

		Washington Motorcycle Safety Program		DOL Contract No. TBD	
		Contractor Name			
Contract					
Contract start date Upon Execution		Contract end date June 30, 2023		Contract amount	
Purpose (brief description) This Contract establishes the requirements and authorization for the Contractor to conduct motorcycle skills education Services at approved locations, with approved Instructors and Examiners.					
Contractor					
Contractor name			dba		
Employer Identification Number (EIN)			Uniform Business Identifier (UBI)		
Address			Mailing Address (if different)		
Contract Manager					
Department of Licensing (DOL)					
Department administration Contracts and Initiatives Management			Division Program & Services Division		
Contract manager Lauren Burbage			Contact address PO Box 9030 Olympia, WA 98507-9030		
(Area code) Telephone 360-902-3842		(Area code) Fax		Email LBurbage@dol.wa.gov	
WMSP Technical & Program Contact Information					
(Area code) Telephone (360) 902 - 3674		(Area code) Fax 360-570-4914		Email motorcycle@dol.wa.gov	
Attachments (when applicable)					
This Contract consists of the following attachment(s) and all document(s) incorporated herein or by reference: Attachment A, Statement of Work, Training and Testing Services Attachment B, Subsidy Funding Attachment C, Compliance Guidelines					
The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding, all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below represent that they have read and understand this Contract, and have the authority to execute this Contract. This Contract shall be binding on DOL only upon signature by DOL.					
Contractor signature		Date		DOL signature	
PRINT Contractor name and title			Name and title Evelyne Lloyd, Assistant Director, Administrative Services Division		

Upon execution, this Contract is entered into by and between the Washington State Department of Licensing (hereinafter called "DOL" or "Department"), and the Contractor listed on the previous page (hereinafter called "Contractor"). In consideration of the terms and conditions contained herein, the parties agree as follows:

1. **PURPOSE**

In accordance with Revised Code of Washington (RCW) 46.81A.020 and 46.20.515, and WAC 308-109, it is the purpose of this Contract to allow the Contractor to provide Services, as approved and outlined in Attachment A, *Statement of Work, Training and Testing Services*, in order to promote motorcycle safety in Washington. This Contract establishes the requirements and authorization for the Contractor, as an Independent Contractor, to conduct motorcycle skills education Services at approved locations, with approved Instructors and Examiners. Additionally, contractors may participate in the Subsidy Funding Program outlined in the Subsidy Funding terms and conditions, Attachment B, *Subsidy Funding*.

2. **DEFINITIONS**

As used throughout this Contract, the following terms shall have the meanings set forth below:

- a) "**Advanced**" means a DOL-approved motorcycle safety Course that teaches specific techniques meant to update or build upon a rider's Two- or Three-Wheel skills. Advanced Courses are not designed to teach any aspect of basic motorcycle handling techniques.
- b) "**Business Days**" means standard business days and hours for the Department of Licensing are Monday through Friday 8:00 a.m. to 5:00 p.m. Weekends and Washington State holidays are not included when counting the number of business days or hours.
- c) "**Conflict of Interest**" means knowingly administering exams to, reporting exams/training results of, and/or requesting subsidy reimbursement for family members, personal friends, Employees or Subcontractors (e.g. Instructors, Examiners, or other staff) unless given prior written approval from DOL.
- d) "**Contract**" means this Contract, the General Terms and Conditions, the Statements of Work, and any amendments, attachments or exhibits properly executed.
- e) "**Contract Manager**" means the representative identified in the text of this Contract who is delegated the authority to administer this Contract
- f) "**Contractor**" means agency, firm, provider, organization, individual or other entity performing Services under this Contract.
- g) "**Course, Curriculum or Curricula**" means License Permit/Endorsement Training.
- h) "**Department**" or "**DOL**" means the Washington State Department of Licensing, including the Washington Motorcycle Safety Program (WMSP).
- i) "**Employee**" means an individual in the employment of the Contractor who is performing all or part of the Services under this Contract.
- j) "**Examiner**" means both Skills Examiner and Knowledge Examiner.
- k) "**Instructor**" means an individual approved to teach WMSP certified Curricula and administer License Permit/Endorsement Exams on behalf of a Contractor.
- l) "**Intermediate**" means a DOL-approved motorcycle safety Course that is designed to teach riders who are proficient in basic motorcycle controls and operation. Intermediate Courses are not designed to teach any aspect of basic motorcycle controls.
- m) "**Knowledge Examiner**" means a DOL approved individual who administers License Permit/Endorsement knowledge exams on behalf of the Contractor.
- n) "**License Permit/Endorsement Exam**" means the DOL knowledge and riding skills exams that qualify a rider to add a motorcycle instruction permit or endorsement to their driver license.

- o) **“License Permit/Endorsement Training”** means a DOL approved motorcycle skills training Course per RCW 46.81A.020, which may include license permit or endorsement testing as a component of the Course.
- p) **“Novice”** means a DOL approved motorcycle safety Course that is designed for riders who have little to no experience riding and/or operating a Two- or Three-Wheel motorcycle.
- q) **“Participant”** means an individual who is not a Student taking a Third Party License Permit/Endorsement Exam.
- r) **“Personal Information”** means information identifiable to any person, including, but not limited to, information that relates to a person’s name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers or protected health information, any financial identifiers, and other information that may be exempt from disclosure to the public or other unauthorized persons under either RCW 42.17.310 or other state and federal statutes.
- s) **“RCW”** means the Revised Code of Washington. All references in this document to RCW chapters or sections shall include any successors, amended, or replacement statutes.
- t) **“Services”** means motorcycle License Permit/Endorsement Training and testing of Students and Participants.
- u) **“Skills Examiner”** means a DOL approved individual who administers License Permit/Endorsement Training and testing to Students and Participants.
- v) **“Student”** means an individual enrolled in a WMSP approved Course.
- w) **“Subcontractor”** means an individual not employed by the Contractor, who is performing all or part of the Services in this Contract under a separate contract with the Contractor.
- x) **“Subsidized Training”** means any DOL approved motorcycle safety License Permit/Endorsement Training which is offered at a reduced rate to Washington State residents, or active duty military personnel and their dependents who are stationed in Washington State.
- y) **“Subsidy Funding”** or **“Funding”** means funding made available in conjunction with Washington State’s biennial budget cycle, and is used to provide training opportunities at a reduced rate for Students who are Washington residents, or active duty military personnel and their dependents who are stationed in Washington State.
- z) **“Subsidy Rate”** means the amount of Subsidy Funding paid to the Contractor for each Student receiving Subsidized Training.
- aa) **“Third Party Testing”** means License Permit/Endorsement Exams performed and administered separately and independently of License Permit/Endorsement Training.
- bb) **“Three-wheel”** means a multi-track motorized vehicle designed to travel with not more than three wheels in contact with the ground, with an engine larger than fifty cubic centimeters (50cc), and/or is capable of propelling the device faster than thirty (30) miles per hour on level ground.

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- cc) **“Two-wheel”** means a single-track motorized vehicle designed to travel with two wheels in contact with the ground, with an engine larger than fifty cubic centimeters (50cc), and/or is capable of propelling the device faster than thirty (30) miles per hour on level ground.
- dd) **“WAC”** means the Washington Administrative Code. All references in this document to WAC chapters or sections shall include any successor, amended, or replacement statutes.
- ee) **“Washington Motorcycle Safety Program”** or **“WMSP”** means the Washington State Department of Licensing’s Motorcycle Safety Program established by RCW 46.81A.

3. GRANT OF AUTHORITY

DOL hereby grants the authority, in accordance with the terms and conditions of this Contract, to provide examinations to qualified applicants seeking to add a motorcycle permit or endorsement to their Washington State driver license. The grant of authority under no circumstances conveys to Contractor a proprietary right to permanently conduct such business. The grant of authority is at the discretion of DOL and may be terminated by DOL in accordance with the terms and conditions herein.

4. STATEMENT OF WORK

The Contractor shall furnish the necessary personnel, equipment, material and/or Services and otherwise do all things necessary for or incidental to the performance of work set forth in Attachment A, *Statement of Work, Training and Testing Services*.

5. SUBSIDY FUNDING

The Contractor shall furnish the necessary personnel, equipment, material and/or Services and otherwise do all things necessary to receive Subsidy Funding as set forth in Attachment B, *Subsidy Funding*.

6. TERMS AND CONDITIONS

All rights and obligations of the parties to this Contract shall be subject to and governed by the following: General Terms and Conditions; Special Terms and Conditions; Attachment A, *Statement of Work, Training and Testing Services*; Attachment B, *Subsidy Funding*; and Attachment C, *Compliance Matrix* which are attached and incorporated herein.

7. PERIOD OF PERFORMANCE

Subject to its other provisions, this Contract shall begin on the date of execution and be in effect through June 30, 2023, unless terminated sooner or extended by either party as provided herein. This Contract may be extended for two additional two-year terms at the exclusive option of the DOL and shall be affected by the DOL giving written notice of extension or renewal to Contractor prior to expiration as provided herein. Based on its business needs, DOL may add additional extensions to the period of performance of this Contract.

8. MEMORANDUM OF UNDERSTANDING (MOU)

Any communications that the DOL Contract Manager determines to address day-to-day concerns, but do not modify the terms of this Contract, shall be documented by a written, numbered Memorandum of Understanding (MOU). The DOL Contract Manager has the authority to sign MOUs on behalf of DOL.

9. WMSP POLICIES AND PROCEDURES

Contractor must abide by current Washington Motorcycle Safety Program Policies and Procedures and subsequent updates. Contractors may access the WMSP Policies and Procedures at <http://www.dol.wa.gov>. Contractor will ensure Subcontractors, Employees, Instructors and Examiners comply with these policies and procedures. Contractor’s noncompliance with these policies and procedures will be handled in accordance with the Attachment C, *Compliance Matrix*.

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10. COST FOR REVIEW, CERTIFICATION, AND AUDIT

In accordance with RCW 46.81A.020, Contractor is required to bear the costs of the review of sites and curriculum, certification and audit process. Upon completion of a review, certification and audit, DOL will invoice Contractor for such costs. The rates for which the Contractor will be charged for these processes are as follows:

TYPE	MINIMUM BASE COSTS	COSTS FOR ADDITIONAL TIME
Classroom & Range Reviews	\$300 first day of review	\$37.50/hour, not to exceed \$300/day
Curriculum Review	\$50	\$24.00/hour for a review that exceeds 1.5 hours
Training School Certification	\$150	N/A
DOL Audits	\$300 first day of review	\$37.50/hour, not to exceed \$300/day

DOL will take reasonable efforts to minimize the cost to Contractor. DOL reserves the right to revise these rates after June 30, 2022 and waive costs for ranges and sites that were DOL approved during the previous contracts. Contractor must pay for actual costs associated with third-party audits, if warranted.

Contractor shall remit payment within thirty (30) days of receipt of the invoice. If Contractor does not make timely payment, DOL may suspend this Contract until full restitution is made. If Contractor receives Subsidy Funding, DOL may withhold amount due from Subsidy Funding payment until the full amount invoiced is recovered. The *Compliance Matrix* does not apply to this section.

11. AUDITS /INSPECTIONS/PERFORMANCE MANAGEMENT

DOL may conduct audits as provided herein. DOL will have full discretion regarding scheduled and unannounced audits and inspections, including selection of a third party audit firm and the selection of auditors, if deemed appropriate. DOL criteria for the selection of the audit firm will be based on, but not limited to, skills, experience, bid price and any other criteria deemed to be in the best interest of DOL. The Contractor further agrees to hold the DOL selected auditing firm harmless for any real or perceived damages to the Contractor’s company as a result of audit findings.

For audits performed under this Contract the following applies:

- a) Typically, audits will occur yearly or as otherwise deemed necessary at DOL’s sole discretion.
- b) DOL will provide Contractor with a list of auditable items that will be covered at least fourteen (14) calendar days prior to the annual audit/inspection. This list may be adjusted by DOL at any time, at DOL’s sole discretion.
- c) Contractor or designee must be present during the annual onsite audit/inspection.
- d) DOL may conduct periodic unannounced audits and inspections to determine compliance with contractual obligations.
- e) DOL reserves the right to concurrently test a Student/Participant tested by the Contractor for permits or endorsements. If the Student/Participant refuses to be tested, DOL may invalidate the exam.
- f) A corrective action plan may be required that addresses how the Contractor plans to correct the deficiencies or findings that were identified during the audit/inspection.

Upon completion of an audit/inspection, DOL will send audit/inspection findings and a billing invoice to the Contractor within thirty (30) calendar days. The Contractor will have thirty (30) calendar days from receipt to:

- Return completed audit report to DOL;
- Respond to audit/inspection finding(s) with a corrective action plan that is satisfactory to DOL; and

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- Submit payment to DOL.

If the Contractor does not comply with the corrective action plan or does not make payment in full, DOL reserves the right to suspend or cancel this Contract.

The Contractor will comply with all audit/inspection requests from DOL. Failure to schedule and allow a DOL audit to be conducted may result in suspension of the Contractor's authorization to perform Services. The Contractor may reschedule an audit/inspection no more than two (2) times. The Contractor's authority to provide Services will be reinstated upon completion of an audit/inspection deemed satisfactory by DOL.

12. COMPLIANCE GUIDELINES

Corrective action will be addressed as outlined in Attachment C, *Compliance Matrix* if DOL, in its sole discretion, at any time finds the Contractor in noncompliance with the terms and conditions of this Contract. If a specific violation is not listed in the *Compliance Matrix*, DOL will refer to remedies outlined therein as a framework for determining the appropriate action to be taken.

13. SAFEGUARDING OF PERSONAL INFORMATION

The Contractor shall not use or disclose Personal Information in any manner that would constitute a violation of federal law or applicable provisions of Washington State law. The Contractor agrees to comply with all federal and state laws and regulations, as currently enacted or revised, regarding data security and electronic data interchange of Personal Information.

The Contractor shall protect Personal Information collected, used, or acquired in connection with this Contract, against unauthorized use, disclosure, modification, or loss. The Contractor shall ensure its company principals, directors, officers, Employees, Subcontractors or agents use it solely for the purposes of accomplishing the Services set forth in this Contract. The Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make it known to unauthorized persons without the express written consent of DOL or as otherwise authorized by law. The Contractor agrees to implement physical, electronic, and managerial policies, procedures, and safeguards to prevent unauthorized access, use, or disclosure. The Contractor shall make the Personal Information available as directed by DOL. Unless otherwise approved in writing by DOL, the Contractor shall destroy all Personal Information after this Contract's retention requirements have been met. DOL reserves the rights to monitor, audit, or investigate the use of Personal Information collected, used or acquired by the Contractor through this Contract.

The Contractor shall notify DOL in writing within seventy-two (72) hours of becoming aware of any unauthorized access, use or disclosure. The Contractor agrees to indemnify and hold harmless DOL for any damages related to unauthorized use or disclosure by the Contractor, its officers, directors, and Employees, Subcontractors or agents.

Any breach of this clause may result in termination of this Contract.

14. SUBCONTRACTS

The Contractor may enter into subcontracts with Instructors to provide Services, and Examiners to provide Services. This clause does not include contracts of employment between the Contractor and personnel assigned to work under this Contract. The Contractor is responsible for ensuring that all terms, conditions, assurances and authorizations set forth in this Contract are carried forward to any subcontracts.

15. INSURANCE

Contractor shall, at all times during the term of this Contract, at the Contractor's expense, purchase and maintain insurance of the types and amounts listed below. Failure to purchase and maintain the required insurance may result in the termination of this Contract at DOL's option. The insurance coverage must be as prescribed by RCW 46.82.310, which minimally includes that it must be issued by an insurance company(s) authorized to do business within the state of Washington and must be maintained in full force and effect for the duration of this Agreement. Failure to provide updated insurance certificates by expiration date may result in suspension of this Agreement.

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The limits of insurance, which may be increased by DOL as deemed necessary, shall not be less than as follows:

1. The Contractor shall maintain commercial general liability Insurance covering products and completed operations, personal injury, contractual liability and commercial umbrella insurance with a limit of not less than \$1,000,000 per each occurrence, and with a general aggregate limit of not less than \$2,000,000. All insurance shall cover liability arising out of premises, operations, independent contractor, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured's (cross liability) condition.
2. For motorcycles loaned or rented to the Contractor, the Contractor shall maintain liability coverage for the operation of a motorcycle with a limit of not less than \$1,000,000 per occurrence.

Prior to performance of any work under this Contract, and upon each insurance renewal thereafter, the Contractor shall furnish DOL with a Certificate(s) of Insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified in this Contract.

DOL, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, umbrella, excess, and property insurance policies.

The insurer shall give DOL ten (10) Business Days' advance notice of cancellation.

Contractors must require all Subcontractors to comply fully with applicable insurance requirements stated herein, including at a minimum the General Liability Insurance. Contractor may choose to include Subcontractor(s) on their insurance policies as additional insureds, or require Subcontractors to acquire their own insurance. Failure of Subcontractors to comply with insurance requirements does not limit Contractor's liability or responsibility.

All insurance and surety bonds should be issued by companies admitted to do business within the state of Washington, and have a rating of A-, Class VII or better, in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by DOL's Risk Manager or the Risk Manager for the state of Washington, before this Contract is accepted. If an insurer is not admitted, the insurance policies and procedures for issuing the insurance policies must comply with chapter 48.15 RCW and chapter 284-15 WAC.

Contractor waives all rights against DOL and the state of Washington for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this Contract. All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by DOL.

By requiring insurance herein, DOL does not represent that coverage and limits will be adequate to protect Contractor and such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to DOL in this Contract.

16. INDUSTRIAL INSURANCE COVERAGE

Prior to performing work under this Contract, Contractor shall provide or purchase industrial insurance coverage for its Employees, as may be required of an "employer" as defined in Title 51 RCW, and shall maintain full compliance with Title 51 RCW during the course of this Contract. DOL will not be responsible for payment of industrial insurance premiums or for any other claim or benefit for Contractor, or Employee of Contractor, which might arise under the industrial insurance laws during the performance of duties and Services under this Contract.

17. TAXES

Contractor must pay all taxes including, but not limited to: Washington Business and Occupation Tax, other taxes based on Contractor's income or gross receipts, or personal property taxes levied or assessed on Contractor's personal property.

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Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract.

All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance, or other expenses for Contractor or Contractor's staff shall be Contractor's sole responsibility.

18. LICENSING STANDARDS

The Contractor shall comply with all applicable local, state, and federal licensing requirements necessary in the performance of this Contract. (See chapter 19.02 RCW for state licensing requirements/definitions.) Contractor shall notify DOL immediately of business closure or change in legal status of business.

19. PUBLICITY

The Contractor agrees to submit to DOL all advertising and publicity matters relating to this Contract, which in DOL's judgment DOL's name can be implied or is specifically mentioned. The Contractor agrees not to publish or use such advertising and publicity matters without prior written consent of DOL.

20. DISPUTES

The parties agree that time is of the essence in resolving disputes. The designated Contract Managers must use their best efforts to resolve disputes between the parties at the lowest administrative level. Whenever a bona fide dispute including those related to audit findings, other than termination of this Contract, arises between the parties and it cannot be resolved through discussion and negotiation, either party may request a dispute hearing. The parties shall select a dispute resolution team to resolve the dispute. The team shall consist of a representative appointed by the Department, a representative appointed by the Contractor and a third party mutually agreed upon by both parties. The team shall attempt, by majority vote, to resolve the dispute. The parties agree that any dispute resolution process shall occur in Thurston County, Washington, and shall precede any action in a judicial or quasi-judicial tribunal.

Each party shall be responsible for its own expenses and those of their selected representative to the dispute resolution team. Both parties shall share equally in the expenses of the mutually agreed upon third member of the dispute resolution team. In addition, each party shall be responsible for its own attorneys' fees incurred as a result of the dispute resolution process.

21. ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- a) Applicable federal and state statutes and regulations;
- b) *General Terms and Conditions*;
- c) *Special Terms and Conditions*;
- d) Attachment A, *Statement of Work, Training and Testing Services*;
- e) Attachment B, *Subsidy Funding*;
- f) *WMSP Policies and Procedures Manual*;
- g) Attachment C, *Compliance Matrix*;
- h) Contractor's *Motorcycle Safety Education and Endorsement Testing Application in the Professional and Business Licensing System*; and
- i) Any other provisions of this Contract incorporated by reference or otherwise.

Terms or conditions that are more restrictive, specific, or particular than those contained in the *General Terms and Conditions* shall not be construed as being inconsistent or in conflict.

22. FUNDING CONTINGENCY

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, DOL may reduce or terminate Subsidy

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Funding without advance notice and without penalty to the State of Washington. At the sole discretion of DOL this Contract may be subject to renegotiation under any new funding limitations and/or conditions.

23. TERMINATION FOR CONFLICT OF INTEREST

The Department may, by written notice to the Contractor terminate this Contract if it is found after due notice and examination by the Department that there is a violation of the Ethics in Public Service Act, chapter 42.52 RCW; or any similar statute involving the Contractor in the procurement of, or performance under, this Contract.

24. TERMINATION FOR SIGNIFICANT PROGRAM CHANGES

If significant changes to the WMSP are required due to legislative requirements, changes in DOL business needs, technology changes, or other unforeseen changes or requirements, DOL and Contractor will negotiate in good faith to incorporate such changes into this Contract. If no resolution can be reached, DOL may terminate this Contract under this provision.

25. TERMINATION FOR CAUSE

Any violation of the restrictions, conditions or requirements contained in this Contract constitutes grounds for the Department to terminate this Contract immediately and without notice. Whether a cure process should be implemented prior to Contract termination is at the sole discretion of DOL, based on the substantive and emergent nature of the violation and its effect upon DOL, its policies and procedures, or upon the general public.

26. TERMINATION FOR CONVENIENCE

Either party has the right to terminate this Contract by giving written notice to the other party at least fifteen (15) Business Days before the effective date of termination. If this Contract is so terminated, DOL is liable only for subsidy payments required under the terms of this Contract for Services rendered prior to termination.

27. TERMINATION FOR WITHDRAWAL OF AUTHORITY

In the event that the authority of the Department to perform any of its duties under this Contract is withdrawn, reduced, or limited in any way after the commencement of this Contract and prior to normal completion, the Department may terminate this Contract.

28. TERMINATION PROCEDURE

After receipt of a notice of termination, and except as otherwise directed by DOL's Contract Manager, the Contractor shall:

- a) Stop work under this Contract on the date, and to the extent specified, in the notice;
- b) Settle all outstanding liabilities; and
- c) Take such action as may be necessary, or as DOL's Contract Manager may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which DOL has or may acquire an interest.

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29. ALTERATIONS & AMENDMENTS

This Contract may only be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

30. ASSIGNABILITY

The Contractor shall not assign this Contract, nor any claim arising under this Contract without the prior written consent of DOL, which consent shall not be unreasonably withheld.

31. CONFIDENTIALITY

The use or disclosure by any party of any information concerning DOL for any purpose not directly connected with the administration of DOL's or the Contractor's responsibilities with respect to Services provided under this Contract is prohibited except by prior written consent of DOL. The Contractor shall maintain as confidential all information concerning the Contractor's study findings and recommendations, as well as the business of DOL, its financial affairs, relations with its clientele and its Employees, and any other information which may be specifically classified as confidential by DOL in writing to the Contractor. To the extent consistent with Washington State law, DOL shall maintain all information which the Contractor specifies in writing as confidential. The Contractor shall have an appropriate contract with its Employees to this effect. Contractor acknowledges that in addition to the terms and conditions of this Contract, there is also a continuing obligation to comply with all federal and state laws and regulations, as currently enacted or revised, regarding data security, electronic data interchange and restricted permissible uses of such information.

32. COMPLIANCE WITH APPLICABLE LAW

At all times during the term of this Contract, the Contractor shall comply with all applicable federal, state, and local laws and regulations, including but not limited to, nondiscrimination laws and regulations. Noncompliance may be deemed as material grounds for default and termination regardless of any direct effect on the work being performed under this Contract.

33. DEBARMENT CERTIFICATION

If federal funds are the basis for this Contract, the Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions. The Contractor also agrees to include the above requirement in any and all Subcontracts into which it enters. The Contractor shall immediately notify DOL if, during the term of this Contract, Contractor becomes debarred. DOL may immediately terminate this Contract by providing Contractor written notice if Contractor becomes debarred during the term hereof.

34. GOVERNANCE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

35. INDEPENDENT CAPACITY

The parties intend an independent Contractor relationship will be created by this Contract. The Contractor and its Employees or agents performing under this contract are not employees or agents of DOL. The Contractor will not hold itself out as, nor claim to be, an officer or employee of DOL or of the state of Washington by reason of this Contract, nor will the Contractor make any claim or right, privilege or benefit which would accrue to such officer or employee under law. Conduct and control of the work will be solely with the Contractor.

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36. INDEMNIFICATION

The Contractor shall defend, protect and hold harmless DOL, or any of DOL's agents, and employees of the state, from and against all claims, suits or actions arising from either negligent or intentional acts or omissions of the Contractor, or agents of the Contractor, while performing the terms of this Contract.

37. LEGAL FEES

Unless otherwise specified by law, in the event of litigation or other action brought to enforce Contract terms, each party shall bear its own legal fees and costs.

38. LIMITATION OF SIGNATURE AUTHORITY

Only DOL's Director or designated delegate by writing shall have the expressed, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this Contract is not effective or binding unless made in writing and signed by DOL's Director or Delegate.

39. LIMITATION OF STATE'S LIABILITY

The parties agree that neither the Contractor nor the Department shall be liable to each other, regardless of the form of action, for any damages, costs, lost production, or any other loss of any kind for failure of the other party's equipment, hardware or software to perform for any reason, or for the loss of consequential damage which is the result of acts outside the control of either party, such as but not limited to strikes, lockouts, riots, acts of war, epidemics, acts of fire, failure of communications or computer equipment, facilities, or software, power failures, nuclear accidents or other disasters.

40. NONDISCRIMINATION AND CIVIL RIGHTS

During the performance of this Contract, the Contractor shall comply with all federal and state nondiscrimination laws, regulations and policies. In the event of the Contractor's noncompliance or refusal to comply with any nondiscrimination law, regulation, or policy this Contract may be rescinded, canceled, or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with DOL.

41. RECORDS MAINTENANCE

The Contractor shall maintain records relating to this Contract and the performance of the Services described herein. The records include, but are not limited to, accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. All records and other material relevant to this Contract shall be retained for six (6) years after expiration or termination of this Contract.

Without agreeing that litigation or claims are legally authorized, if any litigation, claim, or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved including any appeals and remands.

Records and other documents, in any medium, furnished by one party in this Contract 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 respond. 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.

42. RIGHTS OF INSPECTION

The Contractor shall, at no cost to DOL, provide DOL with reasonable access to Contractor's place of business and Contractor's records, wherever located. This right of inspection shall extend to any authorized agent or official of the State of Washington. These inspection rights are intended to allow DOL to monitor, audit, and evaluate the Contractor's performance and compliance with applicable laws, regulations, and

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these Contract terms. These inspection rights shall survive for six (6) years following this Contract's termination or expiration.

43. SEVERABILITY

If any term or condition of this Contract is held invalid, the remainder of the Contract remains valid and in full force and effect.

44. SURVIVORSHIP

All transactions executed pursuant to the authority of this Contract shall be bound by all of the terms and conditions set forth herein, notwithstanding the expiration of the initial term of this Contract or any extension thereof. Further, the terms, conditions and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

45. WAIVER

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

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Attachment A
STATEMENT OF WORK
TRAINING & TESTING SERVICES

The Contractor shall furnish the necessary personnel, equipment, material and Services, including those outlined in the *WMSP Policies and Procedures Manual*, and otherwise do all things necessary for the performance of work as set forth herein.

CONTRACTOR RESPONSIBILITIES

1. TRAINING SERVICES

- a) Contractors must provide Two-wheel and/or Three-wheel Novice and Advanced License Permit/Endorsement Training to meet market demand in the geographic area served complying with the requirements set forth by DOL, as outlined in the *WMSP Policies and Procedures Manual*.
- b) Training must only be performed using DOL approved Curricula. The Contractor may request the review and approval of a new curriculum. Once DOL has approved the curriculum, DOL will provide written notification. Upon DOL approval of a new Curriculum, DOL reserves the right to delay implementation of the new Curriculum until all required DOL systems are programmed.
- c) For Courses that require Contractor-provided or state-owned motorcycles, Contractor will provide and maintain motorcycles in a manner that meets all standards established by the DOL. Maintenance must be at a level that ensures all motorcycles are safe and mechanically sound for use in a training environment.
- d) Supply all necessary training materials (e.g. course handbooks) to Students.
- e) The results of License Permit/Endorsement Training shall be reported to WMSP on a form prescribed by the Department.

2. TESTING SERVICES

- a) Contractors must provide Two-wheel and Three-wheel Third Party License Permit/Endorsement testing, complying with the requirements set forth by DOL, as outlined in the *WMSP Policies and Procedures Manual*. Contractors entering into this Contract cannot provide only testing Services.
- b) Contractor must take precautions to ensure the integrity of the knowledge and skills tests. No Student or Participant is to be given particular advantage in taking or passing the examinations through deception, bribery, or cheating. The Contractor or Examiner may not give particular advantage to a Student or Participant through negligence or deception. The Contractor must report any instance in which a Student or Participant was given an unfair advantage in passing an examination to WMSP upon discovery.
- c) The results of License Permit/Endorsement testing shall be reported to WMSP on a form prescribed by the Department.

3. APPROVED SITES

- a) Contractor must only perform Services at sites approved by DOL. Contractor must not use a proposed site for training or testing Services until DOL provides written notification of its approval.
- b) Contractor may request the addition of sites by submitting a form prescribed by the Department. A fee will be charged in accordance with Section 9, *Cost for Review, Certification, and Audit*, of the *Special Terms and Conditions* of this Contract. DOL will notify Contractor once DOL has approved the new site.
- c) Maintain knowledge training and testing sites in the condition as approved by WMSP throughout the term of this Contract.

Attachment A
STATEMENT OF WORK
TRAINING & TESTING SERVICES

- d) Contractors are required to provide DOL written notification, on a form prescribed by the Department, of the close of any site(s) within fifteen (15) days of closure. DOL will provide written acknowledgement once the notification of closure is received.

4. BUSINESS REQUIREMENTS

- a) Contractor must submit to DOL all required reports as outlined in the *WMSP Policies and Procedures Manual*, and as otherwise requested by DOL.
- b) Contractor must notify WMSP on a form prescribed by the Department within seven (7) Business Days to any change in the following:
 - i. Contractor's business name and/or Doing Business As (DBA);
 - ii. Administrative business office address;
 - iii. Contact information;
 - iv. Instructor or Examiner status; or
 - v. Business, training, or testing hours.
- c) Contractor must provide and maintain the ability to offer online training and testing registration.

5. INSTRUCTOR REQUIREMENTS

- a) Contractor must only use WMSP-authorized Instructors to conduct License Permit/Endorsement Training.
- b) Contractor must comply with all Instructor authorization requirements and ensure qualifications are maintained

6. EXAMINER REQUIREMENTS

- a) Contractor must only use WMSP authorized Examiners or Instructors to conduct License Permit/Endorsement testing.
- b) Knowledge exams: Contractor must only use WMSP-authorized Instructors or Examiners to administer knowledge examinations. Examiners must be trained in the administration of License Permit/Endorsement testing and data integrity standards.
- c) Skills exams: Contractor will only use WMSP-authorized Instructors to administer skills exams. Instructors must be trained in the administration of License Permit/Endorsement testing and data integrity standards.

7. STATE-OWNED MOTORCYCLES

If Contractor is provided state-owned motorcycles by DOL, the Contractor:

- a) May only use state-owned motorcycles for License Permit/Endorsement Training Courses and/or License Permit/Endorsement testing.
- b) Must store state-owned motorcycles in a secure location when not in use.
- c) With prior written consent of DOL, Contractor may use parts from inoperable state-owned motorcycle(s) to repair other state-owned motorcycles. Contractor must not use state-owned motorcycle parts for salvage or to aid in the upkeep or maintenance of Contractor-owned or leased motorcycles.
- d) Failure of the Contractor to maintain state-owned motorcycles to required specifications are grounds for DOL to reclaim all state-owned motorcycles from the Contractor. DOL may seek restitution from Contractor for maintenance costs.
- e) Contractor will follow required procedures for the receipt, use, return, or disposal of state-owned motorcycles as outlined in the *WMSP Policies & Procedures Manual*.

8. DOL RESPONSIBILITIES

The DOL roles and responsibilities are as follows:

Attachment A
STATEMENT OF WORK
TRAINING & TESTING SERVICES

- a) Provides direction to Contractor as it pertains to Contract terms and conditions.
- b) Handles performance monitoring reporting, and corrective action if applicable.
- c) Review and approve, as appropriate, invoices for payment.
- d) Provide technical and programmatic direction to Contractor.
- e) Review and approve, Instructor/Examiner applications.
- f) Review and approve motorcycle rider education Curriculum, and
- g) Review and approve motorcycle rider training and testing sites.
- h) Provide and maintain the *WMSP Policies and Procedures Manual*.
- i) Provide License Permit/Endorsement Exams and, test score sheets to comply with required state testing requirements.
- j) Conduct inspections and audits of Contractor records, facilities, and operations.
- k) Notify Contractor of any changes to policies, procedures or requirements that Contractor must adhere to.
- l) Provide Instructor/Examiner updates to program standards.

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Attachment B
SUBSIDY FUNDING

Subsidy Funding for motorcycle safety training is available to Washington State residents, military personnel and their dependents stationed in Washington State per RCW 46.81A.020 and WAC 308-109. This allows Contracted Training Schools (Contractor) to offer motorcycle safety education training at a reduced cost.

1. SUBSIDY FUND AMOUNT AWARDED

a) The Subsidy Funding allotment for the period of July 1, 2021, through June 30, 2023 will be announced in subsequent contract amendments.

i. Contractors will not be reimbursed for Services exceeding the dollar amount listed in this contract or subsequent amendments.

2. SUBSIDY COMPENSATION

- a) Subsidy Funding will be made available to eligible Students who take License Permit/Endorsement Training at a reduced rate. Contractors will be reimbursed at an amount up to \$110 per student.
- b) DOL reserves the right to revise Subsidy Funding allotments and Subsidy Rates at the beginning of each Funding period, or as needed during a Funding period.
- c) Subsidy Funding may only be used at approved training sites within Washington State.
- d) All payments are contingent upon compliance with training and Funding requirements outlined herein, and upon the submission and approval of an A19-1A invoice.
- e) Reimbursement shall be provided solely for Students participating in training approved by the Department. There shall be no reimbursement for Students who register for a Course but fail to attend (i.e. "no shows").
- f) Reimbursement shall not be withheld if the Student attends but fails to complete the Course, or unsuccessfully completes the Course. No reimbursement shall be provided for Students who take training within a military installation.
- g) Training costs for Students subsidized by an entity other than DOL are not eligible for Subsidy Funding.
- h) Employees and Subcontractors (e.g. Instructors, Examiners, and office staff) of the Contractor are not eligible for Subsidy Funding.

3. SUBSIDY FUNDING POLICIES AND PROCEDURES

The Contractor must abide by the Subsidy Funding Policies and Procedures. Failure to comply with Subsidy Funding Policies and Procedures will result in disciplinary action outlined within Attachment C, *Compliance Matrix*.

4. SUBSIDIZED TRAINING – COST TO STUDENTS

Training Course fees are determined by the Contractor. A portion of the total fee charged will be reimbursed at the current Subsidy Rate. The remaining balance is the responsibility of the Student.

Attachment B
SUBSIDY FUNDING

5. SUBSIDY INVOICING PROCEDURE

- a) The Contractor shall submit a complete invoice on form [A19-1A](#) twice monthly. The invoice shall include a breakout of total amounts expended, accompanied by a Course Completion Report(s) in order to receive reimbursement for Subsidized Training.
- b) Invoices for Courses taught between the 1st and 15th of each month must be postmarked or received by the 25th day of the same month.
- c) Invoices for Courses taught between the 16th and the last day of the month must be postmarked or received by the 10th of the following month.
- d) The due date for invoice submission will be extended until close of business on the subsequent Business Day if the 10th or 25th day of the month falls on a non-business day, or DOL is closed due to unforeseen circumstances. Invoices postmarked or received after the above due dates may not be processed until the following payment period.
- e) Invoices must be submitted to:
motorcycle@dol.wa.gov or
Department of Licensing
Washington Motorcycle Safety Program
PO Box 9030
Olympia WA 98507-9030
- f) All invoices are subject to approval by DOL prior to payment. All invoices must clearly reference the DOL Contract number. The Course Completion Report must be complete and accurate. Incomplete invoice submissions may delay processing times.
- g) In order to close out at the end of each biennium (occurring in odd-numbered years), invoices submitted after July 31st of those specific years will not be accepted by DOL.

6. OVERPAYMENTS TO CONTRACTOR

Any erroneous reimbursement or overpayment, due to error or fraud, shall be refunded by the Contractor to DOL in the full amount within thirty (30) days of written notice. DOL may charge the Contractor a penalty of one percent (1%) per month on the outstanding amount if the Contractor fails to make a timely payment in the full amount due.

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Attachment C
COMPLIANCE GUIDELINES

COMPLIANCE GUIDELINES OVERVIEW

1. DOL reserves the right, in its sole discretion, to determine corrective actions based on the severity and/or totality of the violations, including but not limited to, the combination, severity, degree, and frequency of violations; and the Contractor's progress towards remedying the issues.
2. If there are violations from the *Safety, Procedural, and Contractual Violations* and *Subsidy Funding Violations* tables, they will be handled in accordance with each respective matrix.
3. Multiple different violations of the same severity level within the same matrix may each be handled individually in accordance with the number of times that specific violation has occurred.
4. DOL will assess any violation related to Subcontractor, Instructor, Examiner, or Employee behavior to determine the level of severity of the violation and appropriate corrective action.
5. In the event that a Contractor violates any term or condition, DOL may:
 - a) Issue a written corrective action notice. The Contractor may have a period of time in which to take corrective action. If the Contractor is requested to submit a corrective action plan, DOL will review the plan for its feasibility. If the proposed cure is not feasible, DOL will determine the appropriate corrective action.
 - b) Depending on the severity of the violation, DOL may take any of the following actions:
 - i. In whole or in part, suspension of Services and/or Subsidy Funding, and/or termination of this Contract.
 - ii. If corrective action including stoppage of Services is warranted, DOL will define the Services that the Contractor must stop performing. This may include but not limited to:
 - License Permit/Endorsement Training
 - License Permit/Endorsement Exams
 - Usage of specific sites, Instructors, Examiners, and equipment utilized in the performance of Services.
6. If the breach remains after Contractor has been provided the opportunity to take corrective action, DOL may in whole or in part, suspend Services and/or Subsidy Funding, and/or terminate this Contract.
7. If Contractor disagrees with violations and/or corrective action, Contractor may request a review of the findings and corrective action within ten (10) Business Days. The review will be conducted by a non-WMSP DOL representative within ten (10) Business Days. DOL will notify Contractor if additional time is needed. If Contractor still disputes the findings or corrective action after the additional review, if any, either party may invoke Section 19, *Disputes*, of the *Special Terms and Conditions* of this Contract.

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