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**NOTICE OF FINAL EXEMPT RULEMAKING  
TITLE 17. TRANSPORTATION  
CHAPTER 5. DEPARTMENT OF TRANSPORTATION  
COMMERCIAL PROGRAMS**

**ARTICLE 3. PROFESSIONAL DRIVER SERVICES**

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**ARTICLE 3. PROFESSIONAL DRIVER SERVICES**

**R17-5-301. Definitions**

In addition to the definitions under A.R.S. §§ 28-101 and 32-2351, the following definitions apply to this Article, unless otherwise specified:

“Activity” means a function or service that is provided by a licensed professional driver training school pursuant to A.R.S. Title 32, Chapter 23 or licensed traffic survival school pursuant to A.R.S. Title 28, Chapter 8, Article 7.1 and that is performed by a licensed instructor or qualified instructor as defined in this Article.

“Applicant” means an individual or school, including principals, requesting in the manner set forth in this Article the issuance or renewal of a license or to become a qualified instructor under A.R.S. Title 28, Chapter 8, Article 7.1 or Title 32, Chapter 23 and this Article.

“Application date” means the date the Department or private entity receives a signed application from an applicant.

“Audit” means a review of the operations, facilities, equipment, and records of a licensee under this Article, which is performed by the Department or private entity under A.R.S. § 28-3411 or 32-2352 to assess and ensure compliance with all applicable federal and state laws and rules.

“Branch” means a licensed professional driver training school’s or licensed traffic survival school’s business location that is an additional established place of business, but not the school’s principal place of business.

“Business day” means a day other than a Saturday, Sunday, or legal state holiday.

“Business manager” means an owner or employee of a licensed school who has primary and sufficient oversight, supervision, and responsibility for all operations necessary to ensure full compliance with all applicable federal or state laws, rules, and school guidelines.

“Certificate of completion” means an electronic or paper document that is approved by the Department or private entity and that is issued by a traffic survival school or high school qualified instructor to a student who has demonstrated successful completion of a training or educational session or both conducted under this Article.

“Department-approved inventory” means educational media and related items or other resources provided and approved by the Department or private entity that are deemed necessary or useful for traffic survival school instruction, which includes curriculum, computer disks or drives, classroom training materials, instructor workbooks, instructor training manuals, or other materials, whether stored in paper or electronic formats.

“Established place of business” means a licensed professional driver training school’s or licensed traffic survival school’s business location that is:

- Approved by the Department,
- Located in Arizona,
- Not used as a residence, and
- Where the licensed school performs licensed activities.

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“Good moral character” means a person:

Has not been convicted of a class 1 or 2 felony by a court of competent jurisdiction;

Has not within five years of application date been convicted of any other felony or misdemeanor offense having a reasonable relationship to the functions of the activity or the employment or category for which the qualification is sought;

Has not within five years of application committed any act involving dishonesty, fraud, misrepresentation, breach of fiduciary duty, gross negligence or incompetence if the act has a reasonable relationship to the person’s proposed area of license or qualification;

Has not within 12 months engaged in fraud or misrepresentation in connection with an application or an examination required for license or qualification under this Chapter;

“Good standing” means an applicant:

Has not had a similar business license, qualification, or approval suspended, revoked, canceled, or denied within the previous three years of the application date;

Does not have any pending corrective action, as defined under R17-5-323, relating to a Department-issued business license, qualification, or approval;

Has not had a fingerprint clearance card required for licensure under this Article suspended, revoked, or canceled;

Does not owe delinquent fees, taxes, or unpaid balances to the Department or private entity;

Has not had any substantiated derogatory information relevant to the requested license reported to the Department about the applicant from any state agency or from any consumer protection agency contacted by the Department; or

Has not been dismissed, or resigned in lieu of dismissal, from a position for cause following allegations of misconduct having a reasonable relationship to the person’s proposed area of licensure or qualification, if the applicant is a former Department employee or a former principal or employee of a licensed professional driver training school or licensed traffic survival school.

“Immediate family member” has the same meaning as prescribed in A.R.S. § 28-2401.

“Inactivation” or “inactive” means a temporary or permanent status, assigned by the Department to a school or professional driver training school instructor previously licensed under this Article, which prohibits the school or instructor from further engaging in the previously licensed activity after the occurrence of any of the following actions:

Cancellation of license, as defined in R17-5-323;

Suspension of license, as defined in R17-5-323;

Revocation of license, as defined in R17-5-323;

Non-renewal of license; or

Relinquishment of license.

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“Licensee” means a school or instructor licensed by the Department or private entity under A.R.S. § 28-3413, 32-2371, or 32-2372, and this Article, to perform a licensed activity.

“Principal” means any of the following:

If a sole proprietorship, the sole proprietor;

If a partnership, limited partnership, limited liability partnership, limited liability company or corporation, the:

Partner;

Manager;

Member;

Officer;

Director;

Agent; or

If a limited liability company or corporation, each stockholder owning 20 percent or more of the limited liability company or corporation; or

If a political subdivision or government agency, the political subdivision or agency head.

“Principal place of business” means a licensed professional driver training school’s or licensed traffic survival school’s administrative headquarters, which shall not be used as a residence.

“Private entity” means an entity that contracts with the Department under A.R.S. § 28-3411 or 32-2352.

“Professional driver training school instructor license” means an annual license issued by the Department or private entity under A.R.S. § 32-2372, and renewable under A.R.S. § 32-2374, which authorizes a person to present specific training and educational curriculum to students as provided under this Article.

“Satisfactory driver record” means an applicant has not had within the past 39 months:

A conviction for driving under the influence, reckless or aggressive driving, racing on a highway, or leaving the scene of an accident;

A driver license previously canceled, suspended, revoked, or disqualified; and

More than three previous assignments to attend traffic survival school and no pending assignment.

“Temporary professional driver training school instructor license” means the preliminary license issued to an instructor applicant by the Director or private entity under A.R.S. § 32-2372, which authorizes the applicant to perform school activities under this Article.

“Traffic survival school qualified instructor” means an individual deemed qualified by the Department or private entity under this Article to conduct instruction of an education session on behalf of a licensed traffic survival school.

**R17-5-302. Professional Driver Training School and Traffic Survival School Licensing; Eligibility and Application Requirements**

- A.** An applicant for a professional driver training school or traffic survival school license, issued by the Department or private entity under A.R.S. § 28-3411 or 32-2371 and this Section, shall be at least 21 years of age and meet all applicable licensing requirements under state law and this Article when applying for an original or renewal license.
- B.** An applicant for a professional driver training school or traffic survival school license shall complete and submit to the Department or private entity an application packet that contains all of the following:
1. An application, completed on a form approved by the Department;
  2. Certification that each classroom used for the instruction of students is maintained in compliance with all applicable fire codes and local zoning ordinances;
  3. Certification that each classroom used for the instruction of students meets the accessibility requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), as amended;
  4. A copy of the following documents relating to the applicant's business if the applicant is a:
    - a. Corporation:
      - i. A copy of the articles of incorporation, including any amendments filed with the Arizona Corporation Commission; and
      - ii. Any other official documents, including copies of board meeting minutes and annual reports that reflect the most recent change to the corporate name, structure, or officers;
    - b. Limited liability company:
      - i. A copy of the articles of organization, including any amendments filed with the Arizona Corporation Commission; or
      - ii. A copy of the application for registration as a foreign limited liability company filed with the Arizona Corporation Commission and a copy of the certificate of registration issued by the Arizona Corporation Commission to a foreign limited liability company;
    - c. Limited partnership or a limited liability partnership:
      - i. A copy of a valid certificate of existence issued by the Arizona Office of the Secretary of State;
      - ii. A copy, stamped "filed" by the Arizona Office of the Secretary of State, of a certificate of limited partnership, certificate of foreign limited partnership, limited liability partnership form, foreign limited liability partnership form, or statement of qualification for conversion of limited partnership or limited liability partnership; or
      - iii. A copy of a valid trade name certificate issued by the Arizona Office of the Secretary of State; or
    - d. Sole proprietor:
      - i. A copy of a valid certificate of existence issued by the Arizona Office of the Secretary of State, or
      - ii. A copy of a valid trade name certificate issued by the Arizona Office of the Secretary of State;
  5. A copy of a high school diploma or equivalent for each applicant;

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6. Documentation prescribed under A.R.S. § 41-1080 indicating that each applicant's presence in the United States is authorized under federal law if the applicant is an individual, a sole proprietor, or part of a general partnership;
  7. Payment of the license fees prescribed under A.R.S. § 28-3415 or 32-2374 for each activity requested; and
  8. A form, approved by the Department, completed for each branch license, if applicable, and accompanied by payment of any applicable branch license fees prescribed under A.R.S. § 28-3415 or 32-2374.
- C.** An applicant shall not use the following in any part of its school name, which are subject to approval by the Department or private entity:
1. The terms "Arizona Department of Transportation," "Department of Transportation," "Motor Vehicle Division," "Motor Vehicle Department," "Division of Motor Vehicles," or "Department of Motor Vehicles;" or
  2. The acronyms "ADOT," "DOT," "MVD," or "DMV."
- D.** Professional driver training school applicants must provide the following additional documents with the school's application packet:
1. A copy of the school's complete curriculum, including a sample of all written examinations and answer keys, unless the curriculum is provided by the Department or private entity;
  2. Verification of liability insurance coverage reflecting at least the minimum amount prescribed under A.R.S. § 32-2393 for each motor vehicle used to provide instruction; and
  3. Diagrams detailing a minimum of three separate road skills test routes with narrative indicating all required maneuvers, if the applicant will be providing behind-the-wheel driver training.

**R17-5-303. Professional Driver Training School Instructor Licensing; Eligibility and Application Requirements; Temporary Professional Driver Training Instructor License**

- A.** An applicant for a professional driver training school instructor license shall:
1. Apply through a professional driver training school licensed by the Department or private entity under A.R.S. § 32-2371 and R17-5-302,
  2. Be at least 21 years of age,
  3. Be of good moral character, and
  4. Meet all applicable licensing requirements under state law and this Article.
- B.** Each professional driver training instructor applicant shall complete an application packet that contains the following:
1. An application, completed on a form approved by the Department;
  2. A copy of a high school diploma or equivalent;
  3. A copy of a valid Arizona driver license with endorsements representative of the vehicle to be used in training;

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4. Documentation prescribed under A.R.S. § 41-1080 indicating that the applicant's presence in the United States is authorized under federal law;
  5. A motor vehicle record, dated within 30 days of the application date, which indicates that within the previous 39 months the applicant maintained a satisfactory driver record as defined in R17-5-301;
  6. Payment of license fees prescribed under A.R.S. § 32-2374 for each activity requested;
  7. Statements of positive endorsement or recommendation from at least three character references indicating each reference's:
    - a. Name,
    - b. Address,
    - c. Contact phone number and email address,
    - d. Relationship to the instructor applicant, and
    - e. Number of years associated with the instructor applicant;
  8. An affidavit, as provided under A.R.S. § 32-2372, from the business manager of the professional driver training school certifying that the instructor applicant:
    - a. Has the necessary skills and abilities to give instruction on driver training at a professional level, and
    - b. Has completed at least 100 hours of combined classroom and vehicle training representative of the class of vehicle appropriate to the activity; and
  9. A copy of the fingerprint clearance card as required of the applicant under A.R.S. § 32-2372 and R17-5-304.
- C.** A business manager of a professional driver training school licensed under A.R.S. § 32-2371 and this Article shall submit to the Department or private entity the application packet for each instructor applicant.
- D.** Temporary Professional Driver Training Instructor License. The Department or private entity shall issue a temporary professional driver training instructor license to an instructor applicant after receiving a fully completed application packet with all of the required content and information, as provided under subsection (B).
- E.** The Department or private entity may issue an annual professional driver training school instructor license to an instructor applicant, if:
1. The applicant successfully completes the training session and examination required under R17-5-306 prior to expiration of the temporary instructor license issued under subsection (D), and
  2. The applicant is otherwise qualified under this Article and state law to receive an annual professional driver training school instructor license.
- F.** The professional driver training school shall withdraw an application for a professional driver training school instructor license or the Department or private entity shall deny issuance of a license for an instructor applicant who fails to successfully complete the requirements under subsection (E) prior to expiration of the temporary professional driver training instructor license.

**R17-5-304. Fingerprint Background Check; Fingerprint Clearance Card**

- A. An applicant for a license issued under A.R.S. Title 28, Chapter 8, Article 7.1 or Title 32, Chapter 23, Article 2 and this Article, as applicable, shall:
  - 1. Successfully complete a fingerprint background check conducted by the Arizona Department of Public Safety under A.R.S. § 41-1758.01, and
  - 2. Submit to the Department or private entity a copy of the fingerprint clearance card issued to the applicant under A.R.S. § 41-1758.03 as part of the application packet.
- B. An applicant is responsible for all costs associated with obtaining the fingerprint clearance card.
- C. A licensee, as applicable, shall maintain a valid fingerprint clearance card while licensed under this Article, and shall provide written notice to the Department or private entity within 10 calendar days if the fingerprint clearance card is cancelled, suspended, or revoked.

**R17-5-305. Traffic Survival School Qualified Instructor Status; Eligibility and Application Requirements**

- A. An applicant for traffic survival school qualified instructor status shall:
  - 1. Apply through a traffic survival school licensed by the Department or private entity under A.R.S. § 28-3413 and this Article,
  - 2. Be at least 21 years of age,
  - 3. Meet all applicable requirements under this Article, and
  - 4. Be of good moral character.
- B. Each traffic survival school qualified instructor applicant shall complete an application packet that contains the following:
  - 1. An application, completed on a form approved by the Department;
  - 2. A copy of a high school diploma or equivalent;
  - 3. A copy of a valid Arizona driver license;
  - 4. Documentation prescribed under A.R.S. § 41-1080 indicating that the applicant's presence in the United States is authorized under federal law;
  - 5. A motor vehicle record, dated within 30 days of the application date, which indicates that within the previous 39 months the applicant maintained a satisfactory driver record as defined under R17-5-301;
  - 6. An affidavit from the business manager of the traffic survival school certifying that the qualified instructor applicant has the necessary skills and abilities to give instruction at a professional level; and
  - 7. Payment of authorized fees as required by the private entity for application and administration of the instructor qualification process and for required instructor continuing education, which shall be negotiated by the Department and the private entity and shall be set forth in their contract.
- C. An applicant for instructor qualification shall have successfully completed a traffic survival school educational workshop or similar curriculum approved by the Department or private entity before being permitted to instruct any traffic survival school course.

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- D. An applicant for instructor qualification shall have successfully completed an examination given for qualification of instructors by the Department or private entity as required under R17-5-306 before being permitted to instruct any traffic survival school course.
- E. A business manager of a traffic survival school licensed under A.R.S. § 28-3413 and this Article shall submit to the Department or private entity the complete application packet for each qualified instructor applicant.

**R17-5-306. Required Training and Examination of School and Instructor Applicants**

- A. An applicant for a school or instructor license or for instructor qualification under this Article shall attend Department-approved training and shall pass one or more required examinations administered by the Department or private entity before:
  - 1. Issuance of an applicable school or instructor license, or
  - 2. Approval of the status as a traffic survival school qualified instructor.
- B. The Department or private entity shall limit a professional driver training school instructor applicant to three opportunities within 90 days, based on scheduling, to successfully complete and achieve a passing score or grade on each examination required under this Section.

**R17-5-307. Approval or Denial of Application; Hearing; Appeal**

- A. An application will not be approved by the Department or private entity unless it is properly and fully completed with all required supporting documents and applicable fees as identified in this Article.
- B. The Department or private entity shall provide written notification to the professional driver training school or traffic survival school of the approval or denial of a license or qualification. A notice denying the applicant a license or qualification under this Article shall specify the basis for denial and indicate that the applicant may request a hearing on the denial with the Department's Executive Hearing Office within 30 calendar days of the date on the notice unless the application is withdrawn by the applicant.
- C. The Department or private entity may issue a license to the school or professional driver training instructor applicant or deem a traffic survival school instructor applicant qualified when a completed application is received and the applicant has successfully completed all required training and examinations.
- D. Unless the application is withdrawn by the applicant, the Department or private entity may deny an application in which the applicant has:
  - 1. Failed to have or to document a satisfactory driver record as defined in R17-5-301;
  - 2. Failed to meet the good standing requirement of the Department as defined in R17-5-301;
  - 3. Failed to meet the fingerprint clearance card requirement under R17-5-304, as applicable;
  - 4. Made a material misrepresentation or misstatement on the application;
  - 5. Violated a federal or state law or rule; or
  - 6. Failed to complete all applicable application requirements under this Article.

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- E. If timely requested by an applicant under subsection (B), the Department shall schedule and conduct a hearing as prescribed under A.R.S. Title 41, Chapter 6, Article 6 and 17 A.A.C. 1, Article 5 for denial of a license.
- F. An applicant whose application was previously denied by the Department or private entity for making a material misrepresentation or misstatement on the application is not eligible to reapply for 12 months from the date of previous denial.

**R17-5-308. License Issuance; Effective Date; Expiration; Display**

- A. The Department or private entity may issue the following licenses upon determining an applicant meets all eligibility and application requirements provided under A.R.S. Title 28, Chapter 8, Article 7.1 or Title 32, Chapter 23 and this Article:
  - 1. Professional driver training school,
  - 2. Professional driver training school instructor,
  - 3. Professional driver training school temporary instructor,
  - 4. Traffic survival school, and
  - 5. Established place of business (branch).
- B. The Department or private entity shall license only a school that employs or contracts at least one professional driver training school instructor currently licensed under this Article or at least one currently qualified traffic survival school instructor, as applicable.
- C. A license issued under this Article is:
  - 1. Effective on the date of issuance;
  - 2. Effective until its expiration on the last day of each calendar year, except:
    - a. A temporary instructor license issued under R17-5-303 shall expire 90 calendar days from the date of issuance or shall expire immediately if the applicant fails to meet a licensing requirement under this Article,
    - b. A license subject to an active duty military extension shall expire as provided under A.R.S. § 32-4301, and
    - c. A license subject to an individual's limited length of authorized stay shall expire immediately if the individual's presence in the United States is no longer authorized under federal law; and
  - 3. Nontransferable under any circumstances.
- D. A licensed school shall prominently and publicly display all licenses currently in effect at the school's principal places of business.
- E. A professional driver training school instructor shall prominently display copies of all appropriate licenses during instruction.
- F. A school shall surrender to the Department or private entity within three business days after the date of any license inactivation, as defined under R17-5-301, all:
  - 1. Licenses;

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2. Records pertaining to the school's operations and the training of students; and
3. Department-approved inventory, as applicable and as defined in this Article.

**R17-5-309. Renewal of License**

- A. A completed renewal packet shall be submitted to the Department or private entity a minimum of 30 calendar days prior to license expiration. Notwithstanding A.A.C. R17-1-102, failure to submit a renewal packet prior to December 1st shall result in the applicant being subject to all original licensing requirements.
- B. A school license renewal application packet shall include:
  1. A renewal application, completed on a form approved by the Department, including:
    - a. A list of all principals, contracted personnel, and employees of the school who are responsible for Arizona school operations if there have been any changes since the last renewal or original application; and
    - b. The signature of all principals on the completed application; and
  2. Payment of applicable license fees prescribed under A.R.S. § 28-3415 or 32-2374, for each activity, branch, and professional driver training school instructor.
- C. Notwithstanding A.R.S. § 28-3415 or 32-2374, an annual license issued by the Department or private entity under this Article during the month of December shall not expire until the last day of the subsequent calendar year.

**R17-5-310. Modifications of Original Application Information**

- A. A licensee or traffic survival school qualified instructor, making or learning of any change in the content of its original application information, other than ownership, shall provide written notification of the change, completed on a form approved by the Department and signed by a principal or business manager, to the Department or private entity within two business days of making the change.
- B. A licensed school making a change to a principal or corporate structure shall submit to the Department or private entity a new application for licensing under this Article and all applicable fees, as a new applicant for licensure, within 10 calendar days of making the change.
- C. A licensed school submitting a new application to the Department or private entity, as provided under subsection (B), is subject to the fingerprint clearance card requirement under R17-5-304 unless a valid fingerprint clearance card is already on file with the Department.
- D. A licensed school shall provide written or electronic notification on a form, approved by the Department, to the Department or private entity within 10 calendar days of making any changes to the licensee's contact person, business manager, or instructors.

**R17-5-311. Professional Conduct; Conflicts of Interest; Advertising**

- A.** A professional driver training school or traffic survival school representative or instructor shall not:
  - 1. Accompany a student into any Department office or office of an authorized third party driver license or driver license training provider; or
  - 2. Solicit an individual for any purpose on any premises rented, leased, operated, or owned by the Department or by an authorized third party driver license or driver license training provider.
- B.** A licensee or traffic survival school qualified instructor shall maintain good standing with the Department at all times while licensed or qualified under this Article.
- C.** A licensee shall not delegate or subcontract any licensed activity authorized by the Department or private entity under this Article.
- D.** The Department may take corrective action as provided under R17-5-321 and R17-5-323 if the Department or private entity determines or has reason to believe that a licensee or traffic survival school qualified instructor has demonstrated unethical conduct in the performance of official duties, including:
  - 1. Verbally abusing, intimidating, or sexually harassing a student or potential student; or
  - 2. Making a false statement that is material to the activities regulated in this Article to any personnel of the Department or private entity.
- E.** A school shall use for all licensed activities and related advertising purposes only its official business name or its doing-business-as name as indicated on the license issued under this Article.
- F.** A licensee shall not represent or imply that it is the state of Arizona, the Department, the Motor Vehicle Division, or any government agency in any printed or electronic advertising or promotional material, except to the extent expressly authorized by the Department.
- G.** Licensee advertising shall not in any way:
  - 1. Contain false, deceptive, or misleading information;
  - 2. Imply that the licensee can issue or guarantee issuance of a driver license or endorsement;
  - 3. Imply that the licensee can influence the Department or an authorized third party provider in the issuance of a driver license or endorsement;
  - 4. Imply that the licensee can provide any activity the licensee is not licensed by the Department or private entity to perform;
  - 5. Imply that preferential or advantageous treatment by the Department can be obtained; or
  - 6. Use or contain a term prohibited under R17-5-302(C).
- H.** A school licensed by the Department or private entity under this Article may state in its advertising that it is “licensed” by the Department, but shall not indicate that the school is approved, sanctioned, or in any other way endorsed or recommended by the Department.
- I.** All printed or electronic advertising or promotional material used, issued, or published by a licensee must be pre-approved by the Department or private entity.

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- J.** An instructor, in any official capacity as an instructor or for compensation, shall not provide any classroom instruction or skills training for an immediate family member or a principal or employee of any school that employs the instructor.
- K.** A full-time employee of the state of Arizona shall not receive any direct pecuniary payments from any fees paid by those who attend a licensed school.

**R17-5-312. Cancellation and Continuity of Services to Participants**

- A.** A principal of a school ceasing operations or cancelling courses for any reason shall ensure continuity of services to each student currently enrolled in courses as follows:
  - 1. A principal shall notify each student currently scheduled for, or enrolled in, a course that the school will be unable to provide the services previously offered 72 hours before the scheduled course; and
  - 2. A principal shall refund within four business days any payment received by the school for a course not yet provided.
- B.** A principal of a school ceasing operations shall provide to the Department or private entity, upon request, a written list of all students notified under subsection (A) with an explanation of the final resolution reached as a result of the principal's contact with the student.
- C.** A principal's failure to provide continuity of services to enrolled students as provided under this Section may result in the loss of the principal's status of good standing with the Department.

**R17-5-313. Method of Instruction; Curriculum**

- A.** A licensed or qualified instructor shall teach only curriculum approved by the Department or private entity to a student attending a class.
- B.** A licensed or qualified instructor shall not conduct personal business during a time designated for instruction.
- C.** An instructor shall not solicit students during training classes for businesses other than those licensed by the Department or private entity.
- D.** A school or instructor shall ensure that a student has both fully attended and successfully completed a course before issuing a certificate of completion to the student.
- E.** A licensed traffic survival school must use all equipment required by the Department or private entity to present the curriculum to the students, including at a minimum, a computer, a PowerPoint compatible projector, a DVD player, and a display monitor visible to all students.
- F.** Professional driver training school approved curriculum. The Department shall approve, and may modify, in writing, a uniform curriculum that the professional driver training school shall teach as applicable for each activity the licensee is authorized to perform. The curriculum shall be a standard course of instruction used by a professional driver training school for the training and education of students.

- G. Traffic survival school approved curriculum. The Department shall approve, and may modify, in writing a uniform curriculum that the traffic survival school shall teach. The curriculum shall be selected and approved on the basis of effectiveness in improving the safety and habits of drivers.

**R17-5-314. Certificate of Completion**

- A. A qualified instructor for traffic survival school or high school driver education program shall accurately complete all required information on a certificate of completion:
  - 1. The instructor providing the training listed on the certificate of completion shall sign the document once training is complete, or
  - 2. The instructor providing the final instruction or test shall sign the certificate of completion if training is provided by multiple instructors.
- B. A qualified instructor shall provide a certificate of completion to the student at the conclusion of the course. A traffic survival school qualified instructor shall print the certificate of completion from the web site of the Department's private entity or the Department's web site, as applicable.
- C. A high school qualified instructor shall not make a correction to a certificate of completion. If an error is made, the high school qualified instructor shall:
  - 1. Void the certificate of completion,
  - 2. Write the word "VOID" or "VOIDED" clearly on the face of each voided certificate of completion, and
  - 3. Issue a new certificate of completion.
- D. The Department may elect not to accept a certificate of completion that contains an alteration, erasure, correction, or illegible information.
- E. A school or qualified instructor shall not withhold timely issuance of a certificate of completion due to a payment dispute between the school and the student.

**R17-5-315. Record Retention**

- A. A licensed traffic survival school shall electronically transmit proof of course completion to the Department immediately following each student's satisfactory completion of a traffic survival school course in a manner and with the basic computer equipment prescribed by the Department or private entity. At a minimum, the computer equipment must be able to temporarily store, and electronically transmit over the internet, the certificates of completion required by the Department or private entity.
- B. All records pertaining to a licensed school's operations and training of students shall be:
  - 1. Stored and securely maintained at the licensee's principal place of business,
  - 2. Available for inspection by the Department or private entity during business hours, and
  - 3. Retained by the school for three years from the date of course completion.
- C. A licensed school shall establish and maintain separate records for each authorized activity.
- D. A licensed school shall maintain, for three years, attendance records for each class conducted.

**R17-5-316. Traffic Survival School Department-Approved Inventory**

- A. A traffic survival school licensed under this Article shall:
  - 1. Prohibit public or other unauthorized access to all Department-approved inventory, and
  - 2. Submit to the Department or private entity a written report detailing the circumstances surrounding the loss or theft of any missing or stolen Department-approved inventory.
- B. A licensee shall use only Department-approved inventory.
- C. A school principal or business manager shall submit to the Department or private entity a written or electronic request for any additional Department-approved inventory the school may require.

**R17-5-317. School Responsibilities**

While licensed by the Department or private entity under A.R.S. § 28-3413 or 32-2371 and this Article, the school shall:

- 1. Comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and applicable federal regulations by providing appropriate auxiliary aids and services to students with disabilities requesting reasonable accommodation;
- 2. Comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and applicable federal regulations. As a requirement of compliance, the school shall:
  - a. Provide public notification of its compliance with Title VI by displaying a Department-approved notice to the public;
  - b. Take reasonable steps to ensure that Limited English Proficient (non-English speaking) customers have meaningful access to the services or activities performed under this Article, which includes, providing the school's services and authorized transactions in languages other than English and providing these services at no additional cost to the customer or student;
  - c. Report promptly any customer complaints alleging discrimination or failure to meet the requirements of this Section to the Department's Civil Rights office for processing and investigation. The school shall immediately upon receipt of such complaints provide access to its facilities, books, records, accounts, and other sources of information as may be determined or requested by the Department to be pertinent, in order to ascertain compliance with Title VI; and
  - d. Inform and formally train all school officers, principals, employees, and contractors on the requirements to comply with Title VI; and
- 3. Provide written notice to the Department or private entity within twenty-four hours if the driver license of any of the school's principals, managers, or instructors is suspended, revoked, cancelled, or disqualified.

**R17-5-318. Instructor Responsibilities**

While licensed or qualified by the Department or private entity under A.R.S. § 32-2372 and this Article to give instruction, an instructor shall:

1. Attend all ongoing training and continuing education as required by the Department or private entity;
2. Provide written notice to the licensed professional driver training school or traffic survival school within twenty-four hours if the instructor's driver license is suspended, revoked, cancelled, or disqualified;
3. Conduct training and courses only at training sites and on driver road training routes approved by the Department or private entity;
4. Follow and complete the curriculum approved by the Department or private entity for each course conducted; and
5. Conduct at least two courses in a calendar year.

**R17-5-319. Traffic Survival Schools**

- A. The Department shall assign an individual only to a traffic survival school licensed by the Director under this Article.
- B. A traffic survival school or qualified instructor shall allow only students who provide acceptable proof of traffic survival school assignment to register for and attend a traffic survival school course. The following documents are acceptable proof of assignment:
  1. Notice of traffic survival school assignment or suspension for failure to attend traffic survival school,
  2. An order from a court or other appropriate tribunal from Arizona or another state indicating traffic survival school assignment,
  3. Traffic survival school proof of assignment form obtained from the Department,
  4. Electronic verification of traffic survival school assignment through the Department's private entity, or
  5. Motor vehicle record.
- C. On enrollment of a student in, or on a student's attendance of, a traffic survival school course, a licensed traffic survival school shall collect the statutory enrollee fee provided in A.R.S. § 28-3411, unless the student has paid the enrollee fee in advance. The licensed traffic survival school also shall collect the records fee prescribed by A.R.S. § 28-446, if applicable, before the student attends the traffic survival school course. The licensed traffic survival school shall fully remit these fees to the private entity within four business days after a student completes the traffic survival school course. If a licensed traffic survival school does not timely remit the enrollee fees, the Department or private entity may notify the traffic survival school that its prospective future students will be required to prepay the enrollee fees until remittances are current. The amount of the enrollee fee charged by the private entity shall be negotiated by the Department and the private entity and shall be set forth in their contract.

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- D.** A traffic survival school or qualified instructor shall not:
  - 1. Conduct courses with a number of students in excess of the classroom's fire safety capacity reported to the Department or private entity by the licensee under R17-5-321;
  - 2. Conduct courses with more than 30 students per qualified instructor;
  - 3. Exclude a translator, the Director, the private entity, or Department personnel from attending courses;
  - 4. Issue a certificate of completion to a student who has not fully completed the required curriculum; or
  - 5. Issue a certificate of completion for a student whom the instructor did not personally instruct.
- E.** A licensee shall retain for three years all copies of the student's acceptable proof of assignment and the signed class roster of attending students.
- F.** The private entity may develop and administer a web site that allows individuals who are assigned to traffic survival school to locate and enroll online in traffic survival school courses.
- G.** Only an individual who meets the qualifications under R17-5-305, remains in compliance with this Article, and who is granted and retains traffic survival school qualified instructor status, may be allowed to teach individuals assigned by the Department to attend a licensed traffic survival school.
- H.** A licensed traffic survival school must hold at least one course every 60 days at the school's established place of business and each branch, as applicable.

**R17-5-320. High School Driver Education Program**

- A.** The following definitions apply to this Section:
  - 1. "Accountable forms inventory" means a series of distinctly and consecutively numbered documents provided by the Department to an instructor qualified under this Section for:
    - a. Recording in a log, the assigned number of each document completed, issued, or voided by a high school qualified instructor; and
    - b. Reporting to the Department the assigned number of each document completed, issued, or voided by a high school qualified instructor.
  - 2. "Certified instructor report" means a report prepared and certified monthly by each high school qualified instructor listing all certificates of completion that were issued and voided.
- B.** The Department shall cooperate with the Arizona Department of Education, under A.R.S. §§ 28-3174 and 32-2353, to enable the issuance of a certificate of completion to a regularly enrolled full-time student as part of a high school driver education program.
- C.** The Director or private entity shall qualify an instructor approved by the Arizona Department of Education to issue a certificate of completion.
- D.** A high school qualified instructor may issue a certificate of completion to a regularly enrolled full-time student who:
  - 1. Successfully completes the classroom course of instruction required by the Arizona Department of Education, which may waive the student's requirement to take the Department's written test; or

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2. Successfully completes the skills course of instruction required by the Arizona Department of Education, which may waive the student's requirement to take the Department's skills test.
- E.** A high school qualified instructor shall submit to the Department, no later than the fifth day of each month, all certified instructor reports and certificates of completion issued by the school during the preceding month. A high school qualified instructor who does not issue any certificates of completion during the preceding month shall submit to the Department a certified instructor report indicating "no activity."
- F.** A high school qualified instructor shall provide the status of certificates of completion to the Department, upon request, by identifying the certificates by number as either issued, not issued, lost, or stolen.
- G.** A high school representative shall promptly return all unused or un-issued certificates of completion to the Department, upon request.
- H.** A certificate of completion constitutes accountable forms inventory to be secured at all times by the high school qualified instructor or other designee of the high school and any misuse, fraud, or negligence by a high school qualified instructor involving the form in consultation with the Arizona Department of Education pursuant to A.R.S. § 28-3174 may lead to Department disqualification of the instructor's authorization to issue the form.
- I.** A high school qualified instructor shall submit to the Department all reports required under this Article by regular mail, certified mail, registered mail, electronic mail, or personal delivery. The following dates shall be used to determine whether a report was received within the required timeframes established under this Section:
1. For regular mail, the postmark date;
  2. For certified or registered mail, the date of receipt by the designated delivery service;
  3. For electronic mail, the send date; and
  4. For personal delivery, the Department's time and date stamp of receipt.
- J.** If a high school qualified instructor fails to timely or accurately submit to the Department a certified instructor report required under this Section, the Department may initiate corrective action. The Department may:
1. Provide an oral or written warning for a first untimely or inaccurate report,
  2. Send a letter of concern for a second untimely or inaccurate report in a 12-month period, and
  3. Request that the Arizona Department of Education disqualify a high school qualified instructor from issuing a certificate of completion under this Article for a third untimely or inaccurate report in a 12-month period.
- K.** A high school shall develop and maintain a driver education class training record for each student, which shall include at least the following information:
1. Student's name;
  2. Student's phone number;
  3. Student's driver license or instruction permit number and its expiration date;
  4. Fee amounts collected for any related services;
  5. Date, type, and duration of all classroom lessons and practical instruction;
  6. Make, model, and license plate number of any motor vehicle used to conduct training, as applicable;

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7. Date and results of all tests administered;
8. Number of certificates of completion issued; and
9. Name and Department-issued number of each instructor who conducted a lesson or test.

**R17-5-321. Periodic Audits, Monitoring, Inspections, and Investigations**

- A.** To determine compliance with license requirements, qualification requirements and applicable federal and state laws and rules, the Department or private entity may:
  1. Monitor for compliance by attending any licensed school's course or other activities on a scheduled or unscheduled basis;
  2. Audit for compliance by performing periodic reviews of the operations, facilities, equipment, and records;
  3. Inspect for compliance by making random, on-site visits during posted business hours; or
  4. Investigate for compliance by interviewing or submitting questions to school owners, instructors, and former or current students.
- B.** Failure of a school or instructor to allow or cooperate in an audit, monitoring, inspection, or investigation may result in the Department issuing an immediate cease and desist order or requesting a hearing for suspension or revocation of a license issued under this Article.
- C.** During an audit, monitoring, inspection, or investigation of a licensee, the Department, the private entity, a law enforcement agency, or employee of the Federal Motor Carrier Safety Administration may:
  1. Review and copy paper and electronic records;
  2. Examine the licensee's principal and established place of business, all branches, training, or road training sites; and
  3. Interview the school's employees, instructors, and customers.
- D.** A licensee shall make records available for audit, monitoring, inspection, or investigation at the licensee's principal place of business.
- E.** After an audit or monitoring, the Department or private entity shall send a report of the results in writing to the school.
- F.** If instances of non-compliance are found as a result of an audit, monitoring, inspection, or investigation, the Department or private entity may determine if either of the following actions is required:
  1. An informal meeting to discuss findings, or
  2. A written compliance plan addressing findings.
- G.** If greater instances of non-compliance are found as a result of an audit, monitoring, inspection, or investigation, the Department may determine if either of the following actions is required:
  1. A probationary period; or
  2. A request for a hearing to cancel, suspend, or revoke a license to operate a school or conduct instruction under this Article.

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- H. The Department or private entity may issue a notice of corrective action to a licensee if the licensee fails to comply with a warning letter, with an audit, inspection or investigation request, a monitoring request, or with written findings provided by the Department or private entity. Only the Department may initiate a corrective action provided under subsection (G).
- I. Each site used by a school as an office, training location, or classroom location shall:
  - 1. Be inspected and approved by the Department or private entity prior to initial use or relocation,
  - 2. Be licensed by the Department or private entity, and
  - 3. Have office hours displayed in a conspicuous location at each site open to the public during the posted hours.
- J. There shall be a clearly defined and visible separation between a school and any other business if a professional driver training school or traffic survival school is located in an office building, store, or other physical structure shared with any other business or enterprise.
- K. Any request by a school for inspection and approval of a site on a recognized Indian reservation shall contain the written permission of the appropriate Tribal authority.
- L. Any request by a school for inspection and approval of a site on a military base shall contain the written permission of the appropriate military authority.
- M. A school shall submit to the Department or private entity a copy of the written lease or contract agreement or deed of ownership, if the site is owned by the school, for each site, as applicable.
- N. Any request by a traffic survival school for inspection and approval of a site to be used for educational sessions shall include the approved fire safety capacity of the classroom(s) at that site and shall be signed by a principal of the traffic survival school.

**R17-5-322. Cease and Desist Order; Hearing and Appeal**

- A. The Department may immediately issue and serve a cease and desist order on a licensee, as prescribed under A.R.S. § 28-3417 or 32-2394, if the Department or private entity has reasonable cause to believe that the licensee has violated or is violating a federal or state law or rule relating to a duty prescribed under this Article.
- B. A cease and desist order issued by the Department to a licensee under this Article shall:
  - 1. Require the person on receipt of the order to cease and desist from further engaging in the prohibited conduct or in any activity authorized under this Article as specified in the cease and desist order, and
  - 2. Provide information regarding the person's right to request a hearing to show cause as to why the Department's order should not be upheld.
- C. On failure or refusal of a licensee to comply with a cease and desist order, or after a requested hearing, the Department may cancel, suspend, or revoke the license of the licensee under A.R.S. § 28-3416 or 32-2391 and R17-5-323.

**R17-5-323. Non-compliance; Notice of Corrective Action; Cancellation, Suspension, or Revocation of a Professional Driver Training School or Instructor License or Traffic Survival School License; Hearing and Appeal**

- A.** The following definitions apply to this Section:
1. “Cancellation” means a Department action that withdraws a license issued under A.R.S. Title 28, Chapter 8, Article 7.1 or Title 32, Chapter 23 and this Article.
  2. “Revocation” means a Department action that terminates, for an indefinite period of time, a licensee’s privilege to operate a school or conduct instruction under this Article.
  3. “Suspension” means a Department action that prohibits, for a stated period of time, a licensee from operating as a school or instructor under this Article.
- B.** The Department or private entity may initiate corrective action on a licensee or a traffic survival school qualified instructor as provided under A.R.S. Title 28, Chapter 8, Article 7.1, Title 32, Chapter 23, Article 3, or Title 41, Chapter 6, Article 6, and this Article, if satisfactory evidence shows that a licensee or traffic survival school qualified instructor, individually or collectively:
1. Violated a federal or state law or rule relating to a duty prescribed under this Article;
  2. Failed to maintain a status of good standing as defined under R17-5-301; or
  3. Provided false, deceptive, or misleading information to the Department or private entity in either an application or in response to an audit or inspection conducted pursuant to R17-5-321.
- C.** Corrective action initiated under subsection (A), depending on the severity or number of violations, may result in an action by the Department to impose a term of probation; issue a cease and desist order under A.R.S. § 28-3417 or 32-2394; or request a hearing to cancel, suspend, or revoke an existing license under A.R.S. § 28-3416 or 32-2391.
- D.** A notice of corrective action issued by the Department requesting a hearing to cancel, suspend, or revoke an existing license shall include:
1. The grounds for the Department’s action and its request for a hearing before the Department’s Executive Hearing Office; and
  2. A brief written statement of the hearing and appeal rights for the cancellation, suspension, or revocation of a professional driver training school or instructor license or a traffic survival school license, as provided under A.R.S. § 28-3416 or 32-2391.
- E.** A notice of corrective action issued by the Department to cancel, suspend, or revoke an existing qualification of a traffic survival school instructor shall include:
1. The grounds for the Department’s action; and
  2. A brief written statement of the hearing and appeal rights for the cancellation, suspension, or revocation of the qualification of a traffic survival school instructor, as provided in A.R.S. §§ 41-1001(12) and 41-1064.
- F.** The Department shall provide notice and conduct hearings as prescribed under A.R.S. Title 41, Chapter 6, Article 6, and 17 A.A.C. 1, Article 5, as applicable.