TEXAS WORKFORCE COMMISSION

	TWC Contract Numb	per <mark>2900XXX000</mark>		
TITLE	INFORMATION RELEASE CONTRACT			
Recipient				
Name	Collin County for the benefit of Sherriff's Office			
Street Address	4300 Community Avenue			
City/State/Zip	McKinney, TX 75071			
Telephone Number	(972) 547-5113			
Contract Period				
This Contract shall begin on (insert date) ("Begin Date") and shall terminate on (insert date) ("End Date") unless all parties have not executed this Contract before (insert the Begin Date), in which case the Begin Date will be the date on which the last signature occurs. With mutual consent of the parties, this contract may be renewed for subsequent one (1) year terms but with a maximum of (insert the number of renewal options remaining) renewals. The entire term of this contract must not exceed five (5) years.				
Funding Information				
The total amount of this Contract will not exceed the sum of \$7500.00				

Remarks

This Contract is contingent on Recipient's acceptance of and compliance with the terms and conditions of this Contract and any referenced attachments.

Summary

Information to be provided by TWC will include:

- wage records (WR),
- unemployment compensation claim benefit data (UI),
- employer master file (ER) inquiry.

Type of Access: Online access only

Online Access: 1-10 for \$1,500/year

Prior contract reference: This contract replaces and supersedes all previous contracts, including

Signature Authority

Each person signing this Contract hereby warrants that he or she has been fully authorized by the respective organization to:

- Execute this Contract on behalf of the organization, and
- Validly and legally bind the organization to all the terms, performances, and provisions of this Contract.

Agency Approval		Recipient Approval	
Agency: Texas Workforce Commission		Recipient: Other Party Name	
John Greytok Senior Adviser to the Executive Director	Date	Signee Title	Date

TABLE OF CONTENTS

General Terms and	nd Conditions		
Section 1	Purpose and Legal Authority		
Section 2	Term, Termination, and Amendment		
Section 3	Consideration		
Section 4	Protecting the Confidentiality of TWC Information		
Section 5	Records and Audit		
Section 6	Breach of Agreement, Default, and Remedies		
Section 7	Miscellaneous		
Appendix 1	Prohibited Technology Letter		
Арреник і			
Appendix 2	Additional Terms and Conditions		
Attachment A	Statement of Work – Project Obligations		
Attachment B	Safeguards for TWC Information		
Attachment C	Texas Workforce Commission User Agreement		
Attachment D	Cover Sheet for Transmitting User Agreement and Training Certificate		
Attachment E	Intentionally omitted		
Attachment F	Certificate of Destruction for Contractors and Vendors		
Attachment F	Certificate of Destruction for Contractors and Vendors		
Attachment G	Quarterly Self-Assessment Report		
Exhibit 1	TWC Data Exchange Request and Safeguard Plan		

TEXAS WORKFORCE COMMISSION

INFORMATION RELEASE CONTRACT

GENERAL TERMS AND CONDITIONS

SECTION 1 – Purpose and Legal Authority

- 1.1 This Contract sets forth the obligations of the Texas Workforce Commission ("Agency") and the Recipient identified on the cover page (each a "Party" and together "the Parties") with respect to Agency's release of confidential data to Recipient. The obligations of the Parties are set forth in detail in **Attachment A.**
- 1.2 Subject to certain limitations, the Interlocal Cooperation Act, Texas Government Code, Chapter 791, authorizes Recipient to enter into contracts for services with governmental entities, including state agencies.

SECTION 2 – Term, Termination, and Amendment

- 2.1 This Contract is effective from the Begin Date to the End Date specified on the cover page.
- 2.2 Either Party may suspend or terminate this Contract at any time, on written notice to the other Party specifying a termination date at least thirty (30) calendar days after the date of the notice. Suspension or termination shall not relieve Recipient of the obligation to pay for all services provided before suspension or termination at the rates specified herein. Recipient shall not be entitled to any refund of the annual subscription fee if access to Agency records is online.
- 2.3 No modification will be valid unless in writing and signed by both Parties, except for rate revisions made under Section 3.2 of these General Terms and Conditions.

SECTION 3 – Consideration

- 3.1 Recipient shall pay Agency for the services described, and at the rates set forth, in the Funding information and Summary sections on page 1 of this contract.
- 3.2 Notwithstanding Section 3.1 of these General Terms and Conditions, Agency may unilaterally revise rates upon written notice to Recipient of at least thirty (30) calendar days.

SECTION 4 – Protecting the Confidentiality of TWC Information

4.1 "TWC Information" means records maintained by Agency, and records obtained by Recipient from Agency under this Contract, including (1) records and data compilations provided electronically, on paper, or via online access or e-mail, (2) records and data compilations that Recipient has converted into

another format or medium (such as handwritten or electronic notes), and (3) records and data compilations incorporated in any manner into Recipient's records, files or data compilations.

4.2 Recipient shall protect the confidentiality of TWC Information and comply with all statutory, regulatory and contract requirements. Confidentiality is required by Texas Labor Code §§ 301.081 and 301.085, the Social Security Act of 1934, and 20 Code of Federal Regulations (C.F.R.) Part 603.

SECTION 5 – Records and Audit

Recipient shall keep and maintain complete and accurate records sufficient to allow Agency, the Texas State Auditor's Office, the United States government, and their authorized representatives to determine Recipient's compliance with this Contract.

SECTION 6 – Breach of Agreement, Default, and Remedies

- 6.1 If Recipient or any official, employee, or agent of Recipient fails to comply with any provision of this Contract, including timely payment of Agency's invoices, Agency may suspend services to Recipient (including any data requests being processed) until Agency is satisfied that corrective action has been taken to assure there will be no future breach.
- 6.2 In the absence of prompt and satisfactory corrective action to cure default and assure future compliance with Contract requirements, Agency shall terminate this Contract immediately and Recipient shall surrender to Agency all TWC Information that has not previously been returned to Agency, and any other records relevant to this Contract.
- 6.3 Termination of this Contract under Section 6.2 of these General Terms and Conditions will not limit Agency from pursuing penalties under state and federal law for the unauthorized disclosure of TWC Information.
- 6.4 Agency shall undertake any other action under this Contract or under any law of this State or of the United States, to enforce this Contract and to secure satisfactory corrective action and return of TWC Information.
- 6.5 Agency shall take other remedial actions permitted under state or federal law to enforce this Contract and 20 C.F.R. Part 603 including seeking damages, penalties, and restitution for all costs incurred by Agency in enforcing this Contract and responding to Recipient's breach.

SECTION 7 – Miscellaneous

7.1 Texas Labor Code § 301.085 provides that unemployment compensation records are not "public information" for purposes of the Public Information Act, Texas Government Code, Chapter 552. Recipient shall not release any TWC Information in response to a request made under the Public Information Act or any other law, regulation, or ordinance addressing public access to government records.

- 7.2 Recipient shall notify Agency within twenty-four (24) hours of the receipt of any subpoena, other judicial request, or request for appearance for testimony upon any matter concerning TWC Information. Federal regulations at 20 C.F.R. § 603.7 dictate the handling of subpoenas for TWC Information.
- 7.3 This Contract is made in and performed in the State of Texas, and shall be construed, interpreted, and applied in accordance with the laws of the State of Texas, excluding its choice of law rules. Venue of any court action brought directly or indirectly by reason of this Contract shall be in a court of competent jurisdiction in Travis County, Texas. NOTHING IN THIS SECTION SHALL BE CONSTRUED AS A WAIVER OF SOVEREIGN IMMUNITY BY AGENCY.
- 7.4 Agency's failure to enforce any provision of this Contract does not constitute a waiver of that provision or any other.
- 7.5 Recipients agrees to indemnify and hold harmless Agency, the State of Texas, and their employees and officials for any loss, damages, judgments, and costs arising or resulting from any acts or omissions or alleged acts or omissions of Recipient or its employees, agents, contractors, and subcontractors, including the inappropriate release or use of TWC Information.
- 7.6 Recipient shall be responsible and liable for any damages resulting from a breach by Recipient including damages and losses of third parties. Recipient shall reimburse Agency for any costs incurred by Agency in reimbursing third parties damaged by Recipient's breach and costs incurred in attempts by Agency to limit third party losses resulting from Recipient's breach.
- 7.7 Recipient agrees to accept liability for any damage to Agency's hardware, software, or TWC Information when such damage is caused by the actions of employees, contractors, subcontractors or agents of Recipient, whether or not the individual was an authorized User under this Contract.
- 7.8 If any provision of this Contract is held to be unenforceable by a court, this Contract will be construed as if such provision did not exist, and the unenforceability of such provision will not render any other provisions of this Contract unenforceable.
- 7.9 This Contract is the entire agreement between the Parties.
- 7.10 The subject headings used in this Contract are for convenience only and are not intended to expand or limit meanings.
- 7.11 Attachments listed in the Table of Contents are incorporated in their entirety as terms and conditions of this Contract.
- 7.12 The following provisions survive the expiration or earlier termination of this Contract: Sections 4.2, 5, 6.2, 6.3, 7.1, 7.2, 7.5, 7.6, and 7.7 of these General Terms and Conditions; Sections 3.3.3, 3.3.4, and 3.3.5 of Attachment A; and Attachment B.

Appendix 1

Notice of Term Inclusion to Comply with Law

Per the Terms and Conditions of your contract, changes in law are automatically incorporated into contracts. During the session, the legislature passed a bill to protect Texas' sensitive information and critical infrastructure from vulnerabilities presented by the use of TikTok and other prohibited technologies on devices used to conduct state business. This notice is provided to assist you in complying with this change in the law by providing the relevant provision to supplement the Terms and Conditions of your contract.

Prohibited Technologies: Vendor represents and warrants that neither Vendor, Vendor's employees, nor Vendor's contractors will use personal devices for conducting state business. Vendor represents and warrants that it will prohibit its employees or contract workers from using any device to conduct state business that contains, accesses, or consists of any prohibited technology. Vendor represents and warrants that no device that contains, accesses, or consists of any prohibited technology. Vendor represents and warrants that no device that contains, accesses, or consists of any prohibited technology will be in the vicinity of a device conducting state business on behalf of the Vendor.

A. Vendor shall implement a written policy banning the prohibited technology as described in this section and present a copy of said policy to TWC within thirty (30) days after Contract execution and within ten (10) days after any amendment to the Vendor's prohibited technology policy.

B. For the purpose of this section, personal device means a device that is (1) not owned or controlled by the vendor or TWC; or (2)not used primarily for business purposes. State business means the same as in the TWC Prohibited Technologies Security

Policy:https://twc.texas.gov/files/policy_letters/attachments/29-22-ch1-att2twc.pdf. Prohibited Technology means the software and hardware products listed on the Department of Information Resources (DIR) webpage located at:https://dir.texas.gov/information-security/prohibited-technologies. Vendor is responsible for periodically checking this list and remaining in compliance with additions.

Appendix 2

INFORMATION RELEASE CONTRACT BETWEEN TEXAS WORKFORCE COMMISSION AND

TEXAS DEPARTMENT OF INSURANCE

ADDITIONAL TERMS REGARDING NON-OWNERSHIP OF AND DESTRUCTION OF TWC DATA, PROHIBITION AGAINST ARTIFICIAL INTELLIGENCE, PROVIDING TWC A COPY OF RESEARCH RESULTS AND RECIPIENT'S OBLIGATIONS SURVIVE THE CONTRACT

Section 1 – Definitions (names of documents are italicized)

- 1.1 "Additional Terms" refers to this document.
- 1.2 "TWC" refers to the Texas Workforce Commission.
- 1.3 *"RSP"* refers to the document titled "Exhibit 1, TWC Data Exchange Request and Safeguard Plan." The RSP is TWC's standard application form to obtain a contract accessing TWC Data. Recipient completed and signed the RSP, and it is attached to this agreement and is incorporated herein.
- 1.4 The "Limited Purpose" is defined by Recipient's response to Item 8 in the RSP.
- 1.5 "Original TWC Data" means the data set(s) Recipient obtain(s) from TWC. It is data in the form and format which TWC prepared to transmit the data to Recipient. It includes any duplicates or copies of the file(s) received from TWC. It includes all data captured or downloaded from the EAGLE system.
- 1.6 "Derivative TWC Data" means any file, data base or other data set which is not the "Original TWC Data" but which was created through making changes to the Original TWC Data or using the Original TWC Data. "Derivative TWC Data" includes but is not limited to every file which contains any excerpt (no matter how small) from the Original TWC Data, as well as any changes to the sequence or layout of the Original TWC Data. Examples of Derivative TWC Data include, <u>but are not limited to</u>: (a) any new document or other new file which has the name of an employer or which contains any other data value copied from a single cell in the Original TWC Data; (b) any re-sorting the Original TWC Data; (c) changing the labels of column headings or the order of columns in the Original TWC Data or inserting a new column into the Original TWC Data; (d) crossmatching the Original TWC Data against another data set; or (e) using TWC data as the basis for a dashboard, whether through Power BI or similar software. Note: dashboard software makes a copy of a portion of the underlying data, even though the copy is not displayed in the dashboard itself. Note: there is no *de minimus* standard, *i.e.*, the smallest amount of TWC data, even a single data point, makes the entire file TWC Derivative Data.
- 1.7 "TWC data" refers to any combination of "Original TWC Data" and/or "Derivative TWC Data."
- 1.8 "CII" means Confidential Identifiable Information. Per federal law, CII is any data "which reveals the name or any identifying particular about any individual or any past or present employer or employing unit, or which could foreseeably be combined with any other publicly available information to reveal any such particulars." 20 CFR 603.4(b). Note that confidentiality expressly extends to employers, not just individuals.

TEXAS WORKFORCE COMMISSION PERFORMING AGENCY CONTRACT

- 1.9 "Non-Attributable Data" means TWC data which has been scrubbed of all CII. Removing CII includes aggregating, deidentifying, masking or using other recognized methods which prevent third parties from deducing a person's identity, either directly from the data retained or through combining the retained data with publicly available data. For a file or data set to qualify as Non-Attributable Data, Recipient must document (and maintain the documentation of) all the methods and steps taken to scrub all CII from that file or data set. If all CII is correctly removed, then the resulting material (the "Non-Attributable Data") is not Derivative TWC Data. The relevant standards are found in NIST SP 800-188, *De-Identifying Government Datasets: Techniques and Governance*, published by The National Institute of Standards and Technology.
- 1.10 "Research Results" means each and every research finding, interactive dashboard, report, summary, study or other document of whatever type or name that comes, directly or indirectly, from using TWC Data. Research Results includes all items produced for academic and operational purposes, as well as all internal documents and all items intended for public release. If it contains any CII in any amount, then the entire Research Result is also Derivative TWC Data.
- 1.11 "Recipient's Confidential Information" means any data or information, any analysis or conclusions, or any other content which in Recipient's view should not be made public because a) the content is confidential by law, b) the content is otherwise exempt from the Texas Public Information Act, or c) some other well established legal basis for the content not to be released.

Section 2 – Recipient Temporarily Possesses TWC Data But Does Not Own It

2.1 <u>Temporary Possession</u>. Through this contract, TWC agrees to allow Recipient to temporarily possess a copy of TWC Data to be used exclusively for the Limited Purpose. Accessing, using or possessing TWC Data for any reason other than the Limited Purpose is a breach of this contract and a violation of federal law.

2.2 <u>No Ownership</u>. Recipient does not own any Original TWC Data, Derivative TWC Data, or other TWC Data. Recipient does not gain ownership of any TWC Data by using, extracting, formatting, combining, restructuring, processing or altering TWC Data in any way.

2.3 <u>Permanent Separation of Original TWC Data</u>. Recipient will store Original TWC Data separately from all other data which Recipient owns or possesses which does not contain TWC Data. The continuous separation of Original TWC Data is necessary to prevent comingling and to enable Recipient to effectively and thoroughly destroy all Original TWC Data when Recipient's right of possession expires.

2.4 <u>Permanent Separation of Derivative TWC Data</u>. Through making changes to or using Original TWC Data to create a file, data base or other data set, Recipient will create Derivative TWC Data. For all purposes, Derivative TWC Data will be subject to the same conditions and restrictions as Original TWC Data. In particular, Recipient will store Derivative TWC Data with its Original TWC Data (and separately from all other data which Recipient owns or possesses which does not contain TWC Data). The continuous separation of Derivative TWC

TEXAS WORKFORCE COMMISSION PERFORMING AGENCY CONTRACT

Data from all non-TWC Data is necessary to prevent comingling and to enable Recipient to effectively and thoroughly destroy all Derivative TWC Data when Recipient's right of possession expires.

2.5 <u>Recipient Owns Its Research Results Which Use Non-Attributable Data</u>. Recipient owns its Research Results from using TWC Data and any files, data sets, or other documents which are part of the Research Results <u>so long as the Research Results or other items contain **only** Non-Attributable Data</u>. See the provisions on *No Ownership* (2.2) and the definition of *Derivative TWC Data* (1.6). In the case of any ambiguity about ownership, the No Ownership provision in 2.2 will control.

Section 3 – Destroy TWC Data Within 30 Days; Maximum 3 Year Deadline; Extensions

3.1 <u>Destroy TWC Data Within 30 Days</u>. Recipient must destroy all TWC Data within 30 days of the end of the Limited Purpose.

3.2 <u>Destroy TWC Data Within 3 Years</u>. Even if the Limited Purpose is not complete, all TWC Data must be destroyed not later than the 3rd anniversary of the date on which Recipient took possession of the TWC Data.

3.3 <u>Documenting Destruction of TWC Data and Notifying TWC Within 10 Days</u>. When Recipient's right of possession ends, Recipient must destroy TWC Data and document the destruction using Attachment F, *Certificate of Destruction for Contractors and Vendors*, which is attached to this contract and incorporated for all purposes. Within 10 days of destroying the data, Recipient must provide the completed Attachment F to TWC as instructed on Attachment F.

3.4 <u>Extensions Beyond 3 Years</u>. To continue to possess any TWC data beyond the 3rd anniversary, Recipient must get a written extension from TWC. Recipient should request the extension in writing more than 90 days before the 3rd anniversary. An extension from TWC shall be in writing and shall expressly state the new deadline for destroying that file or other portion of TWC Data. It will be in TWC's sole discretion whether to grant an extension, to determine the length of the extension (if any), to grant subsequent extensions (if any), and to place (or not place) conditions on any extension. If TWC chooses to put any terms or conditions on an extension, those must be included in the written notice granting the extension.

3.5 <u>Exceptions and Exclusions to the Deadline</u>. Certain users and certain types of data are excepted or excluded from the 3-year default deadline to destroy all TWC data.

3.5.1 <u>Law Enforcement Extension</u>. For law enforcement activities only, if an excerpt of TWC Data is stored in a criminal investigation file, the TWC Data may (without the need for a written extension from TWC) remain with the investigation or prosecution materials until that matter is resolved and closed even if that process goes beyond 3 years.

3.5.2 <u>Courts</u>. If handled in compliance with part 11.2 of Attachment B, *Safeguards for TWC Information*, attached to this contract, TWC Data in the possession of a court may remain with the case file (without the need for a written extension from TWC) until that matter is resolved and closed even if that process goes beyond 3 years.

3.5.3 <u>Non-Attributable Data</u>. Non-Attributable Data as defined above is excluded from the requirement to be destroyed. It can be held indefinitely if it is held with the documentation showing when and how it was made Non-Attributable.

3.6 <u>Replacing Other Terms</u>. Paragraph 7 of Attachment B, *Safeguards for TWC Information*, attached to this contract, also addresses document destruction. Paragraph 7 is struck from the contract. Section 3 of this document, the *Additional Terms*, replaces and supersedes Paragraph 7.

Section 4 – Prohibition of Software and Processes That Retain TWC Data

TEXAS WORKFORCE COMMISSION PERFORMING AGENCY CONTRACT

4.1 Recipient must not use TWC Data and must prevent and protect against TWC Data being used, directly or indirectly, in any software or other technology of any kind which either a) retains any portion of TWC Data after using TWC Data, or b) which in using TWC Data the software or other technology is altered in any way. This obligation prohibits any use of TWC Data with artificial intelligence, machine learning, or similar software or other technology.

Section 5 – Recipient will Provide TWC a copy of Research Results

5.1 As part of the consideration for TWC to enter this contract, Recipient will provide TWC with every Research Result within 30 days of when the Research Result is provided to any other person or entity, internal or external to Recipient. If the document is posted publicly on the internet, Recipient may provide TWC a web link. If the document contains Recipient's Confidential Information, TWC will execute a reasonable non-disclosure agreement. It should be exceptionally rare that any such document would contain TWC Data (other than Non-Attributable Data), but if it does then Recipient will transfer the document to TWC in a secure manner and will get approval in advance from TWC for the method of transfer.

Section 6 – Recipient's Obligations Survive this Contract

6.1 Recipient's obligations for handling TWC data survive this contract. Even if this contract expires or is terminated, Recipient continues to owe all duties relating to confidentiality, limited use, data security, cooperation with monitoring by TWC, data destruction and other duties as provided in the contract and by federal regulation. If this contract expires or is terminated, federal regulations are an independent legal basis for Recipient's ongoing duties. Recipient's obligations are tied to its possession of the TWC data and not to the status of this contract. Recipient is presumed to continue to possess TWC data (and to continue to owe all legal duties) until Recipient provides proper documentation showing correct destruction or correct de-identification, as appropriate.