

# SENATE BILL NO. 581

June 30, 2021, Introduced by Senators MCBROOM, POLEHANKI, WOJNO, BULLOCK and MCMORROW and referred to the Committee on Transportation and Infrastructure.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 320d and 601c (MCL 257.320d and 257.601c), section 320d as amended by 2012 PA 498 and section 601c as added by 2001 PA 103.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 320d. (1) Notwithstanding section 320a, the secretary of  
2 state shall not enter the points corresponding to a moving  
3 violation committed in this state by an individual the secretary of

1 state determines to be eligible under this section on the  
2 individual's driving record or make information concerning that  
3 violation available to any insurance company if the individual  
4 attends and successfully completes a basic driver improvement  
5 course under this section and an approved sponsor provides a  
6 certificate of successful completion of that course to the  
7 secretary of state not more than 60 days after the date on which  
8 the secretary of state notified the individual that he or she was  
9 eligible to take a basic driver improvement course.

10 (2) The secretary of state shall determine if an individual is  
11 eligible under subsection (3) to attend a basic driver improvement  
12 course upon receipt of an abstract of a moving violation. If the  
13 secretary of state determines that an individual is eligible to  
14 attend a basic driver improvement course, the secretary of state  
15 shall do all of the following:

16 (a) Notify the individual of his or her eligibility by first-  
17 class mail at the individual's last known address as indicated on  
18 the individual's operator's or chauffeur's license and inform the  
19 individual of the manner and time within which the individual is  
20 required to attend and complete a basic driver improvement course.

21 (b) Provide all eligible participants with information on how  
22 to access a list of approved sponsors and basic driver improvement  
23 course locations, including the secretary of state's website  
24 address and telephone number to call for more information.

25 (c) If an approved sponsor does not provide notice of  
26 successful completion of the course by the individual within the  
27 time prescribed in subsection (1), the secretary of state shall  
28 enter the points required under section 320a.

29 (3) An individual is ineligible to take a basic driver

1 improvement course if any of the following apply:

2 (a) The violation occurred while the individual was operating  
3 a commercial motor vehicle or was licensed as a commercial driver  
4 while operating a noncommercial motor vehicle.

5 (b) The violation is a criminal offense, **except for a**  
6 **violation of section 610c.**

7 (c) The violation is a violation for which 4 or more points  
8 may be assessed under section 320a.

9 (d) The violation is a violation of section 626b, 627(9),  
10 627a, or 682.

11 (e) The individual was cited for more than 1 moving violation  
12 arising from the same incident.

13 (f) The individual's license was suspended under section  
14 321a(2) in connection with the violation.

15 (g) The individual previously successfully completed a basic  
16 driver improvement course.

17 (h) The individual has 3 or more points on his or her driving  
18 record.

19 (i) The individual's operator's or chauffeur's license is  
20 restricted, suspended, or revoked, or the individual was not issued  
21 an operator's or chauffeur's license.

22 (4) The individual is not eligible to take a driver  
23 improvement course for a second or subsequent violation an  
24 individual receives within the time allowed under subsection (1).

25 (5) The secretary of state shall maintain a computerized  
26 database of the following:

27 (a) Individuals who have attended a basic driver improvement  
28 course.

29 (b) Individuals who have successfully completed a basic driver

1 improvement course.

2 (6) The database maintained under subsection (5) ~~shall~~**must**  
3 only be used for determining eligibility under subsections (3) and  
4 (4). The secretary of state shall only make the information  
5 contained in the database available to approved sponsors under  
6 subsection (10). Information in this database concerning an  
7 individual ~~shall~~**must** be maintained for the life of that  
8 individual.

9 (7) An individual shall be charged a fee of not more than  
10 \$100.00 by an approved sponsor to participate in a basic driver  
11 improvement course and, if applicable, to obtain a certificate in a  
12 form as approved by the secretary of state demonstrating that he or  
13 she successfully completed the course. An approved sponsor shall  
14 remit a portion of the fee, as determined annually by the secretary  
15 of state, to cover the costs of implementing and administering ~~this~~  
16 **the basic driver improvement** course program.

17 (8) Fees remitted to the department under subsection (7) by an  
18 approved sponsor ~~shall~~**must** be credited to the basic driver  
19 improvement course fund created under subsection (9).

20 (9) The basic driver improvement course fund is created within  
21 the state treasury. The state treasurer may receive money or other  
22 assets from any source for deposit into the fund. The state  
23 treasurer shall direct the investment of the fund. Money in the  
24 fund at the close of the fiscal year ~~shall remain~~**remains** in the  
25 fund and ~~shall~~**does** not lapse to the general fund. The secretary of  
26 state ~~shall be~~**is** the administrator of the fund for auditing  
27 purposes. The secretary of state shall expend money from the fund,  
28 upon appropriation, only to pay the costs of administering this  
29 section.

1           (10) An approved sponsor shall conduct a study of the effect,  
2 if any, that the successful completion of its basic driver  
3 improvement course has on reducing collisions, moving violations,  
4 or both for students completing its course in this state. An  
5 approved sponsor shall conduct this study every 5 years on each of  
6 the course delivery modalities employed by the approved sponsor.  
7 The secretary of state shall make all of the following information  
8 available to the approved sponsor for that purpose, subject to  
9 applicable state and federal laws governing the release of  
10 information:

11           (a) The number of individuals who successfully complete a  
12 basic driver improvement course under this section.

13           (b) The number of individuals who are eligible to take a basic  
14 driver improvement course under this section but who do not  
15 successfully complete ~~that~~ **the basic driver improvement** course.

16           (c) The number and type of moving violations committed by  
17 individuals after successfully completing a basic driver  
18 improvement course under this section in comparison to the number  
19 and type of moving violations committed by individuals who have not  
20 taken a basic driver improvement course.

21           (11) The secretary of state shall report on the findings of  
22 all studies conducted under subsection (10) to the standing  
23 committees of the house of representatives and senate on  
24 transportation issues.

25           (12) The secretary of state shall approve basic driver  
26 improvement course sponsors, and enter into an agreement with  
27 approved sponsors, if the basic driver improvement course offered  
28 by that sponsor satisfies the requirements listed in section 3a.

29           (13) A sponsor seeking to be an approved sponsor shall submit

1 to the secretary of state an application on a form prescribed by  
2 the secretary of state along with a properly executed security bond  
3 in the principal sum of \$20,000.00 with good and sufficient surety.  
4 Every sponsor that is an approved sponsor on the effective date of  
5 the amendatory act that added this subsection also shall submit to  
6 the secretary of state a security bond described in this  
7 subsection. The bond ~~shall~~**must** indemnify or reimburse the  
8 secretary of state or an individual taking the sponsor's basic  
9 driver improvement course for monetary loss caused through fraud,  
10 cheating, or misrepresentation in the conduct of the sponsor's  
11 business where the fraud, cheating, or misrepresentation was made  
12 by the sponsor or by an employee, agent, instructor, or salesperson  
13 of the sponsor. The surety shall make indemnification or  
14 reimbursement for a monetary loss only after judgment based on  
15 fraud, cheating, or misrepresentation has been entered in a court  
16 of record against the sponsor. The aggregate liability of the  
17 surety ~~shall~~**must** not exceed the sum of the bond. The surety on the  
18 bond may cancel the bond by giving 30 days' written or electronic  
19 notice to the secretary of state and after giving notice is not  
20 liable for a breach of condition occurring after the effective date  
21 of the cancellation.

22 (14) An approved sponsor shall not engage in a deceptive or  
23 unconscionable method, act, or practice, including, but not limited  
24 to, all of the following:

25 (a) Using, adopting, or conducting business under a name that  
26 is the same as, like, or deceptively similar to the name of another  
27 approved sponsor.

28 (b) Except as otherwise provided in this subsection, using the  
29 words "state", "government", "municipal", "city", or "county" as

1 part of the name of the approved sponsor.

2 (c) Advertising, representing, or implying that an approved  
3 sponsor is supervised, recommended, or endorsed by, or affiliated  
4 or associated with, or employed by, or an agent or representative  
5 of this state, the secretary of state, or a bureau of the secretary  
6 of state.

7 (d) Advertising or publicizing under a name other than the  
8 approved sponsor's full business name as identified on the  
9 sponsor's application to be an approved sponsor.

10 (e) Advertising that the sponsor is open for business before  
11 the sponsor becomes an approved sponsor.

12 (f) Soliciting business on the premises of any facility  
13 rented, leased, owned, or used by the secretary of state.

14 (g) Misrepresenting the quantity or quality of the instruction  
15 provided by, or the requirements for, a basic driver improvement  
16 course.

17 (h) Failing to promptly restore any deposit, down payment, or  
18 other payment that a person is entitled to after an agreement is  
19 rescinded, canceled, or otherwise terminated as required under the  
20 agreement or applicable law.

21 (i) Taking advantage of a student's or potential student's  
22 inability to reasonably protect his or her interest because of a  
23 disability, illiteracy, or inability to understand the language of  
24 an agreement, if the sponsor knows or reasonably should have known  
25 of the student's or potential student's inability.

26 (j) Failing to honor a term of an agreement.

27 (k) Falsifying a document, agreement, record, report, or  
28 certificate associated with a basic driver improvement course.

29 (15) Except as otherwise provided in this act, the secretary

1 of state may impose 1 or more of the sanctions listed under  
2 subsection (16) if the secretary of state determines that an  
3 approved sponsor did 1 or more of the following:

4 (a) Failed to meet a requirement under this act or an  
5 agreement established under this act.

6 (b) Violated this act or an agreement established under this  
7 act.

8 (c) Made an untrue or misleading statement of a material fact  
9 to the secretary of state or concealed a material fact in  
10 connection with an application or record under this act.

11 (d) Permitted fraud or engaged in a fraudulent method, act, or  
12 practice in connection with a basic driver improvement course, or  
13 induced or countenanced fraud or a fraudulent method, act, or  
14 practice in connection with a basic driver improvement course.

15 (e) Engaged in an unfair or deceptive method, act, or practice  
16 or made an untrue statement of a material fact.

17 (f) Violated a suspension or an order issued under this act.

18 (g) Failed to maintain good moral character as defined and  
19 determined under 1974 PA 381, MCL 338.41 to 338.47, in connection  
20 with its business operations.

21 (16) After the secretary of state determines that an approved  
22 sponsor committed a violation listed in subsection (15), the  
23 secretary of state may impose upon the approved sponsor 1 or more  
24 of the following sanctions:

25 (a) Denial of an application for approval as a basic driver  
26 improvement course sponsor.

27 (b) Suspension or revocation of the approval of an approved  
28 sponsor.

29 (c) A requirement to take the affirmative action determined



1 necessary by the secretary of state, including, but not limited to,  
 2 payment of restitution to a student or to an injured  
 3 ~~person-individual.~~

4 (17) As used in this section, "approved sponsor" means a  
 5 sponsor of a basic driver improvement course that is approved by  
 6 the secretary of state under subsection (12) and whose approved  
 7 status is not suspended or revoked under subsection (16).

8 Sec. 601c. (1) ~~A person~~**An individual** who commits a moving  
 9 violation ~~that has criminal penalties~~ and as a result causes injury  
 10 to a ~~person~~**vulnerable roadway user or individual** operating an  
 11 implement of husbandry on a highway in compliance with this act is  
 12 guilty of a misdemeanor punishable by imprisonment for not more  
 13 than 1 year or a fine of not more than \$1,000.00, or both.

14 (2) **An individual who commits a moving violation and as a**  
 15 **result causes a serious injury requiring inpatient treatment at a**  
 16 **hospital or post-acute rehabilitation facility to a vulnerable**  
 17 **roadway user or individual operating an implement of husbandry on a**  
 18 **highway in compliance with this act is guilty of a felony**  
 19 **punishable by imprisonment for not more than 5 years or a fine of**  
 20 **not more than \$5,000.00, or both.**

21 (3) ~~(2) A person~~**An individual** who commits a moving violation  
 22 ~~that has criminal penalties~~ and as a result causes death to a  
 23 ~~person~~**vulnerable roadway user or individual** operating an implement  
 24 of husbandry on a highway in compliance with this act is guilty of  
 25 a felony punishable by imprisonment for not more than 15 years or a  
 26 fine of not more than \$7,500.00, or both.

27 (4) **This section does not prohibit an individual from being**  
 28 **charged with, convicted of, or punished for a violation of any**  
 29 **other law committed by the individual while violating this section,**

1 except for a violation of section 626(4).

2 (5) In addition to the penalties under subsections (1) to (3),  
3 a court shall order an individual convicted of a misdemeanor under  
4 subsection (1) or a felony under subsection (2) or (3) to  
5 successfully complete a basic driver improvement course approved by  
6 the secretary of state under section 320d.

7 (6) ~~(3)~~As used in this section: ~~,"moving~~

8 (a) "Hospital" means that term as defined in section 20106 of  
9 the public health code, 1978 PA 368, MCL 333.20106.

10 (b) "Moving violation" means an act or omission prohibited  
11 under this act or a local ordinance substantially corresponding to  
12 this act that occurs while ~~a person~~**an individual** is operating a  
13 motor vehicle, and for which the ~~person~~**individual** is subject to a  
14 fine.

15 (c) "Serious injury" means that term as defined in section  
16 602a.

17 Enacting section 1. This amendatory act takes effect 90 days  
18 after the date it is enacted into law.

19 Enacting section 2. This amendatory act does not take effect  
20 unless all of the following bills of the 101st Legislature are  
21 enacted into law:

22 (a) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
23 03186'21).

24 (b) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
25 03204'21).

26 (c) Senate Bill No. 580.

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