

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2022**

Introduced by Reps. O'Malley and Sneller

ENROLLED HOUSE BILL No. 5662

AN ACT to amend 2006 PA 384, entitled "An act to provide for the certification of driver education providers; to prescribe certain record-keeping and program requirements for driver education providers; to provide for the certification of driver education instructors; to prescribe the powers and duties of certain persons and departments; to prescribe certain fees; to establish a fund in the state treasury; to prescribe remedies, sanctions, and penalties; and to rescind administrative rules," by amending sections 3, 5, 7, 9, 11, 13, 17, 23, 25, 43, 45, 55, 61, and 65 (MCL 256.623, 256.625, 256.627, 256.629, 256.631, 256.633, 256.637, 256.643, 256.645, 256.663, 256.665, 256.675, 256.681, and 256.685), section 55 as amended by 2016 PA 322.

The People of the State of Michigan enact:

Sec. 3. As used in this act:

(a) "Adult driver training" means instruction that is provided to an individual 18 years of age or older in the operation of a motor vehicle, other than a commercial motor vehicle as defined in section 7a of the Michigan vehicle code, 1949 PA 300, MCL 257.7a.

(b) "Behind-the-wheel instruction" means instruction to which either of the following applies:

(i) A student is in control of a motor vehicle on a public street or highway in real and varied traffic situations and a driver education instructor is the only other occupant in the front passenger seating area with the student.

(ii) An entry-level driver has actual control of a motor vehicle's power unit during a lesson conducted on a range.

(c) "Classroom instruction" means that part of a driver education course that occurs in a classroom environment that enables a student to learn through varied instructional methods, under the direct guidance of a driver education instructor.

(d) "Commercial vehicle driver training" means instruction equivalent to or exceeding entry-level driver training in 49 CFR part 380 that is provided to operate a commercial motor vehicle as that term is defined in section 7a of the Michigan vehicle code, 1949 PA 300, MCL 257.7a.

(e) "Conviction" means a conviction for a crime or attempted crime whether under a law of this state, a local ordinance substantially corresponding to a law of this state, or a law of another state substantially corresponding to a law of this state.

(f) "Coordinated segment 1 driver education course" means a segment 1 course provided by 2 or more certified driver education providers in the use of auxiliary aids and services as that term is defined in 42 USC 12103.

(g) "Curriculum" means a written plan that guides the instruction given in a driver education course and includes performance objectives, a content outline, detailed learning activities, and assessment tools.

(h) “Designated representative or coordinator” means the individual that a driver education provider employs, enlists, or appoints, or contracts with to supervise, manage, and administer the day-to-day responsibilities of the provider’s driver education school operation. Often this individual is an owner, partner, officer, or director of the driver education provider.

(i) “Driver education course” means a program of study offered by a certified driver education provider, that enables a student to acquire the basic knowledge, skill, and attitude necessary to operate a motor vehicle upon a highway transportation system.

(j) “Driver education course certificate of completion” means a written or electronic authorization issued by a certified driver education provider to a student who has successfully completed segment 1, segment 2, or entry-level driver training of a driver education course offered by the provider.

(k) “Driver education instructor” means a person who the secretary of state certifies has met the instructor qualifications of this act to instruct a student in a driver education course.

(l) “Driver education instructor certificate” means a written or electronic authorization issued by the secretary of state to indicate that a person has met the instructor qualifications of this act to instruct a student in a driver education course.

Sec. 5. As used in this act:

(a) “Driver education instructor preparation program” means a program of driver education instructor preparation courses offered by a college or university or by a person approved by the secretary of state.

(b) Except as otherwise provided in this act, “driver education instructor preparation courses” means the courses that are required to obtain a driver education instructor certificate.

(c) “Driver education provider” or “provider” means a person that meets the requirements in subparagraph (i), if not excluded under subparagraph (ii), as follows:

(i) Maintains or obtains the facilities and certified instructors to give instruction in the driving of a motor vehicle or maintains or obtains the facilities and certified instructors to prepare an applicant for an exam given by the secretary of state for a license as defined in section 25 of the Michigan vehicle code, 1949 PA 300, MCL 257.25, or a vehicle endorsement issued under section 312e of the Michigan vehicle code, 1949 PA 300, MCL 257.312e.

(ii) Driver education provider does not include a person that provides instruction as follows:

(A) Only for the benefit of its employees if that instruction is not open to the public.

(B) In the driving or operating of a motorcycle as defined in section 31 of the Michigan vehicle code, 1949 PA 300, MCL 257.31, or the preparing of an applicant for an exam given by the secretary of state for a motorcycle endorsement issued under section 312a of the Michigan vehicle code, 1949 PA 300, MCL 257.312a.

(C) On an unpaid, casual basis to a relative or friend, that excludes commercial vehicle use or instruction.

(d) “Driver education provider certificate” means a written or electronic authorization issued by the secretary of state to indicate that a person has met the driver education provider qualifications of this act.

(e) “Educational institution” means a public school, nonpublic school, or public school academy as those terms are defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5; a consortium that is defined to mean a partnership, association, or alliance of 2 or more school districts in a common venture; a community college, a 4-year college, a university, or any other body of higher education.

(f) “Established office location” means a building that meets all of the following requirements:

(i) Is of a permanent nature where the provider’s communications and notices are received.

(ii) Is heated, lighted, and ventilated and contains appropriate space to properly store and preserve the information, records, or other documents required to be maintained under this act.

(iii) Complies with applicable zoning and municipal requirements.

(g) “Governmental agency” means an agency of the federal government, a state government, a county, city, village, or township, or a combination of any of these entities.

(h) “Graduated driver license” means a license issued by the secretary of state under section 310e of the Michigan vehicle code, 1949 PA 300, MCL 257.310e.

(i) “Multiple vehicle driving facility” means that part of a driver education course that enables the driver education instructor, from a position outside the vehicle, and using electronic or oral communication, to teach and supervise several students simultaneously, each of whom is operating a vehicle at an off-street facility specifically designed for that type of instruction.

Sec. 7. As used in this act:

(a) “Performance objective” means a certain level of knowledge and skill a student is expected to acquire to successfully complete a driver education course.

(b) "Person" means an individual, partnership, corporation, association, limited liability company, educational institution, governmental agency or other legal or commercial entity, and their legal successors.

(c) "Practicum" means classroom and behind-the-wheel instruction in a driver education course under the direction of an instructor employed, enlisted, or appointed by a college or university or by a person approved by the secretary of state and a cooperating instructor, providing practical application of theory and experience for a student in an approved driver education instructor preparation program. As used in this subdivision, "cooperating instructor" means a driver education instructor approved by the secretary of state to participate in a practicum course to mentor an uncertified driver education instructor in the practicum.

(d) "Professional development requirements" means training prescribed by the secretary of state to update the instructional knowledge and skill of a driver education instructor.

(e) "Revocation" means the termination of a driver education provider's certification or a driver education instructor's certification.

(f) "Segment 1" means a teen driver education course that meets the requirements in section 37.

(g) "Segment 2" means a teen driver education course that meets the requirements in section 39.

(h) "Simulator device training" means that part of a driver education course where a driver education instructor uses interactive simulator units and programs to reproduce driving situations likely to occur in actual driving on a street and the student is required to evaluate risk, make decisions, and respond to the situations presented.

(i) "Suspension" means the temporary withdrawal of a person's certification to engage or offer to engage in activities as a driver education provider or a driver education instructor during the period of suspension.

(j) "Teen driver training" means driver training instruction provided through a segment 1 or segment 2 driver education course that allows an individual 17 years of age or less to apply for a level 1 or level 2 graduated driver license.

(k) "Theory instruction" means that term as defined in 49 CFR 380.605.

Sec. 9. (1) A person may apply to the secretary of state for a driver education provider certificate in 1 or more of the following classifications:

(a) Adult driver training.

(b) Teen driver training.

(c) Commercial vehicle driver training.

(2) The secretary of state shall not grant an original driver education provider certificate under this act until an investigation is made of the applicant's qualification.

(3) Except as provided in this act, an applicant must do or submit evidence that he or she has done or will do, as applicable, all of the following to be eligible to receive a driver education provider certificate:

(a) Submit a properly completed application signed by the applicant.

(b) Maintain an established office location.

(c) Maintain classroom facilities in a public or commercial setting.

(d) Maintain the surety bond required under this section.

(e) Require each of their designated representatives or coordinators to complete a criminal history check as described in section 29.

(f) Provide the name and address of each designated representative or coordinator of the applicant, if applicable.

(g) Provide the name, address, date of birth, and Social Security number of each owner or partner and, if a corporation, of each of the principal officers.

(h) Provide a statement of the previous history, record, and associations of the applicant and of each owner, partner, officer, director, and designated representative or coordinator. The statement must be sufficient to establish to the satisfaction of the secretary of state the business reputation and character of the applicant.

(i) Provide a statement indicating whether the applicant or its designated representative or coordinator has ever applied for a driver education provider certificate in this state or any other state, and the result of that application.

(j) Provide a statement indicating whether the applicant or its designated representative or coordinator has ever been denied a driver education provider certificate or has ever been the holder of a certificate that was suspended or revoked.

(k) If the applicant is a corporation or partnership, provide a statement indicating whether a partner, employee, officer, director, or its designated representative or coordinator has ever been denied a driver education provider certificate or has ever been the holder of a certificate that was suspended or revoked.

(l) Certify that the applicant or another person named on the application is not acting as the alter ego of any other person or persons in seeking the certificate. For the purpose of this subdivision, “alter ego” means a person that acts for and on behalf of, or in the place of, another person for purposes of obtaining a driver education provider certificate.

(m) Affirm that the established office location meets all applicable zoning and municipal requirements.

(n) Obtain written or electronic verification from the state fire marshal or his or her representative that the proposed classroom facilities have been inspected and approved by the state fire marshal or his or her representative according to state and local building code and public occupancy requirements.

(o) Obtain written or electronic verification from an insurer that the applicant maintains or will maintain bodily injury and property damage liability insurance on each motor vehicle used in a driver education course.

(p) Except as otherwise provided in this subdivision, submit a nonrefundable application processing fee with each application for a separate established place of business where records will be maintained as follows:

(i) \$225.00 for a driver education provider that offers adult or teen driver training.

(ii) \$360.00 for a driver education provider that offers commercial vehicle driver training.

(iii) A fee is not required for an additional location that is used for the sole purpose of conducting classroom instruction and at which records are not maintained, enrollments are not made, and staff is not ordinarily assigned, except for the purpose of conducting classroom instruction.

(q) Provide a statement indicating whether the applicant will use a multiple vehicle driving facility in a driver education course. If a facility will be used, all of the following apply, as applicable:

(i) The statement must include a detailed description of the facility as determined necessary by the secretary of state and its address.

(ii) The facility range must be large enough to accommodate any driver skills testing maneuver required by 49 CFR part 380. The facility range may be reset between maneuvers as necessary to complete all required maneuvers.

(iii) A multiple vehicle driving facility review and approval fee of \$125.00 must accompany the applicant’s application for a driver education provider certificate.

(r) Provide other information and documents as prescribed by the secretary of state necessary to determine whether the applicant meets the requirements of this act.

(4) An application for an original driver education provider certificate must include a properly executed surety bond or renewal certificate with the application. If a renewal certificate is used, the bond is considered renewed for each succeeding year in the same amount and with the same effect as an original bond. The bond or certificate must be maintained continuously without interruption to protect the contractual rights of students. The bond or certificate of an adult or teen driver education provider with 999 or fewer students in a calendar year must be in the principal sum of \$20,000.00 with good and sufficient surety to be approved by the secretary of state. The bond or certificate of an adult or teen driver education provider with 1,000 or more students in a calendar year must be in the principal sum of \$40,000.00 with good and sufficient surety to be approved by the secretary of state. The bond or certificate of a commercial vehicle driver education provider must be in the principal sum of \$50,000.00 with good and sufficient surety to be approved by the secretary of state. The bond must indemnify or reimburse a student, financing agency, or governmental agency for monetary loss caused through fraud, cheating, or misrepresentation in the conduct of the driver education provider’s business where the fraud, cheating, or misrepresentation was made by the provider or by an employee, agent, instructor, or salesperson of the provider. The surety shall make indemnification or reimbursement for a monetary loss only after judgment based on fraud, cheating, or misrepresentation has been entered in a court of record against the provider. The aggregate liability of the surety must not exceed the sum of the bond. The surety on the bond may cancel the bond by giving 30 days’ written or electronic notice to the secretary of state and after giving notice is not liable for a breach of condition occurring after the effective date of the cancellation.

(5) A driver education provider that offers adult driver training, teen driver training, and commercial vehicle driver training shall furnish a separate bond for each driver education provider certificate issued by the secretary of state to the applicant. When the secretary of state receives written or electronic notice that a driver education provider’s surety bond required under subsection (4) or insurance coverage required under subsection (10) has been canceled, the secretary of state shall notify the provider that the provider’s certificate will be automatically canceled unless the secretary of state receives a new surety bond or a new insurance certificate within 30 days or less. If the provider fails to submit a new surety bond or insurance certificate to the secretary of state within 30 days or less, the secretary of state may automatically cancel the provider’s certificate. A driver education provider that changes or terminates the provider’s surety bond or the insurance coverage before the expiration date of the bond or insurance coverage shall immediately furnish the secretary of state with written or electronic notice as prescribed by the secretary of state of that change or termination and proof of a new bond or insurance coverage.

(6) As a condition precedent to the granting of a certificate, an applicant must file with the secretary of state, on a form prescribed by the secretary of state, an irrevocable written or electronic stipulation. The stipulation must be signed by the applicant and state that the applicant agrees that legal process affecting the applicant, served on the secretary of state against the applicant or the applicant's successor in interest for a violation of this act, a rule promulgated under this act, or an order issued under this act, has the same effect as if personally served on the applicant. This appointment remains in force as long as the provider has any outstanding liability within this state under this act.

(7) Subsections (3)(d), (g), and (p) and (4) do not apply to an educational institution or a governmental agency.

(8) Subsection (3)(c) does not apply to a classroom location currently in use that was approved by the secretary of state in writing before October 1, 2006.

(9) A classroom facility may not be located in a person's residence or a structure attached or adjacent to the person's residence unless the classroom facility was used and approved by the secretary of state in writing before October 1, 2006.

(10) A driver education provider shall maintain bodily injury and property damage liability insurance on a motor vehicle used in driver education course instruction. The insurance must insure the liability of the driver education provider, the driver education instructors, and a person taking instruction in the amount of \$100,000.00 for bodily injury to or the death of 1 person in 1 accident, and, subject to the limit for 1 person; \$300,000.00 for bodily injury to or the death of 2 or more persons in 1 accident; and \$50,000.00 for damage to the property of others in 1 accident. The insurer shall be authorized to do insurance business in this state. The insurer shall not cancel the insurance before its expiration date unless it gives the secretary of state written or electronic notice as prescribed by the secretary of state of the insurer's intent to cancel the insurance at least 30 days before the cancellation.

(11) The secretary of state shall review and, in writing, approve or deny the use of a multiple vehicle driving facility under this act as determined necessary by the secretary of state. The secretary of state shall only approve a facility if it meets criteria prescribed by the secretary of state. The secretary of state shall perform an on-site inspection of a multiple vehicle driving facility as determined necessary by the secretary of state.

(12) The secretary of state may develop and prescribe an orientation and education program that a person must complete before the secretary of state issues that person an original driver education provider certificate under section 13.

(13) Nonrefundable application processing and multiple vehicle driving facility review and approval fees collected under this section must be deposited into the driver education provider and instructor fund created in section 83.

Sec. 11. (1) A certified driver education provider may apply for the renewal of a driver education provider certificate. The renewal application must be submitted to the secretary of state every other year in a format and as prescribed by the secretary of state. A renewal application must include all of the following:

(a) A properly completed application signed by the applicant.

(b) A nonrefundable application processing fee as follows:

(i) \$225.00 for a driver education provider that offers adult or teen driver training.

(ii) \$360.00 for a driver education provider that offers commercial vehicle driver training.

(c) If applicable, either of the following:

(i) A certification that the applicant has used a multiple vehicle driving facility in a driver education course and that the facility has not been altered or changed since the secretary of state inspected that facility after October 1, 2006. A nonrefundable multiple vehicle driving facility review and approval fee of \$75.00 must accompany the applicant's application for a renewal of its driver education provider certificate.

(ii) A statement that the applicant will use a multiple vehicle driving facility in a driver education course, a detailed description of the facility as determined necessary by the secretary of state, and its address. A multiple vehicle driving facility review and approval fee of \$125.00 must accompany the applicant's application for a renewal of its driver education provider certificate.

(d) Other information and documents prescribed by the secretary of state as needed to determine whether the applicant meets the requirements of this act.

(2) The designated representative or coordinator of a certified driver education provider shall complete a criminal history check as described in section 29 to the satisfaction of the secretary of state every 4 years on an application to renew the driver education provider's certificate.

(3) If the secretary of state receives a properly completed renewal application before the applicant's driver education provider's current certificate expires, the certificate continues in full force and effect until the secretary

of state either approves or denies the renewal application. If the secretary of state does not receive a properly completed renewal application before the driver education provider certificate expires, the driver education provider shall not offer to engage or engage in the activity of a driver education provider until the secretary of state issues the holder of the expired certificate an original or renewal driver education provider certificate as provided in this act.

(4) The secretary of state shall not issue a renewal certificate more than 30 days after a driver education provider certificate expires unless the provider has submitted a properly completed renewal application within 30 days after the certificate's expiration date. A provider that applies for a certificate renewal later than 30 days after the certificate expires shall apply to the secretary of state for an original driver education provider certificate.

(5) The secretary of state shall review and, in writing, approve or deny the use of a multiple vehicle driving facility under this act as determined necessary by the secretary of state. The secretary of state may only approve a facility that meets criteria prescribed by the secretary of state. The secretary of state shall perform an on-site inspection of a multiple vehicle driving facility as determined necessary by the secretary of state.

(6) Subsection (1)(b) does not apply to an educational institution or a governmental agency.

(7) Nonrefundable application processing and multiple vehicle driving facility review and approval fees collected under this section must be deposited into the driver education provider and instructor fund created under section 83.

Sec. 13. (1) The secretary of state may issue an original or renewal driver education provider certificate if the secretary of state is satisfied the applicant meets the requirements for that certificate under this act. A driver education provider that conducts commercial vehicle driver training must be registered with the Federal Motor Carrier Safety Administration through the training provider registry. The secretary of state may assign an identifying number to a driver education provider and put that number on the provider's certificate. The secretary of state may indicate the adult, teen, or commercial vehicle driver training classification applicable on the driver education provider's certificate.

(2) A driver education provider certificate issued under this act is valid for 2 years. The original expiration date is exactly 2 years from the date the secretary of state issues the provider an original certificate. A provider's renewal certificate expires 2 years after its issuance on the same day and month that the original certificate expired.

(3) A person shall not transfer or assign a driver education provider certificate to another person, and any purported transfer or assignment is not effective.

Sec. 17. (1) A person may apply to the secretary of state for a driver education instructor certificate in 1 or more of the following classifications:

- (a) Adult driver training.
- (b) Teen driver training.
- (c) Commercial vehicle driver training.

(2) The secretary of state shall not issue an original driver education instructor certificate under this act until an investigation is made of the applicant's qualification under this act.

(3) The secretary of state may issue a person an adult or teen driver education instructor certificate if the person presents satisfactory evidence to the secretary of state in a format and as prescribed by the secretary of state that the person meets all of the following requirements:

- (a) Submits a properly completed application signed by the applicant.
- (b) Is not less than 21 years of age on the date of application.
- (c) Provides the applicant's driver license number.
- (d) Possesses a valid driver license that has been in continuous effect for not less than 5 years immediately preceding the application.
- (e) Provides a statement indicating whether the applicant has ever applied for a driver education instructor certificate in this state or any other state, and the result of that application.
- (f) Provides a statement indicating whether the applicant has ever been the holder of a driver education instructor certificate that was revoked or suspended, in this state or any other state.
- (g) Completes a criminal history check as described in section 29 to the satisfaction of the secretary of state.
- (h) Certifies that the applicant does not have a pending criminal matter or an outstanding arrest, warrant, or conviction since submitting a request for a criminal history check under section 29.
- (i) Submits a nonrefundable application processing fee of \$45.00.

(j) Submits a certified medical examination report that is not older than 90 days and that is prepared by a physician, a physician's assistant, or a certified nurse practitioner licensed to practice in this state or in the applicant's state of residence. The report must include a statement by the person that certified the report that the applicant is medically qualified to operate a motor vehicle and to train others to operate a motor vehicle.

(k) Until December 31, 2007, for an original application for a driver education instructor certificate for teen driver training, submits an official transcript from an approved college or university that currently offers driver education instructor preparation programs. Beginning January 1, 2008, for an original application for a driver education instructor certificate for teen or adult driver training, submits an official transcript from an approved college, university, or person to verify the completion of the driver education instructor preparation courses required under the driver education instructor preparation program described in section 23. Except for a driver education instructor issued a temporary approval under former 1974 PA 369, an applicant approved as a driver education instructor by the secretary of state before December 31, 2007 is considered to have complied with this transcript requirement.

(l) An applicant who is not a resident of this state shall submit an up-to-date certified driving record from the applicant's state of residence to the secretary of state. The applicant shall agree in writing or electronically as prescribed by the secretary of state to submit an up-to-date certified driving record every 60 days for as long as the applicant is not a resident of this state.

(m) Other information and documents prescribed by the secretary of state to determine an applicant's qualifications for certification under this section.

(4) As a condition precedent to the granting of a certificate, an applicant shall file with the secretary of state, on a form prescribed by the secretary of state, an irrevocable written or electronic stipulation. The stipulation must be signed by the applicant and state the applicant agrees that legal process affecting the applicant, served on the secretary of state against the applicant or the applicant's successor in interest for a violation of this act, a rule promulgated under this act, or an order issued under this act, has the same effect as if personally served on the applicant. This appointment remains in force as long as the applicant has any outstanding liability within this state under this act.

(5) The secretary of state may require an applicant to submit a photograph of the applicant, may prescribe the size and format of the photograph, and may include a reproduction of the photograph on the driver education instructor certificate. The secretary of state may receive the applicant's written or electronic permission to use the image of the applicant captured and retained under section 307 of the Michigan vehicle code, 1949 PA 300, MCL 257.307, on the driver education instructor certificate.

(6) A person who engages or offers to engage in activity as a driver education instructor before being certified by the secretary of state is guilty of a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than \$2,000.00, or both.

(7) The secretary of state may develop and prescribe an orientation and education program that a person must complete before receiving an original driver education instructor certificate issued under this act.

(8) Beginning December 31, 2007, an applicant for an original driver education instructor certificate is required to complete the driver education instructor preparation courses described in section 23. This subsection does not apply to an applicant for a driver education instructor certificate to conduct commercial vehicle driver training.

(9) The secretary of state may issue a person a behind-the-wheel commercial vehicle driver instructor certificate for behind-the-wheel instruction if, as prescribed by the secretary of state, the person presents satisfactory evidence that the person meets the requirements of a behind-the-wheel instructor as defined in 49 CFR 380.605.

(10) The secretary of state may issue a person a theory commercial vehicle driver instructor certificate for theory instruction if, as prescribed by the secretary of state, the person presents satisfactory evidence that the person meets the requirements of a theory instructor as defined in 49 CFR 380.605.

Sec. 23. (1) A college or university or a person approved by the secretary of state may present a driver education instructor preparation program. A college, university, or person shall not offer to engage or engage in the activity of presenting a driver education instructor preparation program without the prior approval of the secretary of state.

(2) A college, university, or person may apply to the secretary of state for approval to conduct a driver education instructor preparation program. A college, university, or person seeking approval shall present satisfactory evidence to the secretary of state as prescribed by the secretary of state that the college's, university's, or person's proposed program meets the requirements of this section.

(3) The secretary of state shall review and approve a driver education instructor preparation program that meets the requirements of this section. The secretary of state shall give the college, university, or person requesting approval a written notice of the secretary of state's approval or denial, including the reason for any denial.

(4) The secretary of state shall prepare a driver education instructor preparation program guide as a model for how to conduct a driver education instructor preparation program. The model program guide must identify the content of each course identified in subsection (7).

(5) Beginning September 1, 2007, a driver education instructor preparation program must consist of not less than 4 driver education preparation courses.

(6) A college, university, or person seeking approval of a driver education instructor preparation course shall present evidence satisfactory to the secretary of state that the proposed course meets the requirements of this section. The secretary of state shall review a driver education instructor preparation course and determine whether that course meets the requirements of this act. The secretary of state shall prescribe the administration and curriculum of a driver education instructor preparation course. The secretary of state shall give the college, university, or person requesting approval written notice of the secretary of state's approval or denial, including the reason for any denial.

(7) A driver education instructor preparation program must consist of not less than 4 driver education instructor preparation courses. The 4 required courses must each concentrate on only 1 of the following concepts, and all of the following concepts must be covered in the minimum 4 courses required:

- (a) Driver task analysis.
- (b) Developing classroom and program knowledge.
- (c) Developing vehicle operation skills.
- (d) Practicum.

(8) A driver education instructor preparation course must consist of not less than 2 semester hours per course or the equivalent of not less than 2 semester hours per course as approved by the secretary of state. A driver education instructor preparation course must extend for not less than 3 weeks.

(9) An instructor who teaches a driver education instructor preparation course shall meet the following requirements:

- (a) Have a master's degree in education from an accredited college or university.
- (b) Hold a valid driver education instructor certificate issued by the secretary of state.
- (c) Any other requirement the secretary of state determines is necessary to determine instructor qualifications.

(10) A college, university, or person approved by the secretary of state that offers a driver education instructor preparation course shall include in the course registration material information explaining the driver education instructor qualifications required under this act.

(11) The secretary of state shall review each driver education instructor preparation program approved under this section at least once every 3 years.

(12) A driver education preparation course credit earned through a college, university, or another entity in another state may be accepted on the same basis as the equivalent credit earned through a driver education instructor preparation program conducted by a college or university or by a person approved by the secretary of state, if approved by the secretary of state. A person seeking approval of a driver education course credit earned in another state shall present satisfactory evidence to the secretary of state that the other state's course substantially meets the requirements of this state. The secretary of state shall review a driver education preparation course credit earned in another state and determine whether that course content meets the requirements of this act. The secretary of state shall give the person a written notice of the secretary of state's approval or denial, including the reason for any denial.

(13) This section does not apply to an applicant for a driver education instructor certificate that is limited to the commercial vehicle driver training classification.

Sec. 25. (1) A person shall not participate in a practicum course conducted by a college or university or by a person approved by the secretary of state unless the person possesses a conditional driver education instructor certificate.

(2) A person shall apply to the secretary of state for a conditional driver education instructor certificate. The secretary of state may issue a person a conditional driver education instructor certificate after the person presents satisfactory evidence to the secretary of state that the applicant complies with both of the following:

- (a) Meets all of the driver education instructor application requirements under section 17 except for completion of a practicum course.
- (b) Is enrolled in a practicum course conducted by a college or university or by a person approved by the secretary of state.

(3) This section does not apply to an applicant for a driver education instructor certificate that is limited to the commercial vehicle driver training classification.

Sec. 43. (1) A driver education provider classified to provide teen driver training shall issue a driver education course certificate of completion to a student who successfully passes a written knowledge test prescribed by the secretary of state for that segment and successfully completes the other course work for that segment. The secretary of state shall prescribe the knowledge test administered to a teen student, including establishing a passing score and the maximum number of times a student may take the test.

(2) A driver education provider shall not issue a driver education course certificate of completion for segment 1 if the student is not eligible for a graduated driver license.

(3) A driver education provider shall not issue a driver education course certificate of completion for segment 2 to a student unless the student has been issued a graduated driver license.

(4) A driver education provider classified to provide entry-level driver training shall issue a driver education course certificate of completion to a student who successfully passes theory or behind-the-wheel training prescribed in 49 CFR part 380, appendices A to F. A certificate of completion issued to an entry-level driver training student must contain the information outlined in 49 CFR 380.513 and 380.717.

Sec. 45. (1) Before holding a class, a driver education provider shall file a projected driver education course schedule report with and as prescribed by the secretary of state. The course schedule report must contain:

(a) The name of the school.

(b) The dates and times of the class.

(c) The classroom location.

(d) The names of the instructors.

(e) Any other information the secretary of state determines is needed to administer this act or ensure the health, safety, and welfare of a student or the public.

(2) If a change occurs in the information contained in a report filed under subsection (1), the driver education provider shall immediately file an updated projected driver education course report with the secretary of state or later if authorized by the secretary of state.

(3) Upon completion of a class, a driver education provider shall file a course completion report with and as prescribed by the secretary of state. The course completion report must contain:

(a) The name of the school.

(b) The dates the class was held.

(c) The name, address, and birth date of each student issued a certificate of completion.

(d) The inventory control number of each certificate of completion issued to a student.

(e) Any other information the secretary of state determines is needed to administer this act or ensure the health, safety, and welfare of a student or the public.

(4) A driver education provider classified for commercial vehicle driver training shall file a report with and as prescribed by the secretary of state on April 15 and October 15 of each year. Each report must contain:

(a) The name, address, and driver license number of each student enrolled since the provider's last report under this subsection.

(b) The name of each student who completed a training program.

(c) Any other information the secretary of state determines is needed to administer this act or ensure the health, safety, and welfare of a student or the public.

(5) A driver education provider shall file a year-end report with and as prescribed by the secretary of state on or before January 31 of each year. The year-end report must contain all of the following:

(a) The name of the school.

(b) The number of students who passed and failed each type of instruction given.

(c) A list of the instructors who taught during the year.

(d) A list of classroom locations utilized during the year.

(e) The tuition charged for each type of instruction.

(f) Any other information the secretary of state determines is needed to administer this act or ensure the health, safety, and welfare of a student or the public.

(6) A driver education provider shall maintain a record of the instruction given to a student as prescribed by the secretary of state. A student instruction record must contain all of the following:

(a) The dates and number of hours of classroom and behind-the-wheel instruction given the student, signed by the instructors that gave the instruction.

- (b) Complete registration and achievement records for the student.
 - (c) A list of the student's payments for tuition, fees, and purchase or rental of supplies or equipment.
 - (d) A copy of the signed contract between the school and the student.
 - (e) The information contained on a course completion report for the student.
 - (f) Any other information the secretary of state determines is needed to administer this act or ensure the health, safety, and welfare of a student or the public.
- (7) The secretary of state shall prescribe the manner and method that any information, forms, reports, and other documents required in this act are submitted to the secretary of state, including electronic submission.

Sec. 55. (1) Before a driver education provider provides behind-the-wheel driver education course instruction to an adult or commercial vehicle driver training student, the provider shall verify that the student has a valid temporary instruction permit issued by the secretary of state under section 306 of the Michigan vehicle code, 1949 PA 300, MCL 257.306, or that the student has a valid commercial learner's permit issued by another state.

(2) The secretary of state may prescribe the method and manner that a driver education provider uses to verify a student's temporary instruction permit under this section.

Sec. 61. (1) Except as otherwise provided in this section, the secretary of state shall automatically deny a driver education provider's or instructor's application or revoke a provider's or instructor's certificate without notice and an opportunity for a hearing if for any reason a driver education provider or instructor is removed from the Federal Motor Carrier Safety Administration training provider registry under 49 CFR 380.721 and 380.723. The denial or revocation remains in effect until the applicant, instructor, provider, or the designated representative or coordinator of the applicant or provider completes 5 consecutive years without a conviction for a violation or attempted violation for which 4 or more points are assessed under section 320a of the Michigan vehicle code, 1949 PA 300, MCL 257.320a.

(2) The secretary of state shall automatically deny a driver education provider's or instructor's application or revoke a provider's or instructor's certificate without notice and an opportunity for a hearing until the driving record of the applicant, instructor, provider, or the designated representative or coordinator of the applicant or provider does not have within the prior 2 years 1 or more of the following:

(a) Three or more driver license denials, suspensions, or revocations, or any combination of 3 or more denials, suspensions, or revocations, imposed by the secretary of state for the failure to appear in court or a failure to comply with a court judgment under section 321a of the Michigan vehicle code, 1949 PA 300, MCL 257.321a.

(b) A conviction or finding of responsibility for a traffic violation in connection with 2 or more motor vehicle accidents.

(c) An accumulation of 6 or more points under section 320a of the Michigan vehicle code, 1949 PA 300, MCL 257.320a.

(d) A conviction under section 624a, 625(6), or 626b of the Michigan vehicle code, 1949 PA 300, MCL 257.624a, 257.625, and 257.626b.

(3) When the driving record of an applicant's or provider's designated representative or coordinator is the cause for the secretary of state to deny an application or revoke a certificate under this section, the secretary of state shall automatically deny an original or renewal application for a driver education provider certificate or automatically revoke a provider's certificate under this section if the applicant or provider fails to immediately terminate the designated representative's or coordinator's designation or employment as the provider's designated representative or coordinator.

Sec. 65. (1) The secretary of state may make, on its own initiative or in response to a complaint, a reasonable and necessary investigation within or outside this state and gather evidence against a person that violated, allegedly violated, or is about to violate this act, a rule promulgated under this act, or an order issued under this act, concerning whether a person, an applicant, a driver education provider, or a driver education instructor is in compliance with this act or a rule promulgated under this act.

(2) A person may file a complaint against a person, an applicant, a driver education provider, or a driver education instructor with the secretary of state. A complaint must be made in a format as prescribed by the secretary of state. The complaint must be based upon a violation or attempted violation of this act or a rule promulgated under this act and must contain all of the following information:

(a) The complainant's name, address, and telephone number.

(b) A complete statement describing the basis for the complaint.

(c) A copy of any record, report, or document that is the basis for the complaint, including a copy of the student contract, driver education course certificate of completion issued, or other documents.

(d) The complainant's signature and the date the complaint was signed.

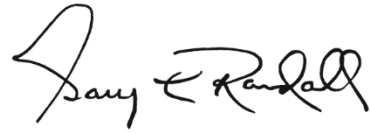
(e) Other information as prescribed by the secretary of state.

(3) The secretary of state may mediate a dispute between a driver education provider or driver education instructor and a student or the student's parent or legal guardian when a dispute arises from a violation or attempted violation of this act or a rule promulgated under this act.

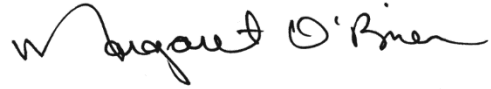
(4) The secretary of state may develop conditions of probation for the operation of a driver education provider or the training conducted by a driver education instructor. Conditions must be set forth in a written agreement and signed by the driver education provider or driver education instructor and the secretary of state. Conditions of probation may be agreed to in place of further disciplinary proceedings.

(5) If an investigation by the secretary of state finds reason to believe that a written knowledge test or entry-level driver training was not administered in accordance with the standards prescribed in 49 CFR part 380, the secretary of state shall cancel the course completion reported by the provider and any license subsequently issued unless the student retakes and passes the test within 30 days.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor