

The House Committee on Motor Vehicles offers the following substitute to HB 367:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 13 of Title 43 of the Official Code of Georgia Annotated, relating to
2 licensing of driver training and commercial driver training schools, so as to provide
3 definitions; to provide exceptions from these provisions; to regulate licensing of schools; to
4 provide for insurance and bonds for school operators; to provide for related matters; to
5 provide an effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 13 of Title 43 of the Official Code of Georgia Annotated, relating to licensing of
9 driver training and commercial driver training schools, is amended by striking Code Section
10 43-13-2, relating to definitions applicable to driver training schools, and inserting in its place
11 the following:

12 "43-13-2.

13 (a) As used in this chapter, the term:

14 (1) 'Certificate of completion' means a certificate prescribed by the department issued
15 for the successful completion of an approved 30 hours of classroom and six hours of
16 behind the wheel instruction by a licensed driver training school.

17 ~~(3)~~(2) 'Commercial driver training school' means any person, partnership, limited
18 liability company, or corporation giving driving instruction 'for hire' ~~to ten or more~~
19 ~~persons per calendar year~~ for the purpose of assisting such persons to meet the
20 requirements for licensed driving of Class A or Class B motor vehicles in this state.

21 ~~(1)~~(3) 'Department' means the Department of Motor Vehicle Safety acting directly or
22 through its duly authorized officers and agents.

23 ~~(2)~~(4) 'Driver training schools' means any person, partnership, limited liability company,
24 or corporation giving driving instruction 'for hire' ~~to ten or more persons per calendar~~
25 ~~year~~ for the purpose of assisting such persons to meet the requirements for licensed
26 driving of Class C or Class M motor vehicles in this state, except for motorcycle operator

1 safety training programs conducted by or on behalf of the Department of Motor Vehicle
 2 Safety pursuant to Chapter 15 of Title 40. The term shall also include public school
 3 systems offering a driver training course during the regular school day as part of a student
 4 curriculum at no cost to the student.

5 ~~(4)~~(5) 'Driver's license examiners' means examiners appointed by the Department of
 6 Motor Vehicle Safety for the purpose of giving driver's license examinations.

7 ~~(5)~~(6) 'Motor vehicle' means every vehicle which is self-propelled upon, or by which any
 8 person or property is or may be transported or drawn upon, a public highway except
 9 devices used exclusively upon stationary rails or tracks.

10 ~~(6)~~(7) 'Person' means every natural person, firm, partnership, limited liability company,
 11 association, corporation, or school.

12 (b) Except as otherwise provided in this subsection, the terms 'driver training school' and
 13 'commercial driver training school' shall not include:

14 (1) Hospitals and state licensed rehabilitation centers offering a driver training course for
 15 the purpose of rehabilitating persons to maintain or obtain a Class C license; except that
 16 such facilities shall be required to file a memorandum of understanding with the
 17 commissioner of the Department of Motor Vehicle Safety in the prescribed format of the
 18 department;

19 (2) Any person offering a 'for hire' defensive driving safety course for the purpose of
 20 providing training to assist persons to obtain a Class C or Class M license through means
 21 of behind the wheel training, simulator training, or offering a defensive driving safety
 22 course consisting of less than 30 hours of classroom and six hours of behind the wheel
 23 training shall be required to obtain a limited license as a driver training school, register
 24 and identify all of its vehicles, and become subject to the same insurance requirements
 25 for a driver training school as outlined in Code Section 43-13-4. The commissioner of
 26 the Department of Motor Vehicle Safety shall promulgate and adopt rules and regulations
 27 for the qualifications for the driver training school limited license. The commissioner
 28 shall issue the driver training school limited license if the application is complete and the
 29 applicant demonstrates compliance with the laws of this state and the rules and
 30 regulations of the commissioner regarding insurance and safety. The driver training
 31 school limited license shall be valid for a period of four years; or

32 (3) Any person may obtain a temporary driver training permit for a period of seven
 33 consecutive days beginning and ending on the dates specified on the face of the permit.
 34 Temporary driver training permits shall be obtained by schools, individuals, or other
 35 entities which offer occasional driver training instruction that do not maintain a
 36 permanent classroom located within the state. The fee for each temporary driver training
 37 permit shall be \$100.00 per week and \$25.00 for each vehicle. No temporary driver

1 training permit shall be issued without the commissioner having first received satisfactory
 2 proof that the applicant meets the insurance requirements as defined in Code Section
 3 43-13-4 and vehicle and safety requirements of the rules and regulations of the
 4 commissioner. A temporary driver training permit shall be displayed in a conspicuous
 5 location during all times instruction is being given and a copy of such permit shall be
 6 located in each vehicle that is registered for the purpose of providing instruction."

7 SECTION 2.

8 Said chapter is further amended by striking Code Section 43-13-3, relating to licensing of
 9 driver training schools, and inserting in its place the following:

10 "43-13-3.

11 No person shall operate a driver training school, operate a commercial driver training
 12 school, or engage in the business of giving instruction to ten or more persons per calendar
 13 year for hire in the driving of motor vehicles or in the preparation of an applicant for
 14 examination given by driver's license examiners for a driver's license or permit unless a
 15 license, a limited license, or temporary driver training permit therefor has been secured
 16 from the department. Separate licenses shall be required for the operation of a driver
 17 training school and a commercial driver training school. A driver training school shall
 18 offer a minimum of 30 hours of classroom instruction and six hours of behind the wheel
 19 instruction for the purpose of assisting persons to obtain a Class C license; however, a
 20 public or private school system may contract with a licensed driver training school to
 21 provide the six hours of behind the wheel instruction. A driver training school shall offer
 22 a minimum of 15 hours of instruction for the purpose of assisting persons to obtain a
 23 Class M license."

24 SECTION 3.

25 Said chapter is further amended by striking paragraphs (3), (4), and (6) of Code Section
 26 43-13-4, relating to qualification of driver training school operators, and inserting in their
 27 place the following:

28 "(3) Maintain bodily injury and property damage liability insurance on motor vehicles
 29 while used in driver training instruction, insuring the liability of the driver training
 30 school, the driving instructors, and any person taking instruction, in at least the following
 31 amounts: \$100,000.00 for bodily injury to or death of one person in any one accident and,
 32 subject to such limit for one person, ~~\$200,000.00~~ \$300,000.00 for bodily injury to or
 33 death of two or more persons in any one accident and the amount of ~~\$20,000.00~~
 34 \$50,000.00 for damage to property of others in any one accident. Evidence of such
 35 insurance coverage, in the form of a certificate from the insurance carrier, shall be filed

1 with the department; and such certificate shall stipulate that the insurance shall not be
 2 canceled except upon ten days' prior written notice to the department. Such insurance
 3 shall be written by a company authorized to do business in this state;

4 (4) Provide a continuous surety company bond in the principal sum of \$2,500.00
 5 10,000.00 for the protection of the contractual rights of students in such form as will meet
 6 with the approval of the department and written by a company authorized to do business
 7 in this state; provided, however, that the aggregate liability of the surety for all breaches
 8 of the condition of the bond in no event shall exceed the principal sum of \$2,500.00
 9 10,000.00 per location, and a single bond at such rate for all schools operated by the same
 10 person may be provided in satisfaction of this paragraph. The surety on any such bond
 11 may cancel such bond on giving 30 days' notice thereof in writing to the department and
 12 shall be relieved of liability for any breach of any condition of the bond which occurs
 13 after the effective date of cancellation. If at any time said bond is not valid and in force,
 14 the license of the school or program shall be deemed suspended by operation of law until
 15 a valid surety company bond is again in force;"

16 "(6) Pay to the department an application fee of \$25.00 for the approval of driver training
 17 schools and instructors, commercial driver training schools and instructors, and driver
 18 training schools limited license and instructors. These licenses and each renewal thereof
 19 shall be valid for a period of four years unless suspended or revoked prior to the
 20 expiration of that time period."

21 SECTION 4.

22 Said chapter is further amended by striking Code Section 43-13-4.1, relating to business
 23 names of driver training schools, and inserting in its place the following:

24 "43-13-4.1.

25 (a) No driver training school or commercial driver training school shall be permitted to
 26 use, adopt, or conduct any business under any name that is like or deceptively similar to
 27 any name of a Georgia corporation registered with the Secretary of State.

28 (b) This Code section shall not prohibit the franchising or licensing of any part or all of
 29 the name of a driver training school or commercial driver training school by the owner of
 30 the rights therein to another licensed driver training school or commercial driver training
 31 school."

32 SECTION 5.

33 Said chapter is further amended by striking subsection (a) of Code Section 43-13-10, relating
 34 to exceptions to the driver training school law, and inserting in its place the following:

35 "(a) This chapter shall not apply to a college conducting a driver or commercial driver

1 training course; nor shall it apply to driver improvement schools operated by the state, or
2 by a county or municipality, or any entity conducting a driver safety course on private
3 property when the vehicles used in the training are not owned or leased by the entity
4 conducting the driver safety training."

5 **SECTION 6.**

6 This Act shall become effective upon its approval by the Governor or upon its becoming law
7 without such approval.

8 **SECTION 7.**

9 All laws and parts of laws in conflict with this Act are repealed.