

AMENDED IN SENATE APRIL 24, 2001

AMENDED IN SENATE APRIL 16, 2001

SENATE BILL

No. 1157

Introduced by Senator Knight

February 23, 2001

An act to amend Sections 320, 1671, 1803.5, 1808.7, 11200, 11202, 11202.5, 11203.5, 11204, 11206, 11206.5, 11207, 11208, 11209, 11210, 11212, 11213, 11214, 11215, 11215.5, 11216, 11216.2, 11217, 11218, 11219, 11219.5, 11222, 41501, 42005, *42005.1*, 42007, and 42007.3 of, to add Sections 360.1, and 11205.2, to and to repeal and add Sections 11205 and 11205.1 of, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 1157, as amended, Knight. Vehicles: traffic violator schools: court-authorized programs.

(1) Under existing law, a person is entitled to have a complaint relating to the safe operation of a vehicle dismissed with a copy of that dismissal forwarded to the Department of Motor Vehicles when a person attends a licensed traffic violator school, licensed driving school, or other court-approved program of driving instruction. Existing law requires traffic violator schools to meet specified criteria, including the requirement that the schools have a specified lesson plan approved by the department.

This bill would allow a court to order any person convicted of a traffic violation to complete a course of traffic safety instruction at either a licensed traffic violator school or home study program. The bill would prohibit any person from operating a school or home study program without a current valid license issued by the department. This bill would

allow certain home study programs operating prior to January 1, 2002, to continue until its license application has been approved or disapproved by the department.

This bill would also require the department to approve a traffic violator school lesson plan and curriculum, and would make special provision for the approval of the curriculum and lesson plans for home study programs.

The bill would require each person participating in a school or program to demonstrate his or her knowledge of course materials through the completion of an exit test. The bill would authorize traffic violator schools and home study programs to charge a \$15 fee for the issuance of a duplicate certificate of completion.

(2) Under existing law, a court is authorized to take certain action regarding a traffic violator school's name and the removal of the name from the referral list of traffic violator schools. Existing law requires the approval of the court in each judicial district wherein a proposed traffic school owner or traffic classes are to be conducted prior to the school being included on the referral list.

This bill would impose those duties, as revised, on the department and would include home study programs ~~with~~ *within* the scope of the revised provisions rather than the courts and would delete the provisions currently requiring court approval of traffic violator schools and classes. The bill would also require the department to publish a list of the owners of licensed traffic violator schools and home study programs with copies provided to the courts and to publish a separate referral list, as specified, to be distributed to the courts and traffic violators.

(3) Existing law authorizes the department to monitor any school for traffic violators.

This bill would require the department to monitor or audit traffic violator schools and would include home study programs within its scope. The bill would require the department to provide staffing for these purposes, as specified.

(4) Existing law currently does not specifically authorize the use of home study programs of driving instruction as a court-approved program.

This bill would specifically authorize a court to allow traffic violators to participate in a licensed home study program and, upon completion, to be issued a certificate of completion.



(5) Existing law authorizes a court to utilize the services of a nonprofit agency for traffic violator school administration and monitoring services and charge traffic violators a fee to defray the costs incurred by the agency for providing those services. The fee is limited to the actual cost incurred by the agency or \$5, whichever is less.

This bill would delete the \$5 limitation on the fee amount and would generally prohibit the nonprofit agencies from duplicating services provided by the department.

(6) Existing law requires the department to charge a fee, based upon a determination made by the department, as specified, which is not to exceed \$3 for each completion certificate issued by a traffic violator school or court-authorized program to a person completing instruction in the school or program. Existing law prohibits a traffic violator school from charging a fee in excess of the fee charged by the department for furnishing a certificate of completion.

This bill would require the department to charge a fee of \$3 and would delete the related provisions that require the department to determine the amount of the fee.

The bill would also delete the above-described fee restriction imposed on traffic violator schools.

(7) The bill would make related conforming changes.

(8) Because a violation of certain provisions of the bill would be a crime, the bill would impose a state-mandated local program by creating new crimes.

(9) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The process of developing and approving traffic violator
4 school curricula and the licensing of instructors that has been



1 utilized since 1985 has contributed to a reduction in traffic
2 violations or traffic collisions.

3 (b) Studies of the effectiveness of California traffic violator
4 school programs conducted by the Department of Motor Vehicles,
5 and others, have shown some positive driver safety benefits from
6 violators who have attended traffic violator schools.

7 (c) Home study traffic violator programs have never proven to
8 be effective in reducing traffic violations or traffic collisions.

9 (d) To aid in the reduction of traffic violations and traffic
10 collisions, the Department of Motor Vehicles uses a standardized
11 curriculum that is designed to reduce subsequent traffic violations
12 and traffic collisions by those traffic violators attending and
13 completing a traffic violator school program.

14 (e) Studies conducted by state and federal agencies and the
15 National Public Services Research Institute have shown that traffic
16 violator programs that address driver attitude and motivation
17 focused on the reduction of future offenses may materially reduce
18 violations and collisions.

19 (f) Home study program for traffic violators should be
20 regulated by the Department of Motor Vehicles to provide the
21 same uniformity of standards required of traffic violator schools
22 for licensing, regulating, monitoring, and auditing, thereby
23 continuing consumer protection for all users of programs of traffic
24 safety instruction.

25 SEC. 2. Section 320 of the Vehicle Code is amended to read:
26 320. "Established place of business" is a place actually
27 occupied either continuously or at regular periods by any of the
28 following:

29 (a) A dealer, remanufacturer, remanufacturer branch,
30 manufacturer, manufacturer branch, distributor, distributor
31 branch, automobile driving school, home study program, or traffic
32 violator school where the books and records pertinent to the type
33 of business being conducted are kept.

34 (b) An automobile dismantler where the books and records
35 pertinent to the type of business being conducted are kept. A place
36 of business of an automobile dismantler which qualified as an
37 "established place of business" before September 17, 1970, is an
38 "established place of business" as defined in this section.

39 (c) A registration service where the books and records pertinent
40 to the type of business being conducted are kept.



1 SEC. 3. Section 360.1 is added to the Vehicle Code, to read:
2 360.1. (a) A “home study program of traffic safety
3 instruction” is a business that for compensation provides, or offers
4 to provide, instruction in traffic safety using any format for the
5 instruction, other than the classroom format used by a traffic
6 violator school for persons referred by a court pursuant to Section
7 42005. Home study program may use, but is not limited to, any
8 program of traffic safety instruction licensed by the department
9 provided over the Internet, by video tape, or by correspondence.

10 (b) A “home study program office or branch office” is any
11 place where a home study program maintains records, is open to
12 the public and maintains office hours during the same time that
13 courts in that county are open for business.

14 (c) A “home study program instructor” is any person who
15 provides information to traffic violators for, or on behalf of, a
16 home study program.

17 (d) A “home study program operator” is a person who directs
18 and manages the operation of a home study program who may be
19 either the home study program owner or another person designated
20 by the home study program owner to personally direct and manage
21 the home study program for, or on behalf of, the home study
22 program owner.

23 (e) A “home study program owner” is any natural person,
24 association, limited liability company, or corporation that owns a
25 home study program.

26 SEC. 4. Section 1671 of the Vehicle Code is amended to read:

27 1671. (a) The established place of business of a dealer,
28 remanufacturer, remanufacturer branch, manufacturer,
29 manufacturer branch, distributor, distributor branch, automobile
30 driving school, traffic violator school, or home study program,
31 shall have an office and a dealer, manufacturer, or remanufacturer
32 shall also have a display or manufacturing area situated on the
33 same property where the business peculiar to the type of license
34 issued by the department is or may be transacted. When a room or
35 rooms in a hotel, roominghouse, apartment house building, or a
36 part of any single- or multiple-unit dwelling house is used as an
37 office or offices of an established place of business, the room or
38 rooms shall be devoted exclusively to and occupied for the office
39 or offices of the dealer, manufacturer, manufacturer branch,
40 remanufacturer, remanufacturer branch, distributor, distributor



1 branch, automobile driving school, traffic violator school, or home
2 study program, shall be located on the ground floor, and shall be
3 so constructed as to provide a direct entrance into the room or
4 rooms from the exterior of the building. A dealer who does not
5 offer new or used vehicles for sale at retail, a dealer who has been
6 issued an autobroker's endorsement to his or her dealer's license
7 and who does not also sell motor vehicles at retail, or a dealer who
8 is a wholesaler involved for profit only in the sale of vehicles
9 between licensed dealers, shall have an office, but a display area
10 is not required.

11 (b) The established place of business of an automobile
12 dismantler shall have an office and a dismantling area located in
13 a zone property zoned for that purpose by the city or county.

14 SEC. 5. Section 1803.5 of the Vehicle Code is amended to
15 read:

16 1803.5. Every clerk of a court or hearing officer, when a
17 person who receives a notice to appear at a court or board
18 proceeding for a violation of any statute relating to the safe
19 operation of vehicles is granted a continuance of the proceeding in
20 consideration for either attendance at a licensed traffic violator
21 school or the successful completion of a licensed home study
22 program and the court dismisses the complaint in consideration of
23 that attendance or completion, shall prepare an abstract of the
24 record of the court or board proceeding, certify the abstract to be
25 true and correct, and cause the abstract to be forwarded to the
26 department at its office at Sacramento within 10 days after the
27 complaint is dismissed.

28 SEC. 6. Section 1808.7 of the Vehicle Code is amended to
29 read:

30 1808.7. The record of the department relating to the first
31 proceeding and dismissal under Section 1803.5 in any 18-month
32 period of participation by a person in a program of traffic safety
33 instruction at a licensed traffic violator school or through the
34 completion of a licensed home study program, is confidential,
35 shall not be disclosed to any person, except a court, and shall be
36 used only for statistical purposes by the department.

37 SEC. 7. Section 11200 of the Vehicle Code is amended to
38 read:

39 11200. (a) The department shall license traffic violator
40 schools and home study programs that provide traffic safety



1 instruction to traffic violators for purposes of Section 42005. No
2 person shall own or operate a traffic violator school or a home
3 study program or, except as provided in Section 11206, give
4 instruction for compensation in a traffic violator school without a
5 currently valid license issued by the department.

6 (b) A home study program for traffic violators that was court
7 approved prior to January 1, 2002, may continue operations until
8 the department has approved or disapproved its application for a
9 license pursuant to this section.

10 (c) The owner of a home study program described in
11 subdivision (b) shall submit to the department an application for
12 licensing pursuant to Section 11206.5 no later than April 1, 2002.
13 The authority of a home study program, described in subdivision
14 (b), to continue operations after January 1, 2002, without an
15 approved license issued by the department, shall cease on January
16 1, 2003.

17 SEC. 8. Section 11202 of the Vehicle Code is amended to
18 read:

19 11202. (a) Except as provided in subdivision (c), the owner
20 of a traffic violator school or a home study program shall meet all
21 of the following criteria before a license may be issued by the
22 department to that school or program:

23 (1) Establish and maintain a place of business in this state that
24 is open to the public. No office or place of business of a traffic
25 violator school or home study program, including any traffic
26 violator school branch or classroom location, may be situated
27 within 500 feet of any court of law, unless the owner was
28 established at the location on or before July 1, 1984.

29 (2) Conform to standards established by regulation of the
30 department. In adopting the standards, the department shall
31 consider those practices and instructional programs which may
32 reasonably foster the knowledge, skills, and judgment necessary
33 for compliance with traffic laws. The standards may include, but
34 are not limited to, school personnel, equipment, curriculum,
35 procedures for the testing and evaluation of students,
36 recordkeeping, and business practices.

37 (3) Procure and file with the department a bond of two
38 thousand dollars (\$2,000) executed by an admitted surety and
39 conditioned upon the applicant not practicing any fraud or making
40 any fraudulent representation which will cause a monetary loss to



1 a person taking instruction from the applicant or to the state or any
2 local authority.

3 (4) A traffic violator school shall have a classroom approved
4 by the department and the proper equipment necessary for giving
5 instruction to traffic violators.

6 (5) (A) A traffic violator school shall have a lesson plan
7 approved by the department and provide not less than the
8 minimum instructional time specified in the plan. A home study
9 program shall have its curriculum and lesson plan approved by the
10 department and provide not less than the minimum instructional
11 time specified in the plan.

12 (B) An approved lesson plan or curriculum shall provide a
13 minimum of 400 minutes of instruction, except that a lesson plan
14 for instructing persons under the age of 18 shall provide a
15 minimum of 600 minutes of instruction.

16 (C) The department shall require each home study program to
17 use means, methods, and technology to require and ensure that
18 each user of a home study program is required to complete all 400
19 minutes of a home study program. The means, methods, and
20 technologies to be used by the home study program to ensure that
21 the traffic violator does, in fact, complete the minimum of 400
22 minutes of instruction shall be satisfactorily demonstrated to the
23 department prior to the department giving its approval to the
24 curriculum of the home study program.

25 (6) (A) Execute and file with the department an instrument
26 designating the director as agent of the applicant for service of
27 process, as provided in this paragraph, in any action commenced
28 against the applicant arising out of any claim for damages suffered
29 by any person by the applicant's violation of any provision of this
30 code committed in relation to the specifications of the applicant's
31 traffic violator school or home study program or any condition of
32 the bond required by paragraph (3).

33 (B) The applicant shall stipulate in the instrument that any
34 process directed to the applicant, when personal service cannot be
35 made in this state after due diligence, may be served instead upon
36 the director or, in the director's absence from the department's
37 principal offices, upon any employee in charge of the office of the
38 director, and this substituted service is of the same effect as
39 personal service on the applicant. The instrument shall further
40 stipulate that the agency created by the designation shall continue



1 during the period covered by the license issued pursuant to this
2 section and so long thereafter as the applicant may be made to
3 answer in damages for a violation of this code for which the surety
4 may be made liable or any condition of the bond.

5 (C) The instrument designating the director as agent for service
6 of process shall be acknowledged by the applicant before a notary
7 public.

8 (D) If the director or an employee of the department, in lieu of
9 the director, is served with a summons and complaint on behalf of
10 the licensee, one copy of the summons and complaint shall be left
11 with the director or in the director's office in Sacramento or mailed
12 to the office of the director in Sacramento. A fee of five dollars (\$5)
13 shall also be paid to the director or employee at the time of service
14 of the copy of the summons and complaint, or shall be included
15 with a summons and complaint served by mail.

16 (E) The service on the director or department employee
17 pursuant to this paragraph is sufficient service on the licensee if a
18 notice of the service and a copy of the summons and complaint is,
19 on the same day as the service or mailing of the summons and
20 complaint, sent by registered mail by the plaintiff or his or her
21 attorney to the licensee. A copy of the summons and complaint
22 shall also be mailed by the plaintiff or plaintiff's attorney to the
23 surety on the licensee's bond at the address of the surety given in
24 the bond, postpaid and registered with request for return receipt.

25 (F) The director shall keep a record of all processes served
26 pursuant to this paragraph showing the day and hour of service,
27 and shall retain the documents served in the department's files.

28 (G) If the licensee is served with process by service upon the
29 director or a department employee in lieu of the director, the
30 licensee has 30 days after that service within which to answer any
31 complaint or other pleading filed in the cause. For purposes of
32 venue, if the licensee is served with process by service upon the
33 director or a department employee in lieu of the director, the
34 service is considered to have been made upon the licensee in the
35 county in which the licensee has or last had his or her established
36 place of business.

37 (7) Have a name approved by the department pursuant to
38 Section 11205. However, a licensed traffic violator school or
39 court-approved home study program operating prior to January 1,



1 2002, may continue to use its name without the need to apply to
2 the department for approval pursuant to Section 11205.

3 (8) Meet the requirements of Section 11202.5 and subdivision
4 (b) of Section 11208, relating to traffic violator school *or home*
5 *study program* operators, if the owner is also the operator of the
6 traffic violator school *or home study program*. If the owner is not
7 the operator of the traffic violator school *or home study program*,
8 the owner shall designate an operator who shall meet the
9 requirements of Section 11202.5.

10 (9) Provide the department with a written assurance that the
11 licensee will comply with the applicable provisions of Subchapter
12 II or III of the Americans with Disabilities Act of 1990 (42 U.S.C.
13 Sec. 12101, et seq.), and any other federal and state laws
14 prohibiting discrimination against individuals with disabilities.
15 Compliance may include providing sign language interpreters or
16 other accommodations for students with disabilities.

17 (b) The qualifying requirements specified in subdivision (a)
18 shall be met within one year from the date of application for a
19 license, or a new application and fee is required.

20 (c) Paragraphs (3) and (6) of subdivision (a) do not apply to
21 public schools or other public agencies, which shall also not be
22 required to post a cash deposit pursuant to Section 11203.

23 (d) Paragraph (7) of subdivision (a) does not apply to public
24 schools or other public educational institutions.

25 (e) A notice approved by the department shall be posted in
26 every traffic violator school and home study program branch
27 office and classroom location, and, in the case of a home study
28 program, provided to every person prior to permitting that person
29 to start the home study program. The notice shall state that any
30 person involved in the offering of, or soliciting for, a completion
31 certificate for attendance at a traffic violator school or for
32 completing a home study program in which the person does not
33 attend or complete, or does not complete the minimum amount of
34 instruction time provided by subdivision (a) may be guilty of
35 violating Section 134 of the Penal Code.

36 SEC. 9. Section 11202.5 of the Vehicle Code is amended to
37 read:

38 11202.5. (a) The department shall license traffic violator
39 school *and home study program* operators. No person may act as
40 a traffic violator school operator or home study program *operator*



1 without a currently valid license issued by the department. Every
2 person, in order to qualify as a traffic violator school or home study
3 program operator, shall meet all of the following criteria in order
4 to be issued a traffic violator school or home study program
5 operator's license:

6 (1) Have not committed any act which, if the applicant were
7 licensed as a traffic violator school operator or home study
8 program *operator*, would be grounds for suspension or revocation
9 of the license.

10 (2) Within three attempts, pass an examination that the
11 department requires on traffic laws, safe driving practices,
12 operation of motor vehicles, teaching methods and techniques,
13 traffic violator school and home study program statutes and
14 regulations, and office procedures and recordkeeping.

15 (3) Be 21 years of age or older.

16 (4) Have worked for a licensed California traffic violator
17 school or home study program, an established California driving
18 school licensed under Chapter 1 (commencing with Section
19 11100) of Division 5, or an established commercial driving
20 training and education program operated by a bona fide labor
21 organization as an instructor for a period of not less than 500 hours
22 of actual in-class instruction.

23 (b) Paragraph (4) of subdivision (a) does not apply to a traffic
24 violator school operator validly licensed prior to January 1, 1987.

25 (c) All the qualifying requirements specified in this section
26 shall be met within one year from the date of application for the
27 license or the application shall lapse. However, the applicant may
28 thereafter submit a new application upon payment of the required
29 fee.

30 SEC. 10. Section 11203.5 of the Vehicle Code is amended to
31 read:

32 11203.5. If the state or any of its political subdivisions suffers
33 any loss or damage by reason of any fraudulent practice or
34 representation or by reason of any violation of this division by a
35 traffic violator school owner or owner of a home study program,
36 the department may bring a cause of action against the traffic
37 violator school owner or owner of the home study program and the
38 surety upon the owner's bond.

39 SEC. 8. Section 11204 of the Vehicle Code is amended to
40 read:



1 11204. The department shall issue a license certificate to each
2 ~~traffic violator school owner, each traffic violator school operator,~~
3 ~~and each owner of a home study program~~ *traffic violator school or*
4 *home study program owner and each traffic violator school and*
5 *home study program operator*, licensed pursuant to this chapter.
6 The term of the license shall be for a period of one year from the
7 date of issue unless canceled, suspended, or revoked by the
8 department. The license shall be renewed annually. The
9 department shall require compliance with Section 11202 for
10 renewal of the license of a traffic violator school *or home study*
11 *program* owner. The department shall require compliance with
12 Section 11202.5 for renewal of the license of a traffic violator
13 school *or home study program* operator.

14 Where in its judgment the public interest so requires, the
15 department may issue a probationary license subject to special
16 conditions to be observed by the licensee in the conduct of the
17 traffic violator school *or home study program*. The conditions to
18 be attached to the license shall be such as may, in the judgment of
19 the department, be in the public interest and suitable to the
20 qualifications of the applicant as disclosed by the application and
21 investigation by the department of the information contained
22 therein. The conditions shall not appear on the license certificate.

23 Upon notification of death of a traffic violator school *or home*
24 *study program* licensee, the department may issue a temporary
25 license to the executor or administrator of the estate of a deceased
26 holder of a validly outstanding license to conduct a traffic violator
27 school *or home study program*, or if no executor or administrator
28 has been appointed and until a certified copy of an order making
29 such an appointment is filed with the department, a temporary
30 license may be issued to the surviving spouse or other heir entitled
31 to conduct the business of the deceased. The temporary license
32 shall permit the holder to conduct the traffic violator school *or*
33 *home study program* for a period of one year from and after the date
34 of the original licensee's death, and necessary one-year extensions
35 may be granted to permit disposal of the business and qualification
36 for a license of a purchaser of the business or the surviving spouse
37 or heir. The department may restrict or condition a temporary
38 license and attach to the exercise of the privilege thereunder any
39 terms and conditions that in the department's judgment are
40 required for the protection of the public.



1 SEC. 11. Section 11205 of the Vehicle Code, as amended by
2 Section 455.5 of Chapter 931 of the Statutes of 1998, is repealed.

3 SEC. 12. Section 11205 of the Vehicle Code, as amended by
4 Section 456 of Chapter 931 of the Statutes of 1998, is repealed.

5 SEC. 13. Section 11205 is added to the Vehicle Code, to read:
6 11205. (a) Each traffic violator school and home study
7 program owner shall submit a proposed name to the department,
8 on a form approved by the department, and request name approval.
9 The department shall not impose a fee under this subdivision.

10 (b) The department shall have 30 days to act on the request for
11 name approval. If the department fails to act within 30 days of
12 receipt by the department of the name request, then the proposed
13 name shall be deemed approved by the department for use by the
14 traffic violator school or home study program for all purposes.

15 (c) In making a determination under this section whether or not
16 to approve a proposed name, the department shall use as its criteria
17 whether the proposed name is misleading to the public,
18 undignified, or implies that the applicant offers inducements or
19 premiums that derogate or distort the instructional intent of the
20 traffic safety program.

21 (d) If the department approves the proposed name it shall notify
22 the applicant of its decision within the time period set forth in
23 subdivision (b).

24 (e) (1) Whenever the department determines, pursuant to
25 subdivision (c) that the proposed name is inappropriate, the
26 department shall immediately notify the applicant that the
27 department has disapproved the proposed name. In its written
28 notice to the applicant of its decision to reject the proposed name,
29 the department shall set forth the specific basis, rationale, and
30 supporting evidence for the department's decision. A recital of the
31 criteria set forth in subdivision (c) is not sufficient to meet this
32 requirement.

33 (2) If requested by the applicant, or its representative, the
34 department shall schedule a hearing for that applicant at which the
35 sole issue shall be whether the name violates the standards set forth
36 in subdivision (c).

37 (3) The department shall make every effort to schedule,
38 conduct, and complete a hearing within 60 days of receipt of the
39 traffic violator school or home study program owner's request for
40 name approval.



1 (f) A substitute proposed name may be submitted, pursuant to
2 this section, to the department for approval at any time before or
3 after the conclusion of the hearing. The department shall, within
4 30 days of receipt of the request for approval of the substitute
5 name, inform the owner-applicant, on a form approved by the
6 department, of its approval or rejection of the substitute name. The
7 owner-applicant may continue this appeal process for approval of
8 a substitute name until the department determines that the name
9 does not violate the standard set forth in subdivision (c).

10 (g) A decision by the department to reject a proposed name or
11 substitute name may be reviewed by any court of competent
12 jurisdiction.

13 SEC. 14. Section 11205.1 of the Vehicle Code is repealed.

14 SEC. 15. Section 11205.1 is added to the Vehicle Code, to
15 read:

16 11205.1. The department shall publish a list of the owners of
17 licensed traffic violator schools and home study programs. One
18 copy shall be provided to each municipal court in the state, and to
19 each superior court in a county in which there is no municipal
20 court. This list shall be revised at least quarterly and transmitted
21 to the courts together with, and at the same time as, the referral list
22 published pursuant to Section 11205.2. This list shall be divided
23 into Part 1, listing traffic violator schools and Part 2 listing home
24 study programs and shall include all of the following:

25 (a) The name of each traffic violator school or home study
26 program grouped by owner.

27 (b) The business office address of the traffic violator school or
28 home study program.

29 (c) The business office telephone number of the traffic violator
30 school or home study program.

31 (d) The license number of the traffic violator school or home
32 study program.

33 (e) The traffic violator school or home study program owner's
34 name.

35 (f) The traffic violator school or home study program
36 operator's name.

37 SEC. 16. Section 11205.2 is added to the Vehicle Code, to
38 read:

39 11205.2. (a) The department shall publish a referral list that
40 includes all of the approved locations of traffic violator school



1 classes and, in a separate section, a list of the department-approved
2 home study programs, using the names approved by the
3 department pursuant to Section 11205. The referral list shall be
4 transmitted to each municipal court in the state, and to each
5 superior court in a county in which there is no municipal court, in
6 sufficient quantity to allow the courts to provide a whole,
7 nonexerpted copy to each person referred to a traffic violator
8 school or home study program. The list shall be revised at least
9 quarterly, or more often as necessary to serve the purposes of this
10 chapter, and transmitted to the courts by the first day of January,
11 April, July, and October. The following statement shall appear in
12 bold type at the top of each page of the list.

13 *NOTICE: All home study programs and traffic violator school*
14 *classes are a minimum of 400 minutes in duration.*

15 (b) (1) Part 1 of the referral list, relating to traffic violator
16 school locations, shall include all of the following:

17 ~~(a)~~

18 (A) The name of each traffic violator school.

19 ~~(b)~~

20 (B) A telephone number to be used by students for information.

21 ~~(c)~~

22 (C) The name of the county and judicial district.

23 ~~(d)~~

24 (D) The name of the cities where classes are available.

25 (2) Each traffic violator school shall appear by name and shall
26 be permitted one school name in a judicial district.

27 (3) Part 1 of the list shall be organized alphabetically in sections
28 for each county and for each judicial district within the county. The
29 order of the traffic violator school names listed within each judicial
30 district shall be random pursuant to a set of computer generated
31 random numbers, a drawing, or a lottery conducted by the
32 department.

33 (c) (1) Part 2 of the referral list, relating to home study
34 programs, shall include all of the following:

35 (A) The name of each home study program.

36 (B) A telephone number to be used by students for information.

37 (2) Each home study program shall appear by name and shall
38 be permitted one name on the list.

39 (3) Part 2 of the list shall be organized ~~alphabetically~~ in one
40 section for the entire state. The order of the home study program



1 names shall be random pursuant to a set of computer generated
2 random numbers, a drawing or a lottery conducted by the
3 department.

4 (4) If a home study program consists of an online Internet based
5 program, there shall be no links to any other Web site on any
6 webpage in the program. No advertising of products shall be
7 permitted on a Web site of a home study program.

8 (d) Each court shall use the current referral list of traffic
9 violator schools and home study programs, published by the
10 department, when it orders a person to complete a court in traffic
11 safety instruction pursuant to subdivision (a) or (b) of Section
12 42005.

13 (e) (1) When a court utilizes a public or private nonprofit
14 agency to monitor traffic violator schools or home study programs
15 licensed by the department, the court may charge the traffic
16 violator a fee to defray the costs incurred by the agency for the
17 monitoring services provided to the court. If a fee is imposed, it
18 shall be collected by the court, and shall not exceed the actual cost
19 incurred by the agency for the monitoring services or the cost of
20 a completion certificate set forth in subdivision (d) of Section
21 11208, whichever is less. The fee authorized by this subdivision
22 shall be applicable only in those cases where a traffic violator has
23 agreed to attend or has been ordered to attend a course of traffic
24 safety instruction pursuant to Section 42005.

25 (2) In its services to a court, no public or private agency utilized
26 by a court may duplicate any approval, licensing, auditing,
27 *investigating*, regulatory, or other functions of the department set
28 forth in this chapter except for the function of monitoring actual
29 traffic violator school classes and home study program courses
30 taken by traffic violators within the judicial district in which the
31 agency provides services to the court. The monitoring shall occur
32 at least one every 90 days with reports forwarded to the department
33 and the respective courts on monthly basis.

34 SEC. 17. Section 11206 of the Vehicle Code is amended to
35 read:

36 11206. (a) The department shall license traffic violator
37 school *and home study program* instructors. Except as exempted
38 by this section, no person shall act as a traffic violator school *or*
39 *home study program* instructor without a currently valid
40 instructor's license issued by the department. Every person, in



1 order to qualify as a traffic violator school *or home study program*
2 instructor, shall meet all of the following requirements before an
3 instructor's license may be issued:

4 (1) Have a high school education.

5 (2) Within three attempts, pass an examination, as required by
6 the department, on traffic laws, safe driving practices, operation
7 of motor vehicles, and teaching methods and techniques.

8 (3) Hold a currently valid California driver's license, which is
9 not subject to probation pursuant to Section 14250 due to the
10 applicant being a negligent operator within the meaning of Section
11 12810 or 12810.5. The applicant's driving record shall not have
12 any outstanding notice for violating a written promise to appear in
13 court or for willfully failing to pay a lawfully imposed fine, as
14 provided in Section 40509.

15 (4) Be 21 years of age or older.

16 ~~(5) Successfully complete the instructor training program~~
17 ~~pursuant to subdivision (e) of Section 11201.~~

18 (b) All the qualifying requirements specified by this section
19 shall be met within one year from the date of application for a
20 license or the application shall lapse. However, the applicant may
21 thereafter submit a new application upon payment of the requisite
22 fee.

23 (c) A license issued pursuant to this section is not required to
24 provide instruction to traffic violators in a public school or other
25 public educational institution by a person holding a valid teaching
26 ~~credential or a person employed as a peace officer who has met all~~
27 ~~employment standard requirements with satisfactory training or~~
28 ~~credential with satisfactory training or~~ experience in the subject
29 area, as determined by the department. Persons exempt from
30 licensure under this section are not required to obtain a license
31 certificate pursuant to Section 11207.

32 SEC. 18. Section 11206.5 of the Vehicle Code is amended to
33 read:

34 11206.5. Each applicant for a license as a traffic violator
35 school *or home study program* owner, traffic violator school *or*
36 *home study program* operator, traffic violator school instructor, ~~or~~
37 ~~owner of a home study program of driving instruction school or~~
38 *home study program instructor* shall submit an application to the
39 department on the forms prescribed by the department. The
40 applicant shall provide the department with any information



1 concerning the applicant's character, honesty, integrity, and
2 reputation which the department may consider necessary.

3 SEC. 19. Section 11207 of the Vehicle Code is amended to
4 read:

5 11207. (a) The department shall issue a license certificate to
6 each traffic violator school *or home study program* instructor when
7 it is satisfied that he or she has met the qualifications required
8 under this chapter. The original instructor license and any license
9 renewed pursuant to subdivisions (b) and (c) shall be valid for a
10 period of three years from the date of issuance unless canceled,
11 suspended, or revoked by the department.

12 (b) Every application for the renewal of a traffic violator school
13 *or home study program* instructor license may be made by the
14 licensee prior to the expiration date of the license by presenting to
15 the department a completed application on a form provided by the
16 department. In no event shall a traffic violator school *or home*
17 *study program* instructor renew the license after the date of
18 expiration.

19 (c) The department shall require all of the following for the
20 renewal of an instructor's license:

21 (1) Compliance with Section 11206, except subdivision (c)
22 thereof.

23 (2) Either of the following:

24 (A) Satisfactory completion of an examination as provided in
25 Section 11206 at least once during each succeeding three-year
26 period after the initial issuance of the license.

27 (B) Submission to the department by the licensee of
28 satisfactory evidence of continuing professional education.

29 ~~(3) If not previously completed, successfully complete the~~
30 ~~instructor training program described in subdivision (c) of Section~~
31 ~~11201.~~

32 (d) When, in its judgment, the public interest so requires, the
33 department may issue a probationary license subject to special
34 conditions to be observed by the licensee in the exercise of the
35 privilege granted. The conditions to be attached to the license shall
36 be such as may, in the judgment of the department, be in the public
37 interest and suitable to the qualifications of the applicant, as
38 disclosed by the application and investigation by the department
39 of the information contained therein.



1 SEC. 20. Section 11208 of the Vehicle Code is amended to
2 read:

3 11208. (a) Fees for issuance by the department of a license to
4 a traffic violator school owner or owner of a home study program
5 ~~of driving instruction~~ shall be as follows:

6 (1) For the original license or an ownership change which
7 requires a new application, except as provided by Section 42231,
8 a fee of one hundred fifty dollars (\$150), with an additional fee of
9 seventy dollars (\$70) for each separate traffic violator school *or*
10 *home study program* branch or classroom location licensed. The
11 fee prescribed by this subdivision is nonrefundable.

12 (2) For annual renewal of the license for a traffic violator
13 school or owner of a home study program ~~of driving instruction~~
14 and for each branch or classroom location, a fee of fifty dollars
15 (\$50).

16 (3) If alteration of an existing license is required by a firm name
17 change, a change in corporate officer structure, address change, or
18 the addition of a traffic violator school *or home study program*
19 branch or classroom location, a fee of seventy dollars (\$70).

20 (4) For replacement of the license certificate when the original
21 license is lost, stolen, or mutilated, a fee of fifteen dollars (\$15).

22 (b) Fees for the issuance by the department of a license for a
23 traffic violator school *or home study program* operator shall be as
24 follows:

25 (1) For the original license, a nonrefundable fee of one hundred
26 dollars (\$100).

27 (2) For annual renewal of the license, a fee of fifty dollars
28 (\$50).

29 (3) If alteration of an existing license is caused by a change in
30 the name or location of the established principal place of business
31 of the traffic violator school *or home study program* operated by
32 the licensee, including a transfer by a licensee from one traffic
33 violator school *or home study program* to another, a fee of fifteen
34 dollars (\$15).

35 (4) For replacement of the license certificate when the original
36 license is lost, stolen, or mutilated, a fee of fifteen dollars (\$15).

37 (c) Fees for the issuance by the department of a license for a
38 traffic violator school *or home study program* instructor shall be
39 as follows:



1 (1) For the original license, except as provided by Section
2 42231, a nonrefundable fee of thirty dollars (\$30).

3 (2) For the triennial renewal of a license, a fee of thirty dollars
4 (\$30).

5 (3) If alteration of an existing license is required by a change
6 ~~in the instructor's employing school's name or location, or transfer~~
7 *in the name or location of the traffic violator school or home study*
8 *program employing the instructor; or transfer* of the instructor's
9 license to another employing ~~school~~ *traffic violator school or*
10 *home study program*, a fee of fifteen dollars (\$15).

11 (4) For replacement of the instructor's license certificate when
12 the original license is lost, stolen, or mutilated, a fee of fifteen
13 dollars (\$15).

14 (d) The department shall charge a fee of three dollars (\$3) for
15 each completion certificate issued by a traffic violator school or
16 home study program to each person completing instruction at the
17 traffic violator school or in the home study program. The clerk of
18 the court shall collect this three dollar (\$3) certificate fee from the
19 traffic violator at the same time the clerk collects the fee set forth
20 in Section 42007.1, and shall transmit the collected fees to the
21 department on the first day of each quarter. Upon satisfactory
22 completion of the instruction offered by a licensed traffic violator
23 school or home study program, the traffic violator school or home
24 study program shall provide the student with a certificate of
25 completion furnished by the department.

26 (e) Each traffic violator completing a course in traffic safety
27 shall demonstrate the extent of his or her knowledge of the course
28 material by completing an exit test as a condition of receiving the
29 certificate of completion. The exit test may be developed by each
30 traffic violator school or home study program to meet the criteria
31 designated by the department. The test scores shall be retained by
32 the traffic violator school or home study program as part of their
33 recordkeeping. The department shall develop procedures for the
34 administration of the exit test by and for the home study program.
35 To prevent any potential identification fraud, the department shall
36 also develop procedures to require verification of the identity of
37 traffic violators taking and completing a home study program and
38 the identity of the person actually taking the home study program
39 exit test.



1 (f) The department shall require the traffic violator to
2 personally deliver or mail the completion certificate to the court.
3 If determined feasible by the department, the department may
4 permit traffic violator schools and home study programs to acquire
5 completion certificates from the department's Web site or from
6 other sources developed by the department.

7 (g) The department shall maintain records of the number of
8 persons annually completing classroom traffic violator school and
9 home study programs by program type based on factors including
10 textbook video, Internet Web sites, and any other program.

11 (h) A traffic violator school or home study program may charge
12 a fee not to exceed fifteen dollars (\$15) for the issuance of a
13 duplicate certificate of completion requested by the traffic
14 violator. The traffic violator shall present this certificate of
15 completion to the court as proof of completion of instruction, and
16 no other proof of completion of instruction may be accepted by the
17 court.

18 SEC. 21. Section 11209 of the Vehicle Code is amended to
19 read:

20 ~~11209. Any school owner, traffic violator~~

21 *11209. Any traffic violator school owner, operator, or*
22 *instructor, or home study program owner, operator, or instructor*
23 *required to be licensed under this chapter who fails to renew the*
24 *license before the expiration of the license may not renew that*
25 *license, but may reapply for an original license pursuant to this*
26 *chapter. For purposes of this section, a license that has been*
27 *canceled may not be renewed and a license that is suspended or*
28 *revoked may not be renewed, until reinstatement or reissuance by*
29 *the department. If the period of suspension or revocation extends*
30 *beyond the expiration of a license, it may not be renewed, but the*
31 *person may apply for a new license thereafter.*

32 SEC. 22. Section 11210 of the Vehicle Code is amended to
33 read:

34 11210. Pending determination by the department that an
35 applicant for a license fully satisfies the requirements of this
36 chapter, the department may issue a temporary permit to the
37 applicant. A temporary permit may authorize the operation of a
38 traffic violator school *or home study program* or acting as a traffic
39 violator school *or home study program* operator or traffic violator
40 school ~~instructor or a home study program~~ *or home study program*



1 *instructor* for a period not to exceed 120 days while the department
2 is completing its investigation and determination of all facts
3 relative to the qualifications of the applicant for the license.

4 The department may cancel a temporary permit when it has
5 determined or has reasonable cause to believe that the application
6 is incorrect or incomplete or the temporary permit was issued in
7 error. A temporary permit is invalid upon cancellation or once the
8 applicant has been issued or denied the license applied for.

9 SEC. 23. Section 11212 of the Vehicle Code is amended to
10 read:

11 11212. (a) Every owner licensed under this chapter shall
12 keep a record at the traffic violator school's or home study
13 program's primary business location showing all of the following
14 for each student:

15 (1) The name and address and license number of the traffic
16 violator school or home study program providing instruction.

17 (2) The name and address of each person given instruction.

18 (3) The instruction permit number or driver's license number
19 of every person given instruction.

20 (4) The name and number of the license issued pursuant to
21 Section 11207 of the traffic violator school *or home study program*
22 instructor.

23 (5) The particular type of instruction given and the date or dates
24 of the instruction.

25 (6) A statement as to whether the approved curriculum *or*
26 lesson plan was followed.

27 (7) The total number of hours of instruction.

28 (8) The total cost to the student of the instruction, which shall
29 not exceed the amount of the fee represented or advertised by the
30 traffic violator school or home study program at the time of the
31 student's enrollment.

32 (9) The court docket number under which the student was
33 referred to a traffic violator school or home study program.

34 (10) The number of the completion certificate issued to the
35 student pursuant to subdivision (e) of Section 11208 and, if
36 different, the number of any copy thereof issued to the student.

37 (b) The records shall be retained for a minimum of three years
38 and shall be open to the inspection during business hours and at all
39 other reasonable times by the department, the court, a private
40 entity providing monitoring pursuant to Section 11222, the



1 Legislative Analyst, and the Auditor General or authorized
2 employees thereof, but shall be only for confidential use.

3 (c) Whenever a licensee suspends or terminates the licensed
4 activity, the licensee shall surrender the records specified in
5 subdivision (a) to the department for examination not later than the
6 end of the third day, excluding Saturdays, Sundays, and legal
7 holidays, after the date of suspension or termination. The
8 department may duplicate or make a record of any information
9 contained therein. All these records shall be returned to the
10 licensee not later than 30 days after the date of surrender.

11 SEC. 24. Section 11213 of the Vehicle Code is amended to
12 read:

13 11213. (a) Every traffic violator school owner or owner of a
14 home study program licensed pursuant to this chapter shall notify
15 the department within 10 days of any change in the ownership or
16 corporate structure of the licensee.

17 (b) Every traffic violator school owner or owner of a home
18 study program shall immediately notify the department of the
19 following activities:

20 (1) Change of the site or location of the licensee's established
21 principal place of business.

22 (2) Addition or deletion of a traffic violator school *or home*
23 *study program* branch or classroom location.

24 (c) Every traffic violator school *or home study program*
25 operator and traffic violator school *or home study program*
26 instructor licensed pursuant to this chapter shall report to the
27 department every change of residence address within five days of
28 the change.

29 (d) The department may require persons licensed pursuant to
30 this chapter to submit additional reports as determined necessary
31 by the department to serve the purposes of this chapter.

32 SEC. 25. Section 11214 of the Vehicle Code is amended to
33 read:

34 11214. The department shall monitor or audit any *traffic*
35 *violator* school or home study program for traffic violators,
36 including any traffic violator school *or home study program*
37 branch or classroom location, without advance notice. The
38 monitoring or auditing may include, but is not limited to, the
39 instruction provided, business practices, and business records. The
40 department shall provide staffing and resources for monitoring



1 and auditing that are commensurate with the revenues generated
2 by the fees collected by the department pursuant to subdivision (d)
3 of Section 11208.

4 SEC. 26. Section 11215 of the Vehicle Code is amended to
5 read:

6 11215. The department, after notice and hearing, may
7 suspend or revoke any license issued under this chapter if any of
8 the following circumstances exist:

9 (a) The department finds and determines that the licensee
10 ceases to meet any requirement to obtain a license under this
11 chapter.

12 (b) The holder fails to comply with, or otherwise violates, any
13 provision of this chapter or any regulation or requirement of the
14 department adopted pursuant to this chapter.

15 (c) The licensee engages in fraudulent practices with respect to
16 its activities licensed under this chapter or induces or fails to
17 promptly report to the department any known fraud or fraudulent
18 practices on the part of any employee of the traffic violator school
19 or home study program.

20 (d) The licensee represents himself or herself as an agent or
21 employee of the department or uses advertising designed to create
22 the impression, or which would reasonably have the effect of
23 leading persons to believe that the licensee was in fact an employee
24 or representative of the department, or whenever the licensee
25 advertises, in any manner or means any statement which is untrue
26 or misleading and which is known, or which by the exercise of
27 reasonable care should be known, to be untrue or misleading.

28 (e) The licensee or any employee or agent of the licensee
29 collects fees for or preregisters any person in *a* traffic violator
30 school *or home study program* or solicits traffic ~~violator school~~
31 *safety* instruction in an office of the department or in any court or
32 within 500 feet of any court.

33 (f) The licensee is convicted of violating Section 20001,
34 20002, 20003, 20004, 20006, 20008, 23103, 23104, 23152, or
35 23153 of this code or Section 192 of the Penal Code. A conviction
36 after a plea of nolo contendere is a conviction within the meaning
37 of this section.

38 (g) The traffic violator school *or home study program* owner
39 teaches, or permits an employee to teach, traffic safety instruction
40 without a valid instructor's license.



1 (h) The traffic violator school owner or owner of a home study
2 program does not have in effect a bond as provided in paragraph
3 (3) of subdivision (a) of Section 11202 or a deposit in lieu of the
4 bond, as specified in Section 11203.

5 SEC. 27. Section 11215.5 of the Vehicle Code is amended to
6 read:

7 11215.5. The department, after notice and hearing, may also
8 suspend or revoke any license issued under this chapter when any
9 of the following circumstances exist:

10 (a) If the main business office of the traffic violator school or
11 home study program is located in any county with a population of
12 400,000 or more in which the traffic violator school or home study
13 program conducts its instructional program, and the main business
14 office does not maintain office hours during the time that the day
15 courts in that county are open for business. This subdivision shall
16 not apply to public schools.

17 (b) If the licensee is found by the department to be selling, or
18 knowingly permitting the sale of, completion certificates.

19 (c) If the licensee is found by the department to be intentionally
20 cutting instructional time short.

21 (d) If the licensee is found by the department to be intentionally
22 diverting any student, *without disclosure to that student*, to a
23 traffic school or home study program other than the school or
24 program initially contacted by that student, ~~without disclosure to~~
25 ~~that student, through the use of the department's~~ *student using the*
26 *department's referral* list of licensed traffic violator schools and
27 home study programs.

28 SEC. 28. Section 11216 of the Vehicle Code is amended to
29 read:

30 11216. Any license issued to a traffic violator school owner or
31 owner of a home study program under this chapter shall be
32 automatically canceled upon the happening of any of the
33 following:

34 (a) The abandonment of the established place of business or the
35 change thereof without notice to the department pursuant to
36 Section 11213.

37 (b) The failure to maintain an adequate bond or to procure and
38 file another bond, as required by Section 11202, prior to the
39 effective date of the termination by the surety of any existing bond.



1 (c) The voluntary or involuntary surrender of the license,
2 except that a surrender or cessation of business by the licensee, or
3 the suspension or revocation of the corporate status of the licensee,
4 does not preclude the department from filing an accusation for
5 revocation or suspension of the surrendered license, as provided
6 in Section 11215 or 11215.5, or affect the department's decision
7 to suspend or revoke the license.

8 (d) Notification to the department that the person designated as
9 the licensee has changed.

10 (e) Suspension or cancellation of the corporate status of the
11 licensee.

12 SEC. 29. Section 11216.2 of the Vehicle Code is amended to
13 read:

14 11216.2. (a) Any license issued to the owner or operator of
15 a traffic violator school or ~~owner of~~ a home study program under
16 this chapter ~~shall~~ *may* be automatically suspended for 30 days by
17 the department if the department has been notified that more than
18 one final determination has been made that the traffic violator
19 school or home study program ~~of driving instruction~~ has violated
20 a student's rights under the federal Americans with Disabilities
21 Act of 1990 (42 U.S.C. Sec. 12101, et seq.) or any other federal
22 or state law prohibiting discrimination against individuals with
23 disabilities. The final determination shall be made by a federal or
24 state court of competent jurisdiction or an appropriate federal or
25 state administrative agency, including, but not limited to, the
26 Department of Fair Employment and Housing, or any combination
27 thereof.

28 For the purpose of this subdivision, "final determination"
29 means that no further appeal of a determination can be taken to any
30 court because the time period for the appeal has expired.

31 (b) If a traffic violator school subject to suspension under this
32 section is operated by a traffic school operator licensed pursuant
33 to Section 11202.5 who is operating other traffic schools, the
34 licenses of the owners of those traffic schools operated by that
35 traffic school operator also shall be suspended for the 30-day
36 period.

37 SEC. 30. Section 11217 of the Vehicle Code is amended to
38 read:

39 11217. (a) Every licensee under this chapter is entitled to
40 notice and hearing prior to suspension or revocation of the license



1 by the department, except that the department shall immediately
2 suspend the license pursuant to subdivision (e) for any act of fraud
3 specified in subdivision (c) or (d) of Section 11215.

4 (b) Before reinstatement of any license suspended pursuant to
5 subdivision (a) of Section 11215, the licensee shall pay the
6 department a reinstatement fee of five dollars (\$5).

7 (c) The notice and hearings provided for in this division shall
8 be pursuant to Chapter 5 (commencing with Section 11500) of Part
9 1 of Division 3 of Title 2 of the Government Code.

10 (d) Any action of the department, in suspending, canceling,
11 revoking, or failing to renew a license issued pursuant to this
12 chapter, may be reviewed by any court of competent jurisdiction.

13 (e) The department may, pending a hearing, temporarily
14 suspend the license or permit of any traffic violator school *or home*
15 *study program* owner, operator, or instructor ~~or owner of a home~~
16 ~~study program~~ for a period of not more than 30 days if the director
17 finds that the public interest so requires. In that case, a hearing shall
18 be held and a decision issued within 30 days after issuance of the
19 notice of temporary suspension.

20 (f) The suspension, expiration, or cancellation of a license
21 issued pursuant to this chapter does not preclude the filing of an
22 accusation for the revocation or suspension of the suspended,
23 expired, or canceled license, and does not invalidate or otherwise
24 preclude a decision by the department to suspend or revoke the
25 license, and this determination may be considered by the
26 department in granting or refusing to grant any subsequent license
27 under this chapter to the same licensee or to any business
28 representative of the same licensee.

29 SEC. 31. Section 11218 of the Vehicle Code is amended to
30 read:

31 11218. (a) After the filing of an accusation under this chapter,
32 the director may enter into a stipulated compromise settlement
33 agreement with the consent of the licensee on terms and conditions
34 mutually agreeable to the director, the respondent licensee, and the
35 accuser without further hearing or appeal. The agreement may
36 include, but is not limited to, a period of probation or monetary
37 penalties, or both. The monetary penalty shall not exceed one
38 thousand dollars (\$1,000) per violation for a traffic violator school
39 owner or owner of a home study program or five hundred dollars
40 (\$500) per violation for traffic violator school *or home study*



1 *program* operators or instructors, and shall be based on the nature
2 of the violation and the effect of the violation on the purposes of
3 this chapter.

4 (b) A compromise settlement agreement may be entered
5 before, during, or after the hearing, but is valid only if executed
6 and filed pursuant to subdivision (d) before the proposed decision
7 of the hearing officer, if any, is adopted or the case is decided.

8 (c) The department shall adopt, by regulation, a schedule of
9 maximum and minimum amounts of monetary penalties, the
10 payment of which may be included as a term or condition of a
11 compromise settlement agreement entered under subdivision (a).
12 Any monetary penalty included in a compromise settlement
13 agreement shall be within the range of monetary penalties in that
14 schedule.

15 (d) Any compromise settlement agreement entered under this
16 section shall be signed by the director, the respondent licensee, and
17 the accuser, or by their authorized representatives. The director
18 shall file, or cause to be filed, the agreement with the Office of
19 Administrative Hearings, together with the department's notice of
20 withdrawal of the accusation or statement of issues upon which the
21 action was initiated, unless that accusation or statement has not yet
22 been forwarded to the Office of Administrative Hearings.

23 (e) If the respondent licensee fails to perform all of the terms
24 and conditions of the compromise settlement agreement, the
25 agreement is void and the department may take any action
26 authorized by law notwithstanding the agreement, including, but
27 not limited to, refiling the accusation or imposing license
28 sanctions.

29 SEC. 32. Section 11219 of the Vehicle Code is amended to
30 read:

31 11219. The director may prescribe rules and regulations for
32 traffic violator schools and home study programs regarding the
33 conduct of courses of education including curriculum, facilities,
34 and equipment. The curriculum shall include, but not be limited to,
35 a component examining driver attitude and motivation that
36 focuses on the reduction of future driving violations, with
37 particular emphasis on aggressive driving behavior and behavior
38 commonly known as "road rage." The director may also prescribe
39 rules and regulations for the conduct of instructor training courses.



1 SEC. 33. Section 11219.5 of the Vehicle Code is amended to
2 read:

3 11219.5. A traffic violator school or home study program
4 shall issue a receipt for any fee collected by the traffic violator
5 school *or home study program* from any person who registers for
6 *and attends* or participates in, ~~or both, the~~ a traffic violator school
7 or home study program.

8 SEC. 34. Section 11222 of the Vehicle Code is amended to
9 read:

10 11222. The department may contract with a nongovernmental
11 entity to administer any part of this chapter, subject to limitations
12 in other laws regarding contracting out for services. No contract
13 shall exceed three years' duration. The contracting entity, and any
14 affiliate or subsidiary thereof monitoring or auditing traffic
15 violator schools or home study programs, shall conform to all of
16 the following requirements:

17 (a) Engage in no other business activity with ~~traffic violator~~
18 ~~schools or any of the principals of the traffic violator schools,~~ a
19 *traffic violator school or home study program or any principal of*
20 *a traffic violator school or home study program* including the
21 provision of services or supplies.

22 (b) Provide reports in statistical form to the department and to
23 the Legislature as instructed by the department. These reports shall
24 be issued not less frequently than annually.

25 (c) Make its records available for inspection by authorized
26 representatives of the department, the Legislative Analyst, and the
27 Auditor General.

28 SEC. 35. Section 41501 of the Vehicle Code is amended to
29 read:

30 41501. The court may order a continuance of a proceeding
31 against a person, who receives a notice to appear in court for a
32 violation of any statute relating to the safe operation of a vehicle,
33 in consideration for attendance or participation in a program of
34 traffic safety instruction at a department licensed traffic violator
35 school or home study program, and after that attendance or
36 participation, the court may dismiss the complaint under the
37 following conditions:

38 (a) If the offense is alleged to have been committed within 12
39 months of another offense that was dismissed under this section,
40 the court may order the continuance and, after the attendance or



1 participation, dismiss the complaint. The court may order
2 attendance at a licensed traffic violator *school* that offers a
3 program of at least 12 hours of instruction.

4 (b) If the offense is not alleged to have occurred within 18
5 months of another offense that was dismissed under this section,
6 the court may order the continuance and, after the attendance or
7 participation, dismiss the complaint if the attendance or
8 participation is at any of the types of schools or programs that the
9 court directed pursuant to Section 42005 at the time of ordering the
10 continuance.

11 SEC. 36. Section 42005 of the Vehicle Code is amended to
12 read:

13 42005. (a) The court may order any person convicted of a
14 traffic violation to complete a course of traffic safety instruction
15 at either a traffic violator school or home study program licensed
16 pursuant to Chapter 1.5 (commencing with Section 11200) of
17 Division 5.

18 (b) In lieu of adjudicating a traffic offense, and with the consent
19 of the defendant, or after conviction of a traffic offense, the court
20 may order any person issued a notice to appear for a traffic
21 violation to participate in a traffic violator school or complete a
22 home study program licensed pursuant to Chapter 1.5
23 (commencing with Section 11200) of Division 5.

24 (c) Except as otherwise provided in subdivision (d), any person
25 so ordered may choose the traffic violator school *or home study*
26 *program* the person will attend and complete. The court shall make
27 available to each person subject to such an order the current ~~refund~~
28 *referral* list of traffic violator schools and home study programs
29 published by the department pursuant to Section 11205.2.

30 (d) Notwithstanding subdivision (b), a court may not order a
31 person to attend or participate in a traffic violator school or home
32 study program in lieu of adjudicating an offense if the person was
33 issued a notice to appear for a serious traffic violation, as defined
34 in subdivision (i) of Section 15210, that occurred in a commercial
35 motor vehicle, as defined in subdivision (b) of Section 15210.

36 (e) Any person who willfully fails to comply with a court order
37 to attend or participate in a traffic violator school or home study
38 program is guilty of a misdemeanor.

39 SEC. 37. Section 42005.1 of the Vehicle Code is amended to
40 read:



1 42005.1. The court may order any person designated to attend
2 a traffic violator school or home study program to instead
3 participate in a study of traffic violator schools and home study
4 ~~program~~ *programs* licensed pursuant to Chapter 1.5 (commencing
5 with Section 11200) of Division 5. The person’s participation in
6 that study constitutes attending ~~any other~~ *a* program of traffic
7 safety instruction for purposes of Section 42007.

8 SEC. 38. Section 42007 of the Vehicle Code is amended to
9 read:

10 42007. (a) The clerk of the court shall collect a fee from every
11 person who is ordered or permitted to attend a traffic violator
12 school or home study program pursuant to Section 42005 ~~or who~~
13 ~~participates in any other program of traffic safety approved by the~~
14 ~~department~~. The fee shall be in an amount equal to the total bail set
15 forth for the eligible offense on the uniform countywide bail
16 schedule. As used in this subdivision, “total bail” means the
17 amount established pursuant to Section 1269b of the Penal Code
18 in accordance with the Uniform Statewide Bail Schedule adopted
19 by the Judicial Council, including all assessments, surcharges, and
20 penalty amounts. Where multiple offenses are charged in a single
21 notice to appear, the “total bail” is the amount applicable for the
22 greater of the qualifying offenses. However, the court may
23 determine a lesser fee under this subdivision upon a showing that
24 the defendant is unable to pay the full amount.

25 The fee shall not include the cost, or any part thereof, of traffic
26 safety instruction offered by the ~~school or other traffic violator~~
27 ~~school or home study~~ program.

28 (b) Revenues derived from the fee collected under this section
29 shall be deposited in accordance with Section 68084 of the
30 Government Code in the general fund of the county and, as may
31 be applicable, distributed as follows:

32 (1) In any county in which a fund is established pursuant to
33 Section 76100 or 76101 of the Government Code, the sum of one
34 dollar (\$1) for each fund so established shall be deposited with the
35 county treasurer and placed in that fund.

36 (2) In any county that has established a Maddy Emergency
37 Medical Services Fund pursuant to Section 1797.98a of the Health
38 and Safety Code, an amount equal to the sum of each two dollars
39 (\$2) for every seven dollars (\$7) that would have been collected
40 pursuant to Section 76000 of the Government Code shall be



1 deposited in that fund. Nothing in the act that added this paragraph
2 shall be interpreted in a manner that would result in either of the
3 following:

4 (A) The utilization of penalty assessment funds that had been
5 set aside, on or before January 1, 2000, to finance debt service on
6 a capital facility that existed before January 1, 2000.

7 (B) The reduction of the availability of penalty assessment
8 revenues that had been pledged, on or before January 1, 2000, as
9 a means of financing a facility which was approved by a county
10 board of supervisors, but on January 1, 2000, is not under
11 construction.

12 (c) For fees resulting from city arrests, an amount equal to the
13 amount of base fines that would have been deposited in the
14 treasury of the appropriate city pursuant to paragraph (3) of
15 subdivision (b) of Section 1463.001 of the Penal Code shall be
16 deposited in the treasury of the appropriate city.

17 (d) As used in this section, “any other program of traffic safety
18 instruction” includes, but is not limited to, any program of traffic
19 safety instruction approved by the department the successful
20 completion of which is accepted by the court in lieu of adjudicating
21 a violation of this code.

22 (e) The Judicial Council shall study the minimum eligibility
23 criteria governing drivers seeking to attend traffic violator’s
24 school, and report to the Legislature on the advisability of uniform
25 statewide criteria on or before January 1, 1993.

26 (f) The clerk of the court, in a county that offers traffic violator
27 school shall include in any courtesy notice mailed to a defendant
28 for an offense that qualifies for traffic violator school attendance
29 the following statement:

30
31 NOTICE: If you are eligible and decide not to attend traffic
32 violator school your automobile insurance may be adversely
33 affected.

34
35 SEC. 39. Section 42007.3 of the Vehicle Code is amended to
36 read:

37 42007.3. (a) Notwithstanding Section 42007, revenues
38 derived from fees collected under Section 42007 from each person
39 required or permitted to attend or participate in a traffic violator
40 school or a home study program pursuant to Section 42005 as a



1 result of a violation of subdivision (a) or (c) of Section 21453,
2 subdivision (c) of Section 21454, or subdivision (a) of Section
3 21457 shall be allocated as follows:

4 (1) The first 30 percent of the amount collected shall be
5 allocated to the general fund of the city or county in which the
6 offense occurred.

7 (2) The balance of the amount collected shall be deposited by
8 the county treasurer under Section 42007.

9 (b) This section does not apply to the additional twenty-four
10 dollars (\$24) collected under subdivision (a) of Section 42007.1.

11 SEC. 40. No reimbursement is required by this act pursuant
12 to Section 6 of Article XIII B of the California Constitution
13 because the only costs that may be incurred by a local agency or
14 school district will be incurred because this act creates a new crime
15 or infraction, eliminates a crime or infraction, or changes the
16 penalty for a crime or infraction, within the meaning of Section
17 17556 of the Government Code, or changes the definition of a
18 crime within the meaning of Section 6 of Article XIII B of the
19 California Constitution.

