



STATE OF WASHINGTON
DEPARTMENT OF REVENUE

INTERAGENCY AGREEMENT BETWEEN

DEPARTMENT OF REVENUE
And
WASHINGTON LOTTERY
Contract No. IAC 03014

PARTIES TO THE AGREEMENT

This Agreement is made and entered into, pursuant to Chapter 39.34 RCW and RCW 67.70.255, by and between the Washington Lottery (hereinafter referred to as the Lottery) and the Department of Revenue (hereinafter referred to as DOR).

PURPOSE

The purpose of this Agreement is to set forth procedures and clarify the specifics and timing recording information shared by DOR and the Lottery under RCW 67.70.255 and WAC 315-06-125. This agreement does not alter or eliminate any requirement of RCW 67.70.255 or WAC 315-06-125.

STATEMENT OF WORK

Pursuant to RCW 67.70.255 and WAC 315-06-125, any state agency or political subdivision that maintains records of debts or that the state is authorized to enforce or collect, may submit data processing files containing debt information to the Lottery for the purpose of identifying persons indebted to the agency who are entitled to lottery prizes.

- DOR shall submit a file of debtors to the Lottery approximately every 30 days. The data shall be effective for a duration of 30 days after the date specified in the debt file.
- DOR shall provide the debt files in one of the following two methods:
 - 1) On a server which is accessible to the Washington Lottery via File Transfer Protocol (FTP). The Lottery will transfer it from there. This is the preferred method.
 - 2) On an 18 track IBM 3480 compatible tape.
- On the weekend following acceptance of the files, the Lottery shall load the files into its data processing system.
- In the event of a Lottery winner/agency debtor match, Lottery personnel shall contact the agency with which the debtor has debt.



- The primary contact person for notifying DOR of such match is Olympia District Office at (360) 455-6270. The two back-up contact persons are Mark Garrison at (360) 753-2549 and Olympia District office at (360) 664-8449.
- Should DOR wish to exercise its right to withhold lottery winnings, the debt must be verified by submitting to the Lottery headquarters office in Olympia a facsimile or photocopy of a judgment, final order, tax warrant or lien (pursuant to RCW 82.32.210) or a notice to withhold and deliver (pursuant to RCW 82.32.237) which is the basis for the debt. Within two working days of being notified by the Lottery verification of the debt must include the amount owed to the agency.
- If the agency does not verify the debt within two working days of notification by the Lottery, the Lottery shall release the prize payment to the winner.
- The Lottery and DOR agree to safeguard the personal information of claimants and debtors from unauthorized or unnecessary disclosure, pursuant to RCW 82.32.330, Executive Order 00-03 and the applicable policies and rules of their respective agencies. The Lottery agrees to provide notice of RCW 82.32.330 (5) to any and all of its employees who have access to taxpayer information as provided by DOR under this agreement.

PERIOD OF PERFORMANCE

Subject to other provisions of this Agreement, the period of performance of this Agreement shall commence immediately, and shall continue until terminated by either party.

PAYMENT FOR SERVICES

Neither party shall be responsible to pay or reimburse the other party for any expenses incurred in the performance of this agreement.

RECORDS MAINTENANCE

Records and other documents, in any medium, furnished by one party to this Agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose or make available this material to any third parties without first giving notice to the furnishing party and giving it a reasonable opportunity to seek a court order prohibiting disclosure. Each party will utilize reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

INDEMNIFICATION

Each party shall defend, protect and hold harmless the other party from and against all claims, suits and/or other actions arising from any negligent or intentional act or omission of that party's employees, agents and/or authorized subcontractor(s) while performing this Agreement.

CONTRACT REPRESENTATIVE

The Contract Representative (designated below) for each of the parties shall be the contact person for all communications regarding the performance of this Agreement (other than

notification and verification of winner/debtor matches and verification of debts, as provided in the statement of work).

Contract Representative for the Lottery
Mari Jo Ledesma
PO Box 43000
Olympia, WA 98504-3000
98504-3000
(360) 664-4822
Ledesmm@Lottery.wa.gov

Contract Representative for DOR:
Evelyn Czapiewski
1025 Union Ave. SE Suite 500
Olympia, WA
98501
(360) 570-6048
EvelynC@Dor.wa.gov

AGREEMENT ALTERATIONS AND AMENDMENTS

The parties to the Agreement may mutually amend this Agreement. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind the parties.

TERMINATION

Unless otherwise prohibited by RCW 67.70.255, either party may terminate this Agreement upon fifteen (15) days written notification. If this Agreement is so terminated, the parties shall be liable only for performance in accordance with the terms of this Agreement for performance rendered prior to the effective date of termination.

DISPUTES

In the event that a dispute arises under this Agreement, it shall be resolved by a Dispute Board in the following manner: the DOR and Lottery shall each individually appoint one member to the Dispute Board and jointly appoint a third member. The Dispute Board shall evaluate the dispute and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto.

ORDER OF PRECEDENCE

In the event of an inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable state statutes and regulations;
2. The Terms and Conditions of this Agreement, including the Statement of Work; and
3. Any other provisions of this Agreement whether incorporated by reference or otherwise.

GOVERNING LAW

This Agreement shall be governed by the laws of the state of Washington. In the event of a lawsuit involving this Agreement, venue shall be proper only in Thurston County. The Contractor by execution of this Agreement, acknowledges the jurisdiction of the courts of the state of Washington in this matter.

ASSIGNMENT

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.

WAIVER

A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.

SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

ALL WRITINGS CONTAINED HEREIN

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 hereto.

IN WITNESS WHEREOF, the Washington State Department of Revenue and Lottery have executed this Agreement as of the date and year written below.

Washington State Department of Revenue

Washington Lottery

Marvin R. Ostby, Acting Deputy Director
Name, Title

Anthony S. Molica, Director
Name, Title

Marvin R. Ostby 9-24-02
Signature Date

Anthony S. Molica 9/26/02
Signature Date

Approved as to Form:

Signed Form on File
Assistant Attorney General, DOR Date


Amendment No. 1 to
DATA-SHARING AGREEMENT
between
THE STATE OF WASHINGTON
DEPARTMENT OF REVENUE
and
THE WASHINGTON STATE LOTTERY

The data-sharing agreement between the Department of Revenue and the Washington State Lottery is amended under the provisions of the *Period of Performance and Agreement Alterations and Amendments* clauses as follows:

The end date of the period of performance is extended from April 15, 2010 to April 15, 2013.

IN WITNESS WHEREOF, the parties have executed this Amendment.

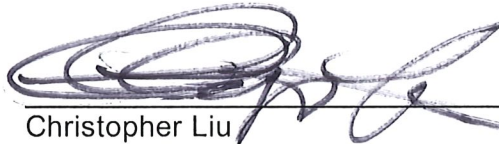
State of Washington
Department of Revenue



Tremaine Smith
Deputy Director

2/12/10
Date

Washington State Lottery



Christopher Liu
Director

Date

INTERAGENCY AGREEMENT BETWEEN

DEPARTMENT OF REVENUE AND WASHINGTON STATE LOTTERY

CONTRACT AMENDMENT NO. 2 TO LOTTERY CONTRACT NO. IAC 03014 DOR CONTRACT NO. 62

1. **Purpose and Scope:**

The following provisions amend the terms under which the parties will share confidential data pursuant to Interagency Agreement IAC 03014 (the "Agreement").

2. **Definitions:**

"**Cloud**" refers to a non-Party data center(s) offering infrastructure, operating system platform, or software services. A more complete definition of cloud can be found in the National Institute of Standards and Technology (NIST) Special Publication 800-145.

"**Complex Password**" or "**Complex Passphrase**" refers to a secret phrase, string of characters, numbers, or symbols used for authentication that is not easily guessable and meets established industry guidelines for complexity and length such as NIST Special Publication 800-118.

"**Confidential Tax Information**" (CTI) has the same meaning as "Return", "Tax Information", and "Tax Identity" under Chapter 82.36.330 (b) (c) (e) of the Revised Code of Washington (RCW). CTI is classified as at least Category 3 data under Washington's Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.

"**Confidential**" refers to data classified as at least Category 3 data under Washington's Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.

"**Data**" refers to individual pieces of information.

"**Encryption**" refers to enciphering data with a NIST approved algorithm or cryptographic module using a NIST approved key length.

"**Parties**" and/or "**Party**" refers to the Department of Revenue and the Washington State Lottery.

"**Portable Devices**" refers to small portable computing devices. Examples of portable devices include, but are not limited to; handhelds/PDAs, Ultramobile PCs, flash memory devices (e.g. USB flash drives, personal media players), portable hard disks, and laptop/notebook computers.

"**Portable Media**" refers to small portable digital storage media. Examples of portable media includes, but is not limited to; optical media (e.g. CDs, DVDs, Blu-Rays), magnetic media (e.g. floppy disks, tape, Zip or Jaz disks), or flash media (e.g. CompactFlash, SD, MMC).

“Secure Physical Location” or “Secure Area” refers to a room or facility which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

3. **Data Classification, Authorized Use, Access, and Disclosure:**

- A. **Data Classification:** Data shared under this Agreement is considered confidential and classified as at least Category 3 data under Washington’s Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.
- B. **Permitted Uses:** All information shared under the original Agreement may be used for official purposes only.
- C. **Permitted Access:** All information shared under the original Agreement may be accessed only by Party employees or agents that have a bona fide need to access such information in carrying out their official duties.
- D. **Permitted Disclosure:** All information shared in the original Agreement must not be disclosed to non-Party individuals unless the disclosure is:
- 1) Ordered under any judicial or administrative proceeding; or
 - 2) Otherwise expressly authorized by the Party in writing.
- E. **Public Records Requests:** In the event that one Party reasonably believes it must disclose information pursuant a Public Records Request, and each Party is prohibited from disclosing such information under the terms of this Agreement, the Party must give notice of its intention to disclose.

The notice shall:

- Be provided at least 14 business days in advance of disclosure.
- Shall contain a copy of the public records request.
- Shall reasonably identify the information that the Party believes is prohibited from disclosure under this Agreement.

4. **Policy, Safeguards, and Compliance:**

- A. **Ensuring Security:** The Parties shall establish and implement physical, electronic, and managerial policies, procedures, and safeguards to ensure that all confidential Party data exchanged under this Agreement is secure from unauthorized use, access, or disclosure.
- B. **Proof of Security.** The Parties reserve the right to monitor, audit, or investigate each other’s security policies, procedures, and safeguards for confidential data. Both Parties agree to provide information or proof of its security policies, procedures, and safeguards as reasonably requested by either Party.

5. **Ownership and Retention of Records:**

Records and other documents, in any medium, furnished by one Party to the other will remain the property of the furnishing Party absent a written agreement to the contrary. The Parties agree that each Party receiving Information under this Agreement may retain the Information in accordance with the receiving Parties electronic information and document retention policies, as applicable.

6. **Data Security:**

All Agreement data shall be stored in a secure physical location and on Party owned devices with access limited to the least number of staff needed to complete the purpose of this Agreement.

A. The Parties agree to store Agreement data on only one or more of the following media and protect the data as described:

1) **Workstation hard disk drives.**

- a) Access to the data stored on local workstation hard disks will be restricted to authorized users by requiring logon to the local workstation using a unique user ID and complex password, passphrase, or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
- b) If the workstation is not located in a secure physical location, the hard drive must be encrypted.
- c) Workstations must be maintained with current anti-malware or anti-virus software.
- d) Software and operating system security patches on workstations must be kept current.

2) **Network servers.**

- a) Access to data stored on hard disks mounted on network servers and made available through shared folders will be restricted to authorized users through the use of access control lists which will grant access only after the authorized user has authenticated to the network using a unique user ID and complex password, passphrase, or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
- b) Data on disks mounted to such servers must be located in a secure physical location.
- c) Servers must be maintained with current anti-malware or anti-virus software.
- d) Software and operating system security patches on servers must be kept current.

3) **Optical discs (e.g. CDs, DVDs, Blu-Rays) provided by DOR.**

- a) Agreement data provided on optical discs will be used in local workstation or server optical disc drives and will not be transported out of a secure physical location.
- b) When not in use for the Agreement purpose, such discs must be locked in a drawer, cabinet or other container to which only authorized users have the key, combination or mechanism required to access the contents of the container.
- c) Workstations or servers which access Agreement data on optical discs must be located in a secure physical location.

4) **Backup tapes or backup media.**

- a) The Parties may archive Agreement data for disaster recovery (DR) or data recovery purposes.
- b) Backup devices, tapes, or media must be kept in a secure physical location.
- c) Backup tapes and media must be encrypted.
- d) When being transported outside of a secure physical location, tapes or media must be under the physical control of Party staff with authorization to access the data or transported by a secure courier contracted by the Party.

5) **Data storage on portable devices or media.**

- a) Agreement data shall not be stored on portable devices or media unless specifically authorized within this Agreement. If so authorized, the data shall be given the following protections:
 - i. Encrypt the data.

- ii. Control access to portable devices with a unique user ID and complex password, passphrase, or stronger authentication method such as a physical token or biometrics.
 - iii. Control access to encrypted portable media with a unique complex password, passphrase, or stronger authentication method such as a physical token or biometrics.
 - iv. Manually lock devices whenever they are left unattended or set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.
 - v. Physically protect the portable device(s) and/or media by:
 - a. Keeping them in locked storage when not in use;
 - b. Using check-in/check-out procedures when they are shared; and
 - c. Taking periodic inventories.
- b) When being transported outside of a secure physical location, portable devices and media with confidential Agreement data must be under the physical control of Party staff with authorization to access the data.
- c) Optical disks kept in secure physical locations do not require encryption.

B. Cloud Storage.

If Agreement data is stored in a cloud environment it shall be given the following protections:

- 1) Encrypt the data at rest and in transit.
- 2) Control access to the cloud environment with a unique user ID and complex password, passphrase, or stronger authentication method such as a physical token or biometrics.

C. Protection of Data in Transit.

The Parties agree that any retransmission of Agreement data over a network, other than the Parties internal business network will be encrypted.

7. Data Segregation.

Agreement data must be segregated or otherwise distinguishable from non-Agreement data. This is to ensure that if the data is breached through unauthorized access, it can be reported to either Party. When the data is no longer needed by a Party, all data can be identified for return or destruction.

8. Data Breach Notification.

If a Party detects a compromise or potential compromise in the data security for data such that personal information may have been accessed or disclosed without proper authorization, the compromised Party shall give notice to the other Party within one (1) business day of discovering the compromise or potential compromise. The compromised Party shall take corrective action as soon as practicable to eliminate the cause of the breach and shall be responsible for ensuring that appropriate notice is made to those individuals whose personal information may have been improperly accessed or disclosed. At a minimum, notification to the other Party will include:

- A. The date and time of the event.

- B. A description of the compromised data involved in the event.
- C. Corrective actions the Party is taking to prevent further compromise of data.

9. **Disposition of Data :**

- A. Records furnished to the Parties in any medium remain the property of the furnishing Party. However, except as otherwise expressly provided in this Agreement, upon termination of this Agreement the receiving Party may retain possession of all such records in accordance Chapter 40.14 of the Revised Code of Washington (RCW).
- B. The receiving Party agrees to continue protecting any of the furnishing Parties data in its possession after the termination of this Agreement using the data security described in this Agreement.

10. **Contract Representative**

The Contract Representative (designated below) for each of the parties shall be the contact person for all communications regarding the performance of the Agreement.

Name:	Jana Jones	Name:	David Nash
Address:	814 4 th Ave E Olympia, WA 98506	Address:	6500 Linderson Way SW, Ste 202 Olympia, WA 98504-7473
Email:	jjones@walottery.com	Email:	DavidN@dor.wa.gov
Phone:	(360)664-4833	Phone:	(360)704-5833


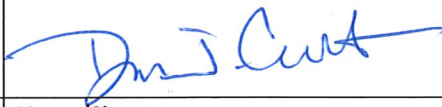


11. **Period of Performance**

The Period of Performance of this Agreement is extended from the expiration date of the last Amendment - April 15, 2013 and shall continue until terminated by either party.

The Effective date of this Amendment is the date of latest signature.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties hereby execute this Amendment.

Washington State Lottery	Washington State Department of Revenue
Harold Hanson, Director	Dan Contris, Chief Financial Officer
	
Name/Signature	Name/Signature
	 11-5-2014
Title Deputy Director	Title
Date 10/27/14	Date

for