

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

Agency Name

Division

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4501-8-04

Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Application for and renewal of an abbreviated adult driver training school and online license.**RULE SUMMARY**1. Is the rule being filed for five year review (FYR)? **No**2. Are you proposing this rule as a result of recent legislation? **Yes**Bill Number: **HB53**General Assembly: **131**Sponsor: **Grossman**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: **4508.02**5. Statute(s) the rule, as filed, amplifies or implements: **4508.02, 4508.03, 4508.04, 4508.05, 4508.09**

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 HB53, 131ST 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 an original driver training school application. The rule requires specific documentation to be provided as part of the application process. The rule sets forth the expiration of the school licenses and the requirements to renew the licenses. Additionally, the rule sets forth the notification requirements for change of ownership and the addition of an authorizing official.

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 "Driver Training Enterprise Application," "Minimum Standards for an Online Abbreviated Adult Course," "Online Driver Education Security Assessment," and "renewal requirements." To comply with sections 121.71 to 121.74 of the Revised Code, this rule refers readers to 4501-8-21, which addresses the version/date of the material, as well as its availability. Paragraph (A) of rule 4501-8-21 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:

Unless otherwise noted, these materials, as feasible, are filed with this package as part of rule 4501-8-21. "Renewal Requirements" are not being filed as part of this package. "Renewal Requirements" is a database application that is part of the Driver Training Program website, a program accessible to licensed schools, training managers, and instructors, or those who can reasonably be anticipated to be impacted by this rule, where information is electronically entered via an interface on the system. These materials are still addressed in rule 4501-8-21 providing 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:

(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.

\$850

The rule will increase revenues by \$250 per application and \$600 for a new security assessment. The determination of the full impact of increased revenues is difficult to determine because the program is new. A fee will not be charged for schools that are only adding the program as an additional course offering to an already existing location. The same is true for an online company that already exists and offers the new program through the same website.

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

The expenditures are appropriated through the 7036 fund (Highway Transportation Fund), ALI 761321 under Information and Education Operating.

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 include application fees for original applications and every other year for license renewals, background check fees and postage.

Original school license application*

Driver Training Enterprise Application - \$250 per location application fee

Background check - \$65 per authorizing official and owner

Postage for mailing application - \$10.50

Total cost for enterprise application - \$325.50

Enterprise renewal fee - \$50 per location application fee**

Total cost for enterprise renewal - \$50 per location

*The cost for the original application fee does not apply for those already existing driver training schools that operate other licensed programs. Since the school would already be licensed, the application would be just used for adding a new program instead of a new license.

**The cost for the renewal application fee would be applied to one license. Should a driver training school operate more than one licensed driver training program, only one fee of \$50 would be applied.

The estimated time to gather all documents for the application, including the fire inspection, building use agreement, and background check is estimated to be approximately half a day.

Original Online license application*

Driver Training Enterprise Application - \$250 per location application fee

Security Assessment Fee - \$600

Background check - \$150 per authorizing official and owner

Postage for mailing application and written program- \$20.50

Total cost for enterprise application - \$1020.50

Enterprise renewal fee - \$50 per location application fee**

Total cost for enterprise renewal - \$50 per location

*The cost for the background check is higher due to other state's ability to provide checks through third-party vendors.

Additionally, the fee for mailing depends upon the decision of how to provide the

written format.

The estimated time to gather all documents for the application, including the fire inspection, building use agreement, background check, security assessment and program is approximately one day.

The cost estimate was provided by a stakeholder committee.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

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 requirements set forth 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 include application fees for original applications and every other year for license renewals, background check fees and postage.

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The estimated time to gather all documents for the application, including the fire inspection, building use agreement, background check, security assessment and program is approximately one day.

The cost estimate was provided by a stakeholder committee.

