

**Rule Summary and Fiscal Analysis (Part A)****Department of Public Safety**

Agency Name

Division

**Anna Firestone**

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**4501-7-05**

Rule Number

**AMENDMENT**

TYPE of rule filing

Rule Title/Tag Line

**Application and renewal of licenses for instructors and  
training managers of a class "D" license school.****RULE SUMMARY**

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **No**

2. Are you proposing this rule as a result of recent legislation? **Yes**

Bill Number: **HB487**General Assembly: **129**Sponsor: **Amstutz**

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **R.C. 4508.02**

5. Statute(s) the rule, as filed, amplifies or implements: **R.C. 4508.02, R.C. 4508.03, R.C. 4508.04, R.C. 4508.05**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This rule is being filed to implement statutory changes set forth in HB487, 129th General Assembly.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; if the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

The rule sets forth the requirements for the training of instructors and the application process for the initial and renewal licenses. The proposed rule requires training and application for online instructors. The rule further requires a specialized training and application process for training managers and instructor's teaching driver training to persons with a disability.

Paragraphs (C), (E) through (H), (K) through (N), and (Q) includes online instructors in the application procedures and document requirements as well as the report of information for any criminal or driver related convictions.

Paragraph (Q) specifically requires all instructors including the on-line instructors to be licensed individuals.

Paragraph (C)(7) sets the training requirement for an online instructor.

Paragraph (I)(4) was modified to remove incorrect statutes and give a general criminal conviction to include any felony or misdemeanor, other than a minor misdemeanor conviction as related to the person's ability to serve in an instructor's capacity.

Paragraphs (C)(5), (C)(6), and (C)(8) exempt the online instructors from specific training, as well as the testing requirements and physical requirements for a class "D" instructor.

Finally, paragraph (C)(3) strikes the option of using photographs maintained by the Bureau of Motor Vehicles in lieu of providing photographs at application to comply with Revised Code section 4507.53, and the Ohio and Federal Driver Privacy Protection Acts.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

Section 121.75 of the Revised Code provides an exception to the provisions of sections 121.71 to 121.74 of the Revised Code for a text or other material, including, without limitation, generally accepted industry standards, that is generally available to persons who reasonably can be expected to be affected by the rule. This rule incorporates the "Driver Training Instructor License Application,"

"renewal requirements," and "Digest of Motor Vehicle Laws," which are commonly known and considered industry standards for all Ohio licensed driver training schools. It is generally available to driver training enterprises, instructors, training managers, and authorizing officials, those who reasonably can be expected to be affected by the rule, via the Driver Training Program website or its database application.

Additionally, this rule addresses how the publication may be accessed by referring readers to rule 4501-7-01, the chapter's definitional rule, which provides the publication dates and availability of all materials incorporated in Chapter 4501-7.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

N/A

Section 121.75 of the Revised Code provides an exception to the provisions of sections 121.71 to 121.74 of the Revised Code for a text or other material, including, without limitation, generally accepted industry standards, that is generally available to persons who reasonably can be expected to be affected by the rule is incorporated by reference into a rule, so long as the incorporation by reference consists of a citation that will be intelligible to the persons who reasonably can be expected to be affected by the rule and that, if the incorporated text was, is, or reasonably can be expected to be subject to change, identifies and specifies the date of, the particular edition or other version that is incorporated.

This rule incorporates the "Driver Training Instructor License Application," "renewal requirements," and "Digest of Motor Vehicle Laws," which are commonly known and considered industry standards for all Ohio licensed driver training schools. It is generally available to driver training enterprises, instructors, training managers, and authorizing officials, those who reasonably can be expected to be affected by the rule, via the Driver Training Program website or its database application.

Additionally, this rule addresses how the publication may be accessed by referring readers to rule 4501-7-01, the chapter's definitional rule, which provides the publication dates and availability of all materials incorporated in Chapter 4501-7.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

*Not Applicable.*

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so. If applicable, indicate each specific paragraph of the rule that has been modified:

*Not Applicable.*

12. 119.032 Rule Review Date: **10/8/2014**

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

### **FISCAL ANALYSIS**

13. Estimate the total amount by which *this proposed rule* would **increase/decrease** either **revenues/ expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will increase revenues.

\$250.00

This rule increases agency revenues by \$25.00 per application to initially license driver training instructors and \$10 per each renewal, but the total impact is difficult to determine at this time. Because the online component to the driver training program is new, and related to applications for online driver training instructors will depend upon the number of applications received once this rule is effective, the agency does not have a complete history of revenues on which to rely.

Under the current traditional classroom setting, the agency typically receives \$22,100 in annual revenues related to applications for driver training instructors. However, as the effective date for this rule will be at or near June 30, 2013, the end date of the agency's current biennium, it is estimated that this component of the program will only minimally impact agency revenue during this period.

This rule is scheduled for a R.C. 119.032 five-year rule review in October, 2014, the agency should have a more accurate picture of the net impact to the agency's budget at that time.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

N/A

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The estimated costs of compliance for driver training instructors are outlined below and were provided by the online driver education committees which represented smaller and larger traditional brick-and-mortar schools, and current online providers.

Instructor Fees

Initial Instructor application - \$25

Background check - \$25 to \$80

Driver Abstract - \$8.50

Applicant photos - \$10

Instructor's initial training - \$200 - \$500

Total cost for initial licensing of instructor - \$268.50 to \$568.50

Note: Schools will not incur training costs should an instructor applicant have a current and valid teaching degree issued through the Department of Education that includes training in driver education. Additionally, schools will not incur training costs should an instructor have a current and valid teaching degree issued through the Department of Education that includes an endorsement in driver training education.

Instructor Renewal Fees

Renewal application - \$10

Driver abstract - \$8.50

Instructor photos - \$10

Total cost to renew instructor's license - \$28.50

Training Manager Fees

Training manager certification initial training course - \$550

Continuing education course required every three years - \$90

Note: If costs for wages, travel, and lodging are paid by the school, the cost to initially certify a training manager may be as much as \$2000. Likewise, the costs for continuing education may increase, as well, to an estimated total of \$700 to \$1000.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **Yes**

You must complete Part B of the Rule Summary and Fiscal Analysis in order to comply with Am. Sub. S.B. 33 of the 120th General Assembly.

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**

**S.B. 2 (129th General Assembly) Questions**

18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **Yes**

19. Specific to this rule, answer the following:

A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? **Yes**

Pursuant to sections 4508.03 and 4508.04 of the Revised Code, no person shall operate a driver training school or act as a driver training instructor unless licensed by the director of public safety.

B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? **Yes**

Sanctions up to and including denial of application or revocation of license may be imposed if applicants or licensees fail to meet the application and training requirements established in this rule.

C.) Does this rule require specific expenditures or the report of information as a condition of compliance? **Yes**

The estimated costs of compliance for online providers and traditional providers are outlined below and were provided by the online driver education committees which represented smaller and larger traditional brick-and-mortar schools, and current

online providers.

**Initial Instructor Fees**

Initial application - \$25

Background check - \$25 to \$80

Driver Abstract - \$8.50

Applicant photos - \$10

Instructor's initial training - \$200 - \$500

Total cost for initial instructor application - \$268.50 to \$568.50

Note: Schools will not incur training costs should an instructor applicant have a current and valid teaching degree issued through the Department of Education that includes training in driver education. Additionally, if training is required, not all schools pay their instructor candidates for the time spent in training. Some schools require the instructor to pay for everything, while others will reimburse instructors once they have been successfully licensed and employed by that same school for a specific length of time.

**Instructor Renewal Fees**

Renewal application - \$10

Driver abstract - \$8.50

Instructor photos - \$10

Total cost to renew instructor's license - \$28.50

**Training Manager Fees**

Training manager certification initial training course - \$550

Continuing education course required every three years - \$90

Note: If costs for wages, travel, and lodging are paid by the school, the cost to initially certify a training manager may be as much as \$2000. Likewise, the costs for continuing education may increase, as well, to an estimated \$700 to \$1000.

**Rule Summary and Fiscal Analysis (Part B)**

1. Does the Proposed rule have a fiscal effect on any of the following?

|                      |              |               |                            |
|----------------------|--------------|---------------|----------------------------|
| (a) School Districts | (b) Counties | (c) Townships | (d) Municipal Corporations |
| <b>Yes</b>           | <b>No</b>    | <b>No</b>     | <b>No</b>                  |

2. Please provide an estimate in dollars of the cost of compliance with the proposed rule for school districts, counties, townships, or municipal corporations. If you are unable to provide an estimate in dollars, please provide a written explanation of why it is not possible to provide such an estimate.

The costs of compliance for the instructor licensure process are estimated to be between \$68.50 and \$568.50 for each initial application and \$28.50 for each renewal.

The costs to certify training managers are estimated to be between \$550 and \$2000 for the initial training course and between \$90 and \$1000 every three years for continuing education.

Costs of compliance vary because school districts may: 1) use instructors who have a teaching degree with a driver education endorsement, thereby negating any training costs; and if training is required, 2) require instructors to pay for the costs of their own training; 3) may elect to provide reimbursement of a portion of costs; and 4) may elect to also pay costs related to travel and lodging during training.

3. If the proposed rule is the result of a federal requirement, does the proposed rule exceed the scope and intent of the federal requirement? **No**

4. If the proposed rule exceeds the minimum necessary federal requirement, please provide an estimate of, and justification for, the excess costs that exceed the cost of the federal requirement. In particular, please provide an estimate of the excess costs that exceed the cost of the federal requirement for (a) school districts, (b) counties, (c) townships, and (d) municipal corporations.

*Not Applicable.*

5. Please provide a comprehensive cost estimate for the proposed rule that includes the procedure and method used for calculating the cost of compliance. This comprehensive cost estimate should identify all of the



major cost categories including, but not limited to, (a) personnel costs, (b) new equipment or other capital costs, (c) operating costs, and (d) any indirect central service costs.

Personnel costs of up to \$568.50 per initial licensing of each instructor, \$28.50 to renew each instructor, up to \$550 per initial certification of each training manager, and \$90 every three years for each training manager's continuing education will be incurred.

(a) Personnel Costs

Initial Instructor Fees

Initial application - \$25

Background check - \$25 to \$80

Driver Abstract - \$8.50

Applicant photos - \$10

Instructor's initial training - \$200 - \$500

Total cost for initial instructor application - \$268.50 to \$568.50

Note: Not all schools pay their instructor candidates for the time spent in training.

Some schools require the instructor to pay for everything, while others will reimburse instructors once they have been successfully licensed and employed by that same school for a specific length of time. Additionally, schools will not incur training costs should an instructor have a current and valid teaching degree issued through the Department of Education that includes an endorsement in driver training education.

Instructor Renewal Fees

Renewal application - \$10

Driver abstract - \$8.50

Instructor photos - \$10

Total cost to renew instructor's license - \$28.50

Note: Some school districts may: 1) use instructors who have a teaching degree with a driver education endorsement, thereby negating any training costs; and if training is required, 2) require instructors to pay for the costs of

their own training; 3) may elect to provide reimbursement of a portion of costs; and 4) may elect to also pay costs related to travel and lodging during training.

Training Manager Fees

Training manager certification initial training course - \$550

Continuing education course required every three years - \$90

Note: If costs for wages, travel, and lodging are paid by the school, the cost to initially certify a training manager may be as much as \$2000. Likewise, the costs for continuing education may increase, as well, to an estimated \$700 to \$1000.

(b) New Equipment or Other Capital Costs

0

(c) Operating Costs

0

(d) Any Indirect Central Service Costs

0

(e) Other Costs

0

6. Please provide a written explanation of the agency's and the local government's ability to pay for the new requirements imposed by the proposed rule.

This rule does not impact the agency's budget. It is expected that school districts include the costs of compliance that result from this rule in their students' driver training program fees.

7. Please provide a statement on the proposed rule's impact on economic development.

It is estimated that this rule would result in no impact to economic development.