

STATE OF MINNESOTA

DEPARTMENT OF PUBLIC SAFETY

In the Matter of the Proposed Adoption
of Rules of the State Department of
Public Safety Governing Motor Vehicle
Accident Prevention Courses.

STATEMENT OF NEED AND REASONABLENESS

The above captioned rules are not amendments to existing rules of the State Department of Public Safety. The need to adopt these rules arises because of the enactment of legislation in 1984 requiring auto insurance companies to give insurance premium reductions to persons 65 years of age or older who successfully complete an accident prevention course approved by the Department of Public Safety. These rules provide for the criteria for approval of such accident prevention course.

These rules may have some impact on small businesses in Minnesota, only insofar as persons or organizations offering senior citizen accident prevention courses are small business, and the department has considered the methods for reducing the impact as required by Minn. Stat. 14.115, Subd. 2. The department has taken steps to lessen the impact of the rules on all persons, organizations affected by the rules. So far only two organizations, which are not defined as small businesses, market an accident prevention course for senior citizens. The department worked with these groups and senior citizen organizations to keep the rules as simple and manageable as possible. A specific effort was made to make the requirements for operation of an accident prevention course as least stringent as possible. The rules do not contain complicated operational standards, stringent schedules, or over burden some requirements. The cost impact of these rules is negligible; these rules will enable such organizations to market their product (accident prevention course) to a large segment of the driving public, and as such will benefit the organizations and the public.

The justification establishing the need for and the reasonableness of the specific substantive provisions of the rules is as follows:

Section 7411.7100, definitions, explains the meanings of terms used in the rules as proposed. This is necessary to provide clarity and consistence of terms, so that course authenticity and proof of attendance as documented is clearly indicated.

Section 7411.7400 designates who may make an application for an accident prevention course for premium reduction and stipulates what information must be provided. This allows for adequate review of course content and background of the provider. In this way there can be assurance that appropriate material concerning the total driving task for accident prevention purposes is offered by a reliable, knowledgeable person or organization under safe conditions conducive to good learning/teaching situations.

Section 7411.7500 sets out the process for initiating the establishment of an accident prevention course for premium reduction, the obligation of the department to review the application and, upon satisfactory finding, to issue the approval document. It also provides for procedures for withdrawal of approval of courses shown to be operating contrary to established rules. This is needed for consumer protection to show the provider how to initiate a course, to assure persons that proper care and investigation is made before approval and that there will be action taken approving or denying the request, or for withdrawing approval previously granted.

Section 7411.7600 sets out requirements for approval and operation of the course. Provision of consistent requirements is needed for consumer protection. Subdivision 1 stipulates that only the commissioner may approve an accident prevention course for premium reduction. This eliminates any question or doubt about which courses can claim to qualify. Subdivision 2 states that the responsibility for the content, conduct, and delivery of each course as designated on the application is that of the administrator. This makes one person responsible for what is taught and how it is taught, making supervision easy and simple. Responsibility is centrally placed so that the task can be carried out effectively. Subdivision 3 designates maximum hours per day and the minimum hours per course. This section prevents crash courses over long continuous hours. Its intent is to foster affective learning situations while permitting enough hours to be taught in one period to make coming together worthwhile. Subdivision 4 determines course content for adequate training in sensitive areas. Areas mentioned are those of particular concern to the older driver. Their proper cognizance of these driving situations has most impact on accident reduction.

Subdivision 5 of section 7411.7600, requires attendance at workshops by administrators and instructors. It assures that course presenters are kept up-to-date on information, the law, and teaching modes and techniques. This section permits the sponsor to keep the program current and the staff well informed so that the class may derive the most benefit. It also allows responsiveness to the intent of the law and of driver safety techniques as they develop. Subdivision 6 establishes record keeping requirements including course attendance and completion and the requirements of verification of eligibility for premium reduction. It is necessary that a proper verifiable record be kept of those attending the course, since the purpose of the course is eligibility for premium reduction. Subdivision 7 requires issuance of a certificate of completion of the course. This is needed for subsequent verification of attendance by the insured for their premium reduction.

Section 7411.7700 states that possession of a certificate of completion constitutes proof of satisfactorily having completed an approved accident prevention course and the 3 year length of eligibility as stated in the statute. This is the method of proof of having complied with the law so as to benefit by an appropriate automobile insurance premium reduction.

PAUL J. TSCHIDA
COMMISSIONER

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