

BUSINESS LICENSING SERVICES AGREEMENT

I. Parties and Contact Information

This Business Licensing Services Agreement ("Agreement") is entered into between the parties identified below:

State of Washington Department of Revenue Business Licensing Services	City of North Bend
("Revenue")	("Partner")
Mailing Address	PO Box 47475 Olympia, WA 98504-7475
Delivery Address	6500 Linderson Way SW, Ste 102 Tumwater, WA 98501
Contact Person:	Maria Moore Phone: (360) 705-6641 FAX: (360) 705-6699 E-Mail: mariam@dor.wa.gov
Mailing Address	PO Box 896 North Bend, WA 98045
Delivery Address	211 Main Ave N North Bend, WA 98045
Contact Person:	Mike Kenyon, Kenyon Disend, PLLC Phone: (425) 392-7090 FAX: (425) 392-7071 E-Mail: mike@KenyonDisend.com

II. Purpose.

The purpose of this Agreement is to establish the terms under which the Business Licensing Services Division of the Department of Revenue will act as Partner's agent for the purpose of collecting, processing, and disbursing information, licenses, and fees related to Partner's licensing or other regulatory activities. Partner retains all power and authority over its business licensing and other regulatory activities except as expressly delegated to Revenue under this Agreement.

III. Effective date.

This Agreement is effective as of (*check one*): (mm/dd/yyyy).

the date of the last signature of the parties.

IV. Services provided by Revenue

Revenue will perform the services identified in this Section IV using best efforts in a manner determined by Revenue in good faith to be appropriate considering objectives, costs, and effectiveness.

- Distribute and process initial and renewal internet and/or paper-based applications for Partner's business licensing and/or other regulatory activities.
- Collect and process license fees and licensing information received from applicants and licensees. Disburse collected fees as directed by Partner.
- Issue Business License with Partner's license endorsement as authorized by Partner.
- Provide routine reports on Partner's business licenses as requested by Partner, which may include daily lists of new business applications and renewals, fees processed each day, weekly list of pending accounts, and lists of businesses for which fees have been transferred.

- Maintain electronic or microfilm images of all paper documents and electronic representations of electronic filings received by Revenue from applicants and provide copies or certified copies as requested.
- Maintain a database containing information received from applicants and licensees (the BLS Database).
- Provide technical assistance to establish and configure appropriate BLS Database access and secure access for Partner staff.
- Provide initial training to Partner staff in the use of the BLS Database, and ongoing training to address changes to the BLS database/access protocols or in Partner staff. Training will occur at Partner's location, over the telephone, or online, as agreed upon by the parties.
- Effect reasonable modifications in the BLS system, database, process, or forms to accommodate Partner's licensing or other regulatory requirements. Revenue will consult with Partner in evaluating alternatives and determining the most feasible and timely means of achieving Partner objectives.
- Timely notify Partner of other modifications to the BLS system, database, process, or forms, including modifications accommodating other BLS partners.

V. Partner obligations

- Timely provide Revenue with all information requested to implement Partner's participation in the BLS program.
- Follow all requirements identified by Revenue as necessary for participation in the BLS program, including using :
 - The Business License Application and other forms and processes established by Revenue;
 - The "Business License" document for proof of licensure under Partner's licensing or regulatory program.
 - The Unified Business Identifier (UBI) number to identify licensees and license accounts in all communications with Revenue.
- Obtain and maintain at its own cost, all necessary equipment and on-line services required at Partner's business location(s) to support Partner's access into and use of the BLS Database. End-to-end testing will take place until such time as Revenue is satisfied.
- Ensure Partner Licensing and Information Technology staff are available to respond promptly to Revenue. Partner staff will be knowledgeable of Partner operations and/or technology and be able to assist Revenue staff with process improvements and/or troubleshooting.
- Provide timely advance notice to Revenue of potential changes to Partner business licensing requirements, fees or processes.
- Upon request by Revenue, provide statistical data associated with the BLS Partner Partnership Agreement such as Full Time Equivalent (FTE) savings, change in number of Partner licensees, and change in revenue flow.

VI. Compensation

Services identified in this Agreement are provided by Revenue at no charge with the exception of the following:

- Partner shall reimburse Revenue for all fees charged by credit card processors and/or financial institutions upon any funds charged, collected, or refunded by Revenue in processing applications and /or collecting fees related to Partner's licensing or other regulatory activities.
- Partner shall reimburse Revenue the costs of developing and producing ad hoc informational reports. Ad hoc reports will be created only if requested by the Partner and agreed-upon by Revenue.
- Partner shall reimburse Revenue's expenses for the implementation of changes to the BLS process, if requested by the Partner and agreed-upon by Revenue.
- All project coordination costs, including travel-related expenses, shall be absorbed by the respective parties for their own staff.
- The Partner shall reimburse Revenue for Partner's share of mainframe charges from the Department of Enterprise Services. Partner's share includes per inquiry/entry charge for access and usage of the BLS system, costs required to transmit Word document reports, and costs associated with ad hoc reports requested (if any).

VII. Billing procedures.

Partner will provide and maintain with Revenue its current billing addresses and the personnel, if any, to whom invoices should be directed. Revenue shall submit invoices to Partner as-needed, but in no event more frequently than monthly. Partner shall pay all invoices by warrant or account transfer within thirty (30) calendar days of the invoice issue date. Upon expiration or termination of this Agreement, any claim for payment not already made shall be submitted within ninety (90) calendar days after the expiration/termination date or the end of the fiscal year, whichever is earlier.

VIII. Confidentiality and data sharing.

The parties agree to the confidentiality and data sharing provisions set forth in Exhibit A and incorporated herein by this reference.

IX. Term and Termination.

This agreement is effective until terminated. Either party may terminate this Agreement upon ninety (90) calendar days' prior written notice to the other party.

X. Disputes.

The parties agree to participate in good faith mediation to resolve any disputes that are not otherwise resolved by agreement, prior to any action in court or by arbitration. At any time, either party may initiate formal mediation by providing written request to the other party setting forth a brief description of the dispute and a proposed mediator. If the parties cannot agree upon a mediator within fifteen (15) calendar days after receipt of the written request for mediation, the parties shall use a mediation service that selects the mediator for the parties. Each party shall be responsible for one-half of the mediation fees, if any, and its own costs and attorneys' fees.

XI. Miscellaneous.

- A. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Washington. Any action arising out of this Agreement must be commenced in Thurston County, Washington.
- B. Interpretation. This Agreement shall be interpreted to the extent possible in a manner consistent with all applicable laws and not strictly for or against either party.

- C. No Waiver. The failure of either party to enforce any term in any one or more instance will not be construed as a waiver or otherwise affect any future right to insist upon strict performance of the term. No waiver of any term of this Agreement shall be effective unless made in writing and signed by personnel authorized to bind the party against whom enforcement is sought.
- D. Assignment and Delegation. Either party may assign any right or interest, or delegate any duty or obligation, arising under this Agreement upon thirty (30) days written notice to the other party.
- E. Severability. If any provision of this Agreement is held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement shall be given effect to the extent consistent with applicable law and the fundamental purpose of this Agreement.
- F. Survival. Terms of this Agreement which by their nature would continue beyond termination will survive termination of this Agreement for any reason, including without limitation, Sections 3 through 7 in Exhibit A.
- G. No third party beneficiaries. This Agreement is for the benefit of the parties and their successors and may not be enforced by any non-party.
- H. Amendments. No amendment to this Agreement is enforceable unless made in writing and signed by personnel authorized to bind the party against whom enforcement is sought.
- I. Merger and integration. This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties.
- J. Changes in law. The provisions of this Agreement shall be deemed to change in a manner that is consistent with any changes to any directly applicable statutory authority, provided that the change is consistent with the manifest intent of this Agreement and does not conflict with any of its express provisions. Any such change to this Agreement shall be effective on the effective date of the change in authority.

IN WITNESS WHEREOF, this Agreement is executed effective as of the date specified above.

State of Washington
Department of Revenue
Business Licensing Services

City of North Bend Partner

Template approved as to form

Approved as to form

ON FILE

Rebecca Glasgow,
Assistant Attorney General for Washington State

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Date

EXHIBIT A
CONFIDENTIALITY AND DATA SHARING

1. Purpose and Scope

The following provisions establish the terms under which Revenue and Partner will share Confidential Licensing Information pursuant to the BLS Agency Partnership Agreement (the "Agreement").

2. Definitions

"Confidential Licensing Information" has the same meaning as "Licensing Information" under RCW 19.02.115(1) (b) and includes, but is not limited to, any information included in the master applications, renewal applications, and master licenses under the business licensing service program. Confidential Licensing Information is classified as at least Category 3 data under Washington's Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.

3. Confidentiality

Partner and Revenue each agree to keep confidential and secure from unauthorized use, access, or disclosure, all Confidential Licensing Information received under the Agreement.

- A. Ensuring Security: Partner and Revenue shall each establish and implement physical, electronic, and managerial policies, procedures, and safeguards to ensure that all Confidential Licensing Information received by it under this Agreement is secure from unauthorized use, access, or disclosure.
- B. Electronic Security: Partner's electronic security policies, procedures, and safeguards must be at least as stringent as those set forth in *Washington's Standard for Securing Information Technology Assets*, OCIO Standard No. 141.10, as amended from time to time.
- C. Proof of Security. Revenue reserves the right to monitor, audit, or investigate Partner's security policies, procedures, and safeguards for Confidential Licensing Information. Partner agrees to provide information or proof of its security policies, procedures, and safeguards as reasonably requested by Revenue.

4. Statutory Prohibition Against Disclosure; Secrecy Affidavit.

- A. Criminal Sanctions. RCW 19.02.115 prohibits the disclosure of Confidential Licensing Information, except as expressly authorized by RCW 19.02.115. It is a misdemeanor for any person acquiring Confidential Licensing Information under this Agreement to disclose such information in violation of the disclosure limitations stated in RCW 19.02.115. Additionally, if the person is a state officer or employee, the person must forfeit such office or employment and is incapable of holding any public office or employment in Washington for a period of two years thereafter.
- B. Partner will require employees with access to Confidential Licensing Information to sign a copy of the secrecy affidavit attached at Exhibit B.

5. Authorized Use, Access, and Disclosure

- A. Permitted Uses: Confidential Licensing Information may be used for official purposes only.
- B. Permitted Access: Confidential Licensing Information may be accessed only by Partner's employees and agents that have a bona fide need to access such information in carrying out their official duties.
- C. Permitted Disclosure: Confidential Licensing Information received under the Agreement must not be disclosed to non-parties unless the disclosure is:
 - permitted under an express disclosure exception in RCW 19.02.115;

- ordered under any judicial or administrative proceeding; or
- otherwise expressly authorized by Revenue in writing.

D. Public Records Requests: In the event that Partner reasonably believes that it must disclose information pursuant a Public Records Request, and Partner is prohibited from disclosing such information under the terms of this Agreement, Partner must give notice to DOF of its intention to disclose. The notice shall be provided at least 14 business days in advance of disclosure, the notice shall contain a copy of the public records request, and the notice shall reasonably identify the information that Partner believes is prohibited from disclosure under this Agreement.

6. Breach of Confidentiality

In the event of any use, access, or disclosure of by Partner or its employees or agents in material violation of the confidentiality terms of this Agreement:

- A. Partner shall notify Revenue in writing as soon as practicable, but no later than three working days, after determining that a violation has occurred.
- B. Revenue may immediately terminate this Agreement and require the certified return or destruction of all records containing Confidential Licensing Information, however, Revenue shall provide Partner with an electronic record containing all information collected for Partner's licensing or other regulatory activities in an electronic medium.

7. Ownership and Retention of Records

Records furnished to Partner in any medium remain the property of Revenue. However, except as otherwise expressly provided in this Agreement, Partner may retain possession of all such records in accordance with its own electronic information and document retention policies.

*****end*****