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State Looking Into Inspection Fraud At Dealerships



Jack Fink GARLAND (CBS 11 / TXA 21) —



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The state of Texas is accusing a North Texas car dealer of issuing hundreds of false emissions inspection stickers.

Texas Attorney General Greg Abbott says the dealership gave the vehicles a passing grade when in reality it never inspected them at all.

The attorney general took Randall Reed's Prestige Ford Lincoln-Mercury to court, and the state says the dealership has agreed to pay about \$230,000 in fines.

The AG's office says since 2007 the dealership has issued 400 fraudulent inspection stickers.

The state says the dealership violated the Texas Deceptive Trade Practices Act because it misrepresented to unknowing customers the vehicles passed inspection when in fact their vehicles may need costly repairs down the road.

Tom Kelley, spokesman for the AG's office says the dealership violated the state's deceptive trade practices act. "Customers do not know about this by and large. We had no complaints about this because they just don't know. They just assume they get a vehicle that's tested clean."

Transportation leaders say this is part of a larger problem that's affecting the air we breathe.

"It's not just the mom and pop or smaller places that everyone might think is the culprit in this stuff, but it can be the large folks in the region that could be conducting this type of activity" says Chris Klaus with the North Central Texas Council of Governments.

In a statement the dealer's owner, Randall Reed, said "We were surprised to learn that some employees had engaged in improper reporting of vehicle emissions." Reed says that after being notified by the state, they fired the employees under scrutiny.

For several years now, Dallas County and the Department of Public Safety have conducted undercover operations to find inspection stops issuing bogus stickers for vehicles that fail.

The state calls it 'clean scanning' in which inspectors attach testing equipment to a vehicle that passed its clean air inspection.

Klaus says they are still investigating other dealers and inspection shops. "There are some as indicated that could be doing 1,000 a year, and that's where we're really focusing our effort and energy on."

Then the state says the inspectors enter the vehicle identification number of the vehicle that hasn't passed or hasn't been tested, so that it will pass.

The inspections are required by law to help improve the air quality. Klaus and other local transportation leaders say last year, the state just missed meeting federal standards. "If all these inspection operators, and inspections were conducting proper business, then we might have been able to get there."

Delvin Baker recently bought a vehicle from another dealer. He's confident It's inspection sticker is ok, but "I never thought about it, I never knew them things exist."

Democratic state senator Royce West of Dallas says the penalties are weak. "Frankly, right now, if a person's found to be in violation of the law, it's a class c misdemeanor basically a traffic ticket."

Last year, he sponsored a bill in the senate to toughen penalties for violators. While it passed the senate, it died in the house. West vows to try again next year. "We're going to re-introduce it."

McKinney resident Rebecca Wooters' 7-year-old son Nicholas has severe asthma. She says clean air is vitally important to him. "We almost lost him to a severe asthma attack."

Wooters says she's not happy to hear that vehicles around North Texas received a passing grade for emissions, when they shouldn't have. Wooters supports West's efforts against those who issue the fraudulent stickers. "I get angry because I think that people are not thinking about what they're

Randall Reed says the dealership has put procedures in place to ensure fraudulent inspection stickers won't be issued again. He says customers who bought a used car between June, 2007 and September, 2009 can get a free emissions inspection.

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