

Certification Regarding the Safeguarding of Information
Received from the Maryland
Department of Labor, Licensing and Regulation

1. The undersigned understands that the Maryland Department of Labor, Licensing and Regulation (DLLR) is required under federal law to disclose wage and claim information to the Maryland Department of Human Resources (DHR) Child Support Enforcement Administration (CSEA) as set forth under 42 U.S.C.A. § 503(e) and 20 C.F.R. Part 603. As required by federal law and regulations, DLLR entered into an interagency agreement that set forth the conditions under which DHR may access wage information contained in the Office of Unemployment Insurance (QUI) records.
2. The contractor agrees to abide by the confidentiality provision of that agreement as indicated below:

Neither party shall use or disclose any information concerning any person who is subject of the service provided under this agreement for any purpose not directly connected with the administration of such services or with the responsibilities or official duties of QUI or CSEA under this Agreement or applicable provision of law, except upon written consent of the subject of his duly appointed legal representative.
3. The contractor understands that disclosure of wage and claim information is governed by both federal and state law. Federal restrictions on the disclosure of information collected by the states in the administration of federal employment program grants are contained in 42 U.S.C.A., § 503 (Unemployment Compensation Grants to states); 29 U.S.C.A. §§ 1575, 1751 (Job Training Partnership Act); 26 U.S.C.A. § 3304 (Federal Unemployment Tax Act); 20 C.F.R. Part 603 (income verification). Maryland's state law restrictions are contained in Md. Code Ann., Labor & Employment § 8-625. Pursuant to these requirements, the contractor makes the following assurances:
 - a. Data will be stored in a place physically secure from access by unauthorized persons;
 - b. Information in electronic format will be stored and processed in such away that unauthorized persons cannot retrieve the information by means of computer or otherwise gain access to it; and,
 - c. Reasonable precautions will be taken to ensure that only authorized personnel are given access to the wage record data in accord with 20 C.F.R. §§603.6 and 603.7.
4. The contractor understands that disclosure of wage and claim record information may result in individual criminal penalties. An employee of the contractor found guilty of

violating §8-625 is subject to a fine of \$1,000 and imprisonment for up to one year. Labor and Employment § 8-1305(c)(4). The contractor agrees to defend and indemnify the State in any and all actions, claims, or suits which relate to or arise out of an alleged violation of the law, including but not limited to Labor and Employment Code Annotated §§ 8-625 and 8-1305 and the Public Information Act.

5. The contractor understands that the Maryland Public Information Act prohibits disclosure of confidential information, including information about an individual's wage as well as confidential commercial or financial information about Maryland employers and businesses. Md. Code Ann., State Government §10-617(d) and (n). Wage and claim information includes the name, address and social security number of employees, the name, address and federal tax identification number of employers, quarterly wages of individual employees, whether an individual is receiving unemployment compensation, the amount of compensation received, whether the individual has refused an offer of work and any other information needed in verifying child support obligations, 20 CFR §603.2(b) and (c). The contractor and its employees may be held liable to an individual for actual and punitive damages, attorneys fees and court costs if the contractor willfully and knowingly permits disclosure of confidential financial or commercial information that identifies an individual, State Government §1Q 626 (a) and (b). The Maryland Information Act also carries a criminal penalty of \$1,000 for the improper disclosure of confidential or commercial information, State Government §10-627. The contractor and its employees are further prohibited from disclosing sociological information, which includes social security numbers, residential address and telephone numbers, information regarding marital status and dependents, and employment status, except to "public employees in the performance of their duties", COMAR 09.01.04.17.
6. The contractor shall not subcontract or assign any of its duties to another private contractor without the prior express written consent of both DLLR and DHR.
7. The contractor understands that DLLR is permitted to evaluate the contractor's references with regard to the services provided under the privatization contract between DHR and the contractor.
8. In addition to criminal and civil penalties as set forth in paragraph four and paragraph above, DHR shall deduct, for each piece of data disclosed in violation of this certification, 10 percent of periodic payments due to the contractor.
9. The contractor understands that OUI data is to be accessed and used only for the purpose of locating absent parents or to enforce the obligation of a parent for child support and/or medical support. This access is restricted to employees of the contractor who have aright to the records in their official capacity.
10. The contractor shall provide to CSEA a list of the contractor's employees who will be allowed access to OUI data within 30 days of the start of the contract and will on a monthly basis update said list with the names of employees whose access has been

terminated and with the names of employees who have been added to the list. A copy of said lists will be provided to DLLR by CSEA

11. The contractor understands that DLLR has the right to audit the contractor's policies and procedures for safeguarding the data and to require the contractor to make reasonable changes to its policies and procedures. In addition, DLLR shall be permitted to audit and monitor the contractor's access and use of OUI data on a periodic and "as needed" basis, and the contractor agrees to cooperate with DLLR in the monitoring and auditing of its access and use of data.
12. The contractor understands that CSEA will regularly and periodically monitor or audit the contractor's use of OUI data and impose penalties as provided in this certification.

I hereby certify that _____
(contractor) will abide by the DLLR safeguarding requirements as stated above.

FOR THE CONTRACTOR

Witness

Date

Signature

Title

Date