

Act No. 299
Public Acts of 1989
Approved by the Governor
January 2, 1990
Filed with the Secretary of State
January 3, 1990

STATE OF MICHIGAN
85TH LEGISLATURE
REGULAR SESSION OF 1989

Introduced by Senator O'Brien

ENROLLED SENATE BILL No. 576

AN ACT to amend sections 226, 226b, 243, 312e, 312h, 314, 802, and 811 of Act No. 300 of the Public Acts of 1949, entitled as amended "An act to provide for the registration, titling, sale, transfer, and regulation of vehicles operated upon the public highways of this state or any other place open to the general public and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," section 226 as amended by Act No. 136 of the Public Acts of 1989, section 226b as amended by Act No. 19 of the Public Acts of 1982, sections 312e, 312h, 314, and 802 as amended by Act No. 346 of the Public Acts of 1988, and section 811 as amended by Act No. 232 of the Public Acts of 1987, being sections 257.226, 257.226b, 257.243, 257.312e, 257.312h, 257.314, 257.802, and 257.811 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Sections 226, 226b, 243, 312e, 312h, 314, 802, and 811 of Act No. 300 of the Public Acts of 1949, section 226 as amended by Act No. 136 of the Public Acts of 1989, section 226b as amended by Act No. 19 of the Public Acts of 1982, sections 312e, 312h, 314, and 802 as amended by Act No. 346 of the Public Acts of 1988, and section 811 as amended by Act No. 232 of the Public Acts of 1987, being sections 257.226, 257.226b, 257.243, 257.312e, 257.312h, 257.314, 257.802, and 257.811 of the Michigan Compiled Laws, are amended to read as follows:

Sec. 226. (1) A vehicle registration issued by the secretary of state expires on the owner's birthday, unless another expiration date is provided for under this act or unless the registration is for the following vehicles, in which case registration expires on the last day of February:

- (a) A commercial vehicle other than a pickup truck or van owned by an individual.
- (b) A trailer or semitrailer owned by a business, corporation, or person other than an individual; or a pole trailer.
- (2) The expiration date for a registration issued for a motorcycle is March 31.
- (3) The expiration date for a registration bearing the letters "SEN" or "REP" is February 1.
- (4) In the case of a vehicle owned by a business, corporation, or an owner other than an individual, the secretary of state may assign or reassign the expiration date of the registration.

(5) The secretary of state shall do all of the following:

(a) After December 31, 1982, if the year designated on the registration is 1984, after December 31, 1987, if the registration expired on February 28, 1989, or after the October 1 immediately preceding the year designated on the registration for all years other than 1984 or 1989, issue a registration upon application and payment of the proper fee for a commercial vehicle, other than a pickup or van owned by an individual; or a trailer owned by a business, corporation, or person other than an individual.

(b) On or after January 1 of the year designated on an international registration plan registration plate, issue a registration under section 801g upon application and payment of the proper apportioned fee for a commercial vehicle engaged in interstate commerce.

(c) After the February 14 immediately preceding the year designated on a registration, issue a registration upon application and payment of the proper fee for a motorcycle.

(d) Beginning 45 days before the owner's birthday and 120 days before the expiration date assigned by the secretary of state, issue a registration for a vehicle other than those designated in subsection (1)(a) or (b). However, if an owner whose registration period begins 45 days before his or her birthday will be out of the state during the 45 days immediately preceding expiration of a registration or for other good cause shown cannot apply for a renewal registration within the 45-day period, application for a renewal registration may be made not more than 6 months before expiration.

(6) Except as otherwise provided in this subsection, the secretary of state, upon application and payment of the proper fee, shall issue a registration for a vehicle to a resident which shall expire on the owner's birthday. If the owner's next birthday is at least 6 months but not more than 12 months in the future, the owner shall receive a registration valid until the owner's next birthday. If the owner's next birthday is less than 6 months in the future, the owner shall receive a registration valid until the owner's birthday following the owner's next birthday. The tax required under this act for a registration described in this subsection shall bear the same relationship to the tax required under section 801 for a 12-month registration as the length of time of the registration bears to 12 months. Partial months shall be considered as whole months in the calculation of the required tax and in the determination of the length of time between the application for a registration and the owner's next birthday. The tax required for that registration shall be rounded off to whole dollars as provided in section 801.

(7) A certificate of title shall remain valid until canceled by the secretary of state for cause or upon a transfer of an interest shown on the certificate of title.

(8) The secretary of state, upon request, shall issue special registration for commercial vehicles, valid for 6 months after the date of issue, if the full registration fee exceeds \$50.00, on the payment of 1/2 the full registration fee and a service charge as enumerated in section 802(1).

(9) The secretary of state may issue a special registration for each of the following:

(a) A new vehicle purchased outside of this state and delivered in this state to the purchaser by the manufacturer of that vehicle for removal to a place outside of this state, if a certification is made that the vehicle will be primarily used, stored, and registered outside of this state and will not be returned to this state by the purchaser for use or storage.

(b) A vehicle purchased in this state and delivered to the purchaser by a dealer or by the owner of the vehicle for removal to a place outside of this state, if a certification is made that the vehicle will be primarily used, stored, and registered outside of this state and will not be returned to this state by the purchaser for use or storage.

(10) A special registration issued under subsection (9) is valid for not more than 30 days after the date of issuance, and a fee shall be collected for each special registration as provided in section 802(3). The special registration may be in the form determined by the secretary of state. If a dealer makes a retail sale of a vehicle to a purchaser who is qualified and eligible to obtain a special registration, the dealer shall apply for the special registration for the purchaser. If a person other than a dealer sells a vehicle to a purchaser who is qualified and eligible to obtain a special registration, the purchaser shall appear in person, or by a person exercising the purchaser's power of attorney, at an office of the secretary of state and furnish a certification that the person is the bona fide purchaser or that the person has granted the power of attorney, together with other forms required for the issuance of the special registration. The certification required in this subsection shall contain all of the following:

(a) The address of the purchaser.

(b) A statement that the vehicle is purchased for registration outside of this state.

(c) A statement that the vehicle shall be primarily used, stored, and registered outside of this state.

(d) The name of the jurisdiction in which the vehicle is to be registered.

(e) Other information desired by the secretary of state.

(11) Upon request, the secretary of state may issue a registration valid for 6 months after the date of issuance for use on a trailer or semitrailer weighing 1,500 pounds or less and that is used for recreational purposes, upon payment of 1/2 the full registration fee imposed under section 801(1)(l).

(12) The secretary of state may issue a special registration for a new motor vehicle purchased in this state and delivered to the purchaser by a dealer or manufacturer of that vehicle for removal to a foreign country. A special registration issued under this subsection shall be valid for not more than 90 days after the date of issuance. A fee shall be collected for each special registration as provided in section 802(12). The special registration shall be in a form determined by the secretary of state. When a dealer makes a retail sale of a new motor vehicle to a purchaser who is eligible to obtain a special registration, the dealer shall apply for the special registration on behalf of the purchaser. If a manufacturer sells a vehicle to a purchaser who is eligible to obtain a special registration, the purchaser shall appear in person, or by a person exercising the purchaser's power of attorney, at an office of the secretary of state and furnish a certification that the person is the bona fide purchaser or that the person has the purchaser's power of attorney, together with other forms required for the issuance of the special registration. The certification required in this section shall also contain the following: the name and address of the purchaser; the name and address of the person exercising the power of attorney, if any; a statement that the vehicle is purchased for registration in a foreign country; a statement that the vehicle shall be primarily used, stored, and registered outside of this country and will not be returned to this state by the purchaser for use or storage; the name of the jurisdiction in which the vehicle is to be registered; and other information required by the secretary of state.

Sec. 226b. (1) A temporary registration may be issued to an owner of a vehicle. The registration shall be valid for 14 days from date of issue, and shall be in a form as determined by the secretary of state. A fee shall be collected for each temporary registration as provided in section 802.

(2) A vehicle which has a temporary registration shall not be used for the transportation of passengers for hire, for the transportation of goods, wares, or merchandise, or draw other vehicles transporting goods, wares, or merchandise.

Sec. 243. (1) A nonresident owner, except as otherwise provided in this section, owning any foreign vehicle of a type otherwise subject to registration under this act may operate or permit the operation of the vehicle within this state without registering the vehicle in, or paying any fees to, this state if the vehicle at all times when operated in this state is duly registered in, and displays upon it a valid registration certificate and registration plate or plates issued for the vehicle in the place of residence of the owner.

(2) A nonresident owner of a foreign vehicle operated within this state for the transportation of persons or property for compensation shall register the vehicle and pay the same fees for its registration as is required with reference to like vehicles owned by residents of this state, except that the department may issue to the nonresident owner a temporary permit authorizing the operation of the foreign vehicle within this state for a period of 72 hours, without registering the vehicle, on the payment of a fee as provided in section 802a of this act. The temporary permit shall be in a form as prescribed by, and shall be displayed on a foreign vehicle in a manner determined by the secretary of state. Each request for a temporary permit under this subsection shall be based on emergency or infrequent need for the permit. The secretary of state may refuse to issue a permit if he or she has reason to believe the applicant has previously forged or misused a permit, has attempted to circumvent the registration laws of this state, or has not demonstrated an emergency or infrequent use.

(3) The secretary of state may designate an owner or registrant having a fleet of motor vehicles currently registered under this act to act as an agent for the secretary of state for the purpose of issuing to himself or herself a temporary registration under this section.

(4) A nonresident owner of a pleasure vehicle otherwise subject to registration under this act shall not operate the vehicle for a period exceeding 90 days without securing registration in this state.

(5) Every nonresident, including any foreign corporation carrying on business within this state and owning and operating in that business any vehicle subject to registration as provided in this chapter, shall register the vehicle and pay the same fee for the registration as is required with reference to like vehicles owned by residents of this state, except as otherwise provided by law.

Sec. 312e. (1) Except as provided in subsections (4), (5), and (6), a person, before operating a vehicle towing a vehicle having a gross vehicle weight rating over 10,000 pounds, shall procure a group A vehicle designation on his or her operator's or chauffeur's license. Unless an indorsement is required, a person licensed to operate a group A designated vehicle may operate a group B or C designated vehicle without taking another test. A person, before operating a single vehicle having a gross vehicle weight rating of 26,001 pounds or more, or any combination of vehicles having a gross combination weight rating of 26,001 pounds or more if the vehicle being towed does not have a gross vehicle weight rating over 10,000 pounds, shall procure a group B vehicle designation on his or her operator's or chauffeur's license. Unless an indorsement is required, a person licensed

to operate a group B vehicle may operate a group C vehicle without taking another test. A person, before operating a school transportation vehicle or a single vehicle having a gross vehicle weight rating under 26,001 pounds or a combination of vehicles having a gross combination weight rating under 26,001 pounds if the vehicle being towed does not have a gross vehicle weight rating over 10,000 pounds and carrying hazardous materials on which a placard is required under 49 C.F.R. parts 100 to 199, or designed to transport 16 or more passengers including the driver, shall procure a group C vehicle designation and a hazardous material or passenger vehicle indorsement on his or her operator's or chauffeur's license. An applicant for a vehicle group designation shall take knowledge and driving skills tests that comply with minimum federal standards prescribed in 49 C.F.R. part 383 as required under this act. The license shall be issued, suspended, revoked, canceled, or renewed in accordance with this act.

(2) A person, before operating a commercial motor vehicle pulling double or triple trailers, shall procure the appropriate vehicle group designation and a T vehicle indorsement under this act. A person, before operating a commercial motor vehicle that is a tank vehicle, shall procure the appropriate vehicle group designation and an N vehicle indorsement under this act. A person, before operating a commercial motor vehicle carrying hazardous materials, shall procure the appropriate vehicle group designation and an H vehicle indorsement under this act. A person, before operating a commercial motor vehicle that is a tank vehicle carrying hazardous material, shall procure the appropriate vehicle group designation and an X vehicle indorsement under this act. A person, before operating a bus, school bus, or school transportation vehicle, shall procure the appropriate vehicle group designation and a P vehicle indorsement under this act. A person who fails the air brake portion of the written or driving tests provided under section 312f or who takes the driving test provided under that section in a commercial motor vehicle that is not equipped with air brakes shall not operate a commercial motor vehicle equipped with air brakes. One or more indorsements may be necessary to operate a commercial motor vehicle. An applicant for an indorsement shall take the knowledge and driving skills tests described and required pursuant to 49 C.F.R. part 383. Knowledge tests shall be limited to that which a driver must have for the safe operation of a commercial motor vehicle. The driver is not expected to have knowledge of subjects, such as vehicle mechanics, which go beyond the scope of the information necessary for safe operation of his/her commercial motor vehicle. An applicant for a P vehicle indorsement shall take the driving skills test in a bus or school bus.

(3) The holder of an unexpired operator's or chauffeur's license may be issued a vehicle group designation and indorsement valid for the remainder of the license upon meeting the qualifications of section 312f and payment of the original vehicle group designation fee of \$20.00 and an indorsement fee of \$5.00 per indorsement for a 4-year operator's or chauffeur's license, payment of a vehicle group designation fee of \$20.00 for a 2-year operator's or chauffeur's license under section 314b and an indorsement fee of \$5.00 per indorsement, and a corrected license fee of \$6.00.

(4) This section does not apply to a farmer who drives a passenger vehicle, pickup truck, or truck with a farm registration plate and a gross vehicle weight rating of not more than 26,000 pounds that is towing a trailer or semitrailer used exclusively in agricultural operations for the transportation of agricultural products, farm machinery, or farm supplies within 150 miles of the farm.

(5) This section does not apply to a fire fighter operating an authorized emergency vehicle who has met the driver training standards of the Michigan fire fighters' training council.

(6) This section does not apply to a person operating a motor home or a vehicle used exclusively to transport personal possessions or family members for nonbusiness purposes.

(7) A licensee who holds an operator's or chauffeur's license with a class 1 indorsement issued before January 1, 1990, may operate a single vehicle weighing over 24,000 pounds gross vehicle weight without having been issued a group B vehicle designation on his or her license until the license expires as provided in subsection (8). A licensee who holds an operator's or chauffeur's license with a class 2 indorsement issued before January 1, 1990, may operate a combination of vehicles weighing over 24,000 pounds gross vehicle weight or a vehicle towing a vehicle weighing over 10,000 pounds gross vehicle weight or a single vehicle weighing over 24,000 pounds gross vehicle weight without having been issued a group A or B vehicle designation on his or her license until the license expires as provided in subsection (8). A licensee who holds an operator's or chauffeur's license with a class 3 indorsement issued before January 1, 1990, may operate a bus or school bus without having been issued a vehicle group designation or passenger vehicle indorsement on his or her license until the license expires as provided in subsection (8).

(8) The class 1, class 2, or class 3 indorsement on a person's operator's or chauffeur's license which expires after March 31, 1992 shall expire on the person's next birthday after March 31, 1991.

(9) The money received and collected under subsection (3) for a vehicle group designation or indorsement shall be deposited in the state treasury to the credit of the general fund. The secretary of state shall refund out of the fees collected to each county or municipality acting as an examining officer or examining bureau, \$3.00 for each applicant examined for a first designation or indorsement to a 4-year operator's or chauffeur's license,

\$2.50 for each original designation or indorsement to a 2-year operator's or chauffeur's license, \$1.50 for each renewal designation or indorsement to a 2- or 4-year operator's or chauffeur's license, whose application is not denied, on the condition, however, that the money refunded shall be paid to the county or local treasurer and is appropriated to the county, municipality, or officer or bureau receiving that money for the purpose of carrying out this act.

Sec. 312h. (1) A person who is issued an original chauffeur's license as described in section 314(3), upon payment of a fee of \$20.00 for a vehicle group designation and \$5.00 for each indorsement in addition to any other chauffeur's license fees and compliance with section 312f, may be issued a vehicle group designation and indorsement for the same period.

(2) The money received and collected under this section shall be deposited in the state treasury to the credit of the general fund. The secretary of state shall refund out of the fees collected to each county or municipality acting as an examining officer or examining bureau, \$2.00 for each applicant examined for a vehicle group designation or indorsement to a first chauffeur's license whose application is not denied, on the condition, however, that the money refunded shall be paid to the county or local treasurer and is appropriated to the county, municipality, or officer or bureau receiving that money for the purpose of carrying out this act.

Sec. 314. (1) Except as provided in subsections (2), (3), (4), (5), and (6), an operator's license shall expire on the birthday of the person to whom the license is issued in the fourth year following the date of the issuance of the license unless suspended or revoked before that date or issued pursuant to section 314b. A license shall not be issued for a period longer than 4 years. A person holding a license at any time within 45 days before the expiration of his or her license may make application for a new license as provided for in this chapter. Beginning November 15, 1989 through March 31, 1992, a person who has a license with a class 1, class 2, or class 3 indorsement may make application for renewal of his or her license 90 days before expiration of the license. However, a knowledge test for an original group designation or indorsement may be taken at any time during this period and the results shall be valid for 12 months. However, if the licensee will be out of the state during the 45 days immediately preceding expiration of the license or for other good cause shown cannot apply for a license within the 45-day period, application for a new license may be made not more than 6 months before expiration of the license. This new license when granted shall expire as provided for in this chapter.

(2) Effective October 1, 1985, the first operator's license issued to a person who at the time of application is less than 20-1/2 years of age shall expire on the licensee's twenty-first birthday unless suspended or revoked. The secretary of state shall code the license in a manner which clearly identifies the licensee as being less than 21 years of age.

(3) The first chauffeur's license issued to a person shall expire on the licensee's birthday in the fourth year following the date of issuance unless the license is suspended or revoked before that date or is issued pursuant to section 314b. Effective October 1, 1985, the chauffeur's license of a person who at the time of application is less than 20-1/2 years of age shall expire on the licensee's twenty-first birthday unless suspended or revoked. The secretary of state shall code the license in a manner which clearly identifies the licensee as being less than 21 years of age. A subsequent chauffeur's license shall expire on the birthday of the person to whom the license is issued in the fourth year following the date of issuance of the license unless the license is suspended or revoked before that date or is issued pursuant to section 314b.

(4) A person may apply for an extension of his or her driving privileges if he or she is out of state on the date that his or her operator's or chauffeur's license expires. The extension may extend the license for 90 days beyond the expiration date or within 2 weeks after the applicant returns to Michigan, whichever occurs first.

(5) A person who will be out of state for more than 90 days beyond the expiration date of his or her operator's license may apply for a 2-year extension of his or her driving privileges. The applicant for this extension shall submit a statement evidencing a vision examination in accordance with the rules promulgated by the secretary of state under section 309. The fee for a 2-year extension shall be the same as provided in section 314b(2).

(6) A person whose operator's or chauffeur's license is unexpired but whose class 1, class 2, or class 3 indorsement has expired pursuant to section 312e(8) may apply for a vehicle group designation or indorsement. Upon proper application and payment of the fees prescribed in section 312g or 314b and section 811, the expiration of the person's operator's or chauffeur's license shall be extended for 4 years beyond the expiration which would have applied except for the operation of section 312e(8).

Sec. 802. (1) For a special registration issued as provided for in section 226(8), there shall be paid 1/2 the tax imposed under section 801 and in addition a fee of \$10.00. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the special registration.

(2) For all commercial vehicles registered after August 31 for the period expiring the last day of February and all motorcycles registered after September 30 for the period expiring on the last day of March, a tax of 1/2 the rate otherwise imposed by this act shall be collected. This subsection is not applicable to vehicles registered by manufacturers or dealers under sections 244 to 247a.

(3) For each special registration as provided for in section 226(9), a fee of \$5.00 shall be collected. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the special registrations.

(4) For temporary registration plates or markers as provided for in section 226a(1), a fee of \$5.00 for each group of 5 of those temporary registration plates or markers shall be collected. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the temporary registration plates or markers.

(5) A fee of \$5.00 shall be collected for each temporary registration as provided for in section 226b, the fee to be credited to the Michigan transportation fund and used to defray the expenses of the temporary registrations.

(6) For registration plates as provided for in section 226a(5), (6), and (7), a fee of \$40.00 for 2 registration plates and \$20.00 for each additional registration plate shall be collected. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the temporary plates or markers.

(7) For special registrations issued for special mobile equipment as provided in section 216(d), a fee of \$15.00 each for the first 3 special registrations, and \$5.00 for each special registration issued in excess of the first 3 shall be collected. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the plates or markers.

(8) The secretary of state, upon request, may issue a registration valid for 3 months for use on a vehicle with an elected gross weight of 24,000 pounds or greater on the payment of 1/4 the full registration fee provided in section 801(1)(k) and in addition a service charge of \$10.00. The service charge shall be credited to the Michigan transportation fund and used to defray the expense of the registration plates or tabs.

(9) Upon application to the secretary of state, an owner of a truck, truck tractor, or road tractor which is used exclusively for the purpose of gratuitously transporting farm crops between the field where produced and the place of storage or used to transport fertilizer, seed or spray material from the farm location to the field may obtain a special registration. The fee for each special registration shall be \$15.00. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the special registration program. The special registration shall be valid for a period of up to 12 months and shall expire on December 31.

(10) The secretary of state, upon request, may issue a special registration valid for 3 or more months for a road tractor, truck, or truck tractor owned by a farmer, if the motor vehicle is used exclusively in connection with the farmer's farming operations or for the transportation of the farmer and the farmer's family and not used for hire. The fee for the registration shall be 1/10 of the fee provided in section 801(1)(c) times the number of months for which the special registration is requested and, in addition, a service fee of \$10.00. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the registration. No special registration shall be issued for a motor vehicle for which the fee under section 801(1)(c) would be less than \$50.00.

(11) The secretary of state, upon request, may issue a registration valid for 3 months or more for use on a vehicle with an elected gross weight of 24,000 pounds or greater. The fee for the registration shall be 1/10 of the fee provided in section 801(1)(k), times the number of months for which the special registration is requested and, in addition, a service fee of \$10.00. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the registration.

(12) For each special registration as provided for in section 226(12), a fee of \$10.00 shall be collected. The fee shall be credited to the Michigan transportation fund and used to defray the expenses of the special registrations.

Sec. 811. (1) An application for an operator's or chauffeur's license as provided in sections 307 and 312 and an application for a minor's restricted license as provided in section 312 shall be accompanied by the following fees:

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|---------------------------------|----------|
| Operator's license..... | \$ 12.00 |
| Chauffeur's license..... | 20.00 |
| Minor's restricted license..... | 5.00 |

(2) The money received and collected under subsection (1) shall be deposited by the secretary of state in the state treasury to the credit of the general fund. The secretary of state shall refund out of the fees collected to each county or municipality, acting as an examining officer or examining bureau, \$2.50 for each applicant examined for an original license, \$1.00 for an original chauffeur's license, and \$1.00 for every other applicant examined, whose application is not denied, on the condition that the money refunded is paid to the county or local treasurer and is appropriated to the county, municipality, or officer or bureau receiving the money for the purpose of carrying out this act. The sum of \$4.00 shall be deposited by the state treasurer in a driver education fund for each person examined for an original license, a renewal operator's license, an original chauffeur's license, or a renewal chauffeur's license, except that the sum deposited for each 2-year operator's or 2-year chauffeur's license shall be \$2.00. Money in the driver education fund shall be used by the department of education for administration of a driver education program, and for distribution to local school districts to be used for driver education programs.

(3) From the money credited to the driver education fund, the legislature shall annually appropriate the sum of \$100,000.00 to the department of education for state administration of the program. In addition there shall be distributed to local public school districts from the driver education fund the amount of \$45.00 per student, but not to exceed the actual cost, for each student completing an approved driver education course. The driver education courses shall be conducted by the local public school district, or may be conducted for the local school district by the intermediate district at the request of the local district, and enrollment in driver education courses shall be open to children enrolled in the high school grades of public, parochial, and private schools as well as resident out-of-school youth. Reimbursement to local school districts shall be made on the basis of an application made by the local school district superintendent to the department of education.

(4) As used in this section, "driver education courses" include classroom instruction, behind the wheel instruction, and observation in an automobile under the supervision of a qualified teacher or licensed instructor. The department of education shall not require that licensed driver training school teachers or instructors be certificated under Act No. 451 of the Public Acts of 1976, as amended, being sections 380.1 to 380.1852 of the Michigan Compiled Laws.

(5) The department of education may promulgate rules pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.328 of the Michigan Compiled Laws, including instructional standards, teacher qualifications, reimbursement procedures, and other requirements to further implement this section.

(6) Notwithstanding sections 301, 303, 306, and 308, an operator's license shall not be issued to a person under 18 years of age unless that person successfully passes a driver education course and examination given by a public school, nonpublic school, or an equivalent course approved by the department of education given by a licensed driver training school. A person who has been a holder of a motor vehicle operator's license issued by any other state, territory, or possession of the United States, or any other sovereignty for 1 year immediately before application for an operator's license under this act, shall not be required to comply with this subsection. Restricted licenses may be issued pursuant to section 312 without compliance with this subsection. A driver education course shall be made available for a person under 18 years of age within a time that will enable that person to qualify for a license before the time that the person is permitted by law to have a license.

(7) A charge or enrollment fee for a driver education course shall not be required to be paid by a student desiring to take the course as a duly enrolled student for the course in a school of the public school system.

This act is ordered to take immediate effect.

Secretary of the Senate.

Clerk of the House of Representatives.

Approved.....

Governor.