



DEPARTMENT OF STATE

22 CFR Part 54

[Public Notice 11632]

RIN 1400-AE37

Passports; Procedures for Passport Couriers

AGENCY: Department of State.

ACTION: Supplemental Notice of Proposed Rulemaking

SUMMARY: The Department of State (the Department) establishes rules for the registration program and hand delivery procedures for courier companies used by applicants to transport their passport applications, and U.S. passports issued to them, to and from participating passport agencies. This supplemental notice of proposed rulemaking, along with the original notice of proposed rulemaking (NPRM), is intended to continue the program that was established by prior policy, to maintain vigilance over the security of the passport application process, to require companies to register with the Department prior to providing hand delivery services to certain applicants for U.S. passports, and to follow a uniform set of hand delivery procedures.

DATES: Written comments must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested parties may submit comments to the Department by any of the following methods:

Visit the Regulations.gov Web site at: <http://www.regulations.gov> and search for the Regulatory Information Number (RIN) 1400-AE37 or docket number DOS-2025-0170.

Mail (paper, disk, or CD-ROM): Office of Adjudication, Passport Services, U.S.

Department of State, 44132 Mercure Circle, P.O. Box 1227, Sterling, VA 20166-1227,

ATTN: Courier Regulation

Email: ca-courierreg@state.gov. You must include the RIN (1400–AE37) in the subject line of your message.

All comments should include the commenter's name, the organization the commenter represents, if applicable, and the commenter's address. If the Department is unable to read your comment for any reason, and cannot contact you for clarification, the Department may not be able to consider your comment. After the conclusion of the comment period, the Department anticipates publishing a Final Rule (in which it will address relevant comments) as expeditiously as possible.

FOR FURTHER INFORMATION CONTACT: Colin Walle, Passport Services, Office of Program Management and Operational Support, (202) 485-8800, ca-courierreg@state.gov. You must include AE37 in the subject line.

SUPPLEMENTARY INFORMATION: The Department published a NPRM, with a request for comments, proposing provisions of a new Part 54 of Title 22 of the Code of Federal Regulations. 85 FR 73244. The rule was proposed to formalize procedures for private domestic courier companies that applicants use to transport their passport applications and issued passports to and from domestic passport agencies. The Department received 52 comments in response to the NPRM.

Subsequent to the publication of the proposed rule, it was determined that two additional provisions needed to be proposed for the new Part 54, namely §§ 54.20(d) and 54.30(c)(18) and (19). Those provisions are discussed after the analysis of comments. The Department is seeking comment on these provisions.

Compliance with the 2025 NDAA

With regard to authority for the domestic courier program, the Department notes that Section 7507 of P. L. 118-159 (2025 National Defense Authorization Act, 2025 NDAA) provides Congressional recognition of the hand-carry courier service and calls upon the Secretary of State to take certain steps to strengthen the program. While the original

NPRM preceded the 2025 NDAA, this rulemaking is the foundation on which the Department will be able to fulfill Congress' express direction in P.L. 118-159 to take steps as may be necessary to facilitate an increase in couriers, increase the number of slots, and facilitate public awareness of couriers. This rulemaking is just part of the Department's response to this direction. This rulemaking is necessary to put in place a formal, reliable regulatory structure upon which the Department can build and improve its courier program, consistent with comments and feedback the Department has received from couriers, not only in response to this rulemaking, but also through outreach.

The Department has been accepting passport applications from couriers for decades before it issued the *National Hand-Carry Procedures for Passport Applications and Completed Passports* (the Handbook) in 2007. Under the 2007 Handbook, there was no enforceable way to discourage companies from holding on to slots over multiple years, a practice that has ensured those companies on the lengthy waiting list for registrations cannot move any closer to the front of the line. This rulemaking, with its requirement that every company re-register every year and which permits the Department to cancel registrations for failure to use allotted slots, ensures that there will be a turnover in registered companies. Also, through the registration requirements contained in this rulemaking, the Department expects the number of couriers in operation and the number of slots in use to increase, as slots are expected to be better distributed based on actual use.

One of the arguments put forward in public comments in response to the NPRM was a suggestion that the Department expand the courier program to include situations not involving "urgent" travel (i.e., within the next 14 days). This was not part of the Congressional direction, and the Department declines to implement this suggestion. Those on urgent travel might not have the time to process their passports, and the courier companies provide a service in such cases. Those not needing urgent processing are able

to submit their documents (and if necessary, appear at a passport acceptance facility) personally.

If this rulemaking is finalized, the Department intends to collect and provide information regarding currently registered couriers on its website, travel.state.gov, to facilitate public awareness of the courier program.

The Department welcomes comments and suggestions relating to the Department's compliance with the 2025 NDAA, especially actions the Department can consider to facilitate an increase in the number of certified hand-carry courier companies or an increase in the daily maximum number of passport agency meeting slots available to courier companies.

Analysis of Comments

The proposed rule was published for comments on November 17, 2020. The comment period closed on January 19, 2021, and the Department received 52 comments.

Comment: The Department should publish registered courier companies on its website (9 comments received).

The Department plans to publish information on the National Courier Program on the Passport pages of its website, [Travel.State.Gov](https://travel.state.gov). The information will include:

1. A list of courier companies registered at each passport agency for the calendar year. The list will note any companies that are temporarily banned from participation in the Program due to an infraction of the regulation. Companies permanently banned will be promptly removed from the list.
2. A link to the final rule/regulation for customers to reference if desired.

Comment: Concern with the provision that a courier company employee cannot drop-off passport applications or retrieve completed passports for more than one courier company (12 comments received).

There will be no restriction on the number of companies that an individual runner can be employed by in the final rule. Comments received by the Department also indicate that some respondents believed that they could only have one employee drop off passport applications or pick up completed applications. This is inaccurate. A courier company may designate as many employees as they wish to perform this function.

Comment: Seek clarification on the provision that courier companies not permitted to sell their slots to other courier companies (5 comments received).

Courier companies do not have ownership of slots and therefore are not permitted to sell them to other courier companies or entities. This means that a registered courier company cannot accept a payment from another courier company (registered or unregistered) to submit a passport application or applications on its behalf. This provision is intended to ensure that customers know the company they paid to provide the hand-delivery service is the company that actually performs the service. Customers may select a company based upon reputation, reviews on social media, complaints made to the Better Business Bureau, etc. Additionally, this provision reduces the exposure of sensitive documents containing personally identifiable information that customers submit with their application package.

Comment: Do not have a lottery or first-come system for annual registration (3 comments received).

It is important to the Department that all courier companies wishing to register at a passport agency have an equal opportunity to do so. The number of companies that can be registered at any given time is based upon available agency resources and the number of appointments allotted to customers who wish to apply in person at an agency without needing to pay any additional fees for a courier company to hand deliver their application. Historically, most courier companies have maintained their registrations which has left many un-registered courier companies on a waiting list for several years.

By having a registration that is only valid for one year and conducting an annual open season for companies to register, all companies will have an equal chance to register at one or more passport agencies.

Comment: The necessity for company/employee registration (5 comments received).

It is critical for the Department to require courier companies and their employees to be registered at passport agencies to hand deliver passport applications and retrieve issued passports. This helps to ensure that, to the best of our knowledge, companies are legitimate businesses that are registered to conduct business in the state or locality where they are seeking registration at a passport agency. Company registrations allow the Department to allocate sufficient resources to serve customers with immediate travel plans who are required to apply in person at a passport agency or have their application hand delivered through a registered company. The data that will be collected from courier company owners and their employees serves as a measure to mitigate instances of mishandling of customers' sensitive personal information or worse, and to ensure accountability of the companies that participate in the Program.

Comment: The accuracy of the Department's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used.

Three companies submitted comments on the proposed regulation regarding the burden of information collection. Two of the companies accept the Department's estimate of the administrative costs but expressed concerns about additional financial and logistical impacts if changes are introduced. The third company emphasized the benefits of data collection for validating courier companies but opposed restrictions that could hinder operational efficiency and compliance with health standards. The Department notes that the changes serve the public interest by ensuring that the proposed regulation enhances the integrity, security, and efficiency of the Hand Carry Program, which protects processes like passport delivery that involve sensitive applicant data. The

Department believes that the methodology used to estimate the burden is valid and reflects a balanced approach to achieving program goals without imposing undue hardship. The proposed restrictions are intended to streamline operations, enhance security, and ensure the program operates effectively and responsibly in the best interest of the public.

Comment: How to minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Two companies supported the introduction of electronically submitting registration documents in a way to protect employee information.

Comment: The document states that an applicant using our services needs proof of needing a visa, or proof of travel in 14 days or less. We respectfully suggest that in the interest of simplicity and flexibility this limit might generally be extended to travel within 60 or perhaps even 90 days as there are a multitude of reasons applicants may present with legitimate need of a passport to be expedited besides traveling within 14 days, e.g., due to need of and ever burgeoning processing times for a foreign visa or as often as not a series thereof.

The Courier Program was created for U.S. citizens who need a passport urgently because they are traveling imminently. These individuals might not be able to apply in person at a passport agency. If travel is further out in the future and not urgent, individuals are able to submit their documentation and, if necessary, appear in person at a passport acceptance facility. While the Department acknowledges the Congressional directive to facilitate the registration of new courier companies to process urgent passports, the Department as a policy matter does not intend to extend the courier program to process passports that are not needed urgently.

Comment: There is discussion of the DS-82 “expiring” after 5 days of execution same as historically for sealed DS-11 applications. We certainly appreciate the presumably added security considerations associated with the current time constraint for the DS-11 and would suggest no change rather that registered companies simply continue to juggle their daily/weekly submissions accordingly; however, in consideration of this necessary “prioritization” and the inherently limited total number of slots allowed in a given day or week for each registered company we would respectfully suggest that the period of validity of the DS-82 be allowed to run perhaps at least 30 days after being signed and dated.

There is no higher priority for Passport Services than ensuring the integrity and security of passports and passport applications. Since 2007 the Department has implemented a five-day expiration for both DS-11 and DS-82 courier applications, as stated in Section II.D.16 of the National Hand Carry Procedures. As a common practice, couriers are expected to collect applications immediately before they file them; furthermore, because all courier cases are expedited, there should be no reason for a company to maintain possession of an application for longer than five days. Members of the public who rely on couriers deserve and expect such services to be performed expeditiously and dependably, consistent with the Department’s need to ensure the integrity and security of passport applications.

Comment: We believe there is an opportunity to expand the program to the National Passport Processing center for unlimited 3-day expedited processing; similar to what the Passport Office accomplished with the unlimited adult renewal lockbox. This level of processing could be funded by the proposed slot registration fee or a small fee per submission to the National Passport Center.

Passport Services has fourteen (14) agencies that accept passport applications hand-carried by registered companies on behalf of applicants. Also, registered courier

companies are allowed to submit expedited renewals directly to our lockbox for no charge. The Passport Services cost of service model is directly associated with processing and production of a passport. We do not offer opportunities to circumvent our process nor establish any charging fees. Those fees would directly be incurred by the applicant.

Comment: Not all courier companies were notified by the Department of the publishing of the proposed rule in the Federal Register (4 comments).

If a document is published in the *Federal Register*, that constitutes sufficient notice of that document to the public.

Comment: Several commenters submitted remarks about the inability to submit applications to passport agencies during the pandemic and the effects on courier companies (4 comments).

Due to limited resources and agencies being temporarily closed during the COVID-19 pandemic, the courier program was suspended. Fortunately, that is no longer the case. We are offering the same number of total courier slots as we did pre-pandemic. Additionally, according to April 2023 data, out of all courier slots offered nationwide, only 58.61% of slots were utilized.

Comment: I have been working within the courier program for the last several years and welcome a voice at the table on the passport program in Denver/Aurora. We feel strongly that the program works great but could use a fresh look at the location specific details, as while we see great turnaround times, the process around what is necessary to submit is very different from other states. We feel that the changes that should take place at the agency is consistent in how documents are submitted. That way, they can easily be moved around each location, assisting couriers who may have a few spots in various states to communicate these needs so that no one has different information or a PAA does not have to decipher the requirements based on their geographical location.

The requirements for submission will be consistent throughout all agencies under this regulation, with detailed requirements spelled out in the hand carry procedures referenced in subsection 54.21(g). Each agency is required to follow strict procedures when accepting applications in order to maintain the integrity of Passport submissions.

Comment: We recommend that the Department establish a nationwide registration process for courier companies, allowing the courier companies to register once with the Department and select those passport agencies with whom the courier company plans to do business within a single application. This alternative, which reduces the burdens on private industry, must be considered by the Department and is consistent with Executive Order 12866 that requires the Department to design its regulations “in the most cost-effective manner to achieve the regulatory objective.”

This is addressed in subsection 54.22, read in light of the definition of “registration to provide hand delivery service” at subsection 54.11(h). The Department will implement a registration process that is more centralized and efficient, pursuant to which all courier companies will be required to register with Passport Services annually, but which also recognizes and accommodates the unique needs and circumstances of individual companies and passport agencies. The registration process will be largely online, with further details to be provided in the hand carry procedures referenced in subsection 54.21(g). The Department expects this process to run more efficiently and with less burden to companies than the current manual registration process. Registration will be on a first-come, first-served basis, until the maximum number of registered companies at a passport agency has been reached. A company’s rank order at each agency will be determined according to the date and time that a company’s complete registration submission is received by the Department. The Department will not process any incomplete submission, nor will it retain partial documents.

Comment: We encourage the Department to amend the Proposed Rules to ensure that the procedures adequately address the critical needs of the airline industry, reduce the burdens on industry, and ensure facilitation of the passport process to meet the Department's objectives. During the pandemic, the Department created a program dedicated to flight crews to address their special needs and process passports for them quickly.

The Department of State recognizes the need for timely passport services for the airline industry. The industry traditionally used couriers or requested same day “will call” service at agency counters. During the pandemic, the Department eliminated walk-in counter service at passport agencies and reduced services by couriers. At that time, the Department established a new process for airline flight crews to receive expedited service by mail by submitting additional documentation about their work requirements. The streamlined mail-in procedures are serving the needs of airlines and do not require flight crews to travel to a passport agency or center for service.

Airlines may resume the use of registered couriers under the procedures specified in the regulation. Meanwhile, the Department encourages the continued use of streamlined mail-in procedures. Airlines may employ non-registered third-party passport and visa expeditors to assist airline employees with assembly of their applications, to track applications, or to follow up on issues with applications sent through the mail-in procedures.

Comments regarding the registration process once the rule is final (3 comments).

The Department will notify courier companies and conduct public outreach in the form of a virtual meeting to be held in advance of the new annual registration requirements going into effect under the proposed regulation. Information on how to register and to complete necessary forms will be posted on travel.state.gov. A new Hand

Carry Policy will also be distributed to all couriers explaining in detail the steps to the new registration.

In addition, the Department schedules virtual meetings with courier companies in the five regions in September and October annually. The annual meeting allows Passport Services to communicate with couriers on new updates or changes. The new registration process would be discussed extensively along with registration instructions being sent via email to all potential registered couriers. The meeting is also an opportunity for couriers to ask questions or express any concerns.

Additional Questions for Comment

As part of the NPRM, the Department of State solicited comment on allowing for distribution of slots amongst couriers via annual auctioning, permit trading, or other market-based solutions, for how it will allocate slots via this program. Specifically, the Department sought comment regarding:

- Should the Department charge a fee on a per-registration or per-slot basis? If so, the Department would rely on its Cost of Service Model to estimate the costs of this service and set the fee, but the Department seeks further comment regarding any additional considerations that could bear on where such a fee would be set?
- How should slots be allocated to passport courier firms? Are you aware of other allocation systems?

The Department did not receive any actionable suggestions in response to the above questions. Those who referenced the questions left it to the Department to decide and five respondents noted that a fee charged for registration or per slot would result in companies raising the service fees for customers. Five respondents were not opposed to a nominal charge to register. One commenter responded: *We understand that there is no easy answer to this question, as each current courier, big or small would appreciate the*

opportunity to maintain the same level of or increased the number of slots. As this change would have a profound impact on all companies in the Hand-Carry Program, we recommend further dialogue from the Department of State so an equitable resolution can be reached which benefits all groups, as well as, maintain the level of service provided by the Department of State. Our hope is that a decision is not made unless data has been gathered, research achieved and an open dialogue has occurred, where all voices can be heard.

Two respondents stated that courier companies should have an unlimited number of slots while five other companies wanted an increase in the number of slots. Another courier company commented: *Our only suggestion is to increase or standardize the number of slots each agency allots to help us with the increasing demands of passports. Based on the courier company being held to application preparation standards and reviews, we think that the Passport Agency should want to increase the usage of our process to reduce the number of application errors.*

Passport agencies' resources are utilized to serve customers who apply in person at a passport agency, to process applications of customers who apply at a passport acceptance facility or renew through the mail, and to process applications submitted by registered courier companies. The priority is to serve customers with urgent travel who apply in person. Passport agencies assign resources to each of these workflows based upon historical data and demand projections to best meet the needs of U.S citizens, particularly those with immediate travel. The total number of slots established is based upon available resources and workload. The passport agency must be able to simultaneously provide continued and uninterrupted service to applicants who are not utilizing hand delivery services.

New Proposed Provisions

In Subpart A, Requirements for Courier Companies, the Department proposes the addition of paragraph (d) to § 54.20, Courier company registration. (The proposed paragraph (d) in the NPRM will become paragraph (e)). The new text is as follows:

(d) Courier companies must register all company employees who hand deliver passport applications and documents to a passport agency and retrieve issued passports.

This provision explicitly includes the overarching requirement that individuals employed by courier companies be registered. This requirement would give Passport Services greater visibility and oversight of those who provide hand-carry services by ensuring that the Department can readily identify individuals who are authorized to transport and deliver passport applications and to retrieve issued passports at a given agency. The registration of courier employees by Passport Services thus provides customers with greater security and assurance as to who is in possession of their documents and passports at all times, as well as greater protection against the potential for fraud and malfeasance.

Passport Services has experienced over the years a number of instances of lost passport applications, passports and citizenship documents. A key aspect of the agreement to employ a registered courier with registered employees is that the courier company itself will securely handle (and be responsible for) all of a customer's documents -- including passports, application forms, citizenship certificates and other documents containing private personal information -- from the start of the application process to its conclusion. For years, applicants have complained about being unaware of who actually has their documents and how they were lost. Since 2014, Passport Services has tracked all courier incidents and violations which helped drive this decision.

Additionally, in Subpart C, Courier Company and Employee Conduct, the Department proposes a new provision in § 54.30, Requirements for registered courier

companies and employees, consisting of new subparagraphs (c)(18) and (c)(19) which would read as follows:

(c) While the Department may exercise discretion in assessing penalties for each violation, examples of violations which may trigger penalties ranging from a written warning to a permanent ban include but are not limited to:

* * *

(18) *Obtaining appointments.* Obtaining appointments is strictly prohibited, because appointments at passport agencies and centers remain, as always, strictly reserved for the public to make use of. “Obtaining” is defined as any courier company/employee that directly or indirectly acquires, holds or otherwise secures access to an “in person appointment” at a passport agency and/or center. Such violations merit a response up to and including immediate cancellation of the Company's and employee’s registration, which will be effective when notice is given in writing to the Company.

(19) *Selling appointments.* Selling appointments is strictly prohibited. “Selling” is defined as any courier company/employee that obtains an “in person appointment” at a passport agency and/or center and directly or indirectly furnishes the appointment to an individual in exchange for payment. Such violations merit a response up to and including immediate cancellation of the Company's and employee’s registration, which will be effective when notice is given in writing to the Company.

Passport agencies and centers that work with couriers have dedicated offices and submissions workstreams only for couriers. Unfortunately, Passport Services has had experiences with couriers, who in order to circumvent their set daily submissions, have attempted to obtain appointments through our dedicated line for the general public. In addition to detracting from the public’s ability to access passport services freely and directly, once obtained these companies would also charge citizens for an appointment slot. During the COVID pandemic, complaints about these practices rose to the level that

Passport Services' system became back-logged. The Department will not tolerate this conduct. The Department provides a dedicated channel and workstream process for couriers. One of Passport Services' key priorities while providing this dedicated channel has been to avoid detracting from the resources and level of service devoted to meeting the general public's travel needs, including the ability to obtain in-person appointments at passport agencies and centers. Courier companies who go outside of the dedicated channels and processes for couriers by obtaining appointments detract from the public's ability to access passport services directly.

The proposed rules in Part 54 do not convey any property rights on a courier company. Therefore, obtaining an appointment or selling or attempting to sell a company's appointment is improper and may result in penalties.

REGULATORY FINDINGS

Administrative Procedure Act

The Department published this rulemaking as a proposed rule and provided 60 days for public comment. The Department is providing an additional 60 days for public comment on this supplemental NPRM.

Regulatory Flexibility Act/Executive Order 13272: Small Business Impacts

The Department certifies that this rule will not have a significant economic impact on a substantial number of small entities as defined in 5 U.S.C. 601(6), as the rule affects approximately 220 companies participating in the Department's passport hand delivery program for couriers. Please refer to the Regulatory Flexibility Act analysis in the NPRM. The Department will continue to accept comment on that analysis.

Unfunded Mandates Reform Act of 1995

This final rule will not result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no

actions were deemed necessary under the provisions of the Unfunded Mandates Act of 1995, 2 U.S.C. 1501-1504.

Executive Orders 12866 and 13563

The Office of Information and Regulatory Affairs has designated this Supplemental NPRM as non-significant regulatory action under Executive Order 12866.

The Department estimates that there are approximately 220 registered courier companies and that there are approximately 800 employees of registered courier companies who are permitted to provide hand-carry services at passport agencies that participate in the National Hand Carry Program. Please refer to the E.O. 12866 analysis in the NPRM, 85 FR 73247.

Executive Order 12372 and 13132 - Federalism

This rule does not have sufficient federalism implications to require consultations or warrant the preparation of a federalism summary impact statement. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on federal programs and activities do not apply to this regulation.

Executive Order 13175— Consultation and Coordination with Indian Tribal Governments

The Department has determined that this rulemaking does not have tribal implications, does not impose substantial direct compliance costs on Indian tribal governments, and does not pre-empt tribal law. Accordingly, the requirements of Executive Order 13175 do not apply to this rulemaking.

Paperwork Reduction Act

The information collection contained in this rule is pursuant to the Paperwork Reduction Act, 44 U.S.C. Chapter 35, and, if approved, will be assigned an OMB Control Number. In the NPRM, the Department published its 60-day notice for the Passport Hand Delivery Program for Couriers information collection, related to proposed Department forms DS-5338, Courier Company Registration Form, and DS-5539, Courier

Employee Registration Form. Although the 60 days provided for comment on this new information collection has already run, the Department will accept additional comments on this collection for 60 days (see DATES section on Page 1 of this notice). Should this rulemaking be finalized, the Department will provide a 30-day notice at that time.

List of Subjects in 22 CFR Part 54

Passports, Administrative practice and procedure.

Accordingly, for the reasons stated in the preamble, 22 CFR part 54 is proposed to be added as follows:

PART 54—PROCEDURES FOR REGISTERED COURIERS

Subpart A – General.

54.10 Purpose.

54.11 Definitions.

Subpart B – Requirements for courier companies.

54.20 Courier company registration.

54.21 Submitting applications to a participating passport agency.

54.22 Allocation of slots.

Subpart C – Courier company and employee conduct.

54.30 Requirements for registered courier companies and employees.

54.31 Administrative review of restrictive actions.

AUTHORITY: 22 U.S.C. 2651a; 22 U.S.C. 211a, 213; 22 U.S.C. 2670; EO 11295, 31 FR 10603 (1966).

Subpart A – General

§54.10. Purpose

To facilitate the processing of passport applications and promote fair and efficient use of Department of State (the Department) resources, this part establishes certain

procedures for courier companies used by applicants residing in the continental United States at participating domestic passport agencies to hand deliver their passport applications and obtain issued passports.

§54.11. Definitions

For the purposes of this part, the following definitions apply:

(a) *Categorical limits* refer to the restrictions on slot service type. The Department may alter categorical limits at each passport agency at its discretion, consistent with the provisions of §54.22.

(b) *Courier company* refers to a private-sector entity that charges a passport applicant a service fee for hand delivering his or her passport application to a domestic U.S. passport agency and retrieving the completed passport and/or related documents on behalf of the applicant. The service fee charged by a courier company is in addition to the passport fees collected by the Department of State for processing a passport application.

(c) *Customer* refers to any passport applicant for whom a courier company provides hand delivery services.

(d) *Employee* refers to any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee, as well as any individual who performs services for remuneration, for a courier company.

(e) *Hand delivery services* refers to the written authorization given by an applicant to a courier company to deliver a passport application to the Department for processing, to correspond with the Department about the passport application, and to retrieve an issued passport and supporting documentation on behalf of the applicant.

(f) *National Courier Program* refers to those domestic passport agencies that permit courier companies to hand-deliver passport applications and retrieve completed passports at their agencies, courier companies and employees who are registered at participating

domestic passport agencies, and the requirements and procedures that must be followed in order for a registered courier company to hand deliver passport applications and retrieve completed passports at a passport agency.

(g) *Owner* refers to a corporation, S corporation, partnership, and association, as well as a natural person who owns a courier company.

(h) *Registration to provide hand delivery services* refers to the written permission given by the Department to a courier company to perform hand delivery services for passport applicants at a participating domestic passport agency or agencies.

(i) *Slot(s)* refers to the daily maximum number of passport applications by service type (i.e., Same-Day, Two-Day, Three-Day, and Expedited Mail-Outs) that the Department permits a courier company to hand deliver at a passport agency. A slot is a privilege; it does not constitute property and the courier company to which it is temporarily allocated does not obtain a protected property interest. Slots may be granted, withdrawn, or reallocated by the Department at its discretion consistent with the provisions of §54.22.

(j) *Wait list* refers to the list maintained by the Department that ranks the order of courier companies that applied to register with the Department pursuant to §54.20 but did not receive slots.

Subpart B – Requirements for courier companies

§54.20. Courier company registration.

(a) A list of passport agencies participating in the Department's National Courier Program will be provided on the Department's website, travel.state.gov. This list is subject to change at the Department's discretion.

(b) The Department will determine which passport agencies will participate and the number of courier companies that may be registered at any given time on an annual basis, consistent with §54.22. A courier company that does not receive registration in a

calendar year may be placed on a wait list in rank order, based on the time and date the Department received the courier company's registration documents.

(c) Only courier companies that are registered at a passport agency may hand deliver passport applications and pick up issued passports and/or related documents on behalf of the applicants. Non-registered courier companies are prohibited from hand delivering passport applications to a passport agency.

(d) Courier companies must register all company employees who hand deliver passport applications and documents to a passport agency and retrieve issued passports and/or related documents.

(e) To register, a courier company must submit a registration package to the Department that includes:

- (1) Courier company and employee identifying information;
- (2) A certification that the courier company owner:
 - (i) does not have a record of either a federal or state felony conviction, or a misdemeanor conviction for embezzlement, identity theft, misappropriation, document fraud, or dishonesty in carrying out a responsibility involving public trust;
 - (ii) is not currently under indictment for a felony or a misdemeanor for embezzlement, identity theft, misappropriation, document fraud, or dishonesty in carrying out a responsibility involving public trust;
- (3) Certifications that each employee performing hand-carry services:
 - (i) is legally authorized to work in the United States;
 - (ii) does not have a record of either a federal or state felony conviction, or a misdemeanor conviction for embezzlement, identity theft, misappropriation, document fraud, or dishonesty in carrying out a responsibility involving public trust;

(iii) is not currently under indictment for a felony, or a misdemeanor for embezzlement, identify theft, misappropriation, document fraud, or dishonesty in carrying out a responsibility involving public trust; and

(4) Certifications that each courier company:

(i) is enrolled in the Department of Homeland Security's E-Verify System;

(ii) provides notice in writing to each customer as to whether or not the courier company maintains liability insurance that would cover losses to customers resulting from action or inaction on the part of courier company owners or employees.

(5) Courier companies must also certify that the company maintains a Drug Free Workplace by:

(i) Publishing a statement notifying its employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the company's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;

(iii) Establishing an ongoing drug-free awareness program to inform its employees about—

(A) The dangers of drug abuse in the work place;

(B) The company's policy of maintaining a drug-free workplace;

(C) Any available drug counseling, rehabilitation, and employee assistance programs;

and

(D) The penalties that may be imposed upon employees for drug abuse violations in the workplace.

(iv) Providing all employees with a copy of the statement required by (5)(i) of this section;

(v) Notifying its employees in writing about—

(A) The company's policy of maintaining a drug-free workplace;

(B) Any available drug counseling, rehabilitation, and employee assistance programs;
and

(C) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(vi) Notifying all employees in writing, that as a condition of employment, the employee will—

(A) Abide by the terms of the statement required by (5)(i) of this section; and

(B) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than five days after such conviction;

(vii) Notifying the Department in writing within ten days after receiving notice of an employee's conviction under a criminal drug statute for a violation occurring in the workplace. The notice shall include the position title of the employee;

(viii) Within 30 days after receiving notice under (5)(v) of this section of a conviction, taking one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:

(A) Taking appropriate personnel action against such employee, up to and including termination; or

(B) Requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

(6) A copy of proof of the company's registration with the city or state, such as a valid business tax certificate or license, issued by the competent state or city authority, as appropriate, where each passport agency at which the company wishes to register with is located. For example, if a company wishes to register at the San Francisco Passport

Agency, the company must submit a valid San Francisco Business Registration Certificate.

(i) The Department will only allow the company name listed on the business tax certificate or license, including the “doing business as” (DBA) name when appropriate, to register.

(ii) The owner(s) listed on these documents must match the owner(s) listed on the courier company’s registration.

(f) The Department will not register a courier company with outstanding judgments that were based on illegal business practices, or a courier company that is owned or operated by an individual who has owned or operated a courier company that was permanently banned from hand delivering passport applications to a passport agency.

(g) A courier company must notify the Department in writing and within 14 calendar days of any changes to the responses provided on or in support of company or employee registrations, including changes in ownership, acquisition, merger, or “doing business as” (DBA) name, as well as company and employee eligibility certifications. The successor courier company must resubmit a new registration package, including employee certifications, under the new courier company’s name. Slots are not a property interest and are not transferrable. Courier companies and employees must remain eligible to participate in the Department’s National Courier Program at all times.

(h) The Department may in its discretion cancel the registration of any registered courier company that fails to submit a completed passport application, using their allotted slots, within 30 consecutive calendar days. The cancellation is effective the day the Department sends written notification to the courier company.

§54.21. Submitting applications to a participating passport agency.

(a) A courier company must be registered at each participating passport agency where it performs hand delivery services. Courier companies that attempt to hand deliver

passport applications at a passport agency where they are not registered are subject to permanent ban from participation in the Department's National Courier Program, at the Department's discretion.

(b) Each passport application hand delivered to a participating passport agency by a registered courier company must include:

(i) a letter of authorization permitting the registered courier company to deliver the passport application, correspond with the Department about the passport application, and retrieve the issued passport and associated documents.

(ii) documentation showing that the passport applicant is departing the United States within 14 calendar days or needs a passport within four weeks to obtain a foreign visa.

(c) When picking up passports and supporting documentation at the passport agency, courier company employees must show valid government-issued photo identification.

(d) Courier companies must return undeliverable passports and supporting documentation within 14 calendar days of pick-up to the passport agency that issued the passports.

(e) A courier company must notify applicants within 24 hours of becoming aware of any passports and/or passport applications that are damaged, lost, or stolen while in the courier company's possession.

(f) A courier company must not make, accept, maintain, or submit copies of passports, passport applications, or supporting documentation, except as provided in procedures established by the Department described in subsection (g).

(g) In addition to these regulations, the Department may establish hand delivery procedures for registered couriers that are consistent with the requirements contained in this part. Courier companies and their employees that fail to follow these procedures may be subject to the penalties described in §54.30. The Department will provide these

procedures in writing to registered courier companies, and send written notification to registered courier companies of any updates to these procedures at least 30 calendar days in advance of implementing changes.

§54.22. Annual company registration and allocation of slots.

(a) The Department will determine the total number of slots available to courier companies and establish categorical limits.

(b) During the annual registration period, company owners must submit a DS-5538 for themselves and a DS-5539 form for each designated employee with all requested information and supporting documentation. Registration will be on a first-come, first-served basis, until the maximum number of registered companies at a passport agency has been reached. A company's rank order will be determined according to the date and time that the Department received a company's complete registration submission. The Department will not process any incomplete submission nor will it retain partial documents.

(c) Slots will be distributed equally among registered courier companies.

(d) The Department will, at least once per year, reassess workload, resources, slot allocation, slot usage, the number of registered courier companies, and the number of wait-listed courier companies to determine whether slots or categorical limits should be increased, decreased, or redistributed. The Department will send written notice to affected courier companies of any changes to the courier company's slot allocation or categorical limits at least 30 calendar days in advance of implementing such changes.

(e) If additional slots become available, they will be allocated to courier companies in the order dictated by the wait list. Wait-listed courier companies must confirm they will accept the available slots and send written notice to the Department of any updates to their registration submissions within 30 calendar days. Wait-listed courier companies will not be permitted to perform hand delivery services until their registration is updated

and acknowledged by the Department in writing. Wait-listed courier companies that fail to provide such documentation in the required timeframe will forfeit the available slots, and the Department will then make the slots available to the next courier company on the wait list.

(f) If no courier companies are on a wait list, any additional slots that become available at a passport agency will be distributed among courier companies registered at the passport agency according to their date of registration, with the oldest registered courier company receiving slots first.

(g) Courier companies that submit more applications than their allocated slots or categorical limits permit, or otherwise attempt to circumvent their submission maximums in any way, may face restrictions in their registration, as provided in §54.30.

Subpart C – Courier company and employee conduct.

§54.30. Requirements for registered courier companies and employees.

(a) Courier companies are responsible for their employees' conduct and for ensuring that their employees do not violate the rules set forth in this part or the Department's hand delivery procedures for registered couriers described in subsection 54.21(g). Courier companies must immediately report any employee conduct that violates this part or the Department's hand delivery procedures for registered couriers described in subsection 54.21(g) to the Department. Failure to do so may result in penalties in accordance with this section.

(b) Failure to follow any of the requirements of this part or the Department's hand delivery procedures for registered couriers described in subsection 54.21(g) may result in the courier company and/or employee receiving a warning, suspension, cancellation of registration, or permanent ban from the Department's National Courier Program. Where a particular action arises, which in the Department's view, compromises the integrity of the program, passport application, or issued passport in a manner not described in this

document, the Department will take action at its discretion. The Department will notify the courier company and/or employee of relevant penalties in writing. The notification will set forth the specific reasons for the penalty and the procedures for review available under § 54.31.

(c) While the Department may exercise discretion in assessing penalties for each violation, examples of violations which may trigger penalties ranging from a written warning to a permanent ban include but are not limited to:

(1) *Failing to abide by submission, pick-up, or waiting room conduct requirements* – Failing to abide by any of the submission or pick-up requirements outlined in this part or the Department’s hand delivery procedures for registered couriers described in subsection 54.21(g).

(2) *Copying passport applications* – Making copies of and/or faxing passport applications or supporting materials, except as provided in the Department’s hand delivery procedures for registered couriers described in subsection 54.21(g).

(3) *Submitting courier company checks that cannot be cashed* – Submitting a courier company check that is returned for any reason.

(4) *Attempting to circumvent slot or categorical limits* – Attempting to circumvent or bypass slot or categorical limits by any means.

(5) *Selling or swapping slots* – Attempting to sell or swap slots between courier companies.

(6) *Providing misleading information regarding a courier company’s relationship with the Department* – Implying, misrepresenting, or misleading in speech, print, electronic, or any other form of communication, a courier company’s relationship or status with a particular passport agency or the Department. A courier company may state that it is “registered” at a particular passport agency, but may not state that it is

“authorized” or “approved by” the U.S. government, the Department, or a particular passport agency. Use of the Department official seal (or the Great Seal of the United States, the obverse of which is depicted on the covers of U.S. passports) is strictly prohibited.

(7) *Providing misleading information regarding a courier company’s ability to expedite applications or issue passports* – Implying, misrepresenting, or misleading in speech, print, electronic, or any other form of communication, that the courier company is able to have an applicant’s passport processed more quickly than if the applicant applied directly at a passport agency; or that the courier company executes, adjudicates, or prints passports. All applicants receive the same timeliness of service by the Department based on the urgency of travel needs.

(8) *Returning undeliverable passports and supporting documentation to a passport agency after 14 days* – Failing to return undeliverable passport(s) and supporting documentation within 14 calendar days of pickup to the passport agency that issued the passport when the applicant cannot be located.

(9) *Leaving passport application materials or passports unattended* – Losing control of passport applications, passports, correspondence, or supporting documentation while such documents are in the custody of a courier company.

(10) *Failing to protect an applicant’s personal information* – Compromising the privacy and integrity of an applicant’s personal information, including but not limited to selling an applicant’s personal information to a third party, sharing it with a third party, or buying it from a third party; and/or failure to notify an applicant that his or her personal information has been lost, stolen, or possibly compromised.

(11) *Tampering with passport application materials* – Tampering with a passport application or misrepresenting facts pertaining to an application. This includes, but is not limited to:

- a. Signing a passport application, a supporting document, or a letter of authorization on behalf of another individual;
- b. Providing any other false information affecting passport application processing or issuance, including a fake itinerary;
- c. Opening a sealed envelope containing an executed passport application; or
- d. Providing a photo of an individual other than the applicant.

(12) *Depositing applicant funds into account* – Depositing funds intended for the Department or any passport agency into a business or personal account.

(13) *Retaining an application five days after its execution or signature* – Failing to timely submit passport applications to a passport agency after an applicant's personal appearance before a passport acceptance agent in accordance with 22 C.F.R. 51.21(a), or after the applicant signs a renewal passport application in accordance with 22 C.F.R. 51.21(b).

(14) *Executing an application* – Executing a passport application for an applicant.

(15) *Coaching fraudulent information* – Coaching applicants to provide fraudulent or misleading information on or in support of a passport application. This includes, but is not limited to:

- i. Knowingly directing an individual to engage fraudulent notarial services or to produce a fake travel itinerary; and/or
- ii. Coaching an individual to make a fraudulent statement on any document submitted to a passport agency or sign a document submitted with a passport application on behalf of another individual.

(16) *Failure to report changes in ownership* – Failing to report changes in ownership of a courier company. This includes continuing to do business under the name and registration of the previous courier company or owner without notifying the Department.

(17) *Providing false information on a registration form/failure to report material changes* – Submitting false or misleading information or failing to report material changes to responses provided on or in support of a courier company or employee registration form.

(18) *Obtaining appointments* – Obtaining appointments is strictly prohibited, because appointments at passport agencies and centers remain, as always, strictly reserved for the public to make use of. “Obtaining” is defined as any courier company/employee that directly or indirectly acquires, holds or otherwise secures access to an “in person appointment” at a passport agency and/or center. Such violations may result in immediate cancellation of the Company's and employee’s registration, which will be effective when notice is given in writing to the Company.

(19) *Selling appointments* – Selling appointments is strictly prohibited. “Selling” is defined as any courier company/employee that obtains an “in person appointment” at a passport agency and/or center and directly or indirectly furnishes the appointment to an individual in exchange for payment. Such violations may result in immediate cancellation of the Company's and employee’s registration, which will be effective when notice is given in writing to the Company.

§54.31. Administrative review of restrictive actions.

(a) A courier company and/or employee whose registration has been suspended, cancelled, or permanently banned may send a written request for an administrative review to the Department within 14 calendar days of receipt of the notice of such restrictive action. The request must include a written, sworn statement or declaration submitted under penalty of perjury, describing the events at issue and providing reasons that the courier company and/or employee believes it/he/she should not be found in violation of the requirements of this part and/or the Department’s hand delivery procedures for registered couriers described in subsection 54.21(g).

(b) Upon examining the materials provided by the courier company and/or employee and the relevant documentation of the incident forwarded by the passport agency, a review board consisting of at least three members of the Department will submit a written recommendation to the Managing Director for Passport Issuance Operations. After reviewing the request for an administrative review and the recommendation of the review board, the Managing Director for Passport Issuance Operations will decide whether to uphold the suspension, cancellation, or permanent ban of the courier company's and/or employee's registration to provide hand delivery services.

(c) The Department will promptly notify the courier company and/or employee of the decision in writing. If the decision upholds the Department's action, the notification will contain the reasons for the decision. The decision is final and not subject to further administrative review.

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