telephone or any communications device by the driver while driving, except in case of emergency; and

- (B) Require that the driver who possesses a learner's permit or intermediate license remain conviction-free for a period of not less than six consecutive months immediately prior to the expiration of that stage.
- (3) Requirement for license distinguishability. The State learner's permit, intermediate license, and full driver's license shall be distinguishable from each other. A State may satisfy this requirement by submitting—
- (i) Legal citations to the State statute or regulation requiring that the State learner's permit, intermediate license, and full driver's license be visually distinguishable:
- (ii) Sample permits and licenses that contain visual features that would enable a law enforcement officer to distinguish between the State learner's permit, intermediate license, and full driver's license; or
- (iii) A description of the State's system that enables law enforcement officers in the State during traffic stops to distinguish between the State learner's permit, intermediate license, and full driver's license.
- (4) Exceptions. A State that otherwise meets the minimum requirements set forth in paragraph (c)(2) of this section will not be deemed ineligible for a grant under this section if—
- (i) The State enacted a law prior to January 1, 2011, establishing a class of permit or license that allows drivers younger than 18 years of age to operate a motor vehicle—
- (A) In connection with work performed on, or for the operation of, a farm owned by family members who are directly related to the applicant or licensee; or
- (B) If demonstrable hardship would result from the denial of a license to the licensees or applicants, provided that the State requires the applicant or licensee to affirmatively and adequately demonstrate unique undue hardship to the individual; and
- (ii) Drivers who possess only the permit or license permitted under paragraph (c)(4)(i) of this section are treated as novice drivers subject to the graduated driver's licensing require-

- ments of paragraph (c)(2) of this section as a pre-condition of receiving any other permit, license or endorsement.
- (d) Award. (1) Grant Amount. Subject to paragraph (d)(2) of this section, grant funds for a fiscal year under this section shall be allocated among States that meet the qualification criteria on the basis of the apportionment formula under 23 U.S.C. 402 for that fiscal year.
- (2) Limitation. Amount of grant award to a State under this section may not exceed 10 percent of the total amount made available for Section 405(g) for that fiscal year.
- (e) Use of grant funds. A State may use grant funds awarded under this section as follows:
- (1) At least 25 percent of the grant funds shall be used, in connection with the State's graduated driver's licensing law that complies with the minimum requirements set forth in paragraph (c) of this section, to:
- (i) Enforce the graduated driver's licensing process;
- (ii) Provide training for law enforcement personnel and other relevant State agency personnel relating to the enforcement of the graduated driver's licensing process;
- (iii) Publish relevant educational materials that pertain directly or indirectly to the State graduated driver's licensing law;
- (iv) Carry out administrative activities to implement the State's graduated driver's licensing process; or
- (v) Carry out a teen traffic safety program described in 23 U.S.C. 402(m);
- (2) No more than 75 percent may be used for any eligible project or activity under 23 U.S.C. 402.

## Subpart D—Administration of the Highway Safety Grants

## § 1200.30 General.

Subject to the provisions of this subpart, the requirements of 49 CFR part 18 and applicable cost principles govern the implementation and management of State highway safety programs and projects carried out under 23 U.S.C. Chapter 4. Cost principles include those referenced in 49 CFR 18.22.