quality.

19 (4) "Department" means the Department of Motor
20 Vehicles ~~Public Safety~~.

21 (5) "Farm vehicle" has the meaning assigned by the
22 federal motor carrier safety regulations.

23 (6) "Federal motor carrier safety regulation" has the
24 meaning assigned by Section 644.001.

25 (7) "Inspection station" means a facility certified to
26 conduct inspections of vehicles under this chapter.

27 (8) "Inspector" means an individual certified to

1 conduct inspections of vehicles under this chapter.

2 (9) "Nonattainment area" means an area so designated
3 within the meaning of Section 107(d) of the Clean Air Act (42 U.S.C.
4 Section 7407).

5 (10) "Board" means Texas Department of Motor Vehicles
6 Board

7 (11) "electronic inspection authorization" means an
8 inspection authorization that is generated electronically through
9 the vehicle inspection database that creates a unique
10 nonduplicating authorization number assigned to the vehicle's
11 inspection report upon successful passage of an inspection. The
12 term 'electronic inspection authorization' shall include the
13 term 'inspection certificate' during the transition period to use
14 of electronic inspection authorizations.

15 SECTION 18. Section 548.004, (c) Transportation Code, is
16 amended to read as follows: (c) The facility may inspect only a
17 vehicle owned by the political subdivision or state agency. ~~An~~
18 ~~officer, employee, or inspector of the subdivision or agency may~~
19 ~~not place an inspection certificate received from the department~~
20 ~~under this section on a vehicle not owned by the subdivision or~~
21 ~~agency.~~

22 SECTION 19. Section 548.006, Transportation Code, is
23 amended to read as follows:

24 Sec. 548.006. ADVISORY COMMITTEE. (a) An advisory
25 committee consisting of a minimum of ten {~~nine~~} members shall:

26 (1) advise the conservation commission and the
27 department on the conservation commission's and department's rules

1 relating to the operation of the vehicle inspection program under
2 this chapter;

3 (2) make recommendations to the conservation
4 commission and the department relating to the content of rules
5 involving the operation of the vehicle inspection program; and

6 (3) perform any other advisory function requested by
7 the conservation commission or the department in administering this
8 chapter and Chapter 382, Health and Safety Code.

9 (b) The members of the Department of Motor Vehicles Board
10 ~~commission~~ shall appoint ~~{seven}~~ members of the committee as
11 follows:

12 (1) four persons to represent inspection station
13 owners and operators, with two of those persons from counties
14 conducting vehicle emissions testing under Subchapter F and two of
15 those persons from counties conducting safety only inspections,
16 appointed based on recommendations provided by an existing
17 association of owners and operators;

18 (2) one person to represent manufacturers of motor
19 vehicle emissions inspection devices;

20 (3) two persons ~~{one person}~~ to represent independent
21 vehicle ~~{equipment}~~ repair technicians, appointed based on
22 recommendations provided by an existing association of repair
23 technicians; and

24 (4) two persons, appointed by the Department of Motor
25 Vehicles, to represent the public at large. ~~{one person to~~
26 ~~represent the public interest.}~~

27 (c) In addition to members appointed under subsection (b);

1 each regional council of governments created under Chapter 391,
2 Local Government Code, may appoint 1 member to the committee.

3 (d)(c) The presiding officer of the conservation commission
4 and the presiding officer of the Department of Motor Vehicles
5 ~~commission~~ shall each appoint one member of the committee who will
6 alternate serving as the presiding officer of the committee.

7 (e)(d) Committee members serve staggered three-year terms.

8 (f)(e) A vacancy on the committee is filled in the same
9 manner as other appointments to the committee.

10 (g)(f) A member of the committee is not entitled to
11 compensation, but is entitled to reimbursement of the member's
12 travel expenses as provided in the General Appropriations Act for
13 state employees.

14 (h)(g) The committee may elect an assistant presiding
15 officer and a secretary from among its members and may adopt rules
16 for the conduct of its own activities.

17 (i)(h) The committee is entitled to review and comment on
18 rules to be considered for adoption by the conservation commission,
19 ~~the commission,~~ or the department under this chapter or Chapter
20 382, Health and Safety Code, before the rules are adopted.

21 (j)(i) The committee shall hold a meeting at least once each
22 quarter.

23 (k)(j) Chapter 2110, Government Code, does not apply to the
24 committee.

25 (l) The committee shall provide a report to the Legislature,
26 at minimum, on a bi-annual basis regarding the review of any changes
27 to rule or statute.

1 SECTION 20. Section 548.008, Transportation Code, is
2 amended to read as follows:

3 Sec. 548.008. VEHICLE INSPECTION PROGRAM DIRECTOR. (a)
4 The vehicle inspection program is managed by a program director.
5 ~~The program director may not be a commissioned officer.~~

6 (b) The office of the vehicle inspection program director
7 must be located in Austin, Texas.

8 (c) The duties of the program director include:

9 (1) responsibility for the quality of the vehicle
10 inspection program;

11 (2) coordination of the regional offices;

12 (3) compilation of regional and statewide performance
13 data;

14 (4) the establishment of best practices and
15 distribution of those practices to the regional offices;

16 (5) setting goals for the entire program, in
17 consultation with the Department of Motor Vehicles Board ~~public~~
18 ~~safety director or the public safety director's designee~~, and
19 setting goals for each regional office in consultation with the
20 regional managers;

21 (6) monitoring the progress toward the goals set in
22 Subdivision (5) and evaluating the program based on that progress;
23 and

24 (7) coordination with the Texas Highway Patrol, local
25 law enforcement personnel, and councils of government to enforce
26 provisions related to vehicle inspection.

27 (d) The regional offices shall make reports as requested by

1 the program director.

2 SECTION 21. Subchapter B, Chapter 548, Transportation Code,
3 is amended by amending Section 548.053 to read as follows:

4 Sec. 548.053. REINSPECTION OF VEHICLE REQUIRING
5 ADJUSTMENT, CORRECTION, OR REPAIR. (a) If an inspection discloses
6 the necessity for adjustment, correction, or repair, an inspection
7 station or inspector may not issue an electronic inspection
8 authorization or passing vehicle inspection report ~~inspection~~
9 ~~certificate~~ until the adjustment, correction, or repair is made.
10 The owner of the vehicle may have the adjustment, correction, or
11 repair made by a qualified person of the owner's choice, subject to
12 reinspection. The vehicle shall be reinspected once free of charge
13 within 15 days after the date of the original inspection, not
14 including the date the original inspection is made, at the same
15 inspection station after the adjustment, correction, or repair is
16 made.

17 (b) A vehicle that is inspected and is subsequently involved
18 in an accident affecting the safe operation of an item of inspection
19 must be reinspected following repair. The reinspection must be at
20 an inspection station and shall be treated and charged as an initial
21 inspection.

22 ~~(c) If a vehicle subject to this chapter is damaged to the~~
23 ~~apparent extent that it would require repair before passing~~
24 ~~inspection, the investigating officer shall remove the inspection~~
25 ~~certificate from the vehicle windshield and give the operator of~~
26 ~~the vehicle a dated receipt. The vehicle must be reinspected not~~
27 ~~later than the 30th day after the date shown on the receipt.~~

1 SECTION 22. Subchapter C, Chapter 548, Transportation Code,
2 is amended by amending Section 548.101 to read as follows:

3 Sec. 548.101. GENERAL ONE-YEAR INSPECTION PERIOD. (a)
4 Except as provided by Section 548.102, the department shall require
5 an annual inspection. The department shall set the periods of
6 inspection and may make rules with respect to those periods.

7 (b) A vehicle that is required to be inspected in accordance
8 with this section may be inspected 90 days prior to midnight of the
9 last day of the month as designated by the vehicle registration
10 sticker.

11 (c) A vehicle subject to inspection in accordance with this
12 section must be inspected by the last day of the month in which the
13 registration on the vehicle expires.

14 (d) An electronic inspection authorization issued under
15 this chapter expires at midnight of the last day of the month
16 designated by the vehicle registration sticker of the following
17 year.

18 SECTION 23. Section 548.104, Transportation Code, is
19 amended to read as follows:

20 Sec. 548.104. EQUIPMENT-RELATED PREREQUISITES TO ISSUANCE
21 OF ELECTRONIC INSPECTION AUTHORIZATION ~~INSPECTION CERTIFICATE~~.

22 (a) The department ~~commission~~ shall adopt uniform standards of
23 safety applicable to each item required to be inspected by Section
24 548.051. The standards and the list of items to be inspected shall
25 be posted in each inspection station.

26 (b) An inspection station or inspector may issue an
27 electronic inspection authorization or passing vehicle inspection

1 report ~~inspection certificate~~ only if the vehicle is inspected and
2 found to be in proper and safe condition and to comply with this
3 chapter and the rules adopted under this chapter.

4 (c) An inspection station or inspector may inspect only the
5 equipment required to be inspected by Section 548.051 and may not:

6 (1) falsely and fraudulently represent to an applicant
7 that equipment required to be inspected must be repaired, adjusted,
8 or replaced before the vehicle will pass inspection; or

9 (2) require an applicant to have another part of the
10 vehicle or other equipment inspected as a prerequisite for issuance
11 of an electronic inspection authorization or passing vehicle
12 inspection report ~~inspection certificate~~.

13 (d) An inspection station or inspector may not issue an
14 electronic inspection authorization or passing vehicle inspection
15 report ~~inspection certificate~~ for a vehicle equipped with:

16 (1) a carburetion device permitting the use of
17 liquefied gas alone or interchangeably with another fuel, unless a
18 valid liquefied gas tax decal issued by the comptroller is attached
19 to the lower right-hand corner of the front windshield of the
20 vehicle on the passenger side; or

21 (2) a sunscreening device prohibited by Section
22 547.613, except that the department by rule shall provide
23 procedures for issuance of an electronic inspection authorization
24 or passing vehicle inspection report ~~inspection certificate~~ for a
25 vehicle exempt under Section 547.613(c).

26 (e) The department shall adopt rules relating to inspection
27 of and issuance of an electronic inspection authorization or

1 passing vehicle inspection report ~~inspection certificate~~ for a
2 moped.

3 SECTION 24. Section 548.105, Transportation Code, is
4 amended to read as follows:

5 Sec. 548.105. EVIDENCE OF FINANCIAL RESPONSIBILITY AS
6 PREREQUISITE TO ISSUANCE OF INSPECTION CERTIFICATE. (a) An
7 inspection station or inspector may not issue an electronic
8 inspection authorization or passing vehicle inspection report
9 ~~inspection certificate~~ for a vehicle unless the owner or operator
10 furnishes evidence of financial responsibility at the time of
11 inspection. Evidence of financial responsibility may be shown in
12 the manner specified under Section 601.053(a). A personal
13 automobile insurance policy used as evidence of financial
14 responsibility must be written for a term of 30 days or more as
15 required by Article 5.06, Insurance Code.

16 (b) An inspection station is not liable to a person,
17 including a third party, for issuing an electronic inspection
18 authorization or passing vehicle inspection report ~~inspection~~
19 ~~certificate~~ in reliance on evidence of financial responsibility
20 furnished to the station. An inspection station that is the seller
21 of a motor vehicle may rely on an oral insurance binder.

22 SECTION 25. Subchapter D, Chapter 548, Transportation Code,
23 is amended by amending Section 548.201 to read as follows:

24 Sec. 548.201. COMMERCIAL MOTOR VEHICLE INSPECTION PROGRAM.

25 (a) The department ~~commission~~ shall establish an inspection
26 program for commercial motor vehicles that:

27 (1) meets the requirements of federal motor carrier

1 safety regulations; and

2 (2) requires a commercial motor vehicle registered in
3 this state to pass an annual inspection of all safety equipment
4 required by the federal motor carrier safety regulations.

5 (b) A program under this section also applies to any:

6 (1) vehicle or combination of vehicles with a gross
7 weight rating of more than 10,000 pounds that is operated in
8 interstate commerce and registered in this state;

9 (2) school activity bus, as defined in Section
10 541.201, that has a gross weight, registered weight, or gross
11 weight rating of more than 26,000 pounds, or is designed to
12 transport more than 15 passengers, including the driver; and

13 (3) school bus that will operate at a speed authorized
14 by Section 545.352(b)(5)(A).

15 SECTION 26. Section 548.203, Transportation Code, is
16 amended to read as follows:

17 Sec. 548.203. EXEMPTIONS. The department ~~commission~~ by
18 rule may exempt a type of commercial motor vehicle from the
19 application of this subchapter if the vehicle:

20 (1) was manufactured before September 1, 1995;

21 (2) is operated only temporarily on a highway of this
22 state and at a speed of less than 30 miles per hour; and

23 (3) complies with Section 548.051 and each applicable
24 provision in Title 49, Code of Federal Regulations.

25 SECTION 27. Subchapter E, Chapter 548, Transportation Code,
26 is amended by amending Sections 548.251 through 548.255 to read as
27 follows:

1 Sec. 548.251. DEPARTMENT TO PROVIDE ELECTRONIC INSPECTION
2 AUTHORIZATIONS ~~INSPECTION CERTIFICATES~~ AND VERIFICATION FORMS.

3 The department shall provide or transmit serially numbered
4 electronic inspection authorizations ~~inspection certificates~~ and
5 verification forms to inspection stations. ~~The department may~~
6 ~~issue a unique inspection certificate for:~~

7 ~~(1) a commercial motor vehicle inspected under Section~~
8 ~~548.201; or~~

9 ~~(2) a vehicle inspected under Subchapter F.~~

10 Sec. 548.252. SAFEKEEPING AND CONTROL OF ~~INSPECTION~~
11 ~~CERTIFICATES~~ AND VERIFICATION FORMS. On being licensed, an
12 inspector or owner of an inspection station shall:

13 (1) provide for the safekeeping of ~~inspection~~
14 ~~certificates and~~ verification forms;

15 (2) safeguard the ~~certificates and~~ forms against
16 theft, loss, or damage;

17 (3) control the sequence of issuance of the
18 ~~certificates and~~ forms; and

19 (4) ensure that the ~~certificates and~~ forms are issued
20 in accordance with department rules.

21 Sec. 548.253. INFORMATION TO BE RECORDED ON ISSUANCE OF
22 electronic inspection authorization, passing vehicle inspection
23 report, ~~INSPECTION CERTIFICATE~~ AND VERIFICATION FORM. An
24 inspection station or inspector, on issuing an electronic
25 inspection authorization, passing vehicle inspection report,
26 ~~inspection certificate~~ and verification form, shall:

27 (1) make a record and report as prescribed by the

1 department of the inspection and electronic inspection
2 authorization certificate issued; and

3 (2) include in the electronic inspection
4 authorization inspection certificate and verification form the
5 information required by the department for the type of vehicle
6 inspected.

7 Sec. 548.254. VALIDITY OF electronic inspection
8 authorization INSPECTION CERTIFICATE. An electronic inspection
9 authorization inspection certificate is invalid after the end of
10 the 12th month following the month in which the certificate is
11 issued. ~~An unused inspection certificate representing a previous~~
12 ~~inspection period may not be issued after the beginning of the next~~
13 ~~period.~~

14 ~~Sec. 548.255. ATTACHMENT OR PRODUCTION OF INSPECTION~~
15 ~~CERTIFICATE. (a) An inspection certificate shall be attached to or~~
16 ~~produced for a vehicle in the manner required by department rule.~~

17 ~~(b) The department shall:~~

18 ~~(1) require that a certificate for a motorcycle be~~
19 ~~attached to the rear of the motorcycle near the license plate; and~~

20 ~~(2) adopt rules with respect to display of an~~
21 ~~inspection certificate for a moped.~~

22 SECTION 28. Subchapter E, Chapter 548, Transportation Code,
23 is amended by deleting Section 548.257 and amending Section
24 548.258 to read as follows:

25 ~~Sec. 548.257. LOST, STOLEN, OR DESTROYED CERTIFICATE. (a)~~
26 ~~If an inspection certificate is lost, stolen, or destroyed during~~
27 ~~the period during which the certificate is valid, the vehicle must~~

1 ~~be reinspected and any applicable fee paid before a new certificate~~
2 ~~is issued, except that the vehicle is not subject to any emissions~~
3 ~~inspection. The replacement certificate is valid for the remaining~~
4 ~~period of validity of the original certificate.~~

5 ~~(b) The department by rule shall specify the method for~~
6 ~~establishing that:~~

7 ~~(1) the certificate has been lost, stolen, or~~
8 ~~destroyed; and~~

9 ~~(2) the reinspection is within the period of validity~~
10 ~~of the lost, stolen, or destroyed certificate.~~

11 ~~(c) As part of its rules under Subsection (b), the~~
12 ~~department shall adopt measures to ensure that the reinspection~~
13 ~~procedure provided by this section is not used fraudulently to~~
14 ~~avoid any required inspection.~~

15 Sec. 548.258. USE OF TEXASONLINE AND VEHICLE INSPECTION
16 DATABASE. (a) In this section, "TexasOnline" has the meaning
17 assigned by Section 2054.003, Government Code.

18 (b) The department shall ~~may~~ adopt rules to require an
19 inspection station to use TexasOnline or the Vehicle Inspection
20 Database to:

21 (1) issue an electronic inspection authorization
22 ~~purchase inspection certificates; and~~ ~~or~~

23 (2) send to the department a record, report, or other
24 information required by the department.

25 (c) The department shall adopt rules to allow an inspection
26 station to use TexasOnline to renew an annual vehicle registration
27 of a motor vehicle.

1 (d) An inspection station may charge a convenience fee not
2 to exceed \$15 for a registration renewal conducted pursuant to
3 subsection (c).

4 SECTION 29. Subchapter F, Chapter 548, Transportation Code,
5 is amended by amending Sections 548.301 through 548.304 to read as
6 follows

7 Sec. 548.301. DEPARTMENT ~~COMMISSION~~ TO ESTABLISH PROGRAM.

8 (a) The department ~~commission~~ shall establish a motor vehicle
9 emissions inspection and maintenance program for vehicles as
10 required by any law of the United States or the state's air quality
11 state implementation plan.

12 (b) The department ~~commission~~ by rule may establish a motor
13 vehicle emissions inspection and maintenance program for vehicles
14 specified by the conservation commission in a county for which the
15 conservation commission has adopted a resolution requesting the
16 department ~~commission~~ to establish such a program and for which the
17 county and the municipality with the largest population in the
18 county by resolution have formally requested a proactive air
19 quality plan consisting of such a program.

20 (b-1) The department ~~commission~~ by rule may establish a
21 motor vehicle emissions inspection and maintenance program for
22 vehicles subject to an early action compact as defined by Section
23 382.301, Health and Safety Code, that is consistent with the early
24 action compact.

25 (c) A program established under this section shall
26 ~~subsection (b) or (b-1) may~~ include registration and
27 reregistration-based enforcement.

1 (d) A vehicle emissions inspection under this section may be
2 performed by the same facility that performs a safety inspection if
3 the facility is authorized and certified by the department to
4 perform the vehicle emissions inspection and certified by the
5 department to perform the safety inspection.

6 Sec. 548.3011. EMISSIONS TEST ON RESALE. (a) This section
7 applies only to a vehicle:

8 (1) the most recent certificate of title for which or
9 registration of which was issued in a county without a motor vehicle
10 emissions inspection and maintenance program; or ~~and~~

11 (2) the ownership of which has changed and which has
12 been the subject of a retail, private sale or gift sale ~~sale~~ as defined
13 by Section 2301.002, Occupations Code, and will primarily be
14 operated in a county with a motor vehicle emissions inspection and
15 maintenance program.

16 (b) Notwithstanding Subsection (a), this section does not
17 apply to a vehicle that is a 2 year old ~~1996~~ or newer model that has
18 less than 50,000 miles.

19 (c) A vehicle subject to this section is not eligible for a
20 title receipt under Section 501.024, a certificate of title under
21 Section 501.027, or registration under Chapter 502 in a county with
22 a motor vehicle emissions inspection and maintenance program unless
23 proof is presented with the application for certificate of title,
24 or registration, as appropriate, that the vehicle, not earlier than
25 the 90th day before the date on which the new owner's application
26 for certificate of title, or registration is filed with the county
27 clerk or county assessor-collector, as appropriate, has passed an

1 approved vehicle emissions test in the county in which it is to be
2 titled or registered.

3 (d) The proof required by Subsection (c) may be in the form
4 of an electronic inspection authorization, a valid Vehicle
5 Inspection Report (VIR) or other proof of program compliance as
6 authorized by the department.

7 Sec. 548.302. DEPARTMENT OF MOTOR VEHICLES ~~COMMISSION~~ TO
8 ADOPT STANDARDS AND REQUIREMENTS. The department of motor vehicles
9 ~~commission~~ shall:

10 (1) adopt standards for emissions-related inspection
11 criteria consistent with requirements of the United States and the
12 conservation commission applicable to a county in which a program
13 is established under this subchapter; and

14 (2) develop and impose requirements necessary to
15 ensure that an electronic inspection authorization ~~inspection~~
16 ~~certificate~~ is not issued to a vehicle subject to a program
17 established under this subchapter unless the vehicle has passed a
18 motor vehicle emissions inspection at a facility authorized and
19 certified by the department of motor vehicles.

20 Sec. 548.303. PROGRAM ADMINISTRATION. The department of
21 motor vehicles ~~commission~~ shall administer the motor vehicle
22 emissions inspection and maintenance program under this
23 subchapter.

24 Sec. 548.304. STATIONS LICENSED TO CONDUCT EMISSIONS
25 INSPECTIONS. (a) The department may authorize and certify
26 inspection stations as necessary to implement the
27 emissions-related inspection requirements of the motor vehicle

1 emissions inspection and maintenance program established under
2 this subchapter if the station meets the department's certification
3 requirements.

4 ~~(b) The department shall provide inspection certificates~~
5 ~~for distribution and issuance at inspection stations certified by~~
6 ~~the department.~~

7 SECTION 30. Section 548.306 (h), Transportation Code, is
8 amended to read as follows:(h) The Texas Department of Motor
9 Vehicles shall ~~Transportation may~~ deny reregistration of a vehicle
10 if the registered owner of the vehicle has received notification
11 under Subsection (c) and the vehicle has not passed a verification
12 emissions inspection.

13 SECTION 31. Section 548.307, Transportation Code, is
14 amended to read as follows:

15 Sec. 548.307. ALTERNATIVE TESTING METHODOLOGY FOR CERTAIN
16 COUNTIES. The department ~~commission~~ by rule may establish
17 procedures for testing and enforcing vehicle emissions standards by
18 use of alternative testing methodology that meets or exceeds United
19 States Environmental Protection Agency requirements in a county
20 participating in an early action compact under Subchapter H,
21 Chapter 382, Health and Safety Code.

22 SECTION 32. Subchapter G, Chapter 548, Transportation Code,
23 is amended by amending Section 548.401 to read as follows

24 Sec. 548.401. CERTIFICATION GENERALLY. A person may
25 perform an inspection or issue an electronic inspection
26 authorization ~~inspection certificate~~ only if certified to do so by
27 the department under rules adopted by the department.

1 SECTION 33. Section 548.405 (a), Transportation Code, is
2 amended to read as follows: (a) The department may deny a person's
3 application for a certificate, revoke or suspend the certificate of
4 a person, inspection station, or inspector, place on probation a
5 person who holds a suspended certificate, or reprimand a person who
6 holds a certificate if:

7 (1) the station or inspector conducts an inspection,
8 fails to conduct an inspection, or issues an electronic inspection
9 authorization ~~a certificate~~:

10 (A) in violation of this chapter or a rule
11 adopted under this chapter; or

12 (B) without complying with the requirements of
13 this chapter or a rule adopted under this chapter;

14 (2) the person, station, or inspector commits an
15 offense under this chapter or violates this chapter or a rule
16 adopted under this chapter;

17 (3) the applicant or certificate holder does not meet
18 the standards for certification under this chapter or a rule
19 adopted under this chapter;

20 (4) the station or inspector does not maintain the
21 qualifications for certification or does not comply with a
22 certification requirement under Subchapter G;

23 (5) the certificate holder or the certificate holder's
24 agent, employee, or representative commits an act or omission that
25 would cause denial, revocation, or suspension of a certificate to
26 an individual applicant or certificate holder;

27 (6) the station or inspector does not pay a fee

1 required by Subchapter H; or

2 (7) the inspector or owner of an inspection station is
3 convicted of a:

4 (A) felony or Class A or Class B misdemeanor;

5 (B) similar crime under the jurisdiction of
6 another state or the federal government that is punishable to the
7 same extent as a felony or a Class A or Class B misdemeanor in this
8 state; or

9 (C) crime under the jurisdiction of another state
10 or the federal government that would be a felony or a Class A or
11 Class B misdemeanor if the crime were committed in this state.

12 SECTION 34. Section 548.407 (d), Transportation Code, is
13 amended to read as follows: (d) The department may provide that a
14 revocation or suspension takes effect on receipt of notice under
15 Subsection (b) if the department finds that the action is necessary
16 to prevent or remedy a threat to public health, safety, or welfare.
17 Violations that present a threat to public health, safety, or
18 welfare include:

19 (1) issuing an electronic inspection authorization
20 ~~inspection certificate~~ with knowledge that the issuance is in
21 violation of this chapter or rules adopted under this chapter;

22 (2) falsely or fraudulently representing to the owner
23 or operator of a vehicle that equipment inspected or required to be
24 inspected must be repaired, adjusted, or replaced for the vehicle
25 to pass an inspection;

26 (3) issuing an electronic inspection authorization
27 ~~inspection certificate~~:

1 (A) without authorization to issue the
2 electronic inspection authorization certificate; or

3 (B) without inspecting the vehicle;

4 (4) issuing an electronic inspection authorization
5 ~~inspection certificate~~ for a vehicle with knowledge that the
6 vehicle has not been repaired, adjusted, or corrected after an
7 inspection has shown a repair, adjustment, or correction to be
8 necessary;

9 (5) knowingly issuing an electronic inspection
10 authorization ~~inspection certificate~~:

11 (A) for a vehicle without conducting an
12 inspection of each item required to be inspected; or

13 (B) for a vehicle that is missing an item
14 required to be inspected or that has an item required to be
15 inspected that is not in compliance with state law or department
16 rules;

17 (6) refusing to allow a vehicle's owner to have a
18 qualified person of the owner's choice make a required repair,
19 adjustment, or correction;

20 (7) charging for an inspection an amount greater than
21 the authorized fee;

22 (8) a violation of Subchapter F;

23 (9) a violation of Section 548.603; or

24 (10) a conviction of a felony or a Class A or B
25 misdemeanor that directly relates to or affects the duties or
26 responsibilities of a vehicle inspection station or inspector or a
27 conviction of a similar crime under the jurisdiction of another

1 state or the federal government.

2 SECTION 35. Subchapter H, Chapter 548, Transportation Code,
3 is amended by amending Sections 548.501 through 548.505 to read as
4 follows:

5 Sec. 548.501. INSPECTION FEES GENERALLY. (a) Except as
6 provided by Sections 548.503 and 548.504, the fee for inspection of
7 a motor vehicle other than a moped is \$12.50. The fee for
8 inspection of a moped is \$5.75. The fee for a verification form
9 issued as required by Section 548.256 is \$1.

10 (b) The registered vehicle owner at the time of annual
11 vehicle registration ~~An inspection station~~ shall pay to the
12 department ~~\$5.50 of each~~ a fee determined by the department for an
13 inspection. ~~The department may require the station to make an~~
14 ~~advance payment of \$5.50 for each inspection certificate provided~~
15 ~~to the station. If advance payment is made:~~

16 ~~(1) no further payment may be required on issuance of a~~
17 ~~certificate;~~

18 ~~(2) the inspection station may waive the fee due from~~
19 ~~the owner of an inspected vehicle who is issued a certificate to~~
20 ~~which the advance payment applies;~~

21 ~~(3) the department shall refund to the inspection~~
22 ~~station \$5.50 for each unissued certificate that the station~~
23 ~~returns to the department in accordance with department rules; and~~

24 ~~(4) the conservation commission shall pay to the~~
25 ~~department \$2 for each unissued certificate that the station~~
26 ~~returns to the department.~~

27 Sec. 548.502. INSPECTION BY POLITICAL SUBDIVISION OR STATE

1 AGENCY. A political subdivision or state agency for which the
2 department certifies an inspection station under Section 548.004:

3 (1) shall pay to the department ~~an advance~~ payment of
4 an amount determined by the department ~~\$5.50~~ for each electronic
5 inspection authorization ~~inspection certificate~~ provided to it;
6 and

7 (2) may not be required to pay the compulsory
8 inspection fee.

9 Sec. 548.503. INITIAL TWO-YEAR INSPECTION OF PASSENGER CAR
10 OR LIGHT TRUCK. (a) The fee for inspection of a passenger car or
11 light truck under Section 548.102 shall not exceed \$21.75. ~~be set by~~
12 ~~the department by rule on or before September 1 of each year. A fee~~
13 ~~set by the department under this subsection must be based on the~~
14 ~~costs of producing certificates, providing inspections, and~~
15 ~~administering the program, but may not be less than \$21.75.~~

16 (b) The department shall require the vehicle owner upon the
17 initial registration of the vehicle to pay a fee determined by the
18 department. ~~an inspection station to make an advance payment of~~
19 ~~\$14.75 for a certificate to be issued under this section.~~
20 ~~Additional payment may not be required of the station for the~~
21 ~~certificate. The inspection station may waive the fee due from the~~
22 ~~owner of the vehicle inspected. A refund for an unissued~~
23 ~~certificate shall be made in the same manner as provided for other~~
24 ~~certificate refunds.~~

25 Sec. 548.504. INSPECTION OF COMMERCIAL MOTOR VEHICLE. (a)
26 The fee for inspection of a commercial motor vehicle under the
27 program established under Section 548.201 is \$50.

1 (b) The vehicle owner upon the annual registration of the
2 vehicle shall pay a fee determined by the department. ~~The~~
3 ~~inspection station shall pay to the department \$10 of each fee for~~
4 ~~inspection of a commercial motor vehicle. The department may~~
5 ~~require the station to make an advance payment of \$10 for a~~
6 ~~certificate to be issued under this section. If advance payment is~~
7 ~~made:~~

8 ~~(1) no additional payment may be required of the~~
9 ~~station for the certificate; and~~

10 ~~(2) a refund for an unissued certificate shall be made~~
11 ~~in the same manner as provided for other certificate refunds.~~

12 Sec. 548.505. EMISSIONS-RELATED INSPECTION FEE. (a) The
13 department by rule shall establish ~~may impose~~ an inspection fee
14 charged by the inspection station and a fee collected at the time of
15 vehicle registration for a vehicle inspected under Section
16 548.301(a) in addition to the fee provided by Section 548.501,
17 548.502, 548.503, or 548.504. A fee imposed under this subsection
18 must be based on the costs of:

19 (1) producing electronic inspection authorizations
20 ~~certificates;~~

21 (2) providing inspections; and

22 (3) administering the program.

23 (b) The department may provide a maximum fee for an
24 inspection under this subchapter. The department may not set a
25 minimum fee for an inspection under this subchapter.

26 SECTION 36. Subchapter I, Chapter 548, Transportation Code,
27 is amended by amending Sections 548.601 (a) to read as follows:

1 (a) A person, including an inspector or an inspection
2 station, commits an offense if the person:

3 (1) issues an electronic inspection authorization
4 ~~inspection certificate~~ with knowledge that the issuance is in
5 violation of this chapter or rules adopted under this chapter;

6 (2) falsely or fraudulently represents to the owner or
7 operator of a vehicle that equipment inspected or required to be
8 inspected must be repaired, adjusted, or replaced for the vehicle
9 to pass an inspection;

10 (3) misrepresents:

11 (A) material information in an application in
12 violation of Section 548.402 or 548.403; or

13 (B) information filed with the department under
14 this chapter or as required by department rule;

15 (4) issues an electronic inspection authorization
16 ~~inspection certificate~~:

17 (A) without authorization to issue the
18 electronic inspection authorization certificate; or

19 (B) without inspecting the vehicle;

20 (5) issues an electronic inspection authorization
21 ~~inspection certificate~~ for a vehicle with knowledge that the
22 vehicle has not been repaired, adjusted, or corrected after an
23 inspection has shown a repair, adjustment, or correction to be
24 necessary;

25 (6) knowingly issues an electronic inspection
26 authorization ~~inspection certificate~~:

27 (A) for a vehicle without conducting an

1 inspection of each item required to be inspected; or

2 (B) for a vehicle that is missing an item
3 required to be inspected or that has an item required to be
4 inspected that is not in compliance with state law or department
5 rules;

6 (7) refuses to allow a vehicle's owner to have a
7 qualified person of the owner's choice make a required repair,
8 adjustment, or correction;

9 (8) charges for an inspection an amount greater than
10 the authorized fee; or

11 (9) performs an act prohibited by or fails to perform
12 an act required by this chapter or a rule adopted under this
13 chapter.

14 SECTION 37. Section 548.602, Transportation Code, is
15 deleted.

16 ~~Sec. 548.602. FAILURE TO DISPLAY INSPECTION CERTIFICATE.~~

17 ~~(a) After the fifth day after the date of expiration of the period~~
18 ~~designated for inspection, a person may not operate:~~

19 ~~(1) a motor vehicle registered in this state unless a~~
20 ~~current and appropriate inspection certificate is displayed on the~~
21 ~~vehicle; or~~

22 ~~(2) a commercial motor vehicle registered in this~~
23 ~~state unless it is equipped as required by federal motor carrier~~
24 ~~safety regulations and displays an inspection certificate issued~~
25 ~~under the program established under Section 548.201.~~

26 ~~(b) A peace officer who exhibits a badge or other sign of~~
27 ~~authority may stop a vehicle not displaying an inspection~~

1 ~~certificate on the windshield and require the owner or operator to~~
2 ~~produce an inspection certificate for the vehicle.~~

3 ~~(c) It is a defense to prosecution under Subsection (a)(1)~~
4 ~~that an inspection certificate for the vehicle is in effect at the~~
5 ~~time of the arrest.~~

6 SECTION 38. Section 548.603, Transportation Code, is
7 amended to read as follows:

8 Sec. 548.603. FICTITIOUS OR COUNTERFEIT VEHICLE INSPECTION
9 REPORT (VIP) INSPECTION CERTIFICATE OR INSURANCE DOCUMENT. (a) A
10 person commits an offense if the person:

11 (1) presents, displays or causes or permits to be
12 displayed a vehicle inspection report (vir) ~~an inspection~~
13 ~~certificate or~~ insurance document knowing that the ~~certificate or~~
14 document is counterfeit, tampered with, altered, fictitious,
15 issued for another vehicle, ~~issued for a vehicle failing to meet all~~
16 ~~emissions inspection requirements~~, or issued in violation of:

17 (A) this chapter, rules adopted under this
18 chapter, or other law of this state; or

19 (B) a law of another state, the United States,
20 the United Mexican States, a state of the United Mexican States,
21 Canada, or a province of Canada;

22 ~~(2) transfers an inspection certificate from a~~
23 ~~windshield or location to another windshield or location,~~

24 (2)(3) with intent to circumvent the emissions
25 inspection requirements seeks an inspection of a vehicle at a
26 station not certified to perform an emissions inspection if the
27 person knows that the vehicle is required to be inspected under

1 Section 548.301;

2 ~~(3)(4)~~ knowingly does not comply with an emissions
3 inspection requirement for a vehicle; or

4 ~~(5) displays on a vehicle an inspection certificate~~
5 ~~that was obtained knowing that the vehicle does not meet all~~
6 ~~emissions inspection requirements for the vehicle.~~

7 (b) A person commits an offense if the person:

8 (1) makes or possesses, with the intent to sell,
9 circulate, or pass, a counterfeit vehicle inspection report (vir)
10 ~~inspection certificate~~ or insurance document; or

11 (2) possesses any part of a stamp, dye, plate,
12 negative, machine, or other device that is used or designated for
13 use in making a counterfeit vehicle inspection report (vir)
14 ~~inspection certificate~~ or insurance document.

15 (c) The owner of a vehicle commits an offense if the owner
16 knowingly allows the vehicle to be registered ~~or operated while the~~
17 ~~vehicle displays an inspection certificate~~ in violation of
18 Subsection (a).

19 (d) An offense under Subsection (a) or (c) is a Class B
20 misdemeanor. An offense under Subsection (b) is a third degree
21 felony unless the person acts with the intent to defraud or harm
22 another person, in which event the offense is a second degree
23 felony.

24 (e) In this section:

25 (1) "Counterfeit" means an imitation of a document
26 that is printed, engraved, copied, photographed, forged, or
27 manufactured by a person not authorized to take that action under:

1 (A) this chapter, rules adopted under this
2 chapter, or other law of this state; or

3 (B) a law of another state, the United States,
4 the United Mexican States, a state of the United Mexican States,
5 Canada, or a province of Canada.

6 (2) "Vehicle Inspection Report (vir)"~~"Inspection~~
7 ~~certificate"~~ means a document that is printed, manufactured, or
8 made by the department or an authorized agent of the department for
9 issuance after a vehicle passes an inspection performed under this
10 chapter.

11 ~~(2)(3)~~ "Insurance document" means a standard proof of
12 motor vehicle insurance coverage that is:

13 (A) in a form prescribed by the Texas Department
14 of Insurance or by a similarly authorized board, agency, or
15 authority of another state; and

16 (B) issued by an insurer or insurer's agent who
17 is authorized to write motor vehicle insurance coverage.

18 ~~(3)(4)~~ "Person" includes an inspection station or
19 inspector.

20 Text of subsec. (f) as added by Acts 1997, 75th Leg., ch. 851,
21 Sec. 2

22 (f) Notwithstanding Subsection (c), an offense under
23 Subsection (a)(1) that involves a fictitious vehicle inspection
24 report (vir) ~~inspection certificate~~ is a Class B misdemeanor.

25 ~~Text of subsec. (f) as added by Acts 1997, 75th Leg., ch. 1069, Sec.~~

26 ~~16~~

27 ~~(f) A motor vehicle on which a vehicle emissions inspection~~

1 ~~certificate is displayed in violation of Subsection (a) and that is~~
2 ~~operated or parked on a public roadway may be impounded by a peace~~
3 ~~officer or other authorized employee of this state or a political~~
4 ~~subdivision of this state in which the vehicle is operated or~~
5 ~~parked.~~

6 SECTION 39. Section 548.603, Transportation Code is
7 deleted.

8 ~~Sec. 548.605. DISMISSAL OF CHARGE; ADMINISTRATIVE FEE.~~

9 ~~(a) In this section, "working day" means any day other than a~~
10 ~~Saturday, a Sunday, or a holiday on which county offices are closed.~~

11 ~~(b) The court shall:~~

12 ~~(1) dismiss a charge of driving with an expired~~
13 ~~inspection certificate if:~~

14 ~~(A) the defendant remedies the defect within 20~~
15 ~~working days or before the defendant's first court appearance date,~~
16 ~~whichever is later; and~~

17 ~~(B) the inspection certificate has not been~~
18 ~~expired for more than 60 days; and~~

19 ~~(2) assess an administrative fee not to exceed \$20~~
20 ~~when the charge of driving with an expired inspection certificate~~
21 ~~has been remedied.~~

22 ~~(c) Notwithstanding Subsection (b)(1)(B), the court may~~
23 ~~dismiss a charge of driving with an expired inspection certificate~~
24 ~~that has been expired for more than 60 days.~~

25 SECTION 40. This Act takes effect Sept. 1, 2011