

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4778

A bill to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds and grant programs; to provide for the appropriation of money for certain grant programs; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date." by amending sections 309, 310e, 312, 312b, 323b, 806, and 811 (MCL 257.309, 257.310e, 257.312, 257.312b, 257.323b, 257.806, and 257.811), section 309 as amended by 1996 PA 551, section 310e as amended by 1999 PA 40, section 312b as amended by 1996 PA 345, section 806 as amended by 1995 PA 267, and section 811 as amended by 1996 PA 387.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 309. (1) Before issuing a license, the secretary of  
2 state shall examine each applicant for an operator's or  
3 chauffeur's license who at the time of the application is not the  
4 holder of a valid, unrevoked operator's or chauffeur's license  
5 under a law of this state providing for the licensing of  
6 drivers. In all other cases, the secretary of state may waive

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

2

1 the examination, except that an examination shall not be waived  
2 if it appears from the application, from the apparent physical or  
3 mental condition of the applicant, or from any other information  
4 which has come to the secretary of state from another source,  
5 that the applicant does not possess the physical, mental or other  
6 qualifications necessary to operate a motor vehicle in a manner  
7 as not to jeopardize the safety of persons or property; or that  
8 the applicant is not entitled to a license under section 303. A  
9 licensee who applies for the renewal of his or her license by  
10 mail pursuant to section 307 shall be required to certify to his  
11 or her physical capability to operate a motor vehicle.

12 (2) Sheriffs, their deputies and the chiefs of police of  
13 cities and villages having organized police departments within  
14 this state and their duly authorized representatives, and employ-  
15 ees of the secretary of state may be appointed examining officers  
16 for the purpose of examining applicants for operator's and  
17 chauffeur's licenses by the secretary of state. An examining  
18 officer shall conduct examinations of applicants for operator's  
19 and chauffeur's licenses, under this chapter, and in accordance  
20 with the rules promulgated by the secretary of state under sub-  
21 section (3). After conducting an examination an examining offi-  
22 cer shall make a written report of his or her findings and recom-  
23 mendations to the secretary of state.

24 (3) The secretary of state shall promulgate rules pursuant  
25 to the administrative procedures act of 1969, ~~Act No. 306 of the~~  
26 ~~Public Acts of 1969, being sections 24.201 to 24.328 of the~~  
27 ~~Michigan Compiled Laws~~ 1969 PA 306, MCL 24.201 TO 24.328, for

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

3

1 the examination of the applicant's physical and mental  
2 qualifications to operate a motor vehicle in a manner as not to  
3 jeopardize the safety of persons or property, and shall ascertain  
4 whether facts exist ~~which~~ THAT would bar the issuance of a  
5 license under section 303. The secretary of state shall also  
6 ascertain whether the applicant has sufficient knowledge of the  
7 English language to understand highway warnings or direction  
8 signs written in that language. The examination shall not  
9 include investigation of facts other than those facts directly  
10 pertaining to the ability of the applicant to operate a motor  
11 vehicle with safety or facts declared to be prerequisite to the  
12 issuance of a license under this act.

13 (4) An original operator's or chauffeur's license without a  
14 vehicle group designation or indorsement shall not be issued by  
15 the secretary of state without an examination which shall include  
16 a behind-the-wheel road test conducted by the secretary of state  
17 or by a designated examining officer under subsection (2) or  
18 section 310e. The secretary of state may enter into an agreement  
19 with another public or private person or agency to conduct a  
20 behind-the-wheel road test conducted under this section. ~~The~~  
21 ~~fee for a behind-the-wheel road test for an operator's or a~~  
22 ~~chauffeur's license conducted by the secretary of state shall be~~  
23 ~~\$11.00.~~ IN AN AGREEMENT WITH ANOTHER PERSON OR AGENCY TO CONDUCT  
24 A BEHIND-THE-WHEEL ROAD TEST, THE SECRETARY OF STATE MAY PRE-  
25 SCRIBE THE METHOD AND EXAMINATION CRITERIA TO BE FOLLOWED BY THE  
26 PERSON OR AGENCY WHEN CONDUCTING THE BEHIND-THE-WHEEL ROAD TEST  
27 AND THE FORM OF THE CERTIFICATION TO BE ISSUED TO A PERSON WHO

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

4

1 SATISFACTORILY COMPLETES A BEHIND-THE-WHEEL ROAD TEST. An  
2 original vehicle group designation or indorsement shall not be  
3 issued by the secretary of state without a knowledge test con-  
4 ducted by the secretary of state. Except as provided in  
5 section 312f(1), an original vehicle group designation or passen-  
6 ger indorsement shall not be issued by the secretary of state  
7 without a behind-the-wheel road test conducted by an examiner  
8 appointed or authorized by the secretary of state. While in the  
9 course of taking a behind-the-wheel road test conducted by the  
10 examiner who shall occupy a seat beside the applicant, an appli-  
11 cant for an original vehicle group designation or passenger  
12 indorsement who has been issued a temporary instruction permit to  
13 operate a commercial motor vehicle shall be permitted to operate  
14 a vehicle requiring a vehicle group designation or passenger  
15 indorsement without a person licensed to operate a commercial  
16 motor vehicle occupying a seat beside him or her. ~~The fee for a~~  
17 ~~behind-the-wheel road test for a vehicle group designation or~~  
18 ~~indorsement shall be \$60.00. A refund shall not be given to an~~  
19 ~~applicant who fails a behind-the-wheel road test.~~

20 (5) Except as otherwise provided in this act, the secretary  
21 of state may waive the requirement of a behind-the-wheel road  
22 test, knowledge test, or road sign test of an applicant for an  
23 original operator's or chauffeur's license without a vehicle  
24 group designation or indorsement who at the time of the applica-  
25 tion is the holder of a valid, unrevoked operator's or  
26 chauffeur's license issued by another state or country.

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778 as amended December 14, 2000

5

1           (6) BEGINNING APRIL 1, 2001, A PERSON WHO CORRUPTS OR ATTEMPTS  
2 TO CORRUPT A  
3 DESIGNATED EXAMINING OFFICER APPOINTED OR DESIGNATED BY THE  
4 SECRETARY OF STATE UNDER THIS SECTION OR SECTION 310E BY GIVING,  
5 OFFERING, OR PROMISING ANY GIFT OR GRATUITY WITH THE INTENT TO  
6 INFLUENCE THE OPINION OR DECISION OF THE EXAMINING OFFICER CON-  
7 DUCTING THE TEST IS GUILTY OF A FELONY.

8           (7) BEGINNING APRIL 1, 2001, A DESIGNATED EXAMINING OFFICER  
9 APPOINTED OR DESIGNATED  
10 BY THE SECRETARY OF STATE WHO CONDUCTS A BEHIND-THE-WHEEL ROAD  
11 TEST UNDER AN AGREEMENT ENTERED INTO UNDER THIS SECTION OR SEC-  
12 TION 310E AND WHO VARIES FROM, SHORTENS, OR IN ANY OTHER WAY  
13 CHANGES THE METHOD OR EXAMINATION CRITERIA PRESCRIBED TO BE FOL-  
14 LOWED UNDER THAT AGREEMENT IN CONDUCTING A BEHIND-THE-WHEEL ROAD  
15 TEST IS GUILTY OF A FELONY.

16           (8) BEGINNING APRIL 1, 2001, A PERSON WHO FORGES, COUNTERFEITS,  
17 OR ALTERS A SATISFAC-  
18 TORILY COMPLETED BEHIND-THE-WHEEL ROAD TEST CERTIFICATION ISSUED  
19 BY A DESIGNATED EXAMINING OFFICER APPOINTED OR DESIGNATED BY THE  
20 SECRETARY OF STATE UNDER THIS SECTION OR SECTION 310E IS GUILTY  
21 OF A FELONY.

22           Sec. 310e. (1) Except as otherwise provided in this act, an  
23 operator's or chauffeur's license issued to a person who is 17  
24 years of age or less is valid only upon the issuance of a  
25 ~~special provisional card~~ GRADUATED DRIVER LICENSE.

26           (2) The secretary of state shall designate graduated licens-  
ing provisions in a manner that clearly indicates that the person  
is subject to the appropriate provisions described in this  
section.

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

6

1           (3) A person who is not less than 14 years and 9 months of  
2 age may be issued a level 1 graduated licensing status to operate  
3 a motor vehicle if the person has satisfied all of the following  
4 conditions:

5           (a) Passed a vision test and met health standards as pre-  
6 scribed by the secretary of state.

7           (b) Successfully completed segment 1 of a driver education  
8 course approved by the department of education including a mini-  
9 mum of 6 hours of on-the-road driving time with the instructor.

10          (c) Received written approval of a parent or legal  
11 guardian.

12          (4) A person issued a level 1 graduated licensing status may  
13 operate a motor vehicle only when accompanied either by a  
14 licensed parent or legal guardian or, with the permission of the  
15 parent or legal guardian, a licensed driver 21 years of age or  
16 older. Except as otherwise provided in this section, a person is  
17 restricted to operating a motor vehicle with a level 1 graduated  
18 licensing status for not less than 6 months.

19          (5) A person may be issued a level 2 graduated licensing  
20 status to operate a motor vehicle if the person has satisfied all  
21 of the following conditions:

22          (a) Had a level 1 graduated licensing status for not less  
23 than 6 months.

24          (b) Successfully completed segment 2 of a driver education  
25 course approved by the department of education.

26          (c) Not incurred a moving violation resulting in a  
27 conviction or civil infraction determination or been involved in

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

7

1 an accident for which the official police report indicates a  
2 moving violation on the part of the person during the 90-day  
3 period immediately preceding application.

4 (d) Presented a certification by the parent or guardian that  
5 he or she, accompanied by his or her licensed parent or legal  
6 guardian or, with the permission of the parent or legal guardian,  
7 any licensed driver 21 years of age or older, has accumulated a  
8 total of not less than 50 hours of behind-the-wheel experience  
9 including not less than 10 nighttime hours.

10 (e) Successfully completed a secretary of state approved  
11 performance road test. The secretary of state may enter into an  
12 agreement with another public or private person or agency,  
13 including a city, village, or township, to conduct this per-  
14 formance road test. This subdivision applies to a person 16  
15 years of age or over only if the person has satisfied subdivi-  
16 sions (a), (b), (c), and (d).

17 (6) A person issued a level 2 graduated licensing status  
18 under subsection (5) shall remain at level 2 for not less than 6  
19 months and shall not operate a motor vehicle within this state  
20 from 12 midnight to 5 a.m. unless accompanied by a parent or  
21 legal guardian or a licensed driver over the age of 21 designated  
22 by the parent or legal guardian, or except when going to or from  
23 employment.

24 (7) The provisions and provisional period described in  
25 subsection (4) or (6) shall be expanded or extended, or both,  
26 beyond the periods described in subsection (4) or (6) if any of  
27 the following occur and are recorded on the licensee's driving

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

8

1 record during the provisional periods described in subsection (4)  
2 or (6) or any additional periods imposed under this subsection:

3 (a) A moving violation resulting in a conviction, civil  
4 infraction determination, or probate court disposition.

5 (b) An accident for which the official police report indi-  
6 cates a moving violation on the part of the licensee.

7 (c) A license suspension for a reason other than a mental or  
8 physical disability.

9 (d) A violation of subsection (4) or (6).

10 (8) The provisional period described in subsection (4) shall  
11 be extended under subsection (7) until the licensee completes 90  
12 consecutive days without a moving violation, an accident in which  
13 a moving violation resulted, accident, suspension, or provisional  
14 period violation listed in subsection (7) or until age 18, which-  
15 ever occurs first. The provisional period described in  
16 subsection (6) shall be extended under subsection (7) until the  
17 licensee completes 12 consecutive months without a moving viola-  
18 tion, accident, suspension, or restricted period violation listed  
19 in subsection (7) or until age 18, whichever occurs first.

20 (9) A person who is not less than 17 years of age may be  
21 issued a level 3 graduated licensing status under this subsection  
22 if the person has completed 12 consecutive months without a  
23 moving violation, an accident in which a moving violation  
24 resulted, accident, suspension, or restricted period violation  
25 listed in subsection (7) while the person was issued a level 2  
26 graduated licensing status under subsection (5).



**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

9

1 (10) Notice shall be given by first-class mail to the last  
2 known address of a licensee if the provisions are expanded or  
3 extended as described in subsection (7).

4 (11) A person who violates subsection (4) or (6) is respon-  
5 sible for a civil infraction.

6 (12) If a person is determined responsible for a violation  
7 of subsection (4) or (6), the secretary of state shall send writ-  
8 ten notification of any conviction or moving violation to a des-  
9 ignated parent or guardian of the person.

10 (13) For purposes of this section:

11 (a) Upon conviction for a moving violation, the date of the  
12 arrest for the violation shall be used in determining whether the  
13 conviction occurred within a provisional licensure period under  
14 this section.

15 (b) Upon entry of a civil infraction determination for a  
16 moving violation, the date of issuance of a citation for a civil  
17 infraction shall be used in determining whether the civil infrac-  
18 tion determination occurred within a provisional licensure period  
19 under this section.

20 (c) The date of the official police report shall be used in  
21 determining whether a licensee was driving a motor vehicle  
22 involved in an accident for which the official police report  
23 indicates a moving violation on the part of the licensee or indi-  
24 cates the licensee had been drinking intoxicating liquor.

25 (14) A person shall have his or her graduated licensing  
26 status in his or her immediate possession at all times when  
27 operating a motor vehicle, and shall display the card upon demand

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

10

1 of a police officer. A person who violates this subsection is  
2 responsible for a civil infraction.

3 (15) This section does not apply to a person 15 years of age  
4 or older who is currently enrolled but has not completed a driver  
5 education course on April 1, 1997 or who has completed a driver  
6 education course but has not acquired his or her driver license  
7 on April 1, 1997.

8 Sec. 312. (1) Upon proper showing of extenuating circum-  
9 stances and special reasons, or need by an applicant who meets  
10 the age qualifications and when accompanied by the fee as pro-  
11 vided in this act, the secretary of state may recommend a  
12 restricted operator's or chauffeur's license containing condi-  
13 tions and restrictions applicable to the licensee, the type of  
14 special mechanical control devices required in a motor vehicle  
15 operated by the licensee, and the area, time, or other condition  
16 ~~which~~ THAT the secretary of state considers necessary to assure  
17 the safe operation of a vehicle by the licensee and under which  
18 the licensee may operate a motor vehicle. A license issued to a  
19 person who is at least 14 years of age and under 16 years of age  
20 shall contain only the conditions determining the hours during  
21 which the licensee may drive a motor vehicle and the purpose for  
22 which it is to be driven. A license issued to a minor who is at  
23 least 14 years of age and under 16 years of age shall be revoked  
24 by the secretary of state on the written request of a parent,  
25 guardian, or person standing in loco parentis.

26 (2) An operator's license issued to a person who is at least  
27 14 years of age and under 16 years of age ~~shall expire 1 year~~

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

11

1 ~~after issuance of the license~~ EXPIRES ON THE BIRTHDAY FOLLOWING  
2 ISSUANCE OF THE LICENSE OR IF THAT BIRTHDAY IS WITHIN 6 MONTHS  
3 AFTER THE DATE OF ISSUANCE OF THE LICENSE, THEN 1 YEAR AFTER THE  
4 DATE OF THAT BIRTHDAY.

5 (3) ~~The secretary of state, upon~~ UPON receiving satisfac-  
6 tory evidence of a violation of the restrictions of the license,  
7 THE SECRETARY OF STATE may suspend or revoke the license.

8 (4) A person who violates a restriction imposed in a  
9 restricted license issued to that person is guilty of a  
10 misdemeanor. This subsection ~~shall~~ DOES not apply to a person  
11 who is at least 14 years of age and under 16 years of age.

12 (5) If a motor vehicle is being driven by a person who is at  
13 least 14 years of age and under 16 years of age, and that person  
14 is accompanied by a parent, guardian, or person standing in loco  
15 parentis, the conditions, limitations, and restrictions set forth  
16 in this section ~~shall not be applicable~~ DO NOT APPLY.

17 Sec. 312b. (1) Before a person who is less than 18 years of  
18 age is issued an original motorcycle endorsement on an operator's  
19 or chauffeur's license, the person shall pass an examination as  
20 required by this section and a motorcycle safety course as pro-  
21 vided in section 811a or 811b.

22 (2) Before a person who is 18 years of age or older is  
23 issued an original motorcycle endorsement on an operator's or  
24 chauffeur's license, the person shall pass an examination as  
25 required by this section. A person who fails this examination 2  
26 or more times is required to successfully complete a motorcycle  
27 safety course as provided in section 811a or 811b. Each written

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

12

1 examination given an applicant for a motorcycle endorsement on an  
2 operator's or chauffeur's license as provided in section 309  
3 shall also include subjects designed to cover a motorcycle. A  
4 person shall pass an examination that shall include a driving  
5 test designed to test the competency of the applicant for the  
6 first motorcycle endorsement on an operator's or chauffeur's  
7 license to operate a motorcycle upon the roads and highways of  
8 this state with safety to himself or herself and other persons  
9 and property. All examinations shall be administered as provided  
10 in this act. The requirement of a motorcycle driving test shall  
11 be waived for an applicant who has successfully completed a  
12 motorcycle safety course conducted by a school or business enter-  
13 prise as provided in section 811a or 811b. The motorcycle safety  
14 course skills test shall meet or exceed the motorcycle skills  
15 test from the secretary of state. The requirement of a motorcy-  
16 cle driving test may be waived if the applicant has a valid  
17 license or endorsement to operate a motorcycle from another  
18 state.

19       (3) A motorcycle endorsement issued to a person who operates  
20 a 3-wheeled motorcycle or an autocycle shall be restricted to  
21 operation of that type of motorcycle and does not permit opera-  
22 tion of a 2-wheeled motorcycle. The secretary of state shall  
23 develop a driving test specifically pertaining to an autocycle or  
24 a 3-wheeled motorcycle.

25       (4) The secretary of state is responsible for establishing  
26 and conducting the motorcycle operator driving test and shall  
27 promulgate rules under the administrative procedures act of 1969,

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

13

1 ~~Act No. 306 of the Public Acts of 1969, as amended, being~~  
2 ~~sections 24.201 to 24.328 of the Michigan Compiled Laws 1969 PA~~  
3 ~~306, MCL 24.201 TO 24.328, for purposes of this subsection. An~~  
4 ~~audit of the motorcycle safety fund shall be conducted in con-~~  
5 ~~junction with the audit of school management services by the~~  
6 ~~office of the auditor general to determine compliance with the~~  
7 ~~requirement that funds are being withdrawn only in relation to~~  
8 ~~this act and not costs that are already a function or duty of the~~  
9 ~~education act. A copy of this audit shall be transmitted to the~~  
10 ~~legislature upon completion.~~

11 ~~(5) The secretary of state shall charge a \$15.00 fee for~~  
12 ~~each motorcycle operator driving test. The \$15.00 fee shall be~~  
13 ~~placed in a motorcycle safety fund in the state treasury and~~  
14 ~~shall be used to pay the costs the secretary of state incurs in~~  
15 ~~conducting motorcycle operator driving tests as provided for~~  
16 ~~under this section and section 811a.~~

17 (5) ~~(6)~~ Beginning not later than June 1, 1997, the secre-  
18 tary of state may enter into an agreement with another public or  
19 private person or agency to conduct a driving test required under  
20 this section. IN AN AGREEMENT WITH ANOTHER PERSON OR AGENCY TO  
21 CONDUCT A DRIVING TEST UNDER THIS SECTION, THE SECRETARY OF STATE  
22 MAY PRESCRIBE THE METHOD AND EXAMINATION CRITERIA TO BE FOLLOWED  
23 BY THE PERSON OR AGENCY WHEN CONDUCTING THE DRIVING TEST AND THE  
24 FORM OF THE CERTIFICATION TO BE ISSUED TO A PERSON WHO SATISFAC-  
25 TORILY COMPLETES A DRIVING TEST. For administering and overseeing  
26 a third party motorcycle testing program, the secretary of state  
27 shall be reimbursed from the motorcycle safety fund a total

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778 as amended December 14, 2000

14

1 amount ~~which~~ THAT does not exceed 50% of the department's  
2 1995-1996 fiscal year appropriation for motorcycle testing under  
3 this section.

4 (6) BEGINNING APRIL 1, 2001, A PERSON WHO CORRUPTS OR ATTEMPTS  
5 TO CORRUPT A PERSON OR  
6 AGENCY THAT CONDUCTS A DRIVING TEST UNDER AN AGREEMENT ENTERED  
7 INTO WITH THE SECRETARY OF STATE UNDER THIS SECTION BY GIVING,  
8 OFFERING, OR PROMISING ANY GIFT OR GRATUITY WITH THE INTENT TO  
9 INFLUENCE THE OPINION OR DECISION OF THE PERSON OR AGENCY CON-  
DUCTING THE DRIVING TEST IS GUILTY OF A FELONY.

10 (7) BEGINNING APRIL 1, 2001, A DESIGNATED EXAMINING OFFICER  
11 APPOINTED OR DESIGNATED  
12 BY THE SECRETARY OF STATE WHO CONDUCTS A DRIVING TEST UNDER AN  
13 AGREEMENT ENTERED INTO UNDER THIS SECTION AND WHO VARIES FROM,  
14 SHORTENS, OR IN ANY OTHER WAY CHANGES THE METHOD OR EXAMINATION  
15 CRITERIA PRESCRIBED TO BE FOLLOWED UNDER THAT AGREEMENT IN CON-  
DUCTING A DRIVING TEST UNDER THIS SECTION IS GUILTY OF A FELONY.

16 (8) BEGINNING APRIL 1, 2001, A PERSON WHO FORGES, COUNTERFEITS,  
17 OR ALTERS A SATISFAC-  
18 TORILY COMPLETED DRIVING TEST CERTIFICATION ISSUED BY A DESIG-  
19 NATED EXAMINING OFFICER APPOINTED OR DESIGNATED BY THE SECRETARY  
OF STATE UNDER THIS SECTION IS GUILTY OF A FELONY.

20 Sec. 323b. The license of a minor shall be canceled by the  
21 ~~commissioner~~ SECRETARY OF STATE upon the written request of the  
22 ~~person who signed the minor's application for license if that~~  
23 ~~person would presently be a proper person to sign application on~~  
24 ~~behalf of the minor. In those cases where the person signing the~~  
25 ~~application is no longer a proper person to sign application on~~  
26 ~~behalf of the minor, the license of the minor shall be canceled~~  
27 ~~by the commissioner upon the written request of the person~~

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

15

1 ~~presently having custody~~ CUSTODIAL PARENT OR PARENTS OR LEGAL  
2 GUARDIAN of the minor. THE SECRETARY OF STATE MAY REDUCE THE  
3 GRADUATED DRIVER LICENSE LEVEL OR DELAY ADVANCEMENT TO THE NEXT  
4 LEVEL OF A MINOR UPON THE WRITTEN REQUEST OF THE CUSTODIAL PARENT  
5 OR PARENTS OR LEGAL GUARDIAN OF THE MINOR.

6       Sec. 806. (1) A fee of \$10.00 shall accompany each applica-  
7 tion for a certificate of title required by this act or for a  
8 duplicate of a certificate of title. An additional fee of \$5.00  
9 shall accompany an application if the applicant requests that the  
10 application be given special expeditious treatment.

11       (2) A fee of \$10.00 shall accompany an application for a  
12 special identifying number as provided in section 230.

13       (3) In addition to paying the fees required by  
14 subsection (1), until January 1, ~~2001~~ 2002, each person who  
15 applies for a certificate of title, a salvage vehicle certificate  
16 of title, or a scrap certificate of title, under this act shall  
17 pay a tire disposal surcharge of 50 cents for each certificate of  
18 title or duplicate of a certificate of title that person  
19 receives. The secretary of state shall deposit money it receives  
20 under this subsection into the scrap tire regulatory fund created  
21 in section 16908 ~~of part 169 (scrap tires)~~ of the natural  
22 resources and environmental protection act, ~~Act No. 451 of the~~  
23 ~~Public Acts of 1994, being section 324.16908 of the Michigan~~  
24 ~~Compiled Laws~~ 1994 PA 451, MCL 324.16908.

25       Sec. 811. (1) An application for an operator's or  
26 chauffeur's license as provided in sections 307 and 312 and an

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

16

1 application for a minor's restricted license as provided in  
2 section 312 shall be accompanied by the following fees:

3	Operator's license.....	\$ 12.00
4	Chauffeur's license.....	20.00
5	Minor's restricted license.....	5.00

6 (2) The secretary of state shall deposit the money received  
7 and collected under subsection (1) in the state treasury to the  
8 credit of the general fund. The secretary of state shall refund  
9 out of the fees collected to each county or municipality acting  
10 as an examining officer or examining bureau \$2.50 for each appli-  
11 cant examined for an original license, \$1.00 for each applicant  
12 examined for an original chauffeur's license, and \$1.00 for every  
13 other applicant examined, if the application is not denied and  
14 the money refunded is paid to the county or local treasurer and  
15 is appropriated to the county, municipality, or officer or bureau  
16 receiving the money for the purpose of carrying out this act.  
17 The state treasurer shall deposit the sum of \$4.00 in a driver  
18 education fund for each person examined for an original license,  
19 a renewal operator's license, an original chauffeur's license, or  
20 a renewal chauffeur's license, except that the sum deposited for  
21 each 2-year operator's or 2-year chauffeur's license shall be  
22 \$2.00. The department of education shall use the money in the  
23 driver education fund for administration of a driver education  
24 program and for distribution to local school districts to be used  
25 for driver education programs. Any unexpended and unencumbered  
26 balance remaining in the driver education fund at the end of the



**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

17

1 fiscal year in excess of \$150,000.00 shall revert to the general  
2 fund.

3       (3) From the money credited to the driver education fund,  
4 the legislature shall appropriate annually funds to the depart-  
5 ment of education for state administration of the program. In  
6 addition, the department of education shall distribute to local  
7 public school districts from the driver education fund a pro rata  
8 amount equal to the number of students ~~that~~ WHO HAVE completed  
9 SEGMENT 1 OF an approved driver education course through the  
10 local public school districts whether directly from the student's  
11 own local school district or by certificate issued from the  
12 student's own local school district in the previous fiscal year,  
13 or the actual cost per student, whichever is less. Beginning  
14 April 1, 1998, a local school district that offers an approved  
15 driver education course shall provide an amount equal to the pro  
16 rata amount from the driver education fund for each student  
17 residing in the district ~~that~~ WHO completes SEGMENT 1 OF an  
18 approved driver education course within that district. The local  
19 school district shall provide each student participating in an  
20 approved driver education course with a certificate in a form  
21 provided by the local school district and approved by the depart-  
22 ment of education that the student shall use toward the payment  
23 of any fee charged for the approved driver education course under  
24 the following conditions:

25       (a) If the student participates in an approved driver educa-  
26 tion course at a local school district of his or her choice other  
27 than his or her local school district.

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

18

1 (b) If the student participates in a driver education course  
2 at a licensed driver training school, but only if the following  
3 conditions exist:

4 (i) The student's local school district does not offer an  
5 approved driver education course either itself or through a con-  
6 sortium of local school districts of which the student's local  
7 school district is a member.

8 (ii) The student's local school district does not offer an  
9 approved driver education course with openings available either  
10 itself or through a consortium of local school districts of which  
11 the student's local school district is a member at the time the  
12 student attains 15 years, 6 months of age.

13 From the amount distributed, the local school district shall  
14 reimburse each licensed driver training school or other local  
15 school district OR THE PARENT OF THE STUDENT the determined pro  
16 rata amount from the driver education fund for each student from  
17 that district completing SEGMENT 1 OF an approved driver educa-  
18 tion course with the licensed driver training school or other  
19 local school district during the fiscal year.

20 (4) ~~Until April 1, 1998, the driver education courses shall~~  
21 ~~be conducted by the local public school district or may be con-~~  
22 ~~ducted for the local school district by the intermediate district~~  
23 ~~at the request of the local district.~~ Beginning April 1, 1998,  
24 the approved driver education courses may be conducted by the  
25 local public school district or a consortium of school districts,  
26 by a licensed driver training school either itself or through a  
27 contract with a local school district, or by the intermediate

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

19

1 district at the request of the local district. If a local school  
2 district contracts with a licensed driver training school to con-  
3 duct an approved driver education course, the contract shall  
4 require that the driver education course be conducted in accord-  
5 ance with the requirements set forth in department of education  
6 rules under subsection (6) that are applicable to an approved  
7 driver education course conducted by a local school district.  
8 Enrollment in approved driver education courses shall be open to  
9 ~~children enrolled in the high school grades of public, parochi-~~  
10 ~~al, and private~~ RESIDENTS NOT LESS THAN 14 YEARS 8 MONTHS OF AGE  
11 ENROLLED IN PUBLIC, NONPUBLIC, AND HOME schools as well as resi-  
12 dent out-of-school youth NOT LESS THAN 14 YEARS 8 MONTHS OF AGE.  
13 Reimbursement to local school districts shall be made on the  
14 basis of an application made by the local school district super-  
15 intendent to the department of education. If money appropriated  
16 from the driver education fund is not sufficient to provide for  
17 state administration of the driver education program and to reim-  
18 burse local school districts for each student completing SEGMENT  
19 1 OF an approved driver education course, then payments made to  
20 local school districts shall be prorated to the amount that is  
21 appropriated and available in the fund. A local school district  
22 or licensed driver training school may use videotapes, computers,  
23 telecourses, or other similar technology as part of the classroom  
24 instruction portion of its driver education courses. A student  
25 may receive and use any of these materials at home.

26 (5) As used in this section, "driver education courses"  
27 include classroom instruction, behind-the-wheel instruction, and

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

20

1 observation in an automobile under the supervision of a qualified  
2 teacher or licensed instructor. The department of education  
3 shall not require that licensed driver training school teachers  
4 or instructors be certificated under ~~Act No. 451 of the Public~~  
5 ~~Acts of 1976, being sections 380.1 to 380.1852 of the Michigan~~  
6 ~~Compiled Laws~~ THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1 TO  
7 380.1852.

8 (6) The department of education may promulgate rules pursu-  
9 ant to the administrative procedures act of 1969, ~~Act No. 306 of~~  
10 ~~the Public Acts of 1969, being sections 24.201 to 24.328 of the~~  
11 ~~Michigan Compiled Laws~~ 1969 PA 306, MCL 24.201 TO 24.328, to  
12 implement this section. The rules shall include, at a minimum,  
13 instructional standards, teacher qualifications, and reimburse-  
14 ment procedures.

15 (7) Notwithstanding sections ~~301, 303,~~ 306 ~~,~~ and 308, an  
16 operator's license shall not be issued to a person under 18 years  
17 of age unless that person successfully passes a driver education  
18 course and examination given by a public school, nonpublic  
19 school, or an equivalent course approved by the department of  
20 education given by a licensed driver training school. A person  
21 who has been a holder of a motor vehicle operator's license  
22 issued by any other state, territory, or possession of the United  
23 States, or any other sovereignty for 1 year immediately before  
24 application for an operator's license under this act is not  
25 required to comply with this subsection. Restricted licenses may  
26 be issued pursuant to section 312 without compliance with this  
27 subsection. ~~Subject to eligibility requirements established~~

**HB 4778, As Passed Senate, December 14, 2000**

House Bill No. 4778

21

1 ~~under section 1302 of Act No. 451 of the Public Acts of 1976, a~~  
2 A driver education course shall be made available for a person  
3 under 18 years of age within a time that will enable that person  
4 to qualify for a license before the time that the person is per-  
5 mitted by law to have a license.

6       (8) ~~Until April 1, 1998, a public school system shall not~~  
7 ~~impose a charge or enrollment fee for a driver education course~~  
8 ~~upon a student desiring to take the course as a duly enrolled~~  
9 ~~student for the course in a school of the public school system.~~  
10 Beginning April 1, 1998, a public school system may impose a  
11 charge or enrollment fee for a driver education course upon a  
12 student desiring to take the course as a duly enrolled student  
13 for the course in a school of the public school system. IF A  
14 CHARGE OR ENROLLMENT FEE IS IMPOSED, IT SHALL BE THE SAME FOR ALL  
15 STUDENTS WHO RESIDE WITHIN THE TERRITORY OF THE PUBLIC SCHOOL  
16 SYSTEM.

17       ~~(9) Not later than December 30, 1996, the secretary of~~  
18 ~~state shall prepare and submit to the legislature a report com-~~  
19 ~~paring aggregate driver record information for drivers trained in~~  
20 ~~driver education programs for which eligibility requirements have~~  
21 ~~been established under section 1302 of Act No. 451 of the Public~~  
22 ~~Acts of 1976 to aggregate driver record information for drivers~~  
23 ~~trained in driver education programs for which such eligibility~~  
24 ~~requirements have not been established.~~