

---

Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

---

Senate Bill 763 (as introduced 10-21-97)  
Sponsor: Senator Dianne Byrum  
Committee: Transportation and Tourism

Date Completed: 11-12-97

### **CONTENT**

**The bill would amend Public Act 369 of 1974, which provides for the licensure of driver training schools and instructors, to do the following:**

- **Require a license application for a driver training school or instructor to permit the Department of State to request a criminal history check on the prospective licensee from the State Police and the Federal Bureau of Investigation (FBI).**
- **Prohibit the Department of State from licensing or renewing the license of a driver training school or instructor before requesting and receiving a criminal history check on the licensee.**
- **Require the State Police criminal records division, within 30 days of receiving a request, to conduct a criminal history check and report the results to Department of State and the training school licensee.**
- **Prohibit the disclosure of a report, except any conviction involving sexual or physical abuse, to any person not directly involved in evaluating an applicant's qualification for licensure as a driver training school or instructor, and establish misdemeanor penalties for violating this prohibition.**
- **Increase license application and renewal fees, and require that the fee revenue, after administrative costs were deducted, be deposited in the Driver Education Fund.**
- **Decrease the number of points that an applicant for an instructor license may have on his or her driving record.**

### **Applications**

Under the Act, a person may not conduct a driver training school without obtaining a license in a noncommercial and/or commercial motor vehicle classification. An application for a license to conduct a driver training school must be filed with the Department of State. The bill would require that an application include an authorization to be signed by the prospective licensee permitting the Department to request a criminal history check from the Department of State Police and the FBI.

In addition, a driver training school may not employ a person as an instructor unless he or she is licensed as an instructor. A driver training school licensee must file annually an application with the Department for licensing its employees as instructors. In addition to the information already required for an application, the bill would require that an application include an authorization signed by a prospective employee before being hired as a driving instructor permitting the licensee to request a criminal history check from the Department of State Police and the FBI.

In order to qualify as an instructor, a person must meet certain requirements. The bill would add that a person could not have a prior felony or misdemeanor conviction involving sexual or physical abuse.

The current licensure criteria for an instructor include a requirement that the person have a driving record, within the five years preceding submission of an application, that does not contain a conviction for any violation for which six points are assessed, other than for speeding. Under the bill, an applicant could not have four or more points.

### Criminal History Check

The Department could not license a person to operate a driver training school or, after the bill's effective date, renew a person's license to operate a school, before requesting and receiving from the Department of State Police and the FBI a criminal history check on the person. In addition, a driver training school licensee could not employ a person as an instructor or, after the bill's effective date, continue to employ a person as a driving instructor before requesting and receiving a criminal history check on the person from the State Police and the FBI.

A driver training school licensee would have to make a request to the criminal records division of the State Police for a criminal history check on a form and in a manner prescribed by the criminal records division.

Within 30 days after receiving a request from the Department for a criminal history check on a person seeking a license to operate a school or a person seeking an instructor's license, the criminal records division of the State Police would have to conduct the criminal history check. After conducting the check and within that time period, the criminal records division would have to report the results of the criminal history check on an instructor applicant to the Department and the driver training school licensee, and report the results of a check on a school to the Department. The report would have to contain any criminal history record information on the person maintained by the criminal records division.

Criminal history record information could be used by a driver training school licensee only for evaluating a person's qualifications for employment as a driver training instructor, or by the Department for evaluating a person's qualifications for licensure as a driver training school. A driver training school licensee or the Department could not disclose the report or its contents, except any felony conviction or a misdemeanor conviction involving sexual or physical abuse, to any person who was not directly involved in evaluating the applicant's qualifications for employment or for licensure as a driver training school. A person who violated these provisions would be guilty of a misdemeanor punishable by a fine of up to \$10,000.

(Under the bill, "criminal history record information" would mean that term as defined in the bureau of criminal identification Act. That Act defines "criminal history record information" as the name; date of birth; fingerprints; photographs, if available; personal descriptions, including physical measurements, identifying marks, scars, amputations, and tattoos; aliases and prior names; Social Security and driver's license numbers and other identifying numbers; and information on misdemeanor convictions and felony arrests and convictions.)

### Fees

Currently, an application to conduct a driver training school must be accompanied by a \$75 fee for a noncommercial motor vehicle driver training school and \$150 for a commercial motor vehicle driver training school. The bill would raise the fee to \$125 for a noncommercial motor vehicle school and to \$200 for a commercial motor vehicle school.

In addition, a license issued to a driver training school expires on December 31 of the calendar year for which the license was issued. An application for license renewal must be accompanied by a renewal fee. The bill would raise the renewal fee from \$75 to \$125 for a noncommercial motor vehicle driver training school and from \$150 to \$200 for a commercial motor vehicle driver training school.

The Act also requires that an application for licensure as an instructor be accompanied by a \$15 fee. The bill would raise this fee to \$25.

After the actual administrative costs of the Department were deducted, the balance of the fee revenue would have to be deposited in the Driver Education Fund, created in the Michigan Vehicle Code.

MCL 256.602 et al.

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

The State would see an increase in revenue from the fee increases. There would be virtually no increase in administrative costs from these provisions. The balance of fee revenue would be deposited in the Driver Education Fund. Because the exact revenue increase would depend on the number of individuals applying for noncommercial and commercial vehicle schools, as well as for licenses for instructors, the fiscal impact is indeterminate.

The State also would collect revenue from fines assessed from misdemeanor penalties. Because the number of individuals who could be fined is unknown, the fiscal impact is indeterminate. Revenue collected from the fines would have to be applied to the support of public libraries, according to Article VIII, Section 9 of the Michigan Constitution.

The bill would have an indeterminate fiscal impact on the Department of State Police. The cost of a criminal history check from the Department of State Police and the FBI is \$39. It is unclear under the bill as to who would be responsible for this cost though it may be assumed that the costs would be paid by a driver training school licensee. It is also not known how many applications for criminal history checks would be made under the bill.

Fiscal Analyst: E. Limbs  
B. Baker

S9798\S763SA

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.