

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

Agency Name

Division

**Anna Firestone**

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**4501-7-11**

Rule Number

**AMENDMENT**

TYPE of rule filing

Rule Title/Tag Line

**Certificates.****RULE SUMMARY**1. Is the rule being filed for five year review (FYR)? **Yes**2. Are you proposing this rule as a result of recent legislation? **No**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 and R.C. 4508.03**

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

This rule is being filed according to a R.C. 119.032 review.

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 printing and issuing certificates of enrollment of an online course, completion of an online course and completion of the mandatory twenty-four and eight hour courses. The rule also provides information on the department's responsibility of furnishing, maintaining, and providing access of the certificates.

Paragraph (A)(4) is being proposed to amend and include purchasing of those certificates. The language clarifies a process already in place. Paragraph (D) is proposed for amendment to incorporate the "Request for Duplicate Certificate." Paragraph (E) is amended to remove the term "instructor" since instructors are not permitted to sign the certificates.

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:

This rule incorporates the "Certificate of Completion," "Certificate of Completion of an Online Driver Education Program," "Certificate of Enrollment," and "Request for Duplicate Certificate." To comply with sections 121.71 to 121.74 of the Revised Code, this rule refers readers to 4501-7-01, which addresses the version/date of the material, as well as its availability. Paragraph (SS) of rule 4501-7-01 addresses all materials incorporated in the chapter in full compliance with statute.

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:

The "Request for Duplicate Certificate" is being filed with rule 4501-7-01 as part of this package and is also available via the driver training program website at <http://www.drivertraining.ohio.gov/schools.htm>.

The "Certificate of Enrollment," "Certificate of Completion of an Online Driver Education Program," and "Certification of Completion" are not being filed as part of this package. The certificates are numbered, tracked, and issued to driver training schools at purchase. These materials have been, and continue to be, generally available to licensed schools, training managers, and instructors, those who can reasonably be anticipated to be impacted by this rule, via the agency's on-line application and are addressed in rule 4501-7-01 providing readers with full citation, date/version as appropriate, and availability. and are addressed in rule 4501-7-01 providing readers with full citation, date/version as appropriate, and availability.

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. Five Year Review (FYR) Date: **9/16/2014**

(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.

392, 907.00

The agency receives approximately \$392,906.96 annually from certificates.

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:

Certificate of enrollment - \$4 per certificate\*

Certificate of completion for an online driver training program - \$4 per certificate\*

Certificate of completion - \$4

\* The adverse impact on the schools is based on the number of students completed by the business enterprise. The stakeholder group indicated these certificate costs are included in the cost of the course and paid by the student.

The cost estimate was provided by the Class "D" and online rule review committee. Representatives for the class "D" schools included Jeff Baehr (Myers Driving School), Julie Dominik (Mercy's Driver Rehabilitation Program), Al Salyers and John Sawyer (Auto Club Driving Schools, Inc.), Colleen Butch (John Butch Driving School, Inc.), Ruth Diehl (Ruth's Driving Academy), Sue Kaufman (Fort Loramie High School Driving Program), and Daniel Kramer (Top Driver Ohio). Representatives for the online driver education schools included Gary Tsifrin and Chris Flink (DriversEd.com), Paul Zalatoris (Top Driver), and Michael LaPlume and Karl Logan (Costech Technologies Inc.).

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**

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**

Yes, sanctions up to and including denial of application or revocation of license may be imposed if applicants or licensees fail to meet the requirements set forth in this rule.

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

Certificate of enrollment - \$4 per certificate\*

Certificate of completion for an online driver training program - \$4 per certificate\*

Certificate of completion - \$4

\* The adverse impact on the schools is based on the number of students completed by the business enterprise. The stakeholder group indicated these certificate costs are included in the cost of the course and paid by the student.

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**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 this rule include the requirements for driver training enterprises to purchase certificates of completion. Each certificate is \$4. and the costs are generally passed on to the consumer. The actual impact is difficult to determine. The number of certificates purchased depends upon the number of students trained by the school.

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.

The costs of compliance for this rule include the requirements for driver training enterprises to purchase certificates of completion. Each certificate is \$4. and the costs are generally passed on to the consumer. The actual impact is difficult to determine. The number of certificates purchased depends upon the number of

students trained by the school.

(a) Personnel Costs

0

(b) New Equipment or Other Capital Costs

0

(c) Operating Costs

0

(d) Any Indirect Central Service Costs

0

(e) Other Costs

\$4 per certificate

Note: The actual cost of compliance is difficult to determine. The number of certificates purchased depends upon the number of students trained by the school. The costs of the certificates are generally passed along to the consumers.

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.

There are no provisions or grants available to offset or pay for the costs imposed by the rule.

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

The proposed rule provides no foreseen impact upon the economic development.