

**TRANSPORTATION CABINET**  
**Department of Vehicle Regulation**  
**Division of Driver Licensing**  
**(Amended After Comments)**

**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.

CERTIFICATION STATEMENT:

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 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 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) Any breach of security resulting in a release of personal identifiable information to a third party shall be subject to fines of \$155 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 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 Issuance of Identity Documents", TC 94-207, (02/2026 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, 2<sup>nd</sup> 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](http://drive.ky.gov).

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