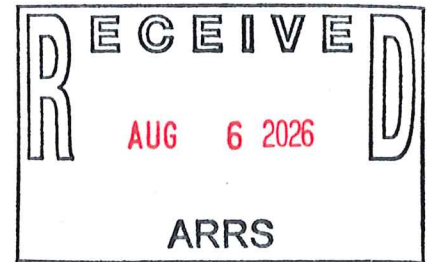




TRANSPORTATION CABINET

Andy Beshear
GOVERNOR

200 Mero Street
Frankfort, Kentucky 40601



Rebecca Goodman
SECRETARY

August 6, 2026

Senator Stephen West
Representative Derek Lewis
Legislative Research Commission
083, Capitol Annex
702 Capitol Avenue
Frankfort, KY 40601

Dear Co-Chairs:

After consideration of the issues raised by 601 KAR 12:130, the Transportation Cabinet proposes the attached agency amendment to this administrative regulation.

Sincerely,

Jon Johnson

Jon Johnson, Assistant General Counsel
Office of Legal Services
200 Mero Street
Frankfort, KY 40601

Agency Amendment
July 28, 2026

TRANSPORTATION CABINET
Department of Vehicle Regulation
Division of Driver Licensing

601 KAR 12:130. Third-party issuance of identity documents.

RELATES TO: KRS 186.400 to 186.640.

STATUTORY AUTHORITY: KRS 186.400 to 186.640.

NECESSITY, FUNCTION, AND CONFORMITY: This administrative regulation establishes procedures by which a third-party entity may apply to the cabinet to serve as application processors for identity documents pursuant to KRS 186.400 to 186.640.

Section 1. Definitions.

- (1) "Cabinet" means the Transportation Cabinet.
- (2) "Identity document" means an operator's license or personal identification card issued under KRS 186.4102, 186.412, 186.4121, 186.4122, or 186.4123.
- (3) "Third-party entity" means a person or entity, including a business entity or nonprofit member association, that has received approval from the Cabinet to process identity documents. A "third-party entity" does not include any governmental entity other than the Cabinet.

Section 2. Application. Any third-party entity seeking to issue identity documents pursuant to KRS 186.400 to 186.640 shall apply by completing TC form 94-207 and submitting to Division of Driver Licensing. The Cabinet shall have twenty (20) working days to process and approve or disapprove an application.

Section 3. Approval. The Cabinet reserves the right to approve or disapprove any application based upon review of properly completed and duly filed TC form 94-207, Application for Third-Party ***Issuer [Issuance]*** of Identity Documents. If the third-party entity is approved they shall comply with all relevant administrative regulations and policies of the Cabinet. This shall include collecting all fees as set forth in KRS 186.531. An approved application shall allow the approved third-party entity to process identity documents for three (3) calendar years starting from the date of approval. ***Third-party entities shall enter into an annual lease agreement for necessary equipment and shall agree to perform all KYTC actions on designated KYTC hardware while using KYTC networks. After application approval, KYTC shall work to complete all necessary setup tasks within six (6) months. [Third-party entities shall agree to obtain and maintain all equipment required to perform identity document issuance as well as software application fees. All associated costs shall be the responsibility of the third-party issuer.]***

Section 4. Revocation. The Cabinet reserves the right to revoke any approved application for cause. Grounds for cause shall include the following:

- (1) Failure to maintain ADA compliant facilities, including first aid stations, parking, reception areas, and restrooms;
- (2) Failure to maintain trained personnel and equipment to handle work-flow and customer service needs;
- (3) Failure to request and maintain background checks on all employees that access the system;

- (4) Failure to follow all requirements for issuance of identity documents;
- (5) Improper issuance of identity documents to persons not entitled to receive a legal identity document;
- (6) Failure to maintain all necessary business insurances to include liability, workers compensation, unemployment insurance, or other costs of doing business such as failure to deduct and pay all necessary local, state, federal taxes and fees;
- (7) Failure to collect all fees as set forth in KRS 186.531 and transmit the same to the Cabinet;
- (8) Failure to maintain all requirements for a business in good standing with the Commonwealth;
- (9) Failure to report breach of security or improper issuance of identity documents within one (1) hour of actual notice of occurrence;
- (10) Failure to suspend and remove an employee who is found to be engaging in breach of security or illegal activities; and
- (11) **As a condition of participation, each approved third-party issuer shall, prior to activation or issuance authority, maintain cybersecurity liability insurance in the amount of \$500,000, including coverage for data breaches and unauthorized disclosure of information. [Any breach of security resulting in a release of personal identifiable information to a third party shall be subject to fines of \$155[\$1,000] per each individual's record exposed.]**

Section 5. Appeals. If an application is denied or a previously approved application is revoked, the Cabinet shall notify the third-party entity in writing the cause of the denial, or revocation. The third-party shall have thirty (30) days to file an appeal by written appeal to the Commissioner of the Department of Vehicle Regulation at 200 Mero Street, Frankfort, Kentucky 40622. Appeals shall be pursuant to KRS Chapter 13B.

Section 6. Site Closure or Non-renewal of Certificate. For a site closure or non-renewal of operating certificate, all **leased** equipment obtained for identity document issuance including any printer, camera, computer hardware or software, scanner shall be returned within thirty (30) days to the Department of Vehicle Regulation located at 200 Mero Street, Frankfort, Kentucky 40622. A third-party issuer shall notify KYTC immediately of any site closure, including providing a list of all staff associated with the site closure.

Section 7. Incorporation by Reference.

- (1) "Application for Third-Party **Issuer [Issuance]** of Identity Documents", TC 94-207, (**07/2026** **[02/2026]****[07/2025]** Edition), Transportation Cabinet, is incorporated by reference.
- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Transportation Cabinet Office Building, Department of Vehicle Regulation, 2nd Floor, 200 Mero Street, Frankfort, Kentucky 40622, Monday through Friday, 8:00 a.m. to 4:30 p.m.
- (3) This material is also available on Transportation Cabinet's Web site at drive.ky.gov.

601 KAR 12:130

Contact Person: Jon Johnson

Phone: (502) 564-7650

Email: jon.johnson@ky.gov

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS Chapter 186A. The Agency Amendment has no impact on the fiscal impact statement.

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act: This administrative regulation is required to comply with the requirements of 2025 RS SB 43, Section 4. This administrative regulation is also being promulgated to meet a deadline established by 2025 legislation. The Agency Amendment has no impact on the fiscal impact statement.

(3)(a) Identify the promulgating agency and any other affected state units, parts, or divisions: Kentucky Transportation Cabinet, local governments. There is not any revenue or savings to KYTC for this initiative. The Agency Amendment has no impact on the fiscal impact statement.

(b) Estimate the following for each affected state unit, part, or division identified in (3)(a): The Agency Amendment has no impact on the fiscal impact statement.

1. Expenditures:

For the first year: \$258,000

For subsequent years: Costs should remain subject to personnel changes and increases in personnel costs.

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(4)(a) Identify affected local entities (for example: cities, counties, fire departments, school districts): None. The Agency Amendment has no impact on the fiscal impact statement.

(b) Estimate the following for each affected local entity identified in (4)(a): The Agency Amendment has no impact on the fiscal impact statement.

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(5)(a) Identify any affected regulated entities not listed in (3)(a) or (4)(a): N/A The Agency Amendment has no impact on the fiscal impact statement.

(b) Estimate the following for each regulated entity identified in (5)(a): The Agency Amendment has no impact on the fiscal impact statement.

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(6) Provide a narrative to explain the following for each entity identified in (3)(a), (4)(a), and (5)(a):

(a) Fiscal impact of this administrative regulation: Negligible. The Agency Amendment has no impact on the fiscal impact statement.

(b) Methodology and resources used to reach this conclusion: Based on past performance and information gathered studying numerous jurisdictions. The Agency Amendment has no impact on the fiscal impact statement.

(7) Explain, as it relates to the entities identified in (3)(a), (4)(a), and (5)(a):

(a) Whether this administrative regulation will have a "major economic impact", as defined by KRS 13A.010(13): No. The Agency Amendment has no impact on the fiscal impact statement.

(b) The methodology and resources used to reach this conclusion: Based on past performance and information gathered studying numerous jurisdictions. The Agency Amendment has no impact on the fiscal impact statement.

AGENCY AMENDMENT SUMMARY

601 KAR 12:130

Contact Person: Jon Johnson

Phone: (502) 564-7650

Email: jon.johnson@ky.gov

The amendment was added to answer concerns of stakeholders regarding fees being charged for negligence or improper issuance of identity documents. The original fee of \$155 dollars per occurrence has been eliminated and the new amendment requires the use of cybersecurity liability insurance in the amount of \$500,000 thousand dollars to be purchased by third party issuers. Other changes reflect that all necessary equipment is to be leased and not purchased.

APPLICATION FOR THIRD-PARTY ISSUER OF IDENTITY DOCUMENTS

(601 KAR 12:130)

INSTRUCTIONS:

Mail fully completed application and all required documents to:

Kentucky Transportation Cabinet
Department of Vehicle Regulation
Division of Driver Licensing (DDL)
200 Mero Street, 2nd Floor
Frankfort, KY 40622

SECTION 1: THIRD-PARTY ISSUER INFORMATION

FULL NAME OF BUSINESS (Print.)		KENTUCKY BUSINESS LICENSE #	
PHYSICAL ADDRESS (Print.)	CITY	STATE	ZIP
MAILING ADDRESS (if different than physical address)	CITY	STATE	ZIP
FULL NAME OF PRIMARY CONTACT (for ongoing activities such as audits, training, etc.)		PRIMARY CONTACT TITLE	
PRIMARY CONTACT EMAIL ADDRESS		PRIMARY CONTACT PHONE # (incl. area code & ext.)	

SECTION 2: THIRD-PARTY ISSUER LOCATIONS (Attach additional pages as necessary.)

LOCATION 1

PHYSICAL ADDRESS (Print.)	CITY	STATE	ZIP
MAILING ADDRESS (if different than physical address)	CITY	STATE	ZIP

LOCATION 1 OPERATING HOURS

Monday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	Holiday Schedule (Holiday schedule may be attached to application.)
Tuesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Wednesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Thursday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Friday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Saturday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Sunday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	



KENTUCKY TRANSPORTATION CABINET
Department of Vehicle Regulation
DIVISION OF DRIVER LICENSING

TC 94-207
Rev. 07/2026
Page 2 of 3

APPLICATION FOR THIRD-PARTY ISSUER OF IDENTITY DOCUMENTS

(601 KAR 12:130)

SECTION 2: THIRD-PARTY ISSUER LOCATIONS *(continued)*

LOCATION 2

PHYSICAL ADDRESS <i>(Print.)</i>	CITY	STATE	ZIP
MAILING ADDRESS <i>(if different than physical address)</i>	CITY	STATE	ZIP

LOCATION 2 OPERATING HOURS

Monday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	Holiday Schedule <i>(Holiday schedule may be attached to application.)</i>
Tuesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Wednesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Thursday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Friday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Saturday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Sunday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	

LOCATION 3

PHYSICAL ADDRESS <i>(Print.)</i>	CITY	STATE	ZIP
MAILING ADDRESS <i>(if different than physical address)</i>	CITY	STATE	ZIP

LOCATION 3 OPERATING HOURS

Monday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	Holiday Schedule <i>(Holiday schedule may be attached to application.)</i>
Tuesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Wednesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Thursday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Friday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Saturday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Sunday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	

APPLICATION FOR THIRD-PARTY ISSUER OF IDENTITY DOCUMENTS

(601 KAR 12:130)

SECTION 3: THIRD-PARTY ISSUER AGREEMENT

Third-party issuer agrees that:

- ☐ A bond is secured in the amount of \$ _____. (A minimum \$300, 000 bond is required. Attach proof of bond.)
- ☐ Third-party issuer shall maintain cybersecurity liability insurance in an amount not less than \$500, 000, including coverage for data breaches, cyber incidents, and unauthorized access to or disclosure of information. (Proof of insurance shall be provided to KYTC before approval or activation of issuing authority and shall remain in effect throughout the term of this agreement.)
- ☐ Third-party issuer shall enter into an annual lease agreement for any required KYTC equipment and shall be responsible for complying with all KYTC requirements governing the use, maintenance, and protection of KYTC-issued hardware and software while connected to or accessing KYTC networks.
- ☐ Third-party issuer shall abide by all KYTC policies and procedures and all applicable Kentucky statutes. (This includes but is not limited to KRS 186.400 to 186.640.)
- ☐ Third-party issuer shall ensure that only authorized KYTC-approved personnel with authorized credentials have access to KYTC systems and identity document issuing equipment at all locations. The third-party issuer shall maintain physical access logs for all equipment and facilities where issuing functions are performed at all locations and shall make those records available to KYTC upon request.
- ☐ All third-party issuer employees requiring access to KYTC systems shall complete a background check.
- ☐ Third-party issuer shall collect and remit to KYTC all KYTC fees collected and shall remediate any discrepancy within ten (10) business days.
- ☐ KYTC may perform an on-site visit prior to approving third-party issuer to conduct business on behalf of KYTC and may perform on-site inspections throughout duration of business agreement. (All locations shall be mobile units.)
- ☐ Third-party issuer shall submit its acceptable use policy (AUP) to KYTC for review prior to receiving approval letter.
Describe third-party issuer policy if AUP is violated. (Attach additional page describing third-party issuer policy if AUP is violated.)
- ☐ Third-party issuer shall defend, indemnify, and hold harmless KYTC, the Commonwealth of KY, and their officers, employees, and agents from and against any and all claims, demands, actions, liabilities, damages, losses, judgements, penalties, costs and expenses including reasonable attorney's fees, arising out of or resulting from the acts, omissions, negligence, recklessness, or willful misconduct of the third-party issuer, its employees, contractors, or in connection with the performance of this agreement.

Upon approval, _____ further agrees to the following:

Third-Party Issuer Name (Print.)

KYTC will provide access to its systems, currently known as KINDL, to qualified staff to perform the following DDL transactions:

- a. Class D, M, and DM License Renewals and Duplicates
- b. Kentucky ID Renewals and Duplicates
- c. Real ID Renewals and Duplicates
- d. Transactions a—c (above) will include change of address
- e. Fee Reinstatements

KYTC will process all transactions in the same manner as they are processed by KYTC Division of Driver Licensing (DDL). Prior to accessing KYTC system(s), third-party issuer employees will complete training and background checks as explained in 601 KAR 12:130. Third-party issuer approval is required to be renewed every three years.

Authorized Business Representative Name (Print.)

Authorized Business Representative Signature

Date

DDL Director or Designated Appointee Name (Print.)

DDL Director or Designated Appointee Signature

Date

APPLICATION FOR THIRD-PARTY ISSUER OF IDENTITY DOCUMENTS
(601 KAR 12:130)

INSTRUCTIONS:

Mail fully completed application and all required documents to:

Kentucky Transportation Cabinet
Department of Vehicle Regulation
Division of Driver Licensing (DDL)
200 Mero Street, 2nd Floor
Frankfort, KY 40622

SECTION 1: THIRD-PARTY ISSUER INFORMATION

FULL NAME OF BUSINESS (Print.)		KENTUCKY BUSINESS LICENSE #	
PHYSICAL ADDRESS (Print.)	CITY	STATE	ZIP
MAILING ADDRESS (if different than physical address)	CITY	STATE	ZIP
FULL NAME OF PRIMARY CONTACT (for ongoing activities such as audits, training, etc.)		PRIMARY CONTACT TITLE	
PRIMARY CONTACT EMAIL ADDRESS		PRIMARY CONTACT PHONE # (incl. area code & ext.)	

SECTION 2: THIRD-PARTY ISSUER LOCATIONS (Attach additional pages as necessary.)

~~LOCATION 1~~

LOCATION 1

PHYSICAL ADDRESS (Print.)	CITY	STATE	ZIP
MAILING ADDRESS (if different than physical address)	CITY	STATE	ZIP

LOCATION 1 OPERATING HOURS

Monday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	Holiday Schedule (Holiday schedule may be attached to application.)
Tuesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Wednesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Thursday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Friday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Saturday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	
Sunday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.	

☐ Location 1 has a segregated space in which all KYTC business shall be performed. The segregated space shall be accessed only by employees who are KYTC approved.

APPLICATION FOR THIRD-PARTY ISSUER OF IDENTITY DOCUMENTS

(601 KAR 12:130)

² SECTION 3: THIRD-PARTY ISSUER LOCATIONS *(continued)*

~~LOCATION 2~~

LOCATION 2

PHYSICAL ADDRESS *(Print.)*

CITY

STATE

ZIP

MAILING ADDRESS *(if different than physical address)*

CITY

STATE

ZIP

LOCATION 2 OPERATING HOURS

Monday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Tuesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Wednesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Thursday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Friday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Saturday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Sunday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.

Holiday Schedule

(Holiday schedule may be attached to application.)

☐ Location 2 has a segregated space in which all KYTC business shall be performed. The segregated space shall be accessed only by employees who are KYTC approved.

~~LOCATION 3~~

LOCATION 3

PHYSICAL ADDRESS *(Print.)*

CITY

STATE

ZIP

MAILING ADDRESS *(if different than physical address)*

CITY

STATE

ZIP

LOCATION 3 OPERATING HOURS

Monday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Tuesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Wednesday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Thursday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Friday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Saturday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.
Sunday	From: ____ ☐ a.m. ☐ p.m. to ____ ☐ a.m. ☐ p.m.

Holiday Schedule

(Holiday schedule may be attached to application.)

☐ Location 3 has a segregated space in which all KYTC business shall be performed. The segregated space shall be accessed only by employees who are KYTC approved.

APPLICATION FOR THIRD-PARTY ISSUER OF IDENTITY DOCUMENTS
(601 KAR 12:130)

SECTION 3: THIRD-PARTY ISSUER AGREEMENT

Third-party issuer agrees that:

- ☐ A bond is secured in the amount of \$ _____. (A minimum \$300,000 bond is required. Attach proof of bond.)
- ☒ ~~All equipment and servicing costs shall be paid by the third-party issuer.~~
- ☐ Third-party issuer shall abide by all KYTC policies and procedures and all applicable Kentucky statutes. (This includes but is not limited to KRS 186.400 to 186.640.)
- ☒ ~~Third-party issuer shall utilize a segregated space to perform all KYTC business in all third-party issuer locations. (All locations shall be mobile units.)~~
- ☐ All third-party issuer employees requiring access to KYTC systems shall complete a background check.
- ☐ Third-party issuer shall collect and remit to KYTC all KYTC fees collected and shall remediate any discrepancy within ten (10) business days.
- ☐ KYTC may perform an on-site visit prior to approving third-party issuer to conduct business on behalf of KYTC and may perform on-site inspections throughout duration of business agreement. (All locations shall be mobile units)
- ☐ Third-party issuer shall submit its acceptable use policy (AUP) to KYTC for review prior to receiving approval letter.
Describe third-party issuer policy if AUP is violated. (Attach additional page describing third-party issuer policy if AUP is violated)

~~Describe third-party issuer policy if AUP is violated. third-party issuer policy if AUP is violated~~

- ☒ ~~Third-party issuer accepts ownership of risk and subsequent mitigation in the event of data or security breach.~~

Upon approval, _____ agrees to the following:

Third-Party Issuer Name (Print.)

KYTC will provide access to its systems, currently known as ~~KDLIS~~ ^{KINDL}, to qualified staff to perform the following DDL transactions:

- Class D, M, and DM License Renewals and Duplicates
 - Kentucky ID Renewals and Duplicates
 - Real ID Renewals and Duplicates
 - Fee Reinstatements
 - Fee Reinstatements
- Transactions a-c (above) will include change of address

KYTC will process all transactions in the same manner as they are processed by KYTC Division of Driver Licensing (DDL).

Prior to accessing KYTC system(s), employees will complete training and background checks as explained in 601 KAR 12:130.

Third-party issuer approval is required to be renewed every three years.

Authorized Business Representative Name (Print.)

Authorized Business Representative Signature

Date

DDL Director or Designated Appointee Name (Print.)

DDL Director or Designated Appointee Signature

Date

Language added to TC 94-207, Page 3 of 3, Section 3: THIRD-PARTY ISSUER AGREEMENT

- ☐ Third-party issuer shall maintain cybersecurity liability insurance in an amount not less than \$500,000, including coverage for data breaches, cyber incidents, and unauthorized access to or disclosure of information. (*Proof of insurance shall be provided to KYTC before approval or activation of issuing authority and shall remain in effect throughout the term of this agreement.*)
- ☐ Third-party issuer shall enter into an annual lease agreement for any required KYTC equipment and shall be responsible for complying with all KYTC requirements governing the use, maintenance, and protection of KYTC-issued hardware and software while connected to or accessing KYTC networks.
- ☐ Third-party issuer shall ensure that only authorized KYTC-approved personnel with authorized credentials have access to KYTC systems and identity document issuing equipment at all locations. The third-party issuer shall maintain physical access logs for all equipment and facilities where issuing functions are performed at all locations and shall make those records available to KYTC upon request.
- ☐ Third-party issuer shall defend, indemnify, and hold harmless KYTC, the Commonwealth of KY, and their officers, employees, and agents from and against any and all claims, demands, actions, liabilities, damages, losses, judgments, penalties, costs and expenses including reasonable attorney's fees, arising out of or resulting from the acts, omissions, negligence, recklessness, or willful misconduct of the third-party issuer, its employees, contractors, or in connection with the performance of this agreement.