

1-1 By: Huffines, et al. S.B. No. 1588  
 1-2 (In the Senate - Filed March 9, 2017; March 21, 2017, read  
 1-3 first time and referred to Committee on Natural Resources &  
 1-4 Economic Development; April 27, 2017, reported adversely, with  
 1-5 favorable Committee Substitute by the following vote: Yeas 9,  
 1-6 Nays 2; April 27, 2017, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10		X		
1-11	X			
1-12		X		
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1588 By: Huffines

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to the elimination of regular mandatory vehicle safety  
 1-24 inspections and the imposition of replacement fees.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 382.0622(a), Health and Safety Code, is  
 1-27 amended to read as follows:

1-28 (a) Clean Air Act fees consist of:

1-29 (1) fees collected by the commission under Sections  
 1-30 382.062, 382.0621, 382.202, and 382.302 and as otherwise provided  
 1-31 by law;

1-32 (2) [~~\$2 from the portion of~~] each fee collected under  
 1-33 Section 502.360 [~~for inspections of vehicles other than mopeds and~~  
 1-34 ~~remitted to the state under Sections 548.501 and 548.503~~],  
 1-35 Transportation Code; and

1-36 (3) fees collected that are required under Section 185  
 1-37 of the federal Clean Air Act (42 U.S.C. Section 7511d).

1-38 SECTION 2. Section 382.202, Health and Safety Code, is  
 1-39 amended by amending Subsection (d) and adding Subsection (e-1) to  
 1-40 read as follows:

1-41 (d) On adoption of a resolution by the commission and after  
 1-42 proper notice, the Department of Public Safety of the State of Texas  
 1-43 shall implement a system that requires, [~~as a condition of~~  
 1-44 ~~obtaining a passing vehicle inspection report issued under~~  
 1-45 ~~Subchapter C, Chapter 548, Transportation Code,~~] in a county that  
 1-46 is included in a vehicle emissions inspection and maintenance  
 1-47 program under Subchapter F, Chapter 548, Transportation Code [~~of~~  
 1-48 ~~that chapter~~], that a motor vehicle registered in this state [~~the~~  
 1-49 ~~vehicle~~], unless the vehicle is not covered by the system, be  
 1-50 annually or biennially inspected under the vehicle emissions  
 1-51 inspection and maintenance program as required by the state's air  
 1-52 quality state implementation plan. The Department of Public Safety  
 1-53 shall implement such a system when it is required by any provision  
 1-54 of federal or state law, including any provision of the state's air  
 1-55 quality state implementation plan.

1-56 (e-1) The portion of a fee imposed under Subsection (e) that  
 1-57 is not authorized to be retained by an inspection station must be  
 1-58 collected as provided by Section 502.361.

1-59 SECTION 3. Section 382.203(c), Health and Safety Code, is  
 1-60 amended to read as follows:

2-1 (c) The Department of Public Safety of the State of Texas by  
2-2 rule may waive program requirements, in accordance with standards  
2-3 adopted by the commission, for certain vehicles and vehicle owners,  
2-4 including:

2-5 (1) the registered owner of a vehicle who cannot  
2-6 afford to comply with the program, based on reasonable income  
2-7 standards;

2-8 (2) a vehicle that cannot be brought into compliance  
2-9 with emissions standards by performing repairs;

2-10 (3) a vehicle:

2-11 (A) on which at least \$100 has been spent to bring  
2-12 the vehicle into compliance; and

2-13 (B) that the department ~~+~~  
2-14 ~~[(i)]~~ can verify is driven an average of  
2-15 fewer than 5,000 miles each year ~~[was driven fewer than 5,000 miles~~  
2-16 ~~since the last safety inspection; and~~

2-17 ~~[(ii) reasonably determines will be driven~~  
2-18 ~~fewer than 5,000 miles during the period before the next safety~~  
2-19 ~~inspection is required]; and~~

2-20 (4) a vehicle for which parts are not readily  
2-21 available.

2-22 SECTION 4. Section 386.251(c), Health and Safety Code, is  
2-23 amended to read as follows:

2-24 (c) The fund consists of:

2-25 (1) the amount of money deposited to the credit of the  
2-26 fund under:

2-27 (A) Section 386.056;

2-28 (B) Sections 151.0515 and 152.0215, Tax Code; and

2-29 (C) Sections 501.138 and ~~[7]~~ 502.358 ~~[7] and~~  
2-30 ~~548.5055~~, Transportation Code; and

2-31 (2) grant money recaptured under Section 386.111(d)  
2-32 and Chapter 391.

2-33 SECTION 5. Section 502.092(c), Transportation Code, is  
2-34 amended to read as follows:

2-35 (c) A person may obtain a permit under this section by:

2-36 (1) applying to the department in a manner prescribed  
2-37 by the department;

2-38 (2) paying a fee equal to 1/12 the registration fee  
2-39 prescribed by this chapter for the vehicle;

2-40 (3) furnishing satisfactory evidence that the motor  
2-41 vehicle is insured under an insurance policy that complies with  
2-42 Section 601.072 and that is written by:

2-43 (A) an insurance company or surety company  
2-44 authorized to write motor vehicle liability insurance in this  
2-45 state; or

2-46 (B) with the department's approval, a surplus  
2-47 lines insurer that meets the requirements of Chapter 981, Insurance  
2-48 Code, and rules adopted by the commissioner of insurance under that  
2-49 chapter, if the applicant is unable to obtain insurance from an  
2-50 insurer described by Paragraph (A); and

2-51 (4) furnishing evidence that the vehicle has been  
2-52 inspected if ~~[as]~~ required under Chapter 548.

2-53 SECTION 6. Section 502.094(e), Transportation Code, is  
2-54 amended to read as follows:

2-55 (e) A vehicle issued a permit under this section is subject  
2-56 to ~~[Subchapters B and F]~~ Chapter 548, unless the vehicle:

2-57 (1) is registered in another state of the United  
2-58 States, in a province of Canada, or in a state of the United Mexican  
2-59 States; or

2-60 (2) is mobile drilling or servicing equipment used in  
2-61 the production of gas, crude petroleum, or oil, including a mobile  
2-62 crane or hoisting equipment, mobile lift equipment, forklift, or  
2-63 tug.

2-64 SECTION 7. Section 502.146(d), Transportation Code, is  
2-65 amended to read as follows:

2-66 (d) A vehicle described by Subsection (b) is exempt from the  
2-67 inspection requirements of Subchapter ~~[Subchapters B and]~~ F,  
2-68 Chapter 548.

2-69 SECTION 8. Subchapter G, Chapter 502, Transportation Code,

3-1 is amended by adding Sections 502.360 and 502.361 to read as  
3-2 follows:

3-3 Sec. 502.360. INSPECTION PROGRAM REPLACEMENT FEES. (a) In  
3-4 addition to other fees imposed at the time of registration of a  
3-5 motor vehicle, at the time of application for registration or  
3-6 renewal of registration of a motor vehicle, the applicant shall pay  
3-7 an annual fee of:

3-8 (1) \$9.25 for a noncommercial motor vehicle that:  
3-9 (A) is sold in this state or purchased by a  
3-10 commercial fleet buyer described by Section 501.0234(b)(4) for use  
3-11 in this state;

3-12 (B) has not been previously registered in this or  
3-13 another state; and

3-14 (C) on the date of sale is of the current model  
3-15 year or preceding model year;

3-16 (2) \$5.50 for a noncommercial motor vehicle that is  
3-17 not a vehicle described by Subdivision (1); and

3-18 (3) \$20 for a commercial motor vehicle.

3-19 (b) The department or the county tax assessor-collector, as  
3-20 applicable, shall remit the fee collected under Subsection (a) to  
3-21 the comptroller at the time and in the manner prescribed by the  
3-22 comptroller.

3-23 (c) The comptroller shall deposit fees received under  
3-24 Subsection (a)(1) to the credit of the Texas mobility fund.

3-25 (d) Out of fees received under Subsection (a)(2), the  
3-26 comptroller shall deposit:

3-27 (1) \$1.85 of each fee to the credit of the clean air  
3-28 account;

3-29 (2) 15 cents of each fee to the credit of the state  
3-30 highway fund to be used only by the Texas Department of  
3-31 Transportation for safety initiatives; and

3-32 (3) the remainder of each fee to the credit of the  
3-33 Texas mobility fund.

3-34 (e) Out of fees received under Subsection (a)(3), the  
3-35 comptroller shall deposit:

3-36 (1) \$10 of each fee to the credit of the Texas mobility  
3-37 fund; and

3-38 (2) \$10 of each fee to the credit of the Texas  
3-39 emissions reduction plan fund.

3-40 Sec. 502.361. COLLECTION OF EMISSIONS-RELATED INSPECTION  
3-41 FEE. The department or a county tax assessor-collector, as  
3-42 applicable, that registers a motor vehicle that is subject to an  
3-43 emissions-related inspection fee under Section 382.202, Health and  
3-44 Safety Code, or Section 548.505 of this code shall collect the fee  
3-45 at the time of registration of the motor vehicle. The department or  
3-46 county tax assessor-collector shall remit the fee to the  
3-47 comptroller at the time and in the manner prescribed by the  
3-48 comptroller.

3-49 SECTION 9. Section 545.352(b), Transportation Code, is  
3-50 amended to read as follows:

3-51 (b) Unless a special hazard exists that requires a slower  
3-52 speed for compliance with Section 545.351(b), the following speeds  
3-53 are lawful:

3-54 (1) 30 miles per hour in an urban district on a street  
3-55 other than an alley and 15 miles per hour in an alley;

3-56 (2) except as provided by Subdivision (4), 70 miles  
3-57 per hour on a highway numbered by this state or the United States  
3-58 outside an urban district, including a farm-to-market or  
3-59 ranch-to-market road;

3-60 (3) except as provided by Subdivision (4), 60 miles  
3-61 per hour on a highway that is outside an urban district and not a  
3-62 highway numbered by this state or the United States;

3-63 (4) outside an urban district:

3-64 (A) 60 miles per hour if the vehicle is a school  
3-65 bus that ~~has passed a commercial motor vehicle inspection under~~  
3-66 ~~Section 548.201 and~~ is on a highway numbered by the United States  
3-67 or this state, including a farm-to-market road; or

3-68 (B) 50 miles per hour if the vehicle is a school  
3-69 bus that[+]

4-1 ~~[(i) has not passed a commercial motor~~  
 4-2 ~~vehicle inspection under Section 548.201, or~~  
 4-3 ~~[(ii)]~~ is traveling on a highway not  
 4-4 numbered by the United States or this state;  
 4-5 (5) on a beach, 15 miles per hour; or  
 4-6 (6) on a county road adjacent to a public beach, 15  
 4-7 miles per hour, if declared by the commissioners court of the  
 4-8 county.

4-9 SECTION 10. Section 547.601, Transportation Code, is  
 4-10 amended to read as follows:

4-11 Sec. 547.601. SAFETY BELTS REQUIRED. A motor vehicle  
 4-12 ~~[required by Chapter 548 to be inspected]~~ shall be equipped with  
 4-13 front safety belts if safety belt anchorages were part of the  
 4-14 manufacturer's original equipment on the vehicle.

4-15 SECTION 11. The heading to Chapter 548, Transportation  
 4-16 Code, is amended to read as follows:

4-17 CHAPTER 548. ~~[COMPULSORY]~~ INSPECTION OF VEHICLES

4-18 SECTION 12. Section 548.001(10), Transportation Code, is  
 4-19 amended to read as follows:

4-20 (10) "Vehicle inspection report" means a report issued  
 4-21 by an inspector or an inspection station for a vehicle that  
 4-22 indicates whether the vehicle has passed an emissions inspection ~~[inspections]~~ ~~[the safety and, if~~  
 4-23 ~~applicable,]~~ required by this  
 4-24 chapter.

4-25 SECTION 13. Section 548.005, Transportation Code, is  
 4-26 amended to read as follows:

4-27 Sec. 548.005. INSPECTION ONLY BY CERTAIN ~~[STATE-CERTIFIED~~  
 4-28 ~~AND SUPERVISED]~~ INSPECTION STATIONS ~~[STATION]~~. A compulsory  
 4-29 inspection under this chapter may be made only by an inspection  
 4-30 station, except that the department may:

4-31 (1) permit inspection to be made by an inspector under  
 4-32 terms and conditions the department prescribes;

4-33 (2) authorize the acceptance in this state of a  
 4-34 certificate of inspection and approval issued in another state  
 4-35 having a similar inspection law; ~~and]~~

4-36 (3) authorize the acceptance in this state of a  
 4-37 certificate of inspection and approval issued in compliance with 49  
 4-38 C.F.R. Part 396 to a motor bus, as defined by Section 502.001, that  
 4-39 is registered in this state but is not domiciled in this state; and

4-40 (4) authorize the acceptance in this state of a  
 4-41 certificate of inspection and approval issued:

4-42 (A) by an inspector qualified under 49 C.F.R.  
 4-43 Part 396 acting as an employee or authorized agent of the owner of a  
 4-44 commercial fleet, as defined in Section 502.001; and

4-45 (B) to a commercial motor vehicle that is:  
 4-46 (i) part of the fleet; and  
 4-47 (ii) registered in this state.

4-48 SECTION 14. Section 548.006(b), Transportation Code, is  
 4-49 amended to read as follows:

4-50 (b) The members of the commission shall appoint seven  
 4-51 members of the committee as follows:

4-52 (1) four persons to represent inspection station  
 4-53 owners and operators ~~[, with two of those persons from counties~~  
 4-54 ~~conducting vehicle emissions testing under Subchapter F and two of~~  
 4-55 ~~those persons from counties conducting safety only inspections];~~

4-56 (2) one person to represent manufacturers of motor  
 4-57 vehicle emissions inspection devices;

4-58 (3) one person to represent independent vehicle  
 4-59 equipment repair technicians; and

4-60 (4) one person to represent the public interest.

4-61 SECTION 15. Section 548.052, Transportation Code, is  
 4-62 transferred to Subchapter K, Chapter 547, Transportation Code,  
 4-63 redesignated as Section 547.6011, Transportation Code, and amended  
 4-64 to read as follows:

4-65 Sec. 547.6011 ~~[548.052]~~. VEHICLES NOT REQUIRED TO BE  
 4-66 EQUIPPED WITH SAFETY BELTS ~~[SUBJECT TO INSPECTION]~~. Section  
 4-67 547.601 ~~[This chapter]~~ does not apply to:

4-68 (1) a trailer, semitrailer, pole trailer, or mobile  
 4-69 home moving under or bearing a current factory-delivery license

5-1 plate or current in-transit license plate;

5-2 (2) a vehicle moving under or bearing a paper dealer  
5-3 in-transit tag, machinery license, disaster license, parade  
5-4 license, prorate tab, one-trip permit, vehicle temporary transit  
5-5 permit, antique license, custom vehicle license, street rod  
5-6 license, temporary 24-hour permit, or permit license;

5-7 (3) a trailer, semitrailer, pole trailer, or mobile  
5-8 home having an actual gross weight or registered gross weight of  
5-9 4,500 pounds or less;

5-10 (4) farm machinery, road-building equipment, a farm  
5-11 trailer, or a vehicle required to display a slow-moving-vehicle  
5-12 emblem under Section 547.703;

5-13 (5) a former military vehicle, as defined by Section  
5-14 504.502;

5-15 (6) a vehicle qualified for a tax exemption under  
5-16 Section 152.092, Tax Code; or

5-17 (7) a vehicle for which a certificate of title has been  
5-18 issued but that is not required to be registered.

5-19 SECTION 16. Section 548.053, Transportation Code, is  
5-20 transferred to Subchapter E, Chapter 548, Transportation Code,  
5-21 redesignated as Section 548.255, Transportation Code, and amended  
5-22 to read as follows:

5-23 Sec. 548.255 [~~548.053~~]. REINSPECTION OF VEHICLE REQUIRING  
5-24 ADJUSTMENT, CORRECTION, OR REPAIR. [~~(a)~~] If an inspection  
5-25 discloses the necessity for adjustment, correction, or repair, an  
5-26 inspection station or inspector may not issue a passing vehicle  
5-27 inspection report until the adjustment, correction, or repair is  
5-28 made. The owner of the vehicle may have the adjustment, correction,  
5-29 or repair made by a qualified person of the owner's choice, subject  
5-30 to reinspection. The vehicle shall be reinspected once free of  
5-31 charge within 15 days after the date of the original inspection, not  
5-32 including the date the original inspection is made, at the same  
5-33 inspection station after the adjustment, correction, or repair is  
5-34 made.

5-35 [~~(b) A vehicle that is inspected and is subsequently~~  
5-36 ~~involved in an accident affecting the safe operation of an item of~~  
5-37 ~~inspection must be reinspected following repair. The reinspection~~  
5-38 ~~must be at an inspection station and shall be treated and charged as~~  
5-39 ~~an initial inspection.~~]

5-40 SECTION 17. Section 548.105, Transportation Code, is  
5-41 transferred to Subchapter E, Chapter 548, Transportation Code, and  
5-42 redesignated as Section 548.2521, Transportation Code, to read as  
5-43 follows:

5-44 Sec. 548.2521 [~~548.105~~]. EVIDENCE OF FINANCIAL  
5-45 RESPONSIBILITY AS PREREQUISITE TO ISSUANCE OF PASSING VEHICLE  
5-46 INSPECTION REPORT. (a) An inspection station or inspector may not  
5-47 issue a passing vehicle inspection report for a vehicle unless the  
5-48 owner or operator furnishes evidence of financial responsibility at  
5-49 the time of inspection. Evidence of financial responsibility may  
5-50 be shown in the manner specified under Section 601.053(a). A  
5-51 personal automobile insurance policy used as evidence of financial  
5-52 responsibility must be written for a term of 30 days or more as  
5-53 required by Section 1952.054, Insurance Code.

5-54 (b) An inspection station is not liable to a person,  
5-55 including a third party, for issuing a passing vehicle inspection  
5-56 report in reliance on evidence of financial responsibility  
5-57 furnished to the station. An inspection station that is the seller  
5-58 of a motor vehicle may rely on an oral insurance binder.

5-59 SECTION 18. Section 548.201, Transportation Code, is  
5-60 amended to read as follows:

5-61 Sec. 548.201. COMMERCIAL MOTOR VEHICLE INSPECTION PROGRAM.  
5-62 [~~(a)~~] The commission may [~~shall~~] establish an inspection program  
5-63 for commercial motor vehicles only if necessary to comply with  
5-64 [~~that~~].

5-65 [~~(1) meets~~] the requirements of federal motor carrier  
5-66 safety regulations [~~, and~~

5-67 [~~(2) requires a commercial motor vehicle registered in~~  
5-68 ~~this state to pass an annual inspection of all safety equipment~~  
5-69 ~~required by the federal motor carrier safety regulations].~~

6-1           ~~[(b) A program under this section also applies to any:~~  
6-2           ~~(1) vehicle or combination of vehicles with a gross~~  
6-3 ~~weight rating of more than 10,000 pounds that is operated in~~  
6-4 ~~interstate commerce and registered in this state;~~  
6-5           ~~(2) school activity bus, as defined in Section~~  
6-6 ~~541.201, that has a gross weight, registered weight, or gross~~  
6-7 ~~weight rating of more than 26,000 pounds, or is designed to~~  
6-8 ~~transport more than 15 passengers, including the driver; and~~  
6-9           ~~(3) school bus that will operate at a speed~~  
6-10 ~~authorized by Section 545.352(b)(5)(A).]~~

6-11           SECTION 19. Subchapter E, Chapter 548, Transportation Code,  
6-12 is amended by adding Section 548.257 to read as follows:

6-13           Sec. 548.257. TIMING OF INSPECTION FOR REGISTRATION-BASED  
6-14 ENFORCEMENT. The commission shall require a vehicle required to be  
6-15 inspected under this chapter to pass the required inspection:

6-16           (1) not earlier than 90 days before the date of  
6-17 expiration of the vehicle's registration; or

6-18           (2) if the vehicle is a used motor vehicle sold by a  
6-19 dealer, as defined by Section 503.001, in the 180 days preceding the  
6-20 date the dealer sells the vehicle.

6-21           SECTION 20. Section 548.505, Transportation Code, is  
6-22 amended to read as follows:

6-23           Sec. 548.505. EMISSIONS-RELATED INSPECTION FEE. (a) The  
6-24 department by rule may impose an inspection fee for a vehicle  
6-25 inspected under Section 548.301(a) in addition to a fee adopted  
6-26 under Section 382.202, Health and Safety Code ~~[the fee provided by~~  
6-27 ~~Section 548.501, 548.502, 548.503, or 548.504].~~ A fee imposed  
6-28 under this subsection must be based on the costs of:

- 6-29           (1) providing inspections; and
- 6-30           (2) administering the program.

6-31           (b) A fee described by Subsection (a) must be collected as  
6-32 provided by Section 502.361. ~~[The department may provide a maximum~~  
6-33 ~~fee for an inspection under this subchapter. The department may not~~  
6-34 ~~set a minimum fee for an inspection under this subchapter.]~~

6-35           SECTION 21. Section 548.603(a), Transportation Code, is  
6-36 amended to read as follows:

6-37           (a) A person commits an offense if the person:

6-38           (1) presents to an official of this state or a  
6-39 political subdivision of this state a vehicle inspection report or  
6-40 insurance document knowing that the report or document is  
6-41 counterfeit, tampered with, altered, fictitious, issued for  
6-42 another vehicle, issued for a vehicle failing to meet all emissions  
6-43 inspection requirements, or issued in violation of:

6-44           (A) this chapter, rules adopted under this  
6-45 chapter, or other law of this state; or

6-46           (B) a law of another state, the United States,  
6-47 the United Mexican States, a state of the United Mexican States,  
6-48 Canada, or a province of Canada; or

6-49           (2) ~~[with intent to circumvent the emissions~~  
6-50 ~~inspection requirements seeks an inspection of a vehicle at a~~  
6-51 ~~station not certified to perform an emissions inspection if the~~  
6-52 ~~person knows that the vehicle is required to be inspected under~~  
6-53 ~~Section 548.301, or~~

6-54           ~~[(3)]~~ knowingly does not comply with an emissions  
6-55 inspection requirement for a vehicle.

6-56           SECTION 22. Section 548.604(a), Transportation Code, is  
6-57 amended to read as follows:

6-58           (a) A person commits an offense if the person operates or  
6-59 moves a motor vehicle, trailer, semitrailer, pole trailer, or  
6-60 mobile home, or a combination of those vehicles, that is[+  
6-61           ~~[(1)]~~ equipped in violation of this chapter or a rule  
6-62 adopted under this chapter~~], or~~

6-63           ~~[(2)]~~ in a mechanical condition that endangers a  
6-64 person, including the operator or an occupant, or property].

6-65           SECTION 23. The following provisions of the Transportation  
6-66 Code are repealed:

- 6-67           (1) the heading to Subchapter B, Chapter 548;
- 6-68           (2) Section 548.051;
- 6-69           (3) the heading to Subchapter C, Chapter 548;

- 7-1 (4) Sections 548.101, 548.102, 548.103, and 548.104;
- 7-2 (5) Sections 548.202 and 548.203;
- 7-3 (6) Sections 548.301(d) and 548.3045(b); and
- 7-4 (7) Sections 548.501, 548.502, 548.503, 548.504,
- 7-5 548.5055, 548.508, and 548.509.

7-6 SECTION 24. Not later than January 1, 2019, the Department  
 7-7 of Public Safety shall submit to the lieutenant governor and the  
 7-8 speaker of the house of representatives a report on changes in the  
 7-9 department's expenses and income that result from implementing the  
 7-10 changes in law required by this Act, including the increase or  
 7-11 decrease, if any, of the number of full-time equivalent employees  
 7-12 needed to administer Chapters 547 and 548, Transportation Code,  
 7-13 between September 1, 2017, and the date the report is prepared.

7-14 SECTION 25. The change in law made by this Act applies only  
 7-15 to an offense committed on or after the effective date of this Act.  
 7-16 An offense committed before the effective date of this Act is  
 7-17 governed by the law in effect on the date the offense was committed,  
 7-18 and the former law is continued in effect for that purpose. For  
 7-19 purposes of this section, an offense was committed before the  
 7-20 effective date of this Act if any element of the offense occurred  
 7-21 before that date.

7-22 SECTION 26. This Act takes effect January 1, 2018.

7-23

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