

# Vehicle Safety Inspections: Another Wasteful Government Program



## SUMMARY

The cost of vehicle safety inspections to Utah drivers grossly outweighs the intended and perceived benefits, which themselves are difficult to discern—to the extent they exist. Of the many studies performed on this issue, there is no conclusive evidence that vehicle safety inspections reduce mechanical-error car accidents.

Such accidents are rare in Utah; only 3.8% of car accidents occur due to a mechanical error. Improved roads, public education efforts,

and the vehicles themselves have minimized accidents; mandatory inspections do not appear to contribute to this rate being so low.

Utah drivers collectively pay over \$25 million annually due to this program—money that should be retained for them to use on actual maintenance as needed by their vehicle. Taxpayer funds currently allocated for the state's vehicle safety program should be redirected to the Department of Public Safety to patrol Utah's roads on the lookout for unsafe vehicles.

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With no evidence to indicate that mandated vehicle safety inspections lead to fewer car accidents, this burden on Utah drivers should be eliminated.

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Public safety—especially on Utah's roads—is an important legislative priority that has resulted, among other laws, in a vehicle safety inspection program whereby Utah drivers are required to pay for routine reviews of their automobiles in order to assess their alleged road worthiness. While well-intentioned, this program does not actually help achieve the goal of public safety.

There are two kinds of routine vehicle inspections: safety and emissions. The federal government mandated emissions testing in 1990 with the Clean Air Act. Utah established its own safety inspection program in 1936, with the federal government joining the effort three decades later with passage of the Highway Safety Act of 1966, which incentivized states to establish these types of programs—and financially punished those who didn't.<sup>1</sup>

A rise in vehicle fatalities during the mid-20th century prompted technological advances and policy changes designed to increase driver safety. Vehicles were built with more safety features, roads and signage were improved, stricter traffic safety laws were enacted and enforced, and public education efforts increased to encourage safer driving.

Not all changes were welcomed. The 1966 Highway Safety Act provoked widespread opposition; most states refused to implement inspection programs amid controversy over whether the claimed benefits were worth the considerable costs.

## State Opposition

In 1976 Congress limited the National Highway Traffic Safety Administration's sanctioning authority of enforcing vehicle safety inspections by withholding federal-aid highway funding for non-compliance.<sup>2</sup> This in turn led many states to discontinue their mandatory programs because they couldn't afford the cost of continuing them. Several states instead began to experiment with their own substitute inspection programs.<sup>3</sup> For example, California experimented with four different levels of inspections for one year, and the NHTSA found that these programs were inadequate.

**There is no evidence that mandatory vehicle safety inspections decrease injuries or fatalities.**

Utah is one of only 16 states that still require vehicle safety inspections.<sup>4</sup> Vehicles older than ten years must be inspected annually, while newer cars are inspected on the fourth, eighth, and tenth year of the vehicle's life.

The U.S. Government Accountability Office recently conducted a review of studies regarding safety inspections and their effect, if any, on roadway fatalities and injuries. They discovered conflicting results among the studies, suggesting that an absence of verifiable data exists to justify mandatory inspection programs.<sup>5</sup>

Some studies involved insufficient numbers for an accurate conclusion, and others were conducted with

a biased data pool, pulling small numbers of volunteers to perform in the study instead of studying individuals at random. In analyzing these studies, because the data are quite outdated, improperly collected, and not consistently verifiable, no evidence exists to support the theory that periodic vehicle safety inspections prevent mechanical error vehicle crashes and fatalities.<sup>6</sup>

## Factors in Vehicle Accidents

Preventing car accidents is not merely a factor of vehicle safety, and requiring inspections is insufficient (and perhaps unnecessary) to achieving this goal. Three parties contribute to a vehicle accident: the

roads (environment), the vehicle (agent), and the driver (host). Many changes have been made in recent decades to minimize each party's risk of contributing to an accident.

Road safety has increased by the addition of reflective strips, improved sign illumination, barriers and guardrails to separate oncoming traffic, rumble strips, speed limits, better sidewalks and road shoulders, and overall improved road maintenance.

Vehicles are safer than ever, with the widespread adoption of safety features such as headrests, energy-absorbing steering wheels, shatter-resistant windshields, warning systems, anti-lock braking systems, additional brake lights and mirrors, disc brakes, tire tread, airbags, and safety belts. According to the U.S. Department of Transportation, vehicle crashes have decreased 20% over the past 10 years because of

safety awareness, education, traffic enforcement, and in-vehicle crash avoidance technologies.<sup>7</sup>

Lastly, the risk of drivers contributing to motor vehicle crashes has decreased through public education campaigns, enforcement of laws against driving while intoxicated, graduated licensing systems for young drivers, and proper safety belt usage for adults as well as any child passengers.

### Why No Inspections?

Proponents of mandatory vehicle safety inspections argue that they prevent car accidents and save lives. The problem with vehicle safety inspections is fourfold. First, proponents must demonstrate that mechanical failures are a major contributing factor in car accidents. Second, inspection centers must

accurately diagnose mechanical errors and effectively repair the vehicle. Third, the cost of the inspections program should not outweigh the potential benefits. Fourth, mandatory inspections should not alter the behavior of drivers so as to negate any benefit the inspections might otherwise produce.

### Are mechanical failures a contributing factor in car accidents?

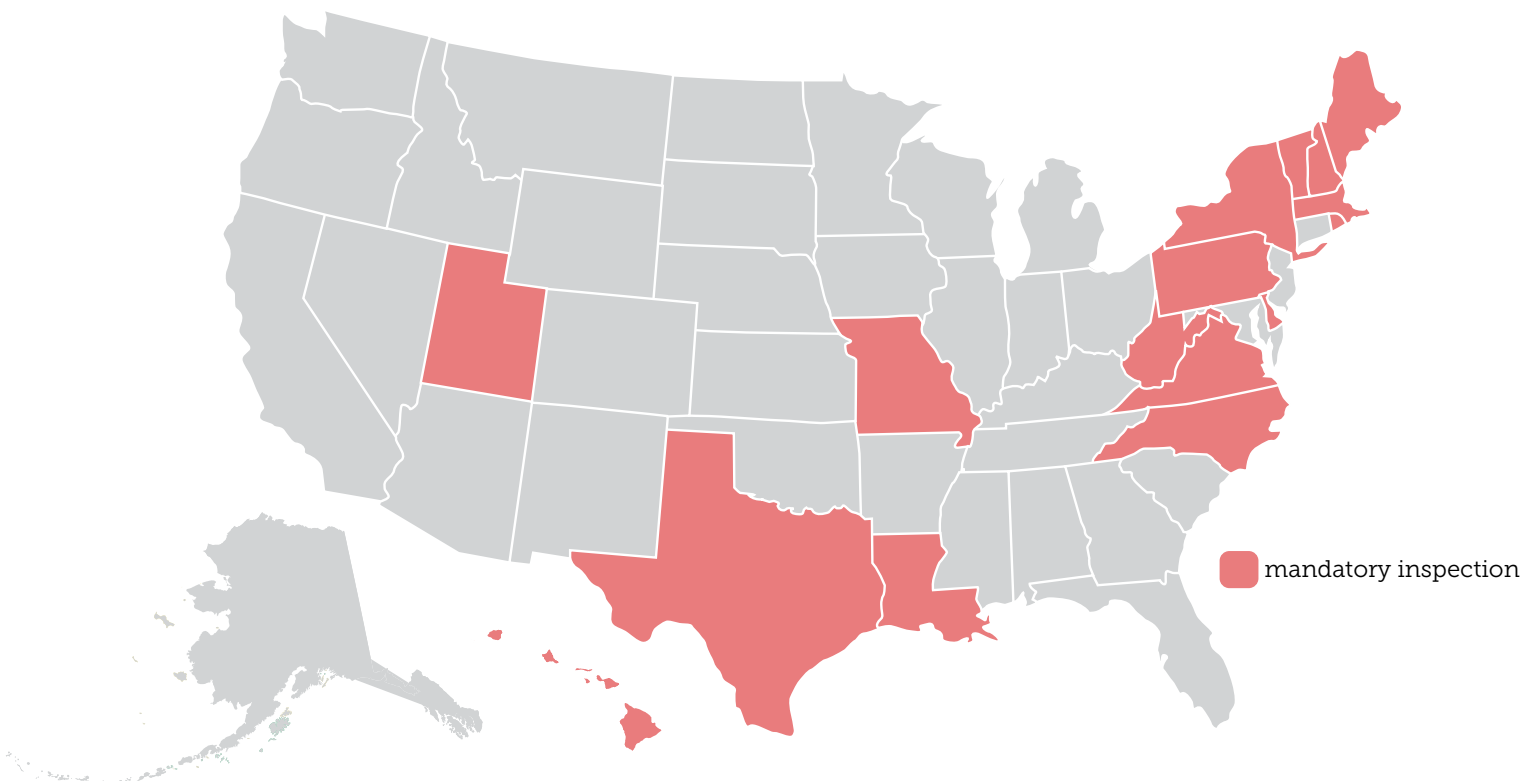
Police officers don't have sufficient time, knowledge, and resources to mechanically diagnose a vehicle after an accident to see if it was compliant with required safety standards; a law enforcement officer's assessment is superficial at best.<sup>8</sup> As such, police reports of vehicle accidents likely under-report mechanical failures and incorrectly attribute them as

contributing factors in accidents.<sup>9</sup>

An accurate and complete assessment of a vehicle's contribution to an accident would require time to gather the necessary data and determine the veracity of the information given by the involved drivers. Drivers can blame an accident on whatever mechanical error they want, in turn possibly blaming the inspection facility for their inaccurate inspection of the brakes' efficacy.

Notwithstanding these shortcomings in collecting correct data, and the over-attribution that likely exists, a study of all 50 states conducted from 1981 to 1993 showed how difficult it was to account for all the variables of such a study, such as the differences in road conditions across state lines.<sup>10</sup> Taking into consideration all of the previously omitted variables, it found that vehicle safety inspections do

## States with Mandatory Safety Inspections



not reduce fatality rates, nor did they find evidence of a reduction in nonfatal accidents.

Two researchers from that study later performed another one in 2002, when only 20 states still had mandatory safety inspections. Unlike past studies, they decided to measure the effectiveness of the policy instead of casualties. The authors based their study on the self-maintenance of drivers compared to inspection stations and the change in the driver's behavior, finding that the presence of vehicle safety inspections had no impact on the numbers of casualties on the road, demonstrating the inefficacy of these inspections.

Reducing mechanical failures is the key purpose behind these programs, yet with such little and outdated data that only produces mixed results at best, it is hard to justify the necessity of an inspection program on this basis.

### Can inspection centers be relied upon?

Safety inspections administered based on the age of the car are an inaccurate way to measure a car's usage, and therefore safety; a vehicle rarely or never driven should not need an inspection, and it is not worth the time to the inspection station or the vehicle owner to force an inspection. On the other hand, a vehicle that is driven at three times the average annual mileage may experience a mechanical failure more quickly; in this circumstance an inspection station may harshly grade the vehicle's problems in order to cash in on alleged safety problems that do not actually exist.

The state may not sufficiently monitor

these inspection shops, and it is difficult for the authorities to prevent this potential abuse of the power given to the inspection stations by the state. Under current law, the Utah Division of Motor Vehicles can respond to complaints, and if the inspection stations are found not operating in accordance with the law, they can have their licenses revoked. Otherwise, there is no oversight to the vehicle safety inspection stations—no audits or monitoring of any kind—to make sure these vehicle inspection stations are operating lawfully in the state of Utah.

Once a problem is diagnosed, there's also the factor of quality of work—whether components were installed properly by a mechanic that isn't your trusted neighborhood auto mechanic. Inspectors may intentionally or unintentionally fail to report safety problems—sometimes to minimize the level of trouble to customers or

increase the number of inspections.<sup>11</sup> Also, what has to be taken into account is the wear on the car that such inspections cause. For example, the over-tightening of lug nuts may occasionally cause one to shear off while driving out of the parking lot. Even if the inspection facility performed a proper inspection, the wear of performing such inspections takes a toll on your car and is not taken into account when assessing the safety of the vehicle. So even if a driver has an up-to-date inspection, it may not prevent mechanical-error car accidents.

### Do the potential benefits of mandated safety inspections outweigh the cost?

The GAO report previously mentioned also found that a cost-safety benefit analysis likewise failed to demonstrate that such mandates are cost effective.<sup>12</sup>

In light of this result, it may help to consider the arguments involved in an effort to determine if the benefits exceed the associated costs. Consider a responsible Utah driver who takes regular care of their vehicle. Requiring them to undergo an inspection is redundant, unnecessary, and therefore unjust. Mandating their participation in an inspection program does not benefit them, nor drivers with whom they share the road, if their vehicle already operates safely and will not lead to a mechanical-error accident.

But what of those who do not take care of their vehicles? There is no data to indicate that inspections help catch these people to prevent their operation of an unsafe vehicle. And inspections that result in failure for issues that do not impact vehicle

#### Top 10 Freest States Based on Regulatory Policy

1. Idaho
2. Indiana
3. Wyoming
4. Kansas
5. Iowa
6. North Dakota
7. South Dakota
8. Nebraska
9. Utah
10. Oklahoma

*The Cato Institute's 2015 ranking based on regulatory policy places Utah in the top 10 freest states. However, it is the only state in this list that requires mandatory vehicle safety inspections.*

safety—such as cracked glass, a burned out license plate light, or windows with too much tint—do not justify requiring Utah drivers to collectively spend millions of dollars on the inspection, given that they do not prevent mechanical-error accidents.

**The costs of a mandatory vehicle inspection program outweigh the claimed benefits, wasting both the time and money of Utah drivers.**

information on crashes that involve fatalities, injuries, and violations.<sup>15</sup> In 2013, speeding was the highest contributing factor in car crash fatalities (40% of the total; 87 deaths), while mechanical errors were very minimal (3.8% of the total; two deaths). Policy

### **How do inspections alter driver behavior?**

The Peltzman Effect is a theory that holds that people may respond to a safety regulation by increasing other risky behavior, negating some or all of the intended benefits of the regulation. It's a theory that appears to have at least some data behind it.

A study of the Peltzman Effect, published in the 2007 *Southern Economic Journal*<sup>13</sup>, used NASCAR drivers to observe crash data based on micromanaged safety regulations and the relation to behavioral changes—the “human factor”—in a controlled environment. The study's authors found that, “drivers drive more recklessly as the probability of driver injury has fallen,” concluding that “making cars safer does result in more accidents, but total injuries still decrease.”

A vehicle owner who is told that their car is safe may drive more recklessly as a result. Further, altering their maintenance behavior by encouraging them to wait until the next required safety inspection may disincentivize them from performing necessary work in the meantime, or, at a minimum, being a responsible driver and paying attention to the functionality of their car in an effort to carefully observe, and then resolve, potential safety issues.

### **Driver Discrimination**

Vehicle safety inspections also discriminate against Utah drivers. Utahns pay these inspection fees and taxes to regulate our roads while out-of-state drivers are not required to. These drivers have to obey traffic laws just like we do, but residents of our state suffer a disproportionate burden in mandatory inspections.

As such, Utah roads are used by many out-of-state vehicles that are not mandatorily inspected, yet are not breaking down and causing problems. Absent data to suggest that these out-of-state drivers have mechanical failures at a rate higher than Utah drivers, it would seem the best solution would be that we likewise repeal the program.

Out of the top ten states ranked for freest regulatory policy by the Cato Institute, Utah is the only state that still mandates vehicle safety inspections.<sup>14</sup> The other 15 states that mandate them are ranked among the lowest in the nation for freedom in regulatory standards. Utah should seek to obtain a status of freedom not associated with other over-regulated states by repealing the mandatory vehicle safety inspections.

### **An Unnecessary Burden**

Data from the Utah Department of Public Safety provides detailed

makers should consider whether it is appropriate to exhaust so much time and money on a program that has a minimal impact—if it has one at all. Instead, the state should focus on proven methods worthy of taxpayer time and money, such as increased public education about safe driving habits and enforcement against vehicles that are specifically believed to be unsafe.

The financial burden on Utah drivers is most discernible; abolition of this program would save them a combined \$25 million per year.<sup>16</sup> This figure, while significant, likely pales in comparison to the lost economic opportunity presented by making hundreds of thousands of Utahns regularly spend time dealing with and waiting for an unneeded vehicle inspection.

### **Reform Efforts**

The legislature passed House Bill 298 in 2012, sponsored by Representative John Dougall, which changed the frequency of vehicle safety inspections from every two years to every four years if a car is under ten years old.<sup>17</sup> Reducing the frequency of vehicle inspections on newer cars has saved Utah drivers time and money. This was a step in the right direction, albeit a compromise from fully eliminating the vehicle safety inspection program.

The bill also repealed the vehicle safety inspection requirement for vehicle transfers if one was performed in the last 11 months. It also increased the registration fee for motor vehicles to offset the reduced revenue of the repealed vehicle safety certification fee, facilitating the hiring of twenty additional highway patrol officers to patrol the roads and help look out for potentially unsafe vehicles.<sup>18</sup>

Representative Norm Thurston introduced a bill in the 2016 legislative session that attempted to eliminate vehicle safety inspections altogether. House Bill 319 would have repealed the requirement that certain vehicles obtain a safety inspection certificate in order to be registered and to operate on the highway.<sup>19</sup> Unfortunately, Thurston's bill never made it out of committee.

the road—including the condition and safety of the vehicle they drive—Utah should phase out the vehicle safety inspection program. Although abolition of the program is the ideal outcome, given the lack of evidence to support its existence, other options are available to decrease its burden.

One of the biggest challenges to states are the costs of maintaining the vehicle safety inspection program, specifically the printing and processing of paper forms—a major oversight challenge identified by the GAO. As such, any paper-based systems should be digitized to eliminate cost and streamline efficiency. Modernizing the system would make the program much easier to find the resources and forms necessary to complete the inspection process without potential for missing, outdated, or incorrect data.

these incidents for future statistics and studies as well as encourage drivers to keep their vehicle safe through voluntary inspections.

Without broader reform, the current inspection program could be decreased in frequency, thus minimizing unnecessary time and money each driver has to spend at the inspection station. This would promote individual responsibility without adding more financial burden to the owners of older vehicles. Even cars older than ten years don't require the frequency of inspections that Utah currently has in place. As older cars in general require more upkeep and monitoring by the owner, the owners become more responsible and attuned to the needs and updates of their vehicle—also driving safer, as a result of the Peltzman Effect.

Fundamentally, Utah should incorporate market dynamics to manage vehicle safety. Auto shops and insurance companies should incentivize demand for vehicle safety instead of relying on mandates and coercive fees. Auto shops could encourage drivers to check their mechanical safety as an additional incentive when they have to get their cars taken in for the mandatory yearly emissions inspections or an oil change. Insurance companies could offer discounts or lower rates to vehicles that are more frequently inspected, or to newer, safer vehicles.

At the end of the day, Utahns should be given the opportunity to choose how to spend their own time and money on improving the safety of their vehicle, thereby loosening the grip of a bureaucratic program that lacks any evidence of having fulfilled its purported purpose.



These \$15 inspections cost Utahns a combined \$25 million each year. Representative Thurston said his bill would “take a program that has no clear evidence that it’s working... and move those resources where we can make a difference.” His proposal, like Dougall’s before it, supports an ongoing appropriation to hire additional highway patrol officers.

## The Right Reform

While drivers should be held accountable for their actions on

Police officers could recommend a fix-it ticket warning on a secondary enforcement basis for obvious mechanical problems that could cause injury on the road, such as a dragging bumper, bald tires, grinding or squeaking brakes, noticeable steering issues, etc. As a secondary enforcement, patrol officers will be able to utilize their valued time and expertise on issues more pertinent to road safety and still be able to inform drivers of their responsibility to maintain the safety of their vehicle. Properly citing drivers for these major mechanical errors after an accident would help document

## Endnotes

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PUBLIC POLICY BRIEF

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FREQUENT  
RECURRENCE  
===== TO =====  
FUNDAMENTAL  
PRINCIPLES IS  
ESSENTIAL  
===== TO =====  
THE SECURITY  
===== OF =====  
INDIVIDUAL  
RIGHTS

UTAH CONSTITUTION  
ARTICLE I, SEC 27