

**MEMORANDUM**

TO: Pamela Watkins, Ohio Department of Public Safety

FROM: Sean T. McCullough, Regulatory Policy Advocate

DATE: September 11, 2014

RE: CSI Review – Commercial Driver Training Schools (OAC § 4501-7-01, 4501-7-02, 4501-7-03, 4501-7-04, 4501-7-05, 4501-7-06, 4501-7-07, 4501-7-08, 4501-7-09, 4501-7-10, 4501-7-11, 4501-7-12, 4501-7-13, 4501-7-14, 4501-7-16, 4501-7-17, 4501-7-18, 4501-7-19, 4501-7-20, 4501-7-21, 4501-7-22, 4501-7-23, 4501-7-24, 4501-7-25, 4501-7-26, 4501-7-27, 4501-7-28, 4501-7-29, 4501-7-30, 4501-7-31, 4501-7-32, 4501-7-33, 4501-7-34, 4501-7-35, 4501-7-36, 4501-7-37)

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (R.C.) § 107.54, CSI has reviewed the abovementioned administrative rules and associated Business Impact Analysis (BIA). This memo represents CSI's comments to the Agency as provided for in R.C. § 107.54.

I. INTRODUCTION AND BACKGROUND

On July 23, 2014, the Ohio Department of Public Safety (ODPS) submitted to CSI a rule package containing a total of thirty-six (36) rules, which specifically consists of twenty-four (24) amended rules¹ and twelve (12) no-change rules. The rules govern the licensing, training and instruction of commercial driver training schools in Ohio. ODPS cites R.C. §§ 4508.02, 4508.03 and 4508.04 as authority to establish these rules. The official comment period for this rule package ended August 6, 2014. Five (5) stakeholder comments were submitted during the CSI review period.

¹ Two of the rules contain amendments consisting of more than fifty (50) percent of the rule language. Therefore, the Legislative Service Commission requires that the existing rule be rescinded and replaced by a new rule that has the same rule number.

II. ANALYSIS

A. ADVERSE IMPACT ON BUSINESS

The scope of the business community impacted by these rules is two hundred ninety-one (291) driver training enterprises and over two thousand (2,000) driving instruction and training managers.

The rules and the BIA exhaustively list requirements of the driver training schools and instructors regarding the administration of driver's license training programs. The licensing requirements include enumerated fees, applications, licensing requirements, education, training, etc. The rules contain these requirements for both non-commercial and commercial driver's license training programs. Such requirements are enumerated in R.C. § 107.52, and therefore, these provisions are considered adverse impacts to business.

B. JUSTIFICATION FOR ADVERSE IMPACT

According to ODPS, the Department reached out to stakeholders early in the rule review process. The early stakeholder group contained commercial and non-commercial driving schools, both brick-and-mortar and online. As noted in the BIA, ODPS incorporated comments and suggestions of stakeholders as a result of this outreach.

The Department responded directly to the comments made during the official comment period. Most of the commenters replied, indicating that Department's response added clarity to their individual concern, and that they had no further concerns with the rule package. Of the commenters who did not reply to the Department's response, it is CSI's position that the Department provided sufficient substantive reasoning in its response to the commenter and through further discussions with CSI.

Finally, ODPS argues that, through input and feedback from stakeholders, the regulatory scheme of these rules creates an appropriate balance that addresses and incorporates the needs of the businesses impacted by this rule, while also providing a level of safety for Ohioans that is compliant with statute.

CSI is satisfied with ODPS's justification because (1) ODPS included stakeholders from an early stage of rule review and included stakeholders in the drafting process, (2) ODPS incorporated comments and suggestions made by stakeholders into the proposed rules, (3) all stakeholder comments have been either incorporated into the rules or appropriately addressed by ODPS, and (4) ODPS has created a regulatory scheme that balances minimal impacts to commercial driver training schools and instructors, while also maintaining safety standards compliant with statute. Accordingly, the adverse impacts of this rule have been sufficiently justified by ODPS.

III. RECOMMENDATIONS

After reviewing the BIA, and pursuant to the more detailed reasons outlined above, CSI has no specific recommendations regarding the rule package.

IV. CONCLUSION

Based on the above analysis and recommendations, CSI concludes that ODPS should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Mark Hamlin, Lt. Governor's Office
Valerie Luptak, ODPS
Anna Firestone, ODPS