

SUBSTITUTE FOR
HOUSE BILL NO. 4251

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 319b, 320a, and 320d (MCL 257.319b, 257.320a,
and 257.320d), section 319b as amended by 2015 PA 11, section 320a
as amended by 2018 PA 349, and section 320d as amended by 2012 PA
498.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 319b. (1) The secretary of state shall immediately
2 suspend or revoke, as applicable, all commercial learners permits
3 or vehicle group designations on the operator's or chauffeur's
4 license of ~~a person~~ **an individual** upon receiving notice of a
5 conviction, bond forfeiture, or civil infraction determination of
6 the ~~person~~, **individual**, or notice that a court or administrative

1 tribunal has found the ~~person~~**individual** responsible, for a
2 violation described in this subsection of a law of this state, a
3 local ordinance substantially corresponding to a law of this state
4 while the ~~person~~**individual** was operating a commercial motor
5 vehicle, or a law of another state substantially corresponding to a
6 law of this state, or notice that the ~~person~~**individual** has refused
7 to submit to a chemical test of ~~his or her~~**the individual's** blood,
8 breath, or urine for the purpose of determining the amount of
9 alcohol or presence of a controlled substance or both in the
10 ~~person's~~**individual's** blood, breath, or urine while the ~~person~~
11 **individual** was operating a commercial motor vehicle as required by
12 a law or local ordinance of this or another state. The period of
13 suspension or revocation is as follows:

14 (a) Suspension for 60 days, to run consecutively with any
15 commercial driver license action imposed under this section, if the
16 ~~person~~**individual** is convicted of or found responsible for 1 of the
17 following while operating a commercial motor vehicle:

18 (i) Two serious traffic violations arising from separate
19 incidents within 36 months.

20 (ii) A violation of section 667, 668, 669, or 669a.

21 (iii) A violation of motor carrier safety regulations 49 CFR
22 392.10 or 392.11, as adopted by section 1a of the motor carrier
23 safety act of 1963, 1963 PA 181, MCL 480.11a.

24 (iv) A violation of section 57 of the pupil transportation act,
25 1990 PA 187, MCL 257.1857.

26 ~~(v) A violation of motor carrier safety regulations 49 CFR~~
27 ~~392.10 or 392.11, as adopted by section 31 of the motor bus~~
28 ~~transportation act, 1982 PA 432, MCL 474.131.~~

29 (v) ~~(vi)~~ A violation of motor carrier safety regulations 49 CFR

1 392.10 or 392.11 while operating a commercial motor vehicle other
2 than a vehicle covered under subparagraph (iii) ~~or (iv)~~. ~~or (v)~~.

3 (vi) ~~(vii)~~—A violation of commercial motor vehicle fraudulent
4 testing law.

5 (b) Suspension for 120 days, to be served consecutively with a
6 60-day suspension imposed under subdivision (a) (i), if the ~~person~~
7 **individual** is convicted of or found responsible for 1 of the
8 following arising from separate incidents within 36 months while
9 operating a commercial motor vehicle:

10 (i) Three serious traffic violations.

11 (ii) Any combination of 2 violations described in subdivision
12 (a) (ii).

13 (c) Suspension for 1 year, to run consecutively with any
14 commercial driver license action imposed under this section, if the
15 ~~person~~**individual** is convicted of or found responsible for 1 of the
16 following:

17 (i) A violation of section 625(1), (3), (4), (5), (6), (7), or
18 (8), section 625m, or former section 625(1) or (2), or former
19 section 625b, while operating a commercial or noncommercial motor
20 vehicle.

21 (ii) Leaving the scene of an accident involving a commercial or
22 noncommercial motor vehicle operated by the ~~person~~**individual**.

23 (iii) Except for a felony described in 49 CFR 383.51(b) (9), a
24 felony in which a commercial or noncommercial motor vehicle was
25 used.

26 (iv) A refusal of a peace officer's request to submit to a
27 chemical test of ~~his or her~~**the individual's** blood, breath, or
28 urine to determine the amount of alcohol or presence of a
29 controlled substance or both in ~~his or her~~**the individual's** blood,

1 breath, or urine while ~~he or she~~ **the individual** was operating a
2 commercial or noncommercial motor vehicle as required by a law or
3 local ordinance of this state or another state.

4 (v) Operating a commercial motor vehicle in violation of a
5 suspension, revocation, denial, or cancellation that was imposed
6 for previous violations committed while operating a commercial
7 motor vehicle.

8 (vi) Causing a fatality through the negligent or criminal
9 operation of a commercial motor vehicle, including, but not limited
10 to, the crimes of motor vehicle manslaughter, motor vehicle
11 homicide, and negligent homicide.

12 (vii) A violation of commercial motor vehicle fraudulent
13 testing law.

14 (viii) Any combination of 3 violations described in subdivision
15 (a) (ii) arising from separate incidents within 36 months while
16 operating a commercial motor vehicle.

17 (d) Suspension for 3 years, to run consecutively with any
18 commercial driver license action imposed under this section, if the
19 ~~person~~ **individual** is convicted of or found responsible for an
20 offense enumerated in subdivision (c) (i) to (vi) in which a
21 commercial motor vehicle was used if the vehicle was carrying
22 hazardous material required to have a placard under 49 CFR parts
23 100 to 199.

24 (e) Revocation for life, to run consecutively with any
25 commercial driver license action imposed under this section, but
26 with eligibility for reissue of a group vehicle designation after
27 not less than 10 years and after approval by the secretary of
28 state, if the ~~person~~ **individual** is convicted of or found
29 responsible for 2 violations or a combination of any 2 violations

1 arising from 2 or more separate incidents involving any of the
2 following:

3 (i) Section 625(1), (3), (4), (5), (6), (7), or (8), section
4 625m, or former section 625(1) or (2), or former section 625b,
5 while operating a commercial or noncommercial motor vehicle.

6 (ii) Leaving the scene of an accident involving a commercial or
7 noncommercial motor vehicle operated by the licensee.

8 (iii) Except for a felony described in 49 CFR 383.51(b)(9), a
9 felony in which a commercial or noncommercial motor vehicle was
10 used.

11 (iv) A refusal of a request of a police officer to submit to a
12 chemical test of ~~his or her~~ **the individual's** blood, breath, or
13 urine for the purpose of determining the amount of alcohol or
14 presence of a controlled substance or both in ~~his or her~~ **the**
15 **individual's** blood while ~~he or she~~ **the individual** was operating a
16 commercial or noncommercial motor vehicle in this state or another
17 state.

18 (v) Operating a commercial motor vehicle in violation of a
19 suspension, revocation, denial, or cancellation that was imposed
20 for previous violations committed while operating a commercial
21 motor vehicle.

22 (vi) Causing a fatality through the negligent or criminal
23 operation of a commercial motor vehicle, including, but not limited
24 to, the crimes of motor vehicle manslaughter, motor vehicle
25 homicide, and negligent homicide.

26 (f) Revocation for life if ~~a person~~ **an individual** is convicted
27 of or found responsible for any of the following:

28 (i) One violation of a felony in which a commercial motor
29 vehicle was used and that involved the manufacture, distribution,

1 or dispensing of a controlled substance or possession with intent
2 to manufacture, distribute, or dispense a controlled substance.

3 (ii) A conviction of any offense described in subdivision (c)
4 or (d) after having been approved for the reissuance of a vehicle
5 group designation under subdivision (e).

6 (iii) A conviction of a violation of chapter LXXXIII-A of the
7 Michigan penal code, 1931 PA 328, MCL 750.543a to 750.543z.

8 (2) The secretary of state shall immediately deny, cancel, or
9 revoke a hazardous material indorsement on the operator's or
10 chauffeur's license of ~~a person~~**an individual** with a vehicle group
11 designation upon receiving notice from a federal government agency
12 that the ~~person~~**individual** poses a security risk warranting denial,
13 cancellation, or revocation under the uniting and strengthening
14 America by providing appropriate tools required to intercept and
15 obstruct terrorism (USA PATRIOT ACT) act of 2001, Public Law 107-
16 56. The denial, cancellation, or revocation cannot be appealed
17 under section 322 or 323 and remains in effect until the secretary
18 of state receives a federal government notice that the ~~person~~
19 **individual** does not pose a security risk in the transportation of
20 hazardous materials.

21 (3) The secretary of state shall immediately suspend or
22 revoke, as applicable, all commercial learners permits or vehicle
23 group designations on ~~a person's~~**an individual's** operator's or
24 chauffeur's license upon receiving notice of a conviction, bond
25 forfeiture, or civil infraction determination of the ~~person,~~
26 **individual**, or notice that a court or administrative tribunal has
27 found the ~~person~~**individual** responsible, for a violation of section
28 319d(4) or 319f, a local ordinance substantially corresponding to
29 section 319d(4) or 319f, or a law or local ordinance of another

1 state, the United States, Canada, the United Mexican States, or a
2 local jurisdiction of either of these countries substantially
3 corresponding to section 319d(4) or 319f, while operating a
4 commercial motor vehicle. The period of suspension or revocation,
5 ~~which shall~~ **that must** run consecutively with any commercial driver
6 license action imposed under this section, is as follows:

7 (a) Suspension for 180 days if the ~~person~~ **individual** is
8 convicted of or found responsible for a violation of section
9 319d(4) or 319f while operating a commercial motor vehicle.

10 (b) Suspension for 180 days if the ~~person~~ **individual** is
11 convicted of or found responsible for a violation of section
12 319d(4) or 319f while operating a commercial motor vehicle that is
13 either carrying hazardous material required to have a placard under
14 49 CFR parts 100 to 199 or designed to carry 16 or more passengers,
15 including the driver.

16 (c) Suspension for 2 years if the ~~person~~ **individual** is
17 convicted of or found responsible for 2 violations, in any
18 combination, of section 319d(4) or 319f while operating a
19 commercial motor vehicle arising from 2 or more separate incidents
20 during a 10-year period.

21 (d) Suspension for 3 years if the ~~person~~ **individual** is
22 convicted of or found responsible for 3 or more violations, in any
23 combination, of section 319d(4) or 319f while operating a
24 commercial motor vehicle arising from 3 or more separate incidents
25 during a 10-year period.

26 (e) Suspension for 3 years if the ~~person~~ **individual** is
27 convicted of or found responsible for 2 or more violations, in any
28 combination, of section 319d(4) or 319f while operating a
29 commercial motor vehicle carrying hazardous material required to

1 have a placard under 49 CFR parts 100 to 199, or designed to carry
2 16 or more passengers, including the driver, arising from 2 or more
3 separate incidents during a 10-year period.

4 (4) The secretary of state shall suspend or revoke, as
5 applicable, any privilege to operate a commercial motor vehicle as
6 directed by the federal government or its designee.

7 (5) For the purpose of this section only, a bond forfeiture or
8 a determination by a court of original jurisdiction or an
9 authorized administrative tribunal that ~~a person~~**an individual** has
10 violated the law is considered a conviction.

11 (6) The secretary of state shall suspend or revoke a vehicle
12 group designation under subsection (1) or deny, cancel, or revoke a
13 hazardous material indorsement under subsection (2) notwithstanding
14 a suspension, restriction, revocation, or denial of an operator's
15 or chauffeur's license or vehicle group designation under another
16 section of this act or a court order issued under another section
17 of this act or a local ordinance substantially corresponding to
18 another section of this act.

19 (7) A conviction, bond forfeiture, or civil infraction
20 determination, or notice that a court or administrative tribunal
21 has found ~~a person~~**an individual** responsible for a violation
22 described in this subsection while the ~~person~~**individual** was
23 operating a noncommercial motor vehicle counts against the ~~person~~
24 **individual** who holds a license to operate a commercial motor
25 vehicle the same as if the ~~person~~**individual** had been operating a
26 commercial motor vehicle at the time of the violation. For the
27 purpose of this subsection, a noncommercial motor vehicle does not
28 include a recreational vehicle used off-road. This subsection
29 applies to the following state law violations or a local ordinance

1 substantially corresponding to any of those violations or a law of
2 another state or out-of-state jurisdiction substantially
3 corresponding to any of those violations:

4 (a) Operating a vehicle in violation of section 625.

5 (b) Refusing to submit to a chemical test of ~~his or her~~ **the**
6 **individual's** blood, breath, or urine for the purpose of determining
7 the amount of alcohol or the presence of a controlled substance or
8 both in the ~~person's~~ **individual's** blood, breath, or urine as
9 required by a law or local ordinance of this or another state.

10 (c) Leaving the scene of an accident.

11 (d) Using a vehicle to commit a felony.

12 (8) When determining the applicability of conditions listed in
13 this section, the secretary of state shall consider only violations
14 that occurred after January 1, 1990.

15 (9) When determining the applicability of conditions listed in
16 subsection (1)(a) or (b), the secretary of state shall count only
17 from incident date to incident date.

18 (10) As used in this section:

19 (a) "Felony in which a commercial motor vehicle was used"
20 means a felony during the commission of which the ~~person~~ **individual**
21 convicted operated a commercial motor vehicle and while the ~~person~~
22 **individual** was operating the vehicle 1 or more of the following
23 circumstances existed:

24 (i) The vehicle was used as an instrument of the felony.

25 (ii) The vehicle was used to transport a victim of the felony.

26 (iii) The vehicle was used to flee the scene of the felony.

27 (iv) The vehicle was necessary for the commission of the
28 felony.

29 (b) "Serious traffic violation" means any of the following:

1 (i) A traffic violation that occurs in connection with an
2 accident in which ~~a person~~ **an individual** died.

3 (ii) Reckless driving.

4 (iii) Excessive speeding as defined in regulations promulgated
5 under 49 USC 31301 to 31317.

6 (iv) Improper lane use.

7 (v) Following too closely.

8 (vi) Operating a commercial motor vehicle without obtaining any
9 vehicle group designation on the ~~person's~~ **individual's** license.

10 (vii) Operating a commercial motor vehicle without either
11 having an operator's or chauffeur's license in the ~~person's~~
12 **individual's** possession or providing proof to the court, not later
13 than the date by which the ~~person~~ **individual** must appear in court
14 or pay a fine for the violation, that the ~~person~~ **individual** held a
15 valid vehicle group designation and indorsement on the date that
16 the citation was issued.

17 (viii) Operating a commercial motor vehicle while in possession
18 of an operator's or chauffeur's license that has a vehicle group
19 designation but does not have the appropriate vehicle group
20 designation or indorsement required for the specific vehicle group
21 being operated or the passengers or type of cargo being
22 transported.

23 (ix) Beginning October 28, 2013, a violation of section 602b(2)
24 or (3) **or, beginning on the effective date of the amendatory act**
25 **that added section 602b(8), a violation of section 602b(2).**

26 (x) Any other serious traffic violation as defined in 49 CFR
27 383.5 or as prescribed under this act.

28 Sec. 320a. (1) Within 5 days after receipt of a properly
29 prepared abstract from a court of this state or another state, the

1 secretary of state shall record the date of conviction, civil
2 infraction determination, or probate court disposition, and the
3 number of points for each, based on the following formula, except
4 as otherwise provided in this section and section 629c:

5 (a) Manslaughter, negligent homicide, or a
6 felony resulting from the operation of a motor
7 vehicle, ORV, or snowmobile..... 6 points

8 (b) A violation of section 601b(2) or (3),
9 601c(1) or (2), or 653a(3) or (4) or, beginning
10 October 31, 2010, a violation of section 601d..... 6 points

11 (c) A violation of section 625(1), (4), (5),
12 (7), or (8), section 81134 or 82127(1) of the
13 natural resources and environmental protection act,
14 1994 PA 451, MCL 324.81134 and 324.82127, or a law
15 or ordinance substantially corresponding to section
16 625(1), (4), (5), (7), or (8), or section 81134 or
17 82127(1) of the natural resources and environmental
18 protection act, 1994 PA 451, MCL 324.81134 and
19 324.82127..... 6 points

20 (d) Failing to stop and disclose identity at
21 the scene of an accident when required by law..... 6 points

22 (e) Operating a motor vehicle in violation of
23 section 626..... 6 points

24 (f) Fleeing or eluding an officer..... 6 points

25 (g) A violation of section 627(6) pertaining
26 to speed in a work zone described in that section by
27 exceeding the lawful maximum by more than 15 miles
28 per hour..... 5 points

1 (h) A violation of any law or ordinance
2 pertaining to speed by exceeding the lawful maximum
3 by more than 15 miles per hour..... 4 points

4 (i) A violation of section 625(3) or (6),
5 section ~~81135 or~~ 82127(3) of the natural resources
6 and environmental protection act, 1994 PA 451, MCL
7 ~~324.81135 and~~ 324.82127, or a law or ordinance
8 substantially corresponding to section 625(3) or (6)
9 or section ~~81135 or~~ 82127(3) of the natural
10 resources and environmental protection act, 1994 PA
11 451, MCL ~~324.81135 and~~ 324.82127..... 4 points

12 (j) A violation of section 626a or a law or
13 ordinance substantially corresponding to section
14 626a..... 4 points

15 (k) A violation of section 627(6) pertaining
16 to speed in a work zone described in that section by
17 exceeding the lawful maximum by more than 10 but not
18 more than 15 miles per hour..... 4 points

19 (l) Beginning October 31, 2010, a moving
20 violation resulting in an at-fault collision with
21 another vehicle, ~~a person,~~ **an individual**, or any
22 other object..... 4 points

23 (m) Careless driving in violation of section
24 626b or a law or ordinance substantially
25 corresponding to section 626b..... 3 points

26 (n) A violation of any law or ordinance
27 pertaining to speed by exceeding the lawful maximum
28 by more than 10 miles per hour but not more than 15
29 miles per hour..... 3 points

- 1 (o) A violation of section 653a(2)..... 2 points
- 2 (p) A violation of any law or ordinance
- 3 pertaining to speed by exceeding the lawful maximum
- 4 by more than 5 miles per hour but not more than 10
- 5 miles per hour..... 2 points
- 6 (q) A violation of any law or ordinance
- 7 pertaining to speed by exceeding the lawful maximum
- 8 by more than 1 mile per hour but not more than 5
- 9 miles per hour..... 1 point
- 10 (r) Disobeying a traffic signal or stop sign,
- 11 or improper passing..... 3 points
- 12 (s) A violation of section 624a, 624b, or a
- 13 law or ordinance substantially corresponding to
- 14 section 624a or 624b..... 2 points
- 15 (t) A violation of section 310e(4) or (6) or a
- 16 law or ordinance substantially corresponding to
- 17 section 310e(4) or (6)..... 2 points
- 18 (u) All other moving violations pertaining to
- 19 the operation of motor vehicles reported under this
- 20 section..... 2 points
- 21 (v) A refusal by ~~a person~~**an individual** less
- 22 than 21 years of age to submit to a preliminary
- 23 breath test required by a peace officer under
- 24 section 625a..... 2 points
- 25 (w) A violation of section 627(6) pertaining
- 26 to speed in a work zone described in that section by
- 27 exceeding the lawful maximum by 10 miles per hour or
- 28 less..... 3 points

1 **(x) A third or subsequent violation of section**
2 **602b..... 2 points**

3 **(y) A second violation of section 602b..... 1 point**

4 (2) Points ~~shall~~**must** not be entered for a violation of
5 section 310e(14), 311, ~~602b(1),~~ 602c, 625m, 658, 710d, 717, 719,
6 719a, or 723.

7 (3) Points ~~shall~~**must** not be entered for bond forfeitures.

8 (4) Points ~~shall~~**must** not be entered for overweight loads or
9 for defective equipment.

10 (5) If more than 1 conviction, civil infraction determination,
11 or probate court disposition results from the same incident, points
12 ~~shall~~**must** be entered only for the violation that receives the
13 highest number of points under this section.

14 (6) If ~~a person~~**an individual** has accumulated 9 points as
15 provided in this section, the secretary of state may call the
16 ~~person~~**individual** in for an interview as to the ~~person's~~
17 **individual's** driving ability and record after due notice as to time
18 and place of the interview. If the ~~person~~**individual** fails to
19 appear as provided in this subsection, the secretary of state shall
20 add 3 points to the ~~person's~~**individual's** record.

21 (7) If ~~a person~~**an individual** violates a speed restriction
22 established by an executive order issued during a state of energy
23 emergency as provided by 1982 PA 191, MCL 10.81 to 10.89, the
24 secretary of state shall enter points for the violation under
25 subsection (1).

26 (8) The secretary of state shall enter 6 points upon the
27 record of ~~a person~~**an individual** whose license is suspended or
28 denied under section 625f. However, if a conviction, civil
29 infraction determination, or probate court disposition results from

1 the same incident, additional points for that offense ~~shall~~**must**
2 not be entered.

3 (9) If a Michigan driver commits a violation in another state
4 that would be a civil infraction if committed in ~~Michigan,~~**this**
5 **state**, and a conviction results solely because of the failure of
6 the Michigan driver to appear in that state to contest the
7 violation, upon receipt of the abstract of conviction by the
8 secretary of state, the violation ~~shall~~**must** be noted on the
9 **Michigan** driver's record, but ~~no~~ points ~~shall~~**must not** be assessed
10 against ~~his or her driver's~~**the Michigan driver** license.

11 Sec. 320d. (1) Notwithstanding section 320a, the secretary of
12 state shall not enter the points corresponding to a moving
13 violation committed in this state by an individual the secretary of
14 state determines to be eligible under this section on the
15 individual's driving record or make information concerning that
16 violation available to any insurance company if the individual
17 attends and successfully completes a basic driver improvement
18 course under this section and an approved sponsor provides a
19 certificate of successful completion of that course to the
20 secretary of state not more than 60 days after the date on which
21 the secretary of state notified the individual that ~~he or she~~**the**
22 **individual** was eligible to take a basic driver improvement course.
23 **This subsection does not apply to an individual who completes a**
24 **court-ordered basic driver improvement course as described in**
25 **subsection (17).**

26 (2) The secretary of state shall determine if an individual is
27 eligible under subsection (3) to attend a basic driver improvement
28 course upon receipt of an abstract of a moving violation. If the
29 secretary of state determines that an individual is eligible to

1 attend a basic driver improvement course, the secretary of state
2 shall do all of the following:

3 (a) Notify the individual of ~~his or her~~ **the individual's**
4 eligibility by first-class mail at the individual's last known
5 address as indicated on the individual's operator's or chauffeur's
6 license and inform the individual of the manner and time within
7 which the individual is required to attend and complete a basic
8 driver improvement course.

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

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

17 (3) ~~An~~ **Except as provided in subsection (17), an** individual is
18 ineligible to take a basic driver improvement course if any of the
19 following apply:

20 (a) The violation occurred while the individual was operating
21 a commercial motor vehicle or was licensed as a commercial driver
22 while operating a noncommercial motor vehicle.

23 (b) The violation is a criminal offense.

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

26 (d) The violation is a violation of section 626b, 627(9),
27 627a, or 682.

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

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

3 (g) The individual previously successfully completed a basic
4 driver improvement course.

5 (h) The individual has 3 or more points on ~~his or her~~ **the**
6 **individual's** driving record.

7 (i) The individual's operator's or chauffeur's license is
8 restricted, suspended, or revoked, or the individual was not issued
9 an operator's or chauffeur's license.

10 (4) ~~The~~ **Except as provided in subsection (17), an** individual
11 is not eligible to take a **basic** driver improvement course for a
12 second or subsequent violation an individual receives within the
13 time allowed under subsection (1).

14 (5) The secretary of state shall maintain a computerized
15 database of the following:

16 (a) Individuals who have attended a basic driver improvement
17 course.

18 (b) Individuals who have successfully completed a basic driver
19 improvement course.

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

27 (7) An individual shall be charged a fee of not more than
28 \$100.00 by an approved sponsor to participate in a basic driver
29 improvement course and, if applicable, to obtain a certificate in a

1 form as approved by the secretary of state demonstrating that ~~he or~~
2 ~~she~~ **the individual** successfully completed the course. An approved
3 sponsor shall remit a portion of the fee, as determined annually by
4 the secretary of state, to cover the costs of implementing and
5 administering this course program.

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

9 (9) The basic driver improvement course fund is created within
10 the state treasury. The state treasurer may receive money or other
11 assets from any source for deposit into the fund. The state
12 treasurer shall direct the investment of the fund. Money in the
13 fund at the close of the fiscal year ~~shall remain~~ **remains** in the
14 fund and ~~shall~~ **does** not lapse to the general fund. The secretary of
15 state ~~shall be~~ **is** the administrator of the fund for auditing
16 purposes. The secretary of state shall expend money from the fund,
17 upon appropriation, only to pay the costs of administering this
18 section.

19 (10) An approved sponsor shall conduct a study of the effect,
20 if any, that the successful completion of its basic driver
21 improvement course has on reducing collisions, moving violations,
22 or both for students completing its course in this state. An
23 approved sponsor shall conduct this study every 5 years on each of
24 the course delivery modalities employed by the approved sponsor.
25 The secretary of state shall make all of the following information
26 available to the approved sponsor for that purpose, subject to
27 applicable state and federal laws governing the release of
28 information:

29 (a) The number of individuals who successfully complete a

1 basic driver improvement course under this section.

2 (b) The number of individuals who are eligible to take a basic
3 driver improvement course under this section but who do not
4 successfully complete that course.

5 (c) The number and type of moving violations committed by
6 individuals after successfully completing a basic driver
7 improvement course under this section in comparison to the number
8 and type of moving violations committed by individuals who have not
9 taken a basic driver improvement course.

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

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

18 (13) A sponsor seeking to be an approved sponsor shall submit
19 to the secretary of state an application on a form prescribed by
20 the secretary of state along with a properly executed security bond
21 in the principal sum of \$20,000.00 with good and sufficient surety.
22 Every sponsor that is an approved sponsor on ~~the effective date of~~
23 ~~the amendatory act that added this subsection~~ **March 28, 2013** also
24 shall submit to the secretary of state a security bond described in
25 this subsection. The bond ~~shall~~ **must** indemnify or reimburse the
26 secretary of state or an individual taking the sponsor's basic
27 driver improvement course for monetary loss caused through fraud,
28 cheating, or misrepresentation in the conduct of the sponsor's
29 business where the fraud, cheating, or misrepresentation was made

1 by the sponsor or by an employee, agent, instructor, or salesperson
2 of the sponsor. The surety shall make indemnification or
3 reimbursement for a monetary loss only after judgment based on
4 fraud, cheating, or misrepresentation has been entered in a court
5 of record against the sponsor. The aggregate liability of the
6 surety ~~shall~~**must** not exceed the sum of the bond. The surety on the
7 bond may cancel the bond by giving 30 days' written or electronic
8 notice to the secretary of state and after giving notice is not
9 liable for a breach of condition occurring after the effective date
10 of the cancellation.

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

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

17 (b) Except as otherwise provided in this subsection, using the
18 words "state", "government", "municipal", "city", or "county" as
19 part of the name of the approved sponsor.

20 (c) Advertising, representing, or implying that an approved
21 sponsor is supervised, recommended, or endorsed by, or affiliated
22 or associated with, or employed by, or an agent or representative
23 of this state, the secretary of state, or a bureau of the secretary
24 of state.

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

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

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

3 (g) Misrepresenting the quantity or quality of the instruction
4 provided by, or the requirements for, a basic driver improvement
5 course.

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

10 (i) Taking advantage of a student's or potential student's
11 inability to reasonably protect ~~his or her~~ **the student's or**
12 **potential student's** interest because of a disability, illiteracy,
13 or inability to understand the language of an agreement, if the
14 sponsor knows or reasonably should have known of the student's or
15 potential student's inability.

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

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

19 (15) Except as otherwise provided in this act, the secretary
20 of state may impose 1 or more of the sanctions listed under
21 subsection (16) if the secretary of state determines that an
22 approved sponsor did 1 or more of the following:

23 (a) Failed to meet a requirement under this act or an
24 agreement established under this act.

25 (b) Violated this act or an agreement established under this
26 act.

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

1 (d) Permitted fraud or engaged in a fraudulent method, act, or
 2 practice in connection with a basic driver improvement course, or
 3 induced or countenanced fraud or a fraudulent method, act, or
 4 practice in connection with a basic driver improvement course.

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

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

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

11 (16) After the secretary of state determines that an approved
 12 sponsor committed a violation listed in subsection (15), the
 13 secretary of state may impose upon the approved sponsor 1 or more
 14 of the following sanctions:

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

17 (b) Suspension or revocation of the approval of an approved
 18 sponsor.

19 (c) A requirement to take the affirmative action determined
 20 necessary by the secretary of state, including, but not limited to,
 21 payment of restitution to a student or to an injured person.

22 **(17) An individual who is ordered by a court to complete a**
 23 **basic driver improvement course shall take the basic driver**
 24 **improvement course whether or not the individual is eligible under**
 25 **subsections (3) and (4). The secretary of state shall enter the**
 26 **points required under section 320a for an individual who completes**
 27 **a court-ordered basic driver improvement course but is not**
 28 **otherwise eligible under subsections (3) and (4).**

29 **(18) ~~(17)~~As used in this section, "approved sponsor" means a**

1 sponsor of a basic driver improvement course that is approved by
2 the secretary of state under subsection (12) and whose approved
3 status is not suspended or revoked under subsection (16).

4 Enacting section 1. This amendatory act does not take effect
5 unless all of the following bills of the 102nd Legislature are
6 enacted into law:

7 (a) House Bill No. 4250.

8 (b) House Bill No. 4252.