

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

Agency Name

Division

**Anna Firestone**

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**4501-7-12**

Rule Number

**AMENDMENT**

TYPE of rule filing

Rule Title/Tag Line

**Class "D" license school training agreements.****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**

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 requirement for each class "D" and online school to establish a written agreement between the enterprise and each student and parent. The written agreement shall contain the information of the student, the training the school will be providing, the time allotted for such training. The agreement shall contain any additional charges as seen fit by the school for use of the vehicle for testing and refunds. The rule also requires the agreements to include the name and address of the Department of Public Safety. All agreements must be signed and dated by the parent, student and representative of the school. A copy of the agreement shall be given to the parent on the day the agreement is signed.

Amendments include paragraphs: (B)(1) for an online to include the address of the main location in the agreement; (B)(4) to exclude an online provider from including fees for use of their vehicles; (B)(5) to include online providers in stating the classroom training in their agreement; (B)(6) to exclude the online providers from including behind-the-wheel hours in their agreement; and (E) which requires online providers to have a written agreement.

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 "Ohio Driver Training Curriculum," which is commonly known and considered an industry standard 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.

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 "Ohio Driver Training Curriculum," which is commonly known and considered an industry standard 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.

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 have no impact on revenues or expenditures.

0

This rule is not expected to impact the agency's budget in the current biennium.

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 cost of compliance for schools is between \$50 - \$500, which includes the costs of printing and developing the training agreements. The agency provides a template for the required agreement at no charge to the schools that is readily available and easily accessible. Therefore, if a school uses the agency's agreement, the only cost is printing. If a school opts to create and print its own, it may incur the higher compliance costs.

Source: Provided by the online driver education committees, which represented smaller and larger traditional brick-and-mortar schools, and current online providers

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**

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 established in this rule.

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

The estimated expenditure for schools is between \$50 - \$500, which includes the costs of printing and developing the training agreements. The agency provides a template for the required agreement at no charge to the schools, and it is easily accessible. If a school uses the agency's agreement, the only cost is printing. If a school opts to create and print its own, it may have higher costs.

**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 estimated cost of compliance for each school district is between \$50 - \$500, which includes the costs of printing and developing the training agreements. The total impact depends on the number of students in the school's training courses. The agency provides a template for the required agreement at no charge to the schools that is easily accessible. Therefore, if a school uses the agency's agreement, the only cost is printing. If a school opts to create and print its own, it may incur the higher compliance costs.

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 estimated cost can be between \$50 - \$500 for the development and printing of training agreements. The total cost is difficult to estimate as it depends on the

number of students enrolled in the school district's driver training courses and whether the district opts to use the agency's provided template or create its own.

(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

\$50-\$500

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.

The agency provides a template for the required agreement at no charge to the schools that is easily accessible and if used, can reduce the costs that a school district may incur to comply. The school district is responsible for the final printing costs for each student.

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

The cost of the training agreements and availability of department provided agreements are minimal so there are no identifiable economic impacts on development. The schools already have the resources available through the offices and secretaries of the schools.