



**Department of  
Motor Vehicles**

**COMMISSIONER'S  
REGULATIONS  
PART 10**

STATE OF NEW YORK  
DEPARTMENT OF MOTOR VEHICLES

Pursuant to the authority contained in sections 215(a) and 399-r of the Vehicle and Traffic Law, the Commissioner of Motor Vehicles hereby amends the Regulations of the Commissioner of Motor Vehicles as follows:

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A new Part 10 is added to read as follows:

INTERNET PRE-LICENSING COURSE

- 10.1 Introduction
- 10.2 Definitions
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10.1 Introduction. Article 12-D of the Vehicle and Traffic Law permits the Commissioner of Motor Vehicles to allow approved sponsors to use the internet for the administration and completion of an approved pre-licensing course, which shall be deemed the equivalent of the pre-licensing course required by section 502 of the Vehicle and Traffic Law. The pilot program shall continue until June 30, 2025.

10.2 Definitions. For the purpose of this Part, the following terms have the following meanings:

(a) Commissioner shall mean the Commissioner of Motor Vehicles.

(b) Course completion confirmation shall mean confirmation electronically submitted by the approved sponsor to the Department to be recorded on the student's driving record. Such confirmation shall include the information required by this Part.

(c) Department shall mean the New York State Department of Motor Vehicles.

(d) Internet pre-licensing course or course shall mean the administration of instruction that has been approved by the Commissioner to be administered using the internet, pursuant to Article 12-D of the Vehicle and Traffic Law, as an equivalent of the motor vehicle pre-licensing course, as required by subparagraph (i) of paragraph (a), subdivision (4) of section 502 of the Vehicle and Traffic Law prior to the issuance of a driver's license.

(e) OPL shall refer to the Online Pre-Licensing Program, a reference to the internet pre-licensing course program.

(f) Part 10 or this Part refers to 15 NYCRR Part 10.

(g) Person shall mean every natural person, firm, co-partnership, association, or corporation.

(h) Revocation shall mean the permanent withdrawal of a sponsor's approval by the Commissioner to administer the internet pre-licensing course.

(i) Sponsor shall mean a person that has been approved by the Commissioner to use the internet to administer a pre-licensing course in accordance with Article 12-D of the Vehicle and Traffic Law and, based on the curriculum created by the Commissioner, such person has developed, or exclusively licensed from entities regulated under 15 NYCRR Part 76, a course, that satisfies the classroom driver training and highway safety instruction requirement set forth in subparagraph (i) of paragraph (a), subdivision (4) of section 502 of the Vehicle and Traffic Law for the issuance of a driver's license.

(j) Suspension shall mean the temporary withdrawal of a sponsor's approval by the Department to administer the internet pre-licensing course. An application made by a person to the Department shall not be required following a suspension to obtain future approval to administer the internet pre-licensing course.

### 10.3 Internet Pre-Licensing Sponsor Requirements.

(a) No person shall administer a pre-licensing course using the internet without prior approval from the Commissioner.

(b) Approved sponsors shall be permitted to use the internet to administer a pre-licensing course. Internet pre-licensing courses may only be administered during the period provided for in Article 12-D of the Vehicle and Traffic Law.

(c) Sponsors must obtain confirmation from each student that such individual possesses a valid photo learner's permit and that such individual is not an applicant for a class DJ or class MJ license, and sponsors must not enroll any individual in an internet pre-licensing course that does not provide such confirmation.

(d) Sponsors shall be responsible for the delivery and administration of the course. Sponsors shall also be responsible for compliance with all applicable laws, rules, regulations, and policies relative to this course.

#### 10.4 Eligibility to Deliver an Internet Pre-Licensing Course; Internet Pre-Licensing Course Approval.

(a) To become an approved sponsor, an applicant must meet all of the requirements of Article 12-D of the Vehicle and Traffic Law.

(b) An applicant must submit a completed application in a form and manner prescribed by the Commissioner for approval in accordance with standards set forth in this Part. The application must include the signature of a person authorized to sign on behalf of the proposed sponsor. An application will not be considered complete until all information, materials, and fees required by this Part, Article 12-D of the Vehicle and Traffic Law, and the Commissioner have been submitted.

(c) To become a sponsor the applicant must address, as part of its application, among other things, the methodology to be used by the applicant, the applicant's mastery of use of the internet as a course delivery method, the applicant's internal controls, and the applicant's overall ability to successfully deliver the course in a manner consistent with consumer service and the aims of the internet pre-licensing course.

(d) The sponsor must not disclose or otherwise make available to any person or entity any personal information, as defined in Article 12-D of the Vehicle and Traffic Law, obtained by such provider about any student who registers for such course. The sponsor must also adhere to the Department's policies regarding the protection and non-disclosure of students' personal information.

(e) An applicant must demonstrate that the internet pre-licensing course can validate:

- (1) Student identity at registration and throughout the course;
- (2) Participation throughout the course;
- (3) That the time requirements of the course are met; and
- (4) That the student successfully completed the course.

(f) Applicants may apply to become sponsors immediately upon the date this Part takes effect. No course will be approved until the completed application is received, reviewed by the Department, and a determination to approve the application has been made.

(g) An application to administer the internet pre-licensing course may be denied if adverse material is uncovered during the application review process indicating that the sponsor is not of the high moral and financial character required to operate an internet course.

(h) For an application to be approved by the Commissioner:

(1) Applicants must establish that the proposed sponsor owns or has a right to use all aspects of the internet pre-licensing course that they plan to deliver in New York State (e.g. if using proprietary biometric technology to validate identity and participation, sponsor must provide evidence that the sponsor has rights to use that proprietary technology for this purpose). Once approved, that internet pre-licensing course may not be delivered in New York State by any other sponsor.

(2) The course must provide a minimum of two hundred seventy (270) minutes of instruction. The instruction must include active learning techniques (i.e. requiring student participation). The minimum two hundred seventy (270) minutes shall only count toward time spent instructing the student and shall not count toward time spent on log-in procedures, administrative tasks, help functions, validation processes, audio/visual media download times or reading and responding to content questions.

(3) The course must include all education components required under section 502 of the Vehicle and Traffic Law and any content required by the Commissioner.

(4) Applicants must provide a detailed transcript of the course, including all content, sections, logical breaks, internal controls, proposed audio and video clips (including time duration). Course topic sequencing may be different from the course curriculum (MV-277) established by the Department as long as it does not detract from the logical flow and educational value of the course.

(5) Applicants must provide test questions to the Commissioner.

(6) The course must meet all of the technical specifications prescribed by the Commissioner.

(7) Applicants must provide information on when validation will occur and what validation methods they propose to use.

(8) Applicants must submit no more than one internet pre-licensing course for approval at a time. If the applicant's primary internet pre-licensing course has been reviewed and denied, by the Department, the applicant may submit a separate new application for the revised internet pre-licensing course in accordance with the standards set forth in this Part.

(9) Sponsors must not display advertising during any part of the internet pre-licensing course, including the registration, instruction, testing, validation, or completion periods, nor shall sponsors display any distracting material that is not related to the topic being presented.

(10) Applicants must provide the Department with appropriate access to the course for the purposes of reviewing the materials and internal controls. Sponsors must obtain approval of all changes to course material in accordance with the change control requirements of this Part, prior to implementation by the sponsor. Once changes are approved, the sponsor must provide a new course transcript to be used in the monitoring of the course.

(11) Applicants must provide the following:

(i) A non-refundable application fee of seven thousand five hundred dollars (\$7,500.00) must be submitted with each application in the form of a certified check.

(ii) An initial bond, or a letter of credit, separate and apart from any bond or letter of credit required under Part 141 of the Commissioner's Regulations, in the amount of one hundred thousand

dollars (\$100,000.00) naming the Department as the beneficiary, which would be paid to the sponsor in the event of a security or data breach or to the Department in the event the sponsor ceases doing business in NYS during the pilot period, and/or to reimburse fees paid by students in cases where the sponsor is unable to provide the course. Payment of the bond must not be contingent upon sponsor's approval. Applicants need not provide the bond or letter of credit with their initial application materials, though this requirement must be satisfied before the Department will grant final approval to conduct an internet pre-licensing course. The sponsor must then submit the bond or letter of credit in order to be finally approved. The Department will notify the sponsor when course delivery may commence. The sponsors must submit proof of bond renewal on an annual basis.

(i) Disqualifying application information.

(1) An application will be denied or prior approval will be suspended or revoked if any manager, owner, operator, officer, partner, or employee of the sponsor has been convicted of a felony or any other crime involving fraudulent activity. At the discretion of the Department, after a review of the felony or any other crime and the factors that lead to any such conviction, the Department may issue a waiver.

(2) If it is established that any information provided in the application is fraudulent, the application will be denied, or, if previously approved, sponsor approval will be revoked. In either case, the applicant will not be permitted to file an application for ten (10) years from the date of denial or revocation.

(j) Non-transferability. Sponsor approval to conduct an internet pre-licensing course is not transferable under any circumstances. Both the sponsor approval and internet pre-licensing course approval are tied directly to the sponsor business named on the application form, including all ownership information. An organization that acquires another sponsor's course must submit an application and seek approval in accordance with the standards set forth in this Part.

(k) Change of officers, contact persons, contact information or address.

(1) Sponsors must notify the Department in writing within ten (10) days of any change of any information provided on the original application forms. An amended application form, with signature, must be submitted with the written notification of change.

(2) Sponsors must notify the Department in writing within ten (10) days of any changes in any owners, operators, managers, partners, officers, directors, or controlling shareholders of the sponsor.

(3) Failure to notify the Department of such changes shall be grounds for immediate suspension of sponsor approval.

(4) Transfer of ownership will require the new owner(s) to file a new application with the Department in accordance with the eligibility requirement and approval standards set forth in this section. The transferred course may not be delivered until the Commissioner has approved the new application. The prior owner's internet pre-licensing course approval will be revoked immediately upon transfer of ownership.

10.5 Course content and presentation.

(a) Sponsors must deliver all internet pre-licensing courses using the internet.

(b) Sponsors must utilize all identity and participation validation methods prescribed by the Commissioner. Sponsors must make any modifications and updates required whenever the Commissioner revises such requirements.

(c) An approved internet pre-licensing course must consist of not less than two hundred seventy (270) minutes of instruction. The course shall be given in accordance with a curriculum provided by the Department and must be presented using methods and practices acceptable to the Commissioner.

(d) Sponsors may administer a course that is delivered in different languages, but no sponsor shall deliver courses that vary in content.

(e) Immediately upon any individual's completion of a course, sponsors must submit a course completion confirmation to the Department in a form and manner prescribed by the Commissioner. Within twenty-four (24) hours of a student successfully completing the course, sponsors must issue a notification of completion electronically to those individuals who have successfully completed the course. The notification of completion must include the name of the student, only the last three digits of the student's client identification number, the sponsor code issued by the Department for the internet pre-licensing course, and the date the student completed the course. This notification of completion is not an official course completion confirmation. Sponsors must not issue a course completion confirmation to the Department or a notification of completion to the student prior to the student successfully completing all requirements of the course. Sponsors must indicate on the course completion confirmation the identity of the motorist who completed the course, identity of the sponsor which administered the course, course completion date, method by which the course was administered, and any other information required by the Commissioner. Course completion confirmations must only be provided by the sponsor directly to the Department in a form and manner required by the Commissioner. Sponsors must obtain approval from the Commissioner as to the format of the course completion confirmation.

(f) Sponsors must maintain records as required by the Commissioner. Records of individuals who complete a course, or attempt to complete a course, must be retained by sponsors for a period of at least five (5) years from the date the record is created, or the date of course completion, whichever is later. Sponsors must make such records available during such period for inspection and verification by the Department.

(g) Sponsors must issue duplicate notification of course completion to any individual who has completed the course upon such individual's request. Sponsors must not charge individuals for the issuance of duplicate notification of course completion. Sponsors must not issue duplicate notification of course completion more than one (1) year after completion of the course. The duplicate confirmation must have the same expiration date as the original.

(h) Sponsors must notify the Department immediately following any security or data breach, or at any time Sponsors have, or are notified that there exists, a reasonable belief that a security or data breach has taken place.

(i) In the event a course is discontinued, sponsors must report and provide all course completion information to the Department. Sponsors must account for all motorists who participate in the internet pre-

licensing course, and sponsors must make all payments due to the Department during administration of the course and following course discontinuance.

10.6 Seminars. Sponsors must provide at least one representative to attend and participate in any seminars with the Department when significant changes are made, as determined by the Department, affecting either the curriculum or the administration of the course or both. Failure of any sponsor to attend and meaningfully participate in any of the required seminars, after notification to do so, may result in the suspension or revocation of the sponsors approval to conduct the course.

10.7 Monitoring Internet Pre-Licensing courses.

(a) Department Sponsors must permit the Department, or any designee of the Department, to supervise and/or monitor the internet pre-licensing courses.

(b) All internet pre-licensing courses are subject to routine evaluation by authorized representatives of the Commissioner. Any violations or irregularities with respect to course presentation, instructional quality, adherence to curriculum or any requirement prescribed by the Commissioner may result in sanctions against the course sponsor. Such sanctions may include suspension or revocation of the sponsor's approval to provide this course using the internet. Sponsors must allow the Department or its designee to make periodic unscheduled inspections of all sponsor facilities and records related to the delivery and administration of the internet pre-licensing course. Any refusal or denial by an approved sponsor or its employee, agent, or representative to allow a designee of the Department to make an evaluation of the internet pre-licensing course may be due cause for a sanction.

(c) Sponsors must monitor the parameters of program delivery and adherence to a sponsor's approved course and timeframes, internal controls, and other measures to ensure that the participant receives a complete and effective course in full compliance with all applicable laws and regulations.

(d) In addition to any monitoring conducted by the Department or a third-party monitor selected by the Department, sponsors are responsible for policing their own program. Sponsors must implement sufficient controls to ensure that the approved internet pre-licensing course, including any time frames, testing, identity, and participation validation techniques, as well as customer service and support functions, remain accurate and functional at all times. System failures, unapproved changes, or absence of internal controls may result in suspension or revocation of the sponsor's internet pre-licensing course.

(e) Sponsors must procure an independent third-party monitor to ensure program integrity at their own expense. All reports prepared by such monitor must be provided to the Department. A minimum of one report per quarter prepared by such monitor must be provided to the Department.

(1) A contract between a third-party monitor and a sponsor must include, but not be limited to, the following types of oversight:

(i) that the third-party monitor visit the sponsor locations on an annual basis to review compliance with Department course requirements;

(ii) that sponsors give the third-party access to information consistent with that provided to the Department. Third-party monitors must adhere to all state and federal privacy laws relative to data provided to any other party;

(iii) that the third-party monitor completes each course offering at a minimum of twice per quarter so as to verify all requirements are being met;

(iv) that the third-party monitor will receive regular data transmission according to a defined record format of student reporting requirements for the internet pre-licensing course and that the monitor will analyze data for trends and patterns of abuse. Sponsors must adhere to all state and federal privacy laws relative to data provided to any other party;

(v) that the third-party monitor must conduct at least two onsite audits of the sponsor's data hosting and reporting process, policies, and implementation, during the 1<sup>st</sup> and 3<sup>rd</sup> year of the sponsor's participation in the pilot to ensure data collected, stored, and reported is consistent with what the sponsor received; and

(vi) that during the onsite audit, third-party monitors will review sponsor's security of motorist personal information to ensure adherence with security policies as prescribed by the Commissioner.

(2) Monitors must cooperate with the Department's supervision and monitoring of internet pre-licensing courses and must allow the Department access to all records related to such courses. The Department shall be permitted to contact sponsor's third-party monitors directly, without prior approval of, or notification to, sponsors.

(3) The Department reserves the right to require the replacement of third-party monitors, including those procured by the sponsor. The Department shall not be held liable for the actions of any third-party monitors. Monitors must cooperate with the Department's supervision and monitoring of internet pre-licensing courses and must allow the Department access to all records related to such courses. The Department may contact sponsors' third-party monitors directly, without prior approval of, or notification to, sponsors.

(f) In the event that a course is monitored and found to be deficient by the sponsor's third-party monitor, a review of data transmission is found to be suspect, or the review of the sponsor's hosting, reporting, or security process appears deficient, a report of such deficiencies must be delivered in writing to both the Department and sponsor within 24 hours of identification. When notified of a deficiency, sponsors must investigate as soon as possible, but in no event shall the investigation be completed more than 10 calendar days after notification of such deficiency. Where a deficiency is confirmed, the sponsor must provide the Department with a remediation plan within 10 calendar days. Sponsors must correct the deficiency within 30 calendar days. The Department, in its discretion may, but is not required to, consider requests for extensions of time on a case-by-case basis. If such request is considered, the Department may grant or deny the request.

(g) The Department may periodically audit any and all sponsor records and third-party monitor records related to the internet pre-licensing course. The sponsor must cooperate with such periodic audit conducted by the Department.

(h) The Department reserves the right to review and approve the use of third-party data or information for the purpose of validating student identity, this includes the review of any contracts, agreements, security protocols, and policies, and may consult any third-party data provider without permission from the sponsor.

#### 10.8 Internet Pre-Licensing Course Evaluation.

(a) Sponsors must complete and submit course effectiveness documentation to the Department no less than ninety (90) calendar days prior to the end of any pilot period.

(b) In order to evaluate motorists' experiences with the internet pre-licensing course, sponsors will be required to collect data for each student who has completed, or attempted to complete, the course relative to the following factors:

- (1) Overall course satisfaction;
- (2) Perception that the course was interesting;
- (3) Perception that the course was easy to use; and
- (4) Perception that the course will positively influence their future driving performance.

(c) The student completion information, as described in this section, must be reported by sponsors in a form and manner prescribed by the Commissioner.

#### 10.9 Internet Pre-Licensing Course Requirements.

(a) **Course Timing.** The internet pre-licensing course must include built-in timers to ensure that two hundred seventy (270) minutes of instruction have been attended and completed by the student. Timers must be built into online and interactive courses in order to prevent a motorist from advancing to the next page or section in less than the amount of time it would take the average person to read or be exposed to that page or section. Timers must be incorporated into the verification process so that if a telephone verification system is used, the student cannot complete the validation piece of each section until the amount of time that it would take an average person to complete such section has passed.

(b) Each sponsor application, submitted in accordance with this Part, must include a specific plan for how instruction time will be calculated. In addition, the sponsor must record and store a record of such calculations, including all instruction time, and such record must be made available by the sponsor to the third-party monitor and the Department for monitoring and quality control purposes. Instruction time calculations, included as part of each student's completion record, must clearly differentiate actual interactive instruction time from non-instruction time, such as log-in procedures, administrative tasks, help functions, validation processes, audio/visual media download times and time spent reading/responding to content questions. This information must also be used by the sponsor in fulfilling its monitoring responsibilities as defined in this Part. The sponsor must store this data for a minimum of five (5) years from the date it was created, or the date the course was completed, whichever is later.

(c) Customer service and support.

(1) Sponsors must provide toll free telephone lines staffed by knowledgeable customer service staff that can assist with routine questions. Staff must be knowledgeable about policy, procedural, technical, and content matters.

(2) Sponsors must also provide online assistance, in addition to telephone support, through the use of frequently asked questions and/or online chat access or equivalent real-time communication.

(d) The course must meet all of the technical specifications as prescribed by the Commissioner.

(e) Sponsors must validate a student's identity as part of the internet pre-licensing course. Sponsors must choose a minimum combination of validation techniques in designing their internet pre-licensing course, subject to approval by the Department. The Department will assign relative point values to each technique to assess the security and integrity of each sponsor's validation solution.

(f) Sponsors must prominently identify for potential students on informational pages of the sponsor's website all validation methods that will be used during the course, and sponsors must notify potential students during the registration process of all validation methods that will be used during the course. Sponsors must not accept payment prior to the student agreeing to the validation methods.

(g) In the event sponsors have alternate validation techniques, the Department may review such alternates to determine if they are acceptable.

(h) Internet/interactive delivery specific requirements.

(1) Receipt. All students who have paid for the course must be provided a receipt of such payment. The receipt is not proof of official course completion. The receipt must indicate thereon that it is evidence of course payment. Such receipt must be displayed online and available for printing and must, in addition, be e-mailed to the student.

(2) Students must complete the internet pre-licensing course within 30 calendar days of registration. Sponsors must exclude from the program, students who do not successfully complete the course, and those students shall forfeit course fees. Sponsors may, in their discretion, choose to waive a fee or allow the student to enroll in a new course without paying an additional course fee. Students who have been excluded from the course and are allowed to enroll in a new course must complete the entire course.

(3) Sponsors must maintain an escrow account with the Department to pay fees required to be paid to the Department. Sponsors must ensure that such account has sufficient funds to pay such fees at all times.

(4) Sponsors must comply with all state and federal laws requiring that electronic and information technology be accessible to people with disabilities. In particular, whenever video or audio is playing, sponsors must ensure that a text stream of the spoken word will be visible where appropriate.

#### 10.10 Change Control.

(a) Sponsors are prohibited from making any changes to the internet pre-licensing course curriculum or internal controls without prior approval of the Department.

(1) Sponsors must request any course change in writing. A written request must include:

(i) Reason for the change;

(ii) Complete description of the change;

(iii) The impact of the change on the two hundred seventy (270) minute course requirement, content of the section in which it is placed, and the overall course; and

(iv) The impact of the change on course delivery, security, and validation.

(2) The Department will review the change to determine if it is warranted. Sponsors must test changes impacting timeframes, delivery method, and security prior to approval. Sponsors may implement changes immediately upon approval.

(3) The Department may request additional information relating to proposed changes described in this section.

(b) Implementing any change without prior written approval from the Department shall be grounds for suspension or revocation of approval to deliver the internet pre-licensing course or of sponsor approval, or both.

(c) Sponsors must make updates to the course curriculum in such manner and within such timeframe as may be required by the Department.

(d) Sponsors are encouraged to update their course curriculum on an annual basis to include the latest laws, statistics and traffic safety trends.

#### 10.11 Information Security Guidelines.

(a) Protection of student confidential information is of paramount importance to the Department. Sponsors must ensure client information is kept confidential and secure. This includes securing personal information, as defined by Article 12-D, along with purchase information (such as credit card information), identity information (such as motorist ID, personal information questions and answers), and records maintained to validate student and sponsor compliance with the requirements, including any client reported information on tests and surveys.

(b) Sponsors must comply with the New York State Personal Privacy Protection Law, the Driver Privacy Protection Act (DPPA), and any other state or federal privacy protection laws. In addition, sponsors must comply with NYS Information Security Breach and Notification Act, Sec 208, NYS Technology Law, and Sec. 899-aa NYS General Business Law.

(c) If there is any breach of security, the affected sponsor must notify the Department as soon as possible after the security breach, providing details of the incident(s) and what steps were taken to address the security breach in a timely manner.

(d) The Department will review each sponsor's security plan prior to course approval. After approval has been granted, the Department, the sponsor's monitor or a third-party under contract to the Department, reserves the right to audit the sponsor's internet information security practices, security of office sites, systems and test areas on a periodic basis, or when circumstances as determined by the Department warrant. The sponsor must not rely on the Department's approval of the security plan as an assurance that any or all aspects of the sponsor's internet pre-licensing course are in compliance with state and federal laws.

(e) Sponsors must maintain records for the internet pre-licensing course separately from any other course data, and sponsors must structure their data systems to differentiate between the courses. Course records and data, with the exception of biometric data, must be retained by the sponsor for a period of not less than five (5) years from the date the data was collected, or the date of course completion, whichever is later. Biometric data, facial recognition, key stroke analysis, voice print or fingerprints, must be retained by the sponsor for a minimum of five (5) business days, and no longer than thirty (30) calendar days from the date the data was collected, or the date of course completion, whichever is later.

(f) Sponsors that are approved by the Department to offer internet pre-licensing courses in languages other than English must be able to delineate between courses provided in various languages.

#### 10.12 Internet Pre-Licensing Course Administration.

(a) An approved sponsor shall:

(1) perform all administrative functions in connection with the course in accordance with this Part and applicable laws;

(2) provide student participation data to the Department in a manner prescribed by the Commissioner;

(3) make payment to the Department in the amount of eight (8) dollars per student who completes the course;

(4) provide, for the Department's approval, a sample course completion confirmation, which is designed for and capable of preventing fraud and forgery, designates that the internet pre-licensing course was completed, and may be used to verify course completion depending upon the needs of the Department;

(5) establish and maintain appropriate lines of communication with the Department in order to provide efficient and effective administration of the course;

(6) keep program records open to the inspection of the Department during the sponsor's normal business hours, or by appointment at a time and place acceptable to the Department;

(7) submit to the Department copies of any and all written policies and procedures related to the administration of the program;

(8) maintain student completion records, including student digital footprint logs, for a period of five (5) years from the date of completion, and provide duplicate course completion confirmations, if necessary, upon request. Student records must include the items related to course completion as prescribed by the Commissioner;

(9) issue completion notifications within twenty-four (24) hours of course completion to each and every student who successfully completes the course;

(10) report each and every motorist who successfully completes the course to the Department in a form and manner prescribed by the Commissioner;

(11) notify student in advance of all of the requirements necessary to successfully complete the course, including technical requirements and final date for completion. The completion date is the date when all requirements have been met;

(12) prominently inform potential students of their privacy rights on informational pages of the sponsor's website and at the beginning of the course materials;

(13) ensure that motorists type "I Agree" to acknowledge and agree to all course completion requirements and the sponsor's privacy policy information required by this Part;

(14) provide an enrollment contract that students must read and acknowledge prior to starting instruction. Enrollment contract must explain the course, minimum instruction times, all fees associated with the course, completion procedures, minimum technology requirements and other relevant information as prescribed by the Commissioner, including the course benefits and limitations. The contract will also include an affirmation by students stating that they will complete the entire course without assistance; will abide by all terms of the contract; will not knowingly accept a course completion confirmation if the course has not been completed; and

(15) give the student an option of receiving a full refund of all course fees where a sponsor is unable to provide the course or any part of the course. In addition to the option of a full refund, students may be given the opportunity to reschedule the course if and when it becomes available.

10.13 Penalties; Hearings. No sponsor approval shall be denied, nor shall any sponsor be suspended or revoked by the Department, without the opportunity for a hearing held in accordance with Part 127 of the Commissioner's Regulations and at such time and place as the Commissioner shall prescribe. A request for a hearing must be in writing and made within thirty (30) calendar days of the applicant's receipt of the denial

notice, or in the case of a sponsor, within thirty (30) calendar days of the receipt of the notice of suspension or revocation. Any request for a hearing made after the thirty (30) calendar day deadline will not be considered. If such written request for a hearing is timely made, the imposition of any suspension or revocation will be stayed pending completion of the hearing by the Department. The Department may, however, issue a suspension pending the completion of the hearing by the Department as provided for in Part 127.3 of the Commissioner's Regulations.

#### 10.14 Suspension or revocation of approval.

(a) The Department may suspend or revoke approval of a sponsor to administer an internet pre-licensing course. Suspension or revocation of sponsor approval will apply to all versions of the course being delivered by the sponsor and may be, but not limited to, any of the following causes:

(1) the Department determines that the sponsor has failed to comply with any of the provisions of this Part, the policies of the Department, or any applicable law, rule or regulation;

(2) a sponsor has failed to provide oversight of its program in accordance with this Part;

(3) a course, which after evaluation pursuant to the standards contained in this Part, proves ineffective or which contains any changes which have not been approved;

(4) a sponsor has made a material false statement or concealed a material fact in connection with an application or has knowingly presented false or misleading information to the Department, or to the general public;

(5) failure or refusal of a manager, owner, operator, officer, partner, or employee of the sponsor to permit the Department or its representatives to inspect any of the offices, records, or courses;

(6) failure or refusal of a manager, owner, operator, officer, partner, or employee of the sponsor to report every motorist's completion of an internet pre-licensing course to the Department as prescribed by the Commissioner;

(7) failure or refusal of the managers, owners, operators, officers, partners, or employees of the sponsor to produce any program related records when requested to do so by the Department or its representatives;

(8) failure to obtain approval from the Department at least ten (10) business days prior to a change in the sponsor's ownership, name or address, or any business information;

(9) failure of the managers, owners, operators, officers, partners, or employees of the sponsor to submit to the Department, upon request, on or before an established deadline, any forms, reports, or approvals to conduct the course, including the intentional manipulation of requested data;

(10) failure to comply with change control requirements;

(11) submission of a course completion confirmation to the Department, for a person who has not completed the course in accordance with the standards set forth in this Part;

(12) submission of notification of completion to a person who has not completed the course in accordance with the standards set forth in this Part;

(13) for a judgment or conviction for any felony or any crime by any manager, owner, operator, officer, partner, or employee of the sponsor. At the discretion of the Department, after a review of the facts and circumstances relating to the judgment or conviction, the Department may issue a waiver;

(14) alteration of student digital footprint logs collected by the sponsor;

(15) failure of the sponsor to monitor the delivery of its program. In cases where evidence of impropriety is discovered, failure to take appropriate steps to correct the impropriety;

(16) the internet pre-licensing course presentation does not adequately address the subject areas set forth in this Part or the Vehicle and Traffic Law;

(17) failure to renew and/or maintain the one hundred thousand dollar (\$100,000.00) bond or submit proof of renewal on an annual basis as required in this Part;

(18) failure to disclose all fees associated with the course, or a change in fees associated with the course, at any time after the motorist agrees to the terms and conditions of the course at the time of registration.

(b) Upon suspension or revocation, the sponsor must provide to the Department any unreported student course completion data, including any student digital footprint logs.

#### 10.15 Course advertising.

(a) Any form of advertising (including verbal or written statements, promotional materials, brochures, leaflets, newspaper and magazine ads, yellow page ads, radio and television publicity, receipts, internet web pages, pop up ads or any other medium which makes reference to the internet pre-licensing course) by a sponsor must conform to the following:

(1) Advertising must reflect the serious nature of the internet pre-licensing course and, in no manner, either through the text of the advertisement or through the name of the course, diminish the subject matter or serious nature of the course. Advertising must not refer to gimmicks or enticements, such as comedy or free gifts, or to any benefits other than eligibility to take a road test upon completion.

(2) No sponsor may make reference to the Department, other than to reference that the course is approved by the New York State Department of Motor Vehicles. Words which convey partnership, such as "in cooperation with," "supervised by," "recommended by," or "endorsed by" the Department may not be used. No sponsor may advertise or imply that it is associated with or is an agent or employee of the Department. No

representative of the sponsor shall knowingly allow the use of advertising that could lead the public to believe that they or the sponsor are an employee, representative, or agent of the Department.

(3) No sponsor shall be permitted to conduct business or advertise under any name that has not been approved by the Department. No sponsor may use the words "driving school," "drivers' school," or any variation thereof in its name in advertising unless it is licensed in accordance with Part 76 of the Commissioner's Regulations.

(4) No sponsor may advertise approval to administer an internet pre-licensing course in any manner until the course has been approved by the Department. No organization shall advertise in any manner that such organization can provide students with eligibility to take a road test until such time as the sponsor and the course have been approved by the Department.

(5) All advertising must indicate that the course includes a minimum of two hundred seventy (270) minutes of instruction.

(6) If a language other than English is used in the course, all advertising related to such course must contain this fact.

(7) Internet pre-licensing course advertising shall not be combined with any other advertising, such as driving school or insurance agency advertising, unless it has been approved by the Department, in accordance with this section, in order to protect the public from potentially confusing or misleading information.

(8) No sponsor may publish, advertise, or imply that the completion of the course conducted for pre-licensing will result in "erasing", "masking" or deleting any information from a motorist's driving record, the reduction of points, or successful completion of a road test or driver education.

(9) No sponsor or employee may make false or misleading claims or statements in any of its advertisements.

(10) All course advertising must identify the sponsor and the internet pre-licensing course.

(11) Any material contained in literature produced by the Department may be quoted without attribution, provided the quote retains its original meaning. Any presentation of Departmental material which implies or creates a meaning other than the meaning intended by the Department is prohibited.

(12) No sponsor, or employee shall falsely advertise or represent itself to be an agent or employee of New York State unless the sponsor is a State agency offering a Department-approved course to its employees.

(13) No sponsor shall conduct business or display or distribute any advertising material within a building owned or leased by the State or a county in which motor vehicle registrations or licenses are issued to the public.

(14) A copy, recording, or video of any advertisement shall be kept on file by a sponsor for five (5) years from the date it was last used or distributed to promote the internet pre-licensing course, along with a record of when and where it was used or distributed.

(15) Permission to re-publish any content of the Department's web site shall be obtained by the sponsor from the Department in writing prior to re-publishing such content. The Department will provide an image to use as a link to the site. The Department's web site may not be placed within any other web site frames.

(16) Comparative statistics or claims that state or imply that one sponsor is more effective than another are prohibited. The effectiveness of one sponsor's approved course may not be statistically compared to another approved course for advertising and promotional purposes.

(17) No implicit or explicit claims that are not supported by documentation are permissible. Such documentation and the proposed advertising must be reviewed and approved by the Department in accordance with the standards of this section before they may be used.

(18) The Department may require a sponsor to modify or discontinue advertising that the Department deems inappropriate, false, or misleading.