

1 AN ACT relating to operator's licenses.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 **→** Section 1. KRS 186.444 is amended to read as follows:

- 4 (1) ~~{The Transportation Cabinet shall promulgate administrative regulations to~~
 5 ~~establish}~~ A medical review board ***shall be established to***~~{. The purpose of the~~
 6 ~~medical review board shall be to}~~ receive cases relating to the ability of an applicant
 7 or holder of a motor vehicle operator's license to drive due to physical or mental
 8 disability which may affect or limit a person's ability to safely operate a motor
 9 vehicle.
- 10 (2) The secretary ***of the Transportation Cabinet*** shall appoint any number of
 11 physicians ***authorized to practice medicine, osteopaths, optometrists, or advanced***
 12 ***practice registered nurses*** licensed in the Commonwealth to the medical review
 13 board. ***One (1) member who is licensed in the area relevant to the case***~~{Not less~~
 14 ~~than Three (3) members}~~ shall be present in order to conduct an informal hearing.
 15 ***The cabinet shall promulgate administrative regulations in accordance with KRS***
 16 ***Chapter 13A to establish the amount*** each member shall receive~~{ two hundred~~
 17 ~~dollars (\$200)}~~ per day for attending meetings of the board, and ***each member*** shall
 18 be reimbursed for necessary expenses incurred in attending meetings. ***The board***
 19 ***shall use reasonable efforts to minimize the costs to the person whose case is***
 20 ***under review.***
- 21 (3) The cabinet shall promulgate administrative regulations ***in accordance with KRS***
 22 ***Chapter 13A to establish the medical review board forms, which shall include a***
 23 ***signed sworn statement affirming that the person has a physical or mental***
 24 ***condition that could impair his or her ability to operate a motor vehicle, the***
 25 ***medical standards for operators of motor vehicles, and***~~{ regarding}~~ the procedures
 26 of the medical review board in conducting informal hearings.
- 27 ***(4) A person who is under review pursuant to a medical review board case shall,***

1 upon a request in writing, be furnished with a copy of the report alleging that the
 2 person has a physical or mental condition that could impair his or her ability to
 3 operate a motor vehicle.

4 (5) If the cabinet decides to take action to restrict a person's driving privileges, it
 5 shall:

6 (a) Provide written notice to the person of the decision to take licensing action;

7 and

8 (b) Inform the person that the licensing action shall take place unless the
 9 person submits to and completes an examination in satisfaction of the
 10 medical standards set forth in administrative regulation.

11 (6) If the person is unable to satisfactorily complete the examination under
 12 subsection (5)(b) of this section, the cabinet shall, prior to the decision to take
 13 licensing action based on a person's physical or mental condition, consult with
 14 appointed members of the medical review board who are licensed in the area
 15 relevant to the case.

16 (7) If the cabinet takes action to restrict a person's driving privileges, the person may
 17 request an informal hearing in front of the medical review board.

18 (8) At any time during the proceeding of a case, a properly submitted report in
 19 response to the medical review board from a person's licensed medical
 20 professional certifying that, based on the application of the medical review board
 21 standards set forth in administrative regulation and the vision standards for
 22 vision specialists set forth in KRS 186.577, the person does not have a condition
 23 that impairs his or her ability to operate a motor vehicle, may supersede the
 24 medical review board and the person may be approved to operate a motor vehicle
 25 unless other physical or mental conditions exist.

26 (9) [(4)] The cabinet shall not promulgate administrative regulations for the purpose of
 27 creating tests or other criteria that might limit a person's ability to obtain or retain

1 an operator's license because that person may be considered too old to drive.

2 ~~(10)(5)~~ Any person aggrieved by a decision made as a result of an informal hearing
 3 conducted under authority of KRS 186.411 and this section may appeal, and upon
 4 appeal an administrative hearing shall be conducted in accordance with KRS
 5 Chapter 13B.

6 → Section 2. KRS 186.570 is amended to read as follows:

7 (1) The cabinet or its agent designated in writing for that purpose may deny any person
 8 an operator's license or may suspend the operator's license of any person, or, in the
 9 case of a nonresident, withdraw the privilege of operating a motor vehicle in this
 10 state, subject to a hearing and with or without receiving a record of conviction of
 11 that person of a crime, if the cabinet has reason to believe that:

12 (a) That person has committed any offenses for the conviction of which
 13 mandatory revocation of a license is provided by KRS 186.560; ~~[-]~~

14 (b) That person has, by reckless or unlawful operation of a motor vehicle, caused,
 15 or contributed to an accident resulting in death or injury or serious property
 16 damage; ~~[-]~~

17 (c) That person has a mental or physical disability that makes it unsafe for him or
 18 her to drive upon the highways. ~~The Transportation Cabinet shall, by~~
 19 ~~administrative regulations promulgated pursuant to KRS Chapter 13A,~~
 20 ~~establish a]~~ medical review board **established in Section 1 of this Act**
 21 **shall** ~~to]~~ provide technical assistance in the review of the driving ability of
 22 these persons; ~~[-]. The board shall consist of licensed medical and rehabilitation~~
 23 ~~specialists.]~~

24 (d) That person is a ~~an]~~ habitually reckless or negligent driver of a motor vehicle
 25 or has committed a serious violation of the motor vehicle laws; ~~[-]~~

26 (e) That person has been issued a license without making proper application for
 27 it, as provided in KRS 186.412 or 186.4121 and administrative regulations

- 1 promulgated *in accordance with*~~[pursuant to]~~ KRS Chapter 13A;~~[]~~
- 2 (f) That person has presented false or misleading information as to the person's
- 3 residency, citizenship, religious convictions, or immigration status;~~[]~~
- 4 (g) A person required by KRS 186.480 to take an examination has been issued a
- 5 license without first having passed the examination;~~[]~~
- 6 (h) That person has been convicted of assault and battery resulting from the
- 7 operation of a motor vehicle;~~[]~~
- 8 (i) That person has failed to appear pursuant to a citation or summons issued by a
- 9 law enforcement officer of this Commonwealth or any other jurisdiction;~~[]~~
- 10 (j) That person has failed to appear pursuant to an order by the court to produce
- 11 proof of security required by KRS 304.39-010 and a receipt showing that a
- 12 premium for a minimum policy period of six (6) months has been paid; ~~or~~ []
- 13 (k) That person is a habitual violator of KRS 304.39-080. For purposes of this
- 14 section, a "habitual violator" *means*~~[shall mean]~~ any person who has operated
- 15 a motor vehicle without security on the motor vehicle as required by Subtitle
- 16 39 of *KRS Chapter 304*~~[this chapter]~~ three (3) or more times within a five (5)
- 17 year period, in violation of KRS 304.99-060(2).
- 18 (2) The cabinet shall deny any person a license or shall suspend the license of an
- 19 operator of a motor vehicle upon receiving written notification from the Cabinet for
- 20 Health and Family Services that the person has a child support arrearage which
- 21 equals or exceeds the cumulative amount which would be owed after six (6) months
- 22 of nonpayment or failure, after receiving appropriate notice, to comply with a
- 23 subpoena or warrant relating to paternity or child support proceedings, as provided
- 24 by 42 U.S.C. *sec.*~~[secs.]~~ 651 et seq.; except that any child support arrearage which
- 25 exists prior to January 1, 1994, shall not be included in the calculation to determine
- 26 whether the license of an operator of a motor vehicle shall be denied or suspended.
- 27 The denial or suspension shall continue until the arrearage has been eliminated,

1 payments on the child support arrearage are being made in accordance with a court
 2 or administrative order, or the person complies with the subpoena or warrant
 3 relating to paternity or child support. Before the license may be reinstated, proof of
 4 elimination of the child support arrearage or proof of compliance with the subpoena
 5 or warrant relating to paternity or child support proceedings as provided by 42
 6 U.S.C. sec. 666(a)(16) from the court where the action is pending or the Cabinet for
 7 Health and Family Services shall be received by the Transportation Cabinet as
 8 prescribed by administrative regulations promulgated by the Cabinet for Health and
 9 Family Services and the Transportation Cabinet.

10 (3) The cabinet or its agent designated in writing for that purpose shall deny any person
 11 an operator's license or shall suspend the operator's license of any person, or, in the
 12 case of a nonresident, withdraw the privilege of operating a motor vehicle in this
 13 state[;:

14 ~~(a)]~~ where the person has been declared ineligible to operate a motor vehicle
 15 under KRS 532.356 for the duration of the ineligibility, upon notification of
 16 the court's judgment[; or

17 ~~(b) Upon receiving written notification from the Finance and Administration~~
 18 ~~Cabinet, Department of Revenue, that the person is a delinquent taxpayer as~~
 19 ~~provided in KRS 131.1817. The denial or suspension shall continue until a~~
 20 ~~written tax clearance has been received by the cabinet from the Finance and~~
 21 ~~Administration Cabinet, Department of Revenue. Notwithstanding the~~
 22 ~~provisions of subsection (4) of this section, a person whose license is denied~~
 23 ~~or suspended under this paragraph shall have thirty (30) days from the date~~
 24 ~~the cabinet mails the notice to request a hearing].~~

25 (4) The cabinet or its agent designated in writing for that purpose shall provide any
 26 person subject to the suspension, revocation, or withdrawal of *his or her*[~~their~~]
 27 driving privileges, under provisions of this section, an informal hearing. Upon

1 determining that the action is warranted, the cabinet shall notify the person in
2 writing by mailing the notice to the person by first-class mail to the last known
3 address of the person. The hearing shall be automatically waived if not requested
4 within twenty (20) days after the cabinet mails the notice. The hearing shall be
5 scheduled as early as practical within twenty (20) days after receipt of the request at
6 a time and place designated by the cabinet. An aggrieved party may appeal a
7 decision rendered as a result of an informal hearing, and upon appeal an
8 administrative hearing shall be conducted in accordance with KRS Chapter 13B.

9 (5) (a) The cabinet may suspend the operator's license of any resident upon receiving
10 notice of the conviction of that person in another state of an offense there
11 which, if committed in this state, would be grounds for the suspension or
12 revocation of an operator's license. The cabinet shall not suspend an operator's
13 license under this paragraph if:

- 14 1. The conviction causing the suspension or revocation is more than five
15 (5) years old;
- 16 2. The conviction is for a traffic offense other than a felony traffic offense
17 or a habitual violator offense; and
- 18 3. The license holder complies with the provisions of KRS 186.442.

19 (b) If, at the time of application for an initial Kentucky operator's license, a
20 person's license is suspended or revoked in another state for a conviction that
21 is less than five (5) years old, the cabinet shall deny the person a license until
22 the person resolves the matter in the other state and complies with the
23 provisions of this chapter.

24 (c) The cabinet may, upon receiving a record of the conviction in this state of a
25 nonresident driver of a motor vehicle of any offense under the motor vehicle
26 laws, forward a notice of that person's conviction to the proper officer in the
27 state of which the convicted person is a resident.

1 (d) This subsection shall not apply to a commercial driver's license.

2 (6) The Transportation Cabinet is forbidden from suspending or revoking an operator's
3 license or assessing points or any other form of penalty against the license holder
4 for speeding violations or speeding convictions from other states. This subsection
5 shall apply only to speeding violations. This section shall not apply to a person who
6 holds or is required to hold a commercial driver's license.

7 (7) Each operator's license which has been canceled, suspended, or revoked shall be
8 surrendered to and destroyed by the cabinet. At the end of the period of
9 cancellation, suspension, or revocation, the license holder may reapply under KRS
10 186.412 or 186.4121, after the licensee has complied with all requirements for the
11 issuance or reinstatement of his or her driving privilege.

12 (8) Insurance companies issuing motor vehicle policies in the Commonwealth shall be
13 prohibited from raising a policyholder's rates solely because the policyholder's
14 driving privilege has been suspended or denied pursuant to subsection (2) of this
15 section.

16 → Section 3. KRS 131.1817 is amended to read as follows:

17 (1) As used in this section:

18 (a) "Attorney's license" means a license issued pursuant to the rules of the
19 Supreme Court of Kentucky authorizing the practice of law in the
20 Commonwealth;

21 (b) "Delinquent taxpayer" means:

22 1. A taxpayer with an overdue state tax liability:

23 a. That is not covered by a current installment payment agreement;

24 b. For which all protest and appeal rights under the law have expired;

25 and

26 c. About which the department has contacted the taxpayer; or

27 2. A taxpayer who:

- 1 a. Has not filed a required tax return within ninety (90) days
2 following the due date of the return, or if the due date was
3 extended, within ninety (90) days following the extended due date
4 of the return; and
- 5 b. Was contacted by the department about the delinquent return;
- 6 (c) ~~["Driver's license" means a license issued by the Transportation Cabinet;~~
7 ~~(d)—]~~"License" means any occupational or professional certification, license,
8 registration, or certificate issued by a licensing agency that is required to
9 engage in an occupation, profession, or trade in the Commonwealth, other
10 than a license issued to an attorney; and
- 11 ~~(d)(e)]~~ "Licensing agency" means any instrumentality, agency, board,
12 commission, or department established by statute that has the power and
13 authority within the Commonwealth to issue any license, except "licensing
14 agency" does~~shall~~ not include the Supreme Court of Kentucky, relating to
15 licenses issued to attorneys to practice law in the Commonwealth.
- 16 (2) The department may identify licensing agencies from which it wants to obtain
17 information for the purpose of tax compliance.
- 18 (3) Any licensing agency identified by the department shall work with the department
19 to develop a process to provide the department with information about its licensees.
- 20 (4) Any delinquent taxpayer who:
- 21 (a) Holds a license;
- 22 (b) Is an attorney licensed to practice law in the Commonwealth; or
- 23 (c) ~~Holds a driver's license; or~~
24 ~~(d)—]~~ Owns a motor vehicle registered in the Commonwealth;
25 may have that license ~~or driver's license~~ suspended or revoked, and may be denied
26 the ability to register his or her motor vehicle in the Commonwealth as provided in
27 subsection (5) of this section.

- 1 (5) (a) To begin the process of revocation of a license, or suspension of the ability to
 2 register a motor vehicle, the department shall notify the delinquent taxpayer
 3 by certified mail at least twenty (20) days prior to submission of the name of a
 4 delinquent taxpayer to the relevant agency that his or her name will be
 5 submitted to:
- 6 1. The licensing agency, for revocation of a license;
 - 7 2. The Transportation Cabinet, for ~~revocation of a driver's license or~~
 8 denial of the ability to register a motor vehicle in the Commonwealth; or
 - 9 3. The Kentucky Supreme Court, for the revocation of a license to practice
 10 law in the Commonwealth.
- 11 (b) The notice shall:
- 12 1. State the reason for the action;
 - 13 2. Set forth the amount of any overdue tax liability, including any
 14 applicable penalties and interest;
 - 15 3. Explain any other area of noncompliance that must be satisfied to
 16 prevent the submission of the taxpayer's name to the licensing agency as
 17 a delinquent taxpayer; and
 - 18 4. List all licenses or registrations for which revocation will be sought.
- 19 (c) After the passage of at least twenty (20) days from the date the notice was
 20 sent under paragraph (a) of this subsection, and if the issues identified in the
 21 notice were not resolved to the satisfaction of the department, the department
 22 may:
- 23 1. Submit the name of the delinquent taxpayer to the licensing agency or
 24 the Transportation Cabinet; or
 - 25 2. If the delinquent taxpayer is an attorney licensed to practice law in the
 26 Commonwealth, submit the name of the attorney to the Kentucky
 27 Supreme Court for appropriate action to enforce Supreme Court Rules.

- 1 (d) Upon notification by the department that the licensee or motor vehicle owner
 2 is a delinquent taxpayer, the licensing agency~~[or Transportation Cabinet, as~~
 3 ~~the case may be,]~~ shall deny or revoke any license held or applied for by the
 4 licensee, and the Transportation Cabinet shall not allow the delinquent
 5 taxpayer to register a motor vehicle in the Commonwealth.
- 6 (e) Any delinquent taxpayer who has had a license denied or revoked, or who has
 7 been denied the ability to register a motor vehicle shall have the right to
 8 appeal to the licensing agency or the Transportation Cabinet as authorized by
 9 law, provided that appeals shall only be permitted based upon a mistake in
 10 facts relied upon by the department, the licensing agency, or the
 11 Transportation Cabinet that the licensee or motor vehicle owner is a
 12 delinquent taxpayer.
- 13 (f) A license that has been denied or revoked under this section shall not be
 14 reissued or renewed, and a motor vehicle registration that has been denied
 15 under this section shall not be permitted, until a written tax clearance has been
 16 received from the department by the licensing agency or the Transportation
 17 Cabinet, as the case may be.
- 18 (g) The department may promulgate administrative regulations *in accordance*
 19 *with*~~[under]~~ KRS Chapter 13A to implement the provisions of this section.

20 ➔SECTION 4. A NEW SECTION OF KRS 186.400 TO 186.640 IS CREATED
 21 TO READ AS FOLLOWS:

22 **(1) As used in this section:**

23 **(a) "Identity document" means an operator's license or personal identification**
 24 **card issued under KRS 186.4102, 186.412, 186.4121, 186.4122, or**
 25 **186.4123; and**

26 **(b) "Third-party entity":**

27 **1. Means a person or entity, including but not limited to a business entity**

1 or nonprofit member association, that has received approval from the
 2 cabinet to process identity documents in accordance with this section;
 3 and

4 2. Does not include any governmental entity other than the cabinet.

5 (2) The Transportation Cabinet shall promulgate administrative regulations in
 6 accordance with KRS Chapter 13A to establish procedures by which a third-party
 7 entity may apply to the cabinet to serve as application processors for identity
 8 documents.

9 (3) A third-party entity that wishes to serve as an application processor for identity
 10 documents under this section shall:

11 (a) Apply to the cabinet and receive cabinet approval;

12 (b) Agree to comply with all relevant administrative regulations and policies of
 13 the cabinet; and

14 (c) Collect all fees required under KRS 186.531 and transmit them to the
 15 cabinet in a timely fashion.

16 (4) In addition to the fees set forth in KRS 186.531, a third-party entity that processes
 17 applications for identity documents under this section may charge a fee for the
 18 service provided.

19 ➔Section 5. The Department of Kentucky State Police and the Transportation
 20 Cabinet shall report to the Interim Joint Committee on Transportation by October 31,
 21 2025, on the technological and budgetary requirements of expanding access for
 22 instructional permit testing and identity document issuance at the local level. The report
 23 shall include the following information:

24 (1) The Department of Kentucky State Police and the Transportation Cabinet
 25 shall provide an estimate of budgetary and technology needs to allow for proctored
 26 instruction permit testing by third party entities,

27 (2) The Department of Kentucky State Police shall recommend procedures and

1 requirements to become a test proctor for instruction permit testing;

2 (3) The Department of Kentucky State Police shall provide an estimate of budget
3 needs to expand driver's skills testing at the three regional offices funded in the 2024
4 biennial budget, and the potential budget needs if up to four additional offices are funded
5 in the 2026 biennial budget; and

6 (4) The Transportation Cabinet shall provide an estimate of budget needs to open
7 additional offices in counties with a population of greater than 50,000 that do not
8 currently have a regional licensing office.