STATE-TO-STATE VERIFICATION SERVICE AGREEMENT

THIS STATE-TO-STATE VERIFICATION SERVICE AGREEMENT ("Agreement") is made as of March 1, 2017 ("Effective Date") between the undersigned driver licensing agency of the State of Alaska ("DLA"), pursuant to AS 28.05.021 and the AMERICAN ASSOCIATION OF MOTOR VEHICLE ADMINISTRATORS, a District of Columbia nonprofit corporation (AAMVA). The DLA and AAMVA are individually referred to in this Agreement as a "Party" and collectively as the "Parties".

BACKGROUND

A. AAMVA has developed and operates the State to State Verification Service ("S2S"). S2S enables jurisdictions participating in the S2S program ("Participating Jurisdictions") to help determine whether an applicant for a driver license or identification card holds a driver license or identification card issued by another Participating Jurisdiction.

B. DLA desires to participate in the S2S program in accordance with the terms and conditions set forth in this Agreement.

AGREEMENTS

IN CONSIDERATION of the mutual promises made in this Agreement, the parties agree as follows:

1. Primary S2S Responsibilities.

   a. Subject to the terms and conditions of this Agreement, AAMVA agrees to provide DLA with online driver license and identification card (DL/ID) issuance verification services using S2S.

   b. DLA agrees to carry out its obligations under this Agreement and to comply with the current Enforcement of S2S Compliance document as amended by the S2S Governance Committee from time to time.

2. Onboarding.

   a. DLA agrees to develop and maintain a coded interface to S2S that is compliant with the current version of the S2S Specifications. AAMVA agrees to provide reasonable assistance to DLA in order to facilitate interfacing with S2S. DLA agrees to consult with AAMVA prior to making any modifications to the coded interface during the term of this Agreement.

b. Testing with AAMVA is limited to transactions between DLA and S2S. AAMVA shall have no responsibility for testing the DLA's graphical user interface (GUI) through which it will access S2S.

c. DLA agrees that it will not access S2S until AAMVA has completed, to its satisfaction, structured tests of DLA's application (including testing of the initial load process) and has issued written authorization for DLA to access S2S.

3. Fees. DLA agrees to pay for use of S2S on the basis of DLA's actual utilization of S2S in accordance with the charges set forth in the current AAMVA's Products & Services Government Rate Schedule (available on AAMVA website at http://www.aamva.org/Network-Services/). All charges for DLA's use of S2S are subject to change upon at least twelve (12) months written notice from AAMVA to DLA.

4. Data Use, Privacy and Security.

   a. AAMVA

      i. AAMVA agrees to institute the controls as detailed in the S2S System Security and Privacy Plans, copies of which are available on request. The System Security and Privacy Plans are subject to modification by AAMVA. Controls include, but are not limited to, the following privacy and security tenets of the Plan:

         1. Access and Authorization

         2. Contingency Planning

         3. Data and Communication Protections

         4. Security Event Monitoring

      ii. AAMVA agrees to implement the administrative, technical and physical safeguards created to protect and ensure the proper handling of Personally Identifiable Information ("PII"). AAMVA will not disclose, reuse or sell the S2S data per the privacy protections described in the S2S Privacy Impact Assessment (available on AAMVA website at http://www.aamva.org/State-to-State) and the S2S System Security and Privacy Plans.

   b. DLA

      i. DLA's use of any data furnished by a Participating Jurisdiction is strictly limited to the uses permitted under this Agreement. DLA agrees to limit the use of and access to S2S information and the records created by the data exchange under this Agreement to the purpose of administering their driver's license and/or identification card programs, including investigations of DL/ID related fraud. No other state or local governmental agency or other organization or person shall have access to S2S, or information obtained by DLA from S2S, without prior

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written authorization by AAMVA.

ii. DLA agrees to adopt policies and procedures to ensure that data exchanged under this Agreement is used in accordance with the terms and conditions of this Agreement and any applicable laws including AS 28.10.505(d)(1).

iii. DLA acknowledges and agrees that all right, title and interest in data provided by any jurisdiction is owned by the jurisdiction supplying that data. DLA further acknowledges that if a driver associated with a pointer owned by the DLA moves to a new jurisdiction, that jurisdiction automatically shall assume all right, title and interest in the pointer data associated with that driver, as well the driver history data that was received as part of the change of state record transaction.

iv. DLA agrees to provide data within S2S according to the same quality and timeliness that applies to data provided within the Commercial Driver's License Information System ("CDLIS"). DLA further acknowledges and agrees that its implementation and use of S2S shall have no impact on the operational and legal requirements established from time to time for state participation in CDLIS.

c. DLA acknowledges that a positive ("match") verification only establishes that the data it submitted matches the data contained within the S2S pointer service, subject to the tolerances established in the S2S matching routines. The jurisdiction receiving S2S data is then responsible, among other things, for:

i. authenticating the identity of the applicant

ii. determining if the information received pertains to the applicant

iii. determining whether or not to issue a driver's license or identification card

d. DLA agrees to limit the storage of data received from Participating Jurisdictions through S2S, as follows:

i. If DLA determines that the information received does not pertain to the person applying for a driver's license or identification card, DLA may retain only the minimum information that is needed for its governmental business purposes and agrees to securely destroy the remaining information it received from the other state.

ii. If DLA determines that the information received does pertain to the person applying for a driver's license or identification card and for any reason decides not to issue a driver's license or identification card, DLA agrees to retain only the minimum information needed for its governmental business purposes and agrees to securely destroy the remaining information it received from the other state.

  iii. If DLA determines that the information received pertains to the person applying for a driver's license or identification card, and decides to issue a driver's license or identification card, DLA may add some or all of the received driver history to the person's driver record in the receiving state.

e. DLA agrees to restrict access to the information obtained from S2S, through DLA's systems or directly through the S2S web user interface, to only those authorized State employees, State agents, State representatives or State contractors who need it to perform their official duties in connection with the intended uses of the information authorized in this Agreement. DLA will restrict access to S2S information by taking actions including, but not limited to:

  i. Immediately disabling accounts upon resignation/termination, or when access is no longer needed;

  ii. Conducting a review of access accounts at least every 120 days to ensure that any obsolete accounts are disabled; and

  iii. Monitoring use of accounts having access to S2S information.

f. DLA agrees to audit user access to the systems and network infrastructure connecting to S2S, processing S2S information or storing S2S information.

g. DLA agrees to prevent, detect and deter unauthorized access to its driver files, or to the systems and network infrastructure connecting to S2S, processing S2S information, or storing S2S information.

h. DLA agrees to notify AAMVA within 1 calendar day following any confirmed incidents of data breach.

i. DLA agrees to establish and enforce penalties for misuse of S2S data within its state.

j. DLA acknowledges and agrees that when it sends data to another state, the receiving state may choose to retain all or parts of the data and the protection of the retained data is governed by the receiving state's data retention and disclosure rules.

k. DLA agrees to use the AAMVA Best Practices for the Deterrence and Detection of Fraud (March 2015) (available on AAMVA website at http://www.aamva.org/Best-Practices/) as a guideline for state policy and procedures for safeguarding information provided under this Agreement.

l. DLA agrees to provide notice to the applicants that the PII collected for the purpose of issuing a Driver License or ID card may be verified against nationwide systems for accuracy.

m. DLA agrees to comply with the requirements and procedures set forth in the current Enforcement of S2S Compliance document as amended by the S2S Governance Committee from time to time.

5. Term, Termination and Suspension of Service.

   a. The term of this Agreement shall begin on the Effective Date and, unless sooner terminated in accordance with this Agreement, shall remain in effect.

   b. Either AAMVA or DLA may terminate this Agreement upon 90 days' prior written notice to the other. Such termination will be effective 90 days from the date of the notice or at a later date specified in the notice.

   c. AAMVA may immediately temporarily suspend DLA's access to S2S under this Agreement if it determines that DLA has: (1) incurred an unauthorized use of S2S, (2) violated or failed to comply with the terms of this Agreement or (3) if suspension is required to protect the integrity of S2S.

   d. As of the effective date of termination of this Agreement or the suspension of access to S2S, DLA shall no longer have visibility or access to S2S data or functionality. S2S data provided by DLA prior to termination or suspension of service shall be removed from the system as a part of the termination process.

   e. The parties acknowledge that DLA's participation in S2S requires significant modification of DLA's information technology systems and that the termination of DLA's participation in S2S may require significant programming and administrative transitions. In the event of termination of DLA's participation in S2S as provided above, the parties agree to cooperate in good faith to accomplish the programming, administrative and other aspects of the required transition in a manner that promotes the effective administration of state driver licensing and the Commercial Driver License (CDL) and other federal and state governmental programs. DLA acknowledges that it shall have exclusive responsibility for its expenses associated with the termination of its participation in S2S.

6. No Warranties. The State to State Verification Services provided under this Agreement are provided "as is." Except as expressly provided in this Agreement, AAMVA makes no warranties, express or implied, including, but not limited to, those of merchantability or fitness for a particular purpose or any other warranty arising by statute or from a course of dealing or usage of trade. Without limiting the foregoing, AAMVA makes no warranty of any kind that S2S will meet DLA's requirements, operate without interruption, achieve any intended result, be compatible or work with any other services, technologies, information or be error free. Use of information obtained through S2S is at DLA's own risk. AAMVA specifically disclaims any liability or responsibility for the accuracy or quality of data provided by Participating Jurisdictions, or for loss of data resulting from delays, nondeliveries, misdeliveries, or service interruptions, however caused. No oral or written information or advice given by AAMVA shall create a warranty, or in any way increase the scope of AAMVA's obligations to DLA under this Agreement.

7. Limitation of Liability.

    a. Unless expressly contrary to law of the state of the DLA, AAMVA shall have no liability for any consequential, incidental, exemplary, indirect damages, loss, or expenses of any similar kind even if AAMVA has been advised of the possibility of such damages, losses, or expenses. In no event shall AAMVA be liable for any damages caused by DLA's direct failure to carry out its obligations under this Agreement. AAMVA's aggregate liability to DLA under this Agreement, whether arising out of or related to breach of contract, tort (including negligence) or otherwise shall in no event exceed the total amount of fees paid by DLA to AAMVA pursuant to this Agreement in the twelve month period preceding the event giving rise to the claim.

    b. Excluded from the foregoing liability limitations are claims related to fraud, bad faith, infringement issues, bodily injury, death and physical damage to tangible personal or real property.

8. Miscellaneous.

    a. Headings and Captions. Headings and captions are inserted for reference and convenience only, and are not a part of and shall not affect the meaning or interpretation of this Agreement.

    b. Force Majeure. In no event will AAMVA be liable or responsible to DLA or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by any circumstances beyond AAMVA's reasonable control.

    c. Notices. All notices and communications relating to this Agreement, shall be in writing and shall be sent by certified mail, return receipt requested, or delivered personally or by email to the respective address set forth below, or to such other address(es) as either party shall designate by written notice.

To AAMVA:

Attention: Contracts Administration
AAMVA
4401 Wilson Boulevard, Suite 700
Arlington, VA 22203

To DLA:

Marla Thompson

DMV Director SOA

1300 W Benson Blvd Ste 900

Anchorage AK 99503

d. Assignment. Neither Party may assign or transfer this Agreement without the prior written consent of the other Party.

e. Severability. A determination that any provision of this Agreement is invalid or unenforceable will not affect the validity or enforceability of any other part of this Agreement. Similarly, a determination that any provision is invalid or unenforceable in one application will not affect the validity or enforceability of the same provision in other contexts.

f. Survival. The provisions of Sections 3, 4, 6, 7 and 8 shall survive the expiration or earlier termination of this Agreement.

g. Governing Law. This Agreement shall be governed by the substantive laws of the Commonwealth of Virginia, without regard to its choice of law principles.

h. Entire Agreement. This Agreement (including any exhibit or other attachment to this Agreement) constitutes the entire agreement between the parties pertaining to the subject matter herein, and supersedes all prior oral and written agreements and any proposals, correspondence and memoranda with respect thereto.

i. Order of Precedence. In the event of conflicts among the terms of this Agreement and any attachment or exhibit, the provisions of the attachment or exhibit shall prevail.

j. Modification. No modification to this Agreement will be effective unless it is in writing and signed by all of the Parties of this Agreement.

IN WITNESS WHEREOF, the undersigned have caused the Agreement to be executed by their authorized officials as of the Effective Date.

State of Alaska
Department of Administration

AMERICAN ASSOCIATION OF
MOTOR VEHICLE
ADMINISTRATORS

By: _____
Sheldon Fisher
SOA, Commissioner of Administration

By: Anne Ferro

Digitally signed by Anne Ferro
Date: 2017.03.03
13:56:45 -05'00'

Anne S. Ferro
President and CEO

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