

Julie L. Jones
Executive Director



Rick Scott
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Jeff Atwater
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2900 Apalachee Parkway
Tallahassee, Florida 32399-0500
www.flhsmv.gov

February 4, 2011

To: Prospective Vendors

Subject: RFI # 011-11 – Online Driver License Knowledge Testing

Dear Sir or Madam:

The Florida Department of Highway Safety and Motor Vehicles is seeking information from qualified vendors who may be able to partner with the Division of Motorist Services to implement an online driver license knowledge test.

Please review and respond to the enclosed requirements. Address responses and/or questions to Mr. Kevin Bailey, Chief, Bureau of Purchasing and Contracts, at the following location:

Florida Department of Highway Safety and Motor Vehicles
Neil Kirkman Building, MS 31
2900 Apalachee Parkway
Tallahassee, Florida 32399-0585
Phone: 850-617-3203
kevinbailey@flhsmv.gov

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Kevin L. McDaniel for". The signature is written in a cursive style.

Kevin Bailey
Chief of Purchasing and Contracts

Attachment

State of Florida
Department of Highway Safety and Motor Vehicles
Request for Information – RFI 011-11

February 4, 2011

ONLINE DRIVER LICENSE KNOWLEDGE TESTING

1. REQUEST FOR INFORMATION

The Department's intent is to identify potential partners and products that may fulfill the goals and required functions identified in this request for information. Responses to this RFI will be reviewed by the Department for informational purposes only and **will not result in the award of a contract**. Vendors submitting responses to this Request for Information are not prohibited from responding to any related subsequent solicitation.

2. GOALS

The Department is requesting information regarding the capability for online driver license knowledge testing that addresses the following goals:

1. Online testing technology to promote mastery of subject matter tested and help ensure knowledge retention
2. Appropriate mechanisms in place to ensure test integrity – proposed solution capable of verifying, during the online test, that no sources of information other than the students' own knowledge are used to provide answers and that the person receiving the permit is the same person who took the test
3. Compatible with the Department's existing information technology infrastructure
4. Private business funded initiative, no available funding from the Department

3. CONSIDERATIONS

1. Teen drivers are the most at-risk of any group, and it is incumbent upon the Department to take every available opportunity to ensure that they are properly prepared for a lifetime of safe driving. Florida drivers age 15 to 19 years of age have the highest rate (381.44) per 10,000 licensed drivers of crash involvement. (Source: Florida Department of Highway Safety and Motor Vehicles Traffic Crash Statistics Report 2009)
2. The Department remains a strong proponent of finding new and innovative ways to serve our customers through numerous online and in-office services offered on our website, in our offices, and through our partnerships with tax collectors and private sector providers.
3. Authority to partner with third party testers will continue to be administered under the general authority of s. 322.56, Florida Statutes.
4. There should be little difference in the time it takes to process and issue a license to an applicant who elects to take and pass the online driver knowledge test and an applicant who takes and passes the driver knowledge test in the driver license field office.
5. Third party testing application included for your reference, not required to be completed for this Request for Information.

4. BACKGROUND

The Department of Highway Safety and Motor Vehicles is responsible for issuing driver licenses, maintaining driver records, and issuing motor vehicle tags and titles to the citizens of Florida.

In February 2004, the Department undertook a pilot project in which businesses providing Traffic Law and Substance Abuse Education (TLSAE) courses through the Internet were additionally authorized to provide online driver license knowledge tests. The tests involved are Florida's standard multiple choice exams that all vehicle operators must pass to obtain noncommercial Class E driver licenses. Typically, these tests are taken by teenagers seeking their restricted Learner's Permits.

The pilot project was extended through several phases designed to evaluate potential new security measures for improving test integrity.

In early 2008, the Department established a baseline indicator on the core question of whether applicants testing online tended to take advantage of the opportunity to get improper assistance. This was done by comparing their performance when retested in a driver license office to a comparable group initially tested by their driver education teachers in a proctored setting. Significantly lower retest pass rates by the online group suggested more of them had passed their initial third party test by means other than their own knowledge of the material. A follow-up evaluation in June 2009 produced similar results.

In June 2010, the Department of Highway Safety and Motor Vehicles elected to terminate the online (knowledge) driver license testing pilot project being offered to first-time drivers by approved third-party Internet vendors. The Department notified the industry members offering these services that the pilot project would end effective December 2010. The program officially ended December 31, 2010.

5. CURRENT BUSINESS PROCESS

While a practice test is available online, currently, no official driver license knowledge skill test is available online.

The pilot project demonstrated the technology and business model could be a viable solution if shortcomings in testing integrity and security can be addressed. The Department remains a strong proponent of finding new and innovative ways to serve our customers through online services.

6. FUNCTIONS

1. Administration and Support
 - 1.1 Authority to partner with third party testers will continue to be administered under the general authority of s. 322.56, Florida Statutes.
 - 1.2 Conformance with online testing administered by the Automated Driver License Testing System (ADLTS) in state driver license and county tax collector offices.
2. Operational and Security Issues
 - 2.1 An ongoing program of randomly retesting online tested Learner's License applicants should be a major element of the proposed program. The Department will track and analyze retest data to monitor providers/customers performance. The proposed system

- should be capable of providing data for periodic reporting and analysis of retest pass rates. The selection of students for retesting should be an automated process.
- 2.2 Proposed solution capable of verifying, during the online test, that no sources of information other than the students' own knowledge are used to provide answers and that the person receiving the permit is the same person who took the test.
 - 2.3 Appropriate online security mechanisms in place (i.e. disable print screen key to prevent capture of test items).
 - 2.4 Security acknowledgements such as:
 - 2.4.1 Making website notification of possible retesting prominent and clearly understood, including active acknowledgement by the customer before the test may be taken.
 - 2.4.2 Website features to make the requirement for parent proctoring clearly understood, including active acknowledgement by the customer before the test may be taken.
 - 2.4.3 Website to feature active verification of Social Security Numbers entered by applicants when registering for the tests.
 - 2.4.4 Websites to feature active age verification.
3. Information Technology
 - 3.1 Selection and tracking of online test customers for retesting.
 - 3.2 Transfer and application of the Department's Paperless Waiver System (PWS) test records to the Florida Driver License Information System (FDLIS) issuance process.
 - 3.3 Automate verification of TLSAE course completion by online tested learner's license applicants.
 - 3.4 Information technology capability will need to support fee collection and data transfer between record systems (Driver License Third Party Waiver System).
 - 3.5 Minimal changes required for existing Department information technology resources.

7. RESPONSE FORMAT

Responses to this Request for Information will be typed, formatted to follow the paragraphs in this section, and contain the information identified below. Respondents should address all of the areas listed below in the written response:

1. Overview
 - a. A brief description of the Vendor's understanding and approach to accomplish the goals described in Section 2 – Goals
 - b. A brief description of the suggested solution
 - c. Department benefits
 - d. Customer benefits
2. Functionality – Provide narrative of the proposed system functionality as it relates to:
 - a. Mastery of subject matter and knowledge retention
 - b. Security measures to ensure test integrity and that no sources of information other than the students' own knowledge are used to provide answers on the online test and that the person receiving the permit is the same person who took the test
 - c. User interface, ease of use
 - d. Information technology compatibility

3. Proposed Implementation – Provide the following details for the proposed solution:
 - a. An overview of the implementation complexity
 - b. The level of effort for the Department to implement the system as proposed

4. Vendor Background – Provide the following information about your company
 - a. A description of your history in the industry / related product offerings
 - b. References or research to support the proposed technology
 - c. Your market presence in the United States

8. RESPONSE DATE

Responses are requested in accordance with the timeline below, and should address each item in Section 7. Responses must be received no later than 3:00 p.m., May 2, 2011. Please do not send electronic proposals. Responses may be sent via mail or hand delivered to:

Florida Department of Highway Safety and Motor Vehicles
Attention: Kevin Bailey
Bureau of Purchasing and Contracts
2900 Apalachee Parkway, MS 31
Tallahassee, FL, 32399-0508

Timeline

February 4, 2011 – Request for Information posted on Florida Vendor Bid System (VBS)
May 2, 2011 - Typed responses due in response format (Section 7)
May 15 - 30, 2011 - Vendor demonstrations, if applicable, scheduled by appointment

9. QUESTIONS

Please contact the Department of Highway Safety and Motor Vehicles with any questions regarding this Request for Information. Questions should be directed to Kevin Bailey, Chief of Purchasing and Contracts, by email: kevinbailey@flhsmv.gov 850-617-3203.

10. DEMONSTRATIONS

If after receiving vendor responses, it is determined a vendor demonstration is necessary, the Department will provide adequate notification to the appropriate vendors. The purpose of this presentation will be for the vendor to provide a demonstration of the product, and any information that they believe will be of value to the Department. The decision to hold a demonstration(s) with respondents is the Department's decision and will be based on what appears to be viable options and a comprehensive response.

11. PROPRIETARY INFORMATION

If a response to this request includes any information that constitutes a trade secret of the respondent, such information shall be clearly marked as "Confidential." An entire page or paragraph in which such information appears should not be marked confidential unless the entire page or paragraph consists of such confidential information. Only the confidential portion(s) should be so identified and marked.

12. VENDOR COSTS

Vendors are responsible for all costs associated with the preparation, submission, and any potential meeting to discuss this Request for Information. The State of Florida, Department of Highway Safety and Motor Vehicles is not responsible for any vendor related costs associated with responding to this request.

**Contract Summary
Third Party Administrators for
Florida Driver License On-line Knowledge Testing**

1. THE AGREEMENT:

In accordance with Section 322.56, Florida Statutes, the Department of Highway Safety and Motor Vehicles authorizes the Third Party Administrator named below to conduct driver license tests as described in this agreement.

Third Party Administrator:

Name of Organization

Contract # _____ Effective Date _____ Private Government

Responsible Business or Agency Official (print name and title)

Florida Business or Agency Address:

Mailing Address Street or P.O. Box

City

Zip Code

Location Address if different from mailing address

City

Zip Code

AGREEMENT

between the

FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

and a

DRIVER LICENSE THIRD PARTY ADMINISTRATOR

THIS AGREEMENT is made effective this _____ day of _____, 20_____,
BY AND BETWEEN the

FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

DIVISION OF DRIVER LICENSES

(hereinafter the Department)

AND

(hereinafter the Third Party Administrator)

1.1. Authorizations for Testing:

This agreement authorizes the named Third Party Administrator (TPA) to conduct, on behalf of the Department, the knowledge tests required for original issuance of a Class E Florida driver license. The authorization is granted for purposes of evaluating the feasibility and effectiveness of on-line third party testing for providing Driver License testing services to the public.

Accordingly, this agreement will be in effect for a specified period, in conjunction with related agreements, as an element of the pilot project “Evaluation of Alternative Providers for Driver License Testing.”

1.2. ELIGIBILITY REQUIREMENTS:

Eligibility to participate in the project established by this agreement is contingent on the following criteria:

1.2.1 The proposed TPA must be the present owner of a Division of Driver Licenses approved Traffic Law and Substance Abuse Education (TLSAE) course on or before November 1, 2006.

1.2.2 The TLSAE course is currently offered on-line.

1.2.3 All Class E Knowledge tests will be offered only on-line and only to those students that have previously taken and passed the TPA's on-line TLSAE course.

NOW THEREFORE, the Department and the Third Party Administrator, in consideration of the duties and responsibilities set forth herein, mutually agree as follows:

1.3. DEFINITIONS

The following words and terms, when used in this document, shall have the following meanings:

1.3.1 DEPARTMENT: The Florida Department of Highway Safety and Motor Vehicles, Division of Driver Licenses.

1.3.2 THIRD PARTY ADMINISTRATOR (TPA) : An entity of state government, a subdivision of state government, a public or private corporation, a firm, an organization, a school, or an entity of local government certified by the Department as authorized to conduct an approved testing program for driver license applicants in accordance with the requirements described herein. A corporate or government entity defined as a Third Party Administrator must be authorized and accept responsibility for the performance of all its subdivisions conducting test activities under this agreement.

1.3.3 EMPLOYEE: A person who is employed by a Third Party Administrator and receives annually an Internal Revenue Service Form W-2, or an independent contractor who has a written

contract with the Third Party Administrator and receives annually an Internal Revenue Service Form 1099.

1.3.4 APPLICANT: A person who is a minor subject to the requirements of Chapter 322.09(1)(a), Florida Statutes , who intends to apply for an original non-commercial Florida Driver License (Class E Learner’s License Only), and who will therefore be required to pass the applicable knowledge tests.

1.3.5 CLASS E LICENSE: In Florida’s classified licensing system, the non-commercial license type required to drive standard passenger vehicles and light trucks not requiring a Class D or higher license class, in accordance with Section 322.54, Florida Statutes (formerly known as an operator’s license).

1.3.6 PROGRAM: The third party testing program, comprised of the organizations, activities, and administrative functions that provide for approved driver license testing by parties other than the Department under the terms of this agreement.

1.3.7 CERTIFICATE: A document issued to a Third Party Administrator verifying that the administrator is authorized to conduct an approved testing program on behalf of the Department.

1.3.8 CONTRACT NUMBER: An assigned number that shall identify the Third Party Administrator where applicable in program documents and information systems.

1.3.9 SERVER SITE: The physical location at which the Third Party Administrator is authorized to house and maintain the server in order to conduct driver license knowledge testing, as designated in Appendix 1 to this agreement. For the purposes of this Pilot Project, TPAs are limited to conducting the on-line knowledge tests from one storage unit in a location approved by the Department and accessible to the Department on request for inspection and approval of physical security. However, the TPA may have a back-up server for purposes of disaster recovery.

1.3.10 TEST SITE: The on-line knowledge test(s) may be taken from any computer that has Internet access provided that the Internet connection is made directly to the Server Site of the TPA. Limitations on the physical location and the number of times a given computer may be used to take the test apply as specified in Section 3.6 of the agreement.

2. THE DEPARTMENT AGREES TO

2.1 TESTING AUTHORITY:

Permit the Third Party Administrator to conduct the Class E driver licensing knowledge tests (Road Rules and Road Signs) for all applicants, pursuant to the terms of this agreement and applicable provisions of Chapter 322, Florida Statutes.

2.2 TEST CONTENT AND PROCEDURES: Provide Department test items, the database of knowledge test questions, necessary forms and test procedures for use by the Third Party Administrator.

2.3 TECHNICAL ASSISTANCE: Provide consultation to the Third Party Administrator regarding laws, rules, and procedures for conducting the program established under this agreement, including assisting the TPA with development and maintenance of technology to transmit knowledge test data to the Department's server for storage.

2.4 ADMINISTRATION AND ENFORCEMENT: Administer and enforce the provisions of the driver license Third Party Testing program.

3. THE THIRD PARTY ADMINISTRATOR AGREES TO

3.1 LEGAL COMPLIANCE: Comply with Section 322.56, Florida Statutes, with all other applicable statutes, with administrative rules of the State of Florida and the Department, and with all applicable local ordinances.

3.2 PLACE OF BUSINESS: Continuously maintain a place of business that includes a permanent, regularly occupied building located within the State of Florida and which meets all applicable safety and legal requirements of the federal, state, and local governments. The TPA's headquarters may be at a different location than the server containing the knowledge test data.

3.3 MAILING ADDRESS: Maintain a permanent mailing address and provide this address to the Department.

3.4 FACILITIES AND EQUIPMENT: Maintain facilities and equipment approved by the Department as applicable to the type of driver license testing authorized in this Agreement.

3.5 LIMITATION TO SINGLE BUSINESS: Involve no business entity other than the Third Party Administrator in conducting the driver license testing services authorized by this agreement, including registration or the handling of payment for such services, except to the extent that other businesses may provide advertising or Internet links to the TPA's testing services in accordance with Section 10 of this Agreement.

3.6 KNOWLEDGE TESTING PROGRAMS MUST INCLUDE, AT A MINIMUM, THE FOLLOWING PROVISIONS FOR THE SECURITY OF TEST MATERIALS AND INTEGRITY OF THE TESTING PROCESS :

3.6.1 The TPA's proposed methods must be approved by the Department prior to contract approval.

3.6.2 Class E Knowledge tests must only be offered as a web based program.

3.6.3 The TPA must protect the Department's test item pool from unauthorized copying and distribution through, at a minimum, the following security measures:

3.6.3.1 Prevent users from creating any permanent record of the test items displayed during their testing to the extent technically feasible, including blocks on screen prints or other known methods of capturing this information electronically.

3.6.3.2 The TPA must provide the location of the server(s) storage device(s) that contain the knowledge question database and the location of the backup servers used in their disaster recovery program. The TPA must describe how they will provide for the physical security of their computer terminals, network security, application security procedures and a plan for disaster recovery. The information provided must be verifiable by inspection of the TPA's contract with the server provider (if located outside of Florida) or by actual site visit.

3.6.4 The TPA must seek to ensure-that the applicant taking the test is the same individual that will be using the waiver to obtain a license through the following security measures:

3.6.4.1 Use answers to security questions obtained during registration for the TLSAE course to verify applicant identity during subsequent administration of the driver license test.

3.6.4.2 Require applicants to register for the test with their social security number or Florida ID card number. Applicants must be informed that the number used to register must be their own and that the test results will not be accepted by the Department if that number does not match identification documents they will be required to present when applying for their Learners' Licenses.

3.6.4.3 Require that payment of testing fees be by credit card. Block use of the same credit card number to pay the test fees of more than three different applicants.

3.6.4.4 Block use of the same computer IP address to administer the tests to more than three different applicants. An exception may be made for IP addresses at known testing centers registered with the vendor and approved by the Department in advance. Requirements for parental proctoring as specified in Section 8 apply to registered test centers as well as to private home computers.

3.6.5 The TPA must seek to minimize the opportunity for the applicant to use outside materials or other persons to complete the test.

3.6.5.1 Enforce a 50 second time limit to respond to each question. Failure to respond within this limit must result in that item being applied to the final pass/fail result in the same manner as items answered incorrectly.

3.6.5.2 Notify applicants of a requirement that their parents or legal guardians must personally observe and attest to their having taken the test unassisted, in accordance with Section __ of this agreement

3.6.5.3 Limit the number of attempts allowed to pass a test to no more than three. Applicants failing to pass within three attempts must be informed that further testing must be done in a driver license office.

3.6.6 The TPA must report at least daily all test results to the Department's web application/waiver program in an electronic format specified by the Department, in accordance with Appendix 2 of this agreement.

3.6.7 The TPA's web-based application must permit software-monitoring programs run by the Department for auditing purposes.

3.6.8 The TPA will work with Department staff to develop and implement criteria and methods by which specific test results will be identified to the Department as a higher fraud risk and be subject to further scrutiny.

3.6.9 The Department must be granted access to review sample program test data and the actual server site prior to program implementation.

3.7. RETEST PAYMENT SCHEDULE:

The TPA agrees to pay \$5.00 to DHSMV for each test retaken by the same person. The TPA must propose an auditing/accounting method to determine the amount of money due, payment schedule, and related procedures. The proposed retest payment schedule must be arranged between the TPA and the DHSMV, Division of Driver Licenses, prior to program implementation.

3.8. KNOWLEDGE TEST QUESTION DATABASE:

The Department will provide the TPA with a copy of the Class E Knowledge test question database. The TPA is responsible for the security of the database. Standard Class E Knowledge tests consist of 20 randomized questions for each test. The following is the selection criteria for each bank of test questions selected and the pass/fail qualifications.

3.8.1 **Road Rules** test questions must be selected as follows:

3.8.1.1. Two questions from the Administrative Category

3.8.1.2. Three questions from the Alcohol/Drug Category

3.8.1.3. One question from the Crashes Category

3.8.1.4. Eight questions from the Driving Rules and Regulations Category

3.8.1.5. Three questions from intersections/Signals Category

3.8.1.6. Two questions from Lane Usage/Markings Category

3.8.1.7. One question from the Pedestrian/Bicycle/Disabled Category

3.8.2. **Road Signs** test questions will consist of 20 randomized questions from the Road Signs portion of the database.

3.8.3. **Quick Pass** for either test is a minimum of 15 correct answers.

3.8.4. **Quick Fail** for either test is a minimum of 6 incorrect answers.

3.8.5. **The number allowed to be missed** and still pass is 5.

3.8.6. **The minimum percentage** for fail/passing is 25/75.

3.9. DESIGNATED RESPONSIBILITIES: Designate an individual representative with general responsibility for the Third Party Administrator's compliance with this agreement.

3.10. KNOWLEDGE TEST CONDUCT: Ensure that knowledge tests are conducted strictly in accordance with the procedures prescribed by the Department.

3.11. CONFIDENTIALITY: Ensure that no parties other than the Third Party Administrator, the TPA's designated representative, and authorized representatives of the Department gain access to the Department's library of knowledge test items in any form, pursuant to s.119.07(1)(a), Florida Statutes. Ensure that knowledge test items are not revealed to applicants except during the administration of the test. The Department agrees that the TPA's proprietary Internet system, including software and codes, are trade secrets of the TPA and shall be maintained as confidential by the Department.

3.12. APPLICANT RECORDS MAINTENANCE: Maintain a file, at the approved third party server location or TPA headquarters, for a minimum of three years, all records of each applicant for whom the Third Party Administrator conducts a knowledge test, whether the applicant passes or fails the test.

3.13. PROOF OF RESULTS: The TPA will report all test results (pass and fail), in a format determined by the Department, to appointed DDL staff or designated server for storage and recording purposes. Applicants may be provided with a printout of test results on request.

3.14. SECURITY OF PROGRAM MATERIALS: Maintain strict security and accountability of all confidential test materials issued by the Department. Access to Department test reporting systems and waiver information will remain secured by the Third Party Administrator. The Department's test questions must be maintained on a secured primary storage device and may be located on a backup server for disaster recovery purposes.

3.15. ACCOMMODATING APPLICANTS WITH SPECIAL NEEDS:

Maintain the capability to accommodate applicants needing special services in accordance with requirements of the Florida Americans With Disabilities Accessibility Implementation Act, Sections 553.501 - 553.513, Florida Statutes, and the current Florida Disability Code for Building Construction, providing requirements for persons with disabilities and with the requirements of Public Law 101-336, enacted July 26, 1990, effective January 26, 1992, Section 28 CFR Part 35 and Appendix to Section 36 CFR Part 1191, 42 USCS s.12101 et seq., known as the “Americans with Disabilities Act of 1990.”

3.16. COMPLIANCE MONITORING SUPPORT:

3.16.1 Allow the Department or its representatives to conduct any and all monitoring activities required by Section 322.56, Florida Statutes.

3.16.2 Provide unscheduled access to the approved on-line third party server site, TPA headquarters and applicant records as specified in this agreement to representatives of the Department and the Federal Motor Carrier Safety Administration.

3.16.3 Provide representatives of the Department with copies of all records required to be maintained under this Agreement, on request.

3.16.4 Provide representatives of the Department, for purposes of monitoring compliance with this agreement, with one or more accounts enabling full access, without charge, to all features and services that would be available to or seen by customers of third party testing services covered by this agreement.

3.16.5 The appearance and function of the TPA’s on-line testing service, when accessed for monitoring by authorized Department account users, must be identical to that for other customers, except as follows:

3.16.5.1 Provide a selective capability to take the driver licensing tests without completing the TLSAE course.

3.16.5.2 Provide a selective capability to override the block on use of taking the test more than three times from the same IP address.

3.16.5.3 Provide, with the Department's consent, selective capabilities to override other security features as may be needed to accommodate repeated use of the TPA's testing services for monitoring by authorized Department users.

3.16.3.4 The TPA will not be responsible for remitting retest fees in connection with any testing done by authorized Department account users.

3.17. CERTIFICATES: Prominently display on the web site that the Third Party Administrator is certified by the State of Florida to conduct these knowledge tests.

3.18. NOTIFICATIONS TO THE DEPARTMENT:

3.18.1 Notify the Department in writing of all affiliate web sites displaying advertising and/or links to the TPA's on-line testing service within ten calendar days of the effective date of this agreement, and of any additional sites added during the course of the project within ten calendar days of that occurrence.

3.18.2 Notify the Department in writing thirty days prior to any change in the Third Party Administrator's business or agency name, ownership, or address.

3.18.3 Notify the Department in writing within ten calendar days of changes in the individual designated to represent the Third Party Administrator under Part 15 and in Appendix 1 of this agreement.

3.18.4 Notify the Department whenever the Third Party Administrator ceases business.

3.18.5 Notify the Department within five calendar days of actions by any employees of the Third Party Administrator that are known to violate the terms of this agreement.

3.19. INDEMNIFICATION: The provisions of this Section apply to all Third Party Administrators that are not entities of state or local government or local school districts.

Indemnify and hold harmless the State of Florida, the Florida Department of Highway Safety and Motor Vehicles, and all of their officers, employees, and agents from and against any and all claims, losses, damages, costs and other proceedings made, sustained, brought or prosecuted in any manner based upon, occasioned by or attributable to any injury, infringement or damage arising from any act or omission of the Third Party Administrator or the Third Party Administrator's agents, Third Party Testers or other employees in the performance of this agreement.

4. COMPLIANCE AND ENFORCEMENT

Penalties for specific forms of non-compliance with this agreement are defined and applied as follows:

4.1. ADMINISTRATIVE NON-COMPLIANCE: Failure to meet requirements for reporting, notifications, record keeping, and similar acts that do not compromise testing integrity or public safety.

First Occurrence	Written reprimand
Repeated Occurrence	Thirty (30) day suspension of testing authority at applicable test site(s)

4.2. MINOR DISCREPANCY IN TEST PROCEDURE: Failure to properly administer a required portion of an otherwise complete test procedure.

First Occurrence	Ten (10) day suspension of testing authority at applicable test site(s)
Repeated Occurrence	Termination of testing authority at applicable test site(s)

4.3. MAJOR DISCREPANCY IN TEST PROCEDURE: Failure to include all required parts of a test procedure.

First Occurrence	Forty-five (45) day suspension of testing authority at applicable test site(s)
Repeated Occurrence	Termination of testing authority at applicable test site(s)

4.4. FRAUD: Abuse of authorities granted under this agreement to gain profit through issuance of test waiver forms to applicants who have not passed substantially complete tests.

First Occurrence	Termination of this agreement
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The Department will have sole discretion to determine the occurrence and the level of the violations defined above, and to apply associated penalties. Nothing in this section limits application of provisions for termination or cancellation of this agreement under Section 5 of this agreement where deemed appropriate.

5. TERM OF CONTRACT

This agreement shall remain in effect from the date of signature by the Department until June 30, 2007, or until made inactive, suspended, terminated, or canceled in accordance with the following provisions:

5.1. INACTIVE STATUS: The Third Party Administrator's testing authority will be deemed inactive upon the request of the Third Party Administrator or upon failure to have administered any tests under this agreement within the previous twelve months. The Department will provide written notification of inactive status and recover all unused waiver forms in the Third Party Administrator's possession. Testing authority under contracts deemed inactive may be restored upon request of the Third Party Administrator and verification by the Department that all requirements for compliance with the original agreement have been reestablished.

5.2. RENEWAL: This agreement is a test pilot and is not renewable. Pending the outcome of the pilot project, a new agreement may be extended to continue contract services. The Department agrees to notify the TPA at least 45 days prior to the termination of the agreement, if the contract will be extended.

5.3. SUSPENSION: Testing authority at a test site of the Third Party Administrators may be suspended in accordance with Part 4, Compliance and Enforcement, of this agreement. The Department will provide written notification of suspension.

5.4. CANCELLATION: Either party to this agreement may cancel the contract for any reason by providing sixty days written notice of cancellation to the other party.

5.5. TERMINATION: The Department reserves the right to terminate this agreement immediately upon determining that continued performance by the Third Party Administrator or employee of the Third Party Administrator would endanger the public health, safety, or welfare. Additionally, the Department may terminate testing authority at the test site in accordance with Part 4, Compliance and Enforcement, of this agreement. The Department may terminate this

agreement immediately upon determining that the Third Party Administrator or employee of the Third Party Administrator has done one or more of the following:

5.5.1. Has failed to comply with or satisfy any of the provisions of this agreement.

5.5.2. Has falsified any record or information required under this agreement.

5.5.3. Has been criminally convicted for or committed an act that, in the opinion of the Department, compromises the integrity of the Program.

5.5.4. Has failed to file a certificate of insurance or self-insurance or has failed to maintain required insurance coverage.

5.5.5. Has refused to allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the Third Party Administrator in conjunction with the agreement.

6. APPLICABILITY OF CHAPTER 120, FLORIDA STATUTES

Provisions of the Administrative Procedures Act, Chapter 120, Florida Statutes, will govern actions of the Department to suspend or terminate testing authority or terminate this agreement under Parts 4 and 5 of this agreement.

7. APPLICANTS ELIGIBLE FOR THIRD PARTY TESTING

Only those applicants under the age of 18 and enrolled in the participating Third Party Administrator's on-line TLSAE program are eligible to take the Class E Knowledge tests on-line. Persons subject to suspension upon failing an examination and/or persons directed to appear for Department reexamination are not eligible for third party testing under this agreement.

8. CHARGES AND NOTIFICATIONS TO APPLICANTS

8.1. POSTING OF FEES: Any fee charged to applicants for tests conducted under this agreement must be prominently posted on the Third Party Administrator's approved on-line test site. Any fee for tests conducted under this agreement must be uniformly charged to all applicants. Acceptance of gratuities or other forms of payment in addition to the posted fee is prohibited. Any fee charged to an applicant for Class E knowledge tests conducted under this agreement must be refunded upon demand if that applicant subsequently applies for license issuance and is found ineligible due to uncorrectable vision deficiency or other medical condition.

8.2. ADDITIONAL INFORMATION TO BE POSTED: The following information must be prominently posted on the approved third party testing website or otherwise made known to applicants prior to incurring charges:

- 8.2.1 Payment of any fees to the Third Party Administrator will not affect fees payable by the applicant to the Department for issuance of a driver license.
- 8.2.2 Test results are reported to the Division of Driver Licenses and will be recorded in the applicant's driver record.
- 8.2.3 Applicants who fail a knowledge test will be charged a \$5 retest fee.
- 8.2.4 Driver License Examiners will verify all Social Security Numbers upon license application. It is the responsibility of the applicant to provide accurate information and to resolve any conflicts with the Social Security Administration. A driver license will not be issued to any applicant whose Social Security Number cannot be verified.
- 8.2.5 The Department may select applicants presenting a Third Party Administrator's waiver form for retest without regard to results indicated on that form.

8.2.6. The Third Party Administrator does not issue driver licenses and cannot guarantee issuance of a driver license nor in any way influence the Department in issuance of a driver license.

8.2.7 A non-disclosure statement with the following wording:
“Test material (examination questions and answers) is made confidential by s.119.07(1)(a), Florida Statutes, and is the property of the Division of Driver Licenses. No one may copy or distribute any part of the test material without the express consent of the Department of Highway Safety and Motor Vehicles, Division of Driver Licenses.”

8.2.8 A warning notice which addresses Section 322.212(5)(a), Florida Statutes

8.2.9 A notice of the requirement for proctoring , including:

8.2.9.1 Eligibility for on-line testing is limited to applicants under age eighteen

8.2.9.2 Results of the Class E road signs and road rules tests taken on-line by the applicant will not be accepted for purposes of obtaining a learner’s license unless a parent or other legal guardian of the applicant personally observes the applicant taking the test without assistance from any person or reference materials, and attests to this fact under oath at the time the license may be issued. Appendix 3 provides a draft of the form to be used by driver license and tax collector licensing agent offices for this purpose.

8.2.10 A notification encouraging applicants to make an appointment for with a driver license office for issuance of their Learner’s Licenses upon successful completion of their testing, with a link to the Department’s on-line appointment system.

9. PROFESSIONAL CONDUCT

9.1. PROHIBITED HIRING PRACTICES: The Third Party Administrator agrees not to engage the services of any current employee of the Division of Driver Licenses, or of a county tax collector serving as a licensing agent of the Department, as a Third Party Tester, agent or employee.

9.2. APPLICANT ASSISTANCE: The Third Party Administrator agrees that no Third Party employee, or agent of the Third Party Administrator will be permitted to assist any driver license applicant in a manner that provides unfair advantage in passing the knowledge tests covered under this agreement.

9.3. SOLICITATION: The Third Party Administrator agrees that no Third Party employee or agent of the Third Party Administrator will solicit any individual on premises rented, leased, or owned by the Department or any of its agents to be an applicant in any third party testing program.

10. ADVERTISING

10.1. GUARANTEES: The Third Party Administrator agrees that none of its advertising shall indicate in any way that the Third Party Administrator can issue or guarantee the issuance of a driver license or imply that the Third Party Administrator can in any way influence the Department in the issuance of a driver license or imply that preferential or advantageous treatment from the Department can be obtained.

10.2. ENDORSEMENTS: The Third Party Administrator agrees to refrain from indicating that its program is approved, sanctioned, or in any other way endorsed by the Department, except to say that it is “certified.”

10.3. BUSINESS NAME: The Third Party Administrator agrees not to use any name in its advertising besides the name on its application for certification, to use this name in all advertising, and not to use the word “state” in any part of its name.

10.4. KNOWLEDGE TEST ADVERTISEMENT: The TPA may advertise the driver license testing services authorized by this agreement through print or electronic media, including Internet/World Wide Web (web) banner ads or links from the TPA’s present TLSAE distribution sites. The participating TPA’s TLSAE distributor sites may advertise these services provided that it is made clear that the testing is being provided by the TPA, not by the TLSAE distributor. Prospective test applicants seeking to register or obtain further information through web pages other than the TPA’s must be linked directly to a web page on the TPA’s own site that refers to no business entity other than the TPA.

10.5. DEPARTMENT REVIEW: The Third Party Administrator agrees to submit all advertising and promotional materials to the Department prior to release, whether in print, the Internet, or broadcast form, and to comply with changes as may be directed by the Department in accordance with Parts 10.1 to 10.4.

11. INSURANCE FOR NON-GOVERNMENTAL ENTITIES

The provisions of this Section apply to all Third Party Administrators that are not entities of state or local government or local school districts.

11.1. COMMERCIAL GENERAL LIABILITY: The Third Party Administrator shall take out and maintain Commercial General Liability insurance including products and completed operations, for the entire length of this agreement. This insurance will provide coverage for all claims that may arise from the operations completed under this agreement, whether such operations are by the Third Party Administrator or the Third Party Administrator’s agents, Third Party Testers, or other employees. Such insurance shall include a Hold Harmless Agreement in favor of the State of Florida, Department of Highway Safety and Motor Vehicles and must include the State of Florida as an Additional Named Insured for the entire length of the agreement.

Minimum Limits of Liability:	\$1,000,000 each occurrence
	\$2,000,000 Aggregate

11.2. HOLD HARMLESS ENDORSEMENT: The Third Party Administrator shall indemnify and hold harmless the State of Florida, Department of Highway Safety and Motor Vehicles, and Department employees from and against all losses, claims, demands, payments, suits, actions, recoveries and judgments of every nature and description brought or recoverable against it or them by reason of any act or omission of the Third Party Administrator or the Third Party Administrator's agents, Third Party Testers, or other employees in the execution of the work or in consequence of any negligence or carelessness in guarding the same.

11.3. WORKERS' COMPENSATION: The Third Party Administrator shall take out and maintain during the life of this agreement, Workers' Compensation Insurance for all of its employees working in connection with this agreement.

Minimum Employers Liability Limits:	\$100,000 each accident
	\$500,000 policy limit
	\$100,000 each employee

11.4. SURETY BOND: The Third Party Administrator shall take out and maintain during the life of this agreement, a Surety Bond guaranteeing that the terms and conditions of the contract specifications and the requirements associated with this contract will be fulfilled. A letter of credit (LOC) may be submitted in lieu of a performance bond. The department will only accept LOC's issued by financial institutions organized under the laws of Florida.

Amount of Bond:	\$100,000
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11.5. ADDITIONAL REQUIREMENTS:

11.5.1. Pursuant to Chapter 624 and 626 F.S., all insurance shall be purchased and countersigned by a Florida Resident Insurance Agent.

11.5.2. For an application as Third Party Administrator to be considered and continuously maintained, the insurance coverages must be provided by an insurance company with a minimum Best's Rating of A or a Financial Performance Index of IX from the current Best's Key Rating Guide.

11.5.3. For an application as Third Party Administrator to be considered and continuously maintained, the insurance coverages must be provided by an insurance company with a minimum Best's Financial Size Category of IX (\$250,000,000) from the current Best's Key Rating Guide.

11.5.4. For an application as Third Party Administrator to be considered and continuously maintained, the insurance coverages must be provided by an insurance company having a minimum of three (3) years experience in writing, underwriting and servicing Insurance in the State of Florida.

11.5.5. For an application as Third Party Administrator to be considered and continuously maintained, the insurance coverages must be provided by an insurance company holding a current Certificate of Authority issued by the Florida Department of Insurance. In addition, the insurance company providing coverage specifically for the surety bonds must have complied with the law and regulations of the U.S. Department of the Treasury and therefore must be included on the most current list of authorized companies.

11.5.6. For an application as Third Party Administrator to be considered and continuously maintained, a certificate of insurance shall be provided to the Department of Highway Safety & Motor Vehicles prior to selection for review or verification by the Department of Insurance.

11.5.7. Insurance coverage required under Part 10 of this agreement shall include a loss payable clause in favor of the Department, naming the Department as a co-insured, as it is or may be a beneficiary of the insurance coverage.

12. AMENDMENTS

12.1. NECESSARY AMENDMENTS: The Third Party Administrator agrees to accept any amendment to any provision of this agreement, if the amendment is set forth in writing, is necessitated by a change in state or federal law and is requested by the Department. The Third Party Administrator shall execute such an amendment upon request.

12.2. OTHER AMENDMENTS: Except as otherwise provided, this agreement may be amended only by the mutual consent of the parties which is expressed in writing and is signed by a duly authorized representative of each party. No verbal representation, interpretation, or commitment by the Third Party Administrator or the Third Party Administrator's agents, Third Party Testers, or other employees or by any officer, agent, representative, or employee of the Department, either before or after the execution of this agreement, shall affect or modify any of the provisions in the agreement, unless the representatives' interpretation, commitment, or representation is expressly stated in a written amendment to this agreement, signed by a duly authorized representative of each party.

13. NON-ASSIGNABILITY

This agreement and the Third Party Administrator's certification are not assignable by the Third Party Administrator, including by subcontract, either in whole or in part.

14. WAIVERS AND UNENFORCEABILITY

A waiver by either party of any provision of this agreement shall not act as a waiver of any other provision of this agreement. If any provision of this agreement is for any reason declared invalid, illegal or unenforceable, that declaration shall not affect the remainder of the provisions of this agreement.

15. COMMUNICATIONS

The Third Party Administrator and the Department designate the following to receive the written notices and communications that are desired or required under this agreement:

REPRESENTING THE
THIRD PARTY ADMINISTRATOR

REPRESENTING THE
DEPARTMENT

Name: _____

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

City/State: _____

City/State _____

Telephone: _____

Telephone: _____

Fax #: _____

Fax #: _____

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first written above.

BY: _____

NAME: _____

TITLE: _____

SIGNATURE: _____

BY: Florida Department of Highway Safety and Motor Vehicles

NAME: _____

TITLE: _____

SIGNATURE: _____

APPROVED TEST SITES

UNDER CONTRACT NUMBER _____

FOR THE THIRD PARTY ADMINISTRATOR

Test Site Number _____ for Third Party Administrator:

Name of Organization

Contract # _____ Contract Date _____ Private Government

Site Address:

Mailing Address Street or P.O. Box

City Zip Code County

Location Address if different from mailing address

City Zip Code County

Telephone Number _____ Fax Number _____

Designated Agents for Test Site Communications and Compliance

For the Third Party Administrator

Print name and title

For the Department of Highway Safety and Motor Vehicles

_____, Monitor for Zone _____
Print name

Approved On-line Knowledge Testing Activity at Site YES NO

Site Status:

Date approved: _____ by DHSMV Monitor: _____

Date closed: _____

**Specification of Data Input to
DHSMV Third Party (Paperless) Waiver System
for Class E Road Signs and Road Rules On-line Tests**

Column Name	Java Type	Database Column Length	Required?	Comments	
First_Name	String	16	Yes		
Middle_Name	String	16			
Last_Name	String	30	Yes		
Name_Suffix	String	3		Valid Name Suffix Code	
Driver_License_Number	String	20			Either a Social Security Number or Florida DL Number are required as unique applicant identifiers.
State_of_Record	String	2		Valid State Code - State of Driver License Issuance	
Social_Security_Number	String	9		Nine numeric digits.	
Street	String	50	Yes	Mailing Address	
Street_2	String	50			
City	String	30			
State_Code	String	2	Yes	Valid State Code	
Zip	String	5	Yes	Numeric digits.	
TPA_ID	String	3	Yes	Valid Active TPA	
Site Number	String	4	Yes	Valid Active TPA Site	
Tester_ID	String	4	Yes	Valid Active Tester	
Test_Type_1	String	2	Yes **	Valid TPA Exam Code	** You may submit up to two complete sets of test results. One complete set is required, and if your student is taking both 'road rules' and 'road signs' it is expected both would be reported as part of the same waiver. But if your own site's software design allows the two 'exams' to be taken separately, they can be reported on separate waivers, but make sure all the 'applicant' information is the same (Name and SSN/DL/ARN). Allowable TEST TYPEs are authorized by DHSMV.
Test_Date_1	String	8	Yes **	YYYYMMDD	
Result_Code_1	String	3	Yes **	Valid Result Code	
Test_Type_2	String	2	Yes **	Valid TPA Exam Code	
Test_Date_2	String	8	Yes **	YYYYMMDD	
Result_Code_2	String	3	Yes **	Valid Result Code	

Field Name	Valid Code	Description		
Name_Suffix	J	JR.		
	S	SR.		
	1	I		
	2	II		
	3	III		
	4	IV		
	5	V		
	6	VI		
	7	VII		
	8	VIII		
	9	IX		
Test_Type	RR	Road Rule - Non-CMV		
	RS	Road Sign - Non-CMV		
Result_Code	P	PASS		
	F	FAIL		
State Code Table	AA	ARMED FORCES AMERICAS	US	
	AB	ALBERTA	CA	
	AE	ARMED FORCES EUROPE/MID EAST	US	
	AK	ALASKA	US	
	AL	ALABAMA	US	
	AP	ARMED FORCES PACIFIC	US	
	AR	ARKANSAS	US	
	AS	AMERICAN SAMOA	US	
	AZ	ARIZONA	US	
	BC	BRITISH COLUMBIA	CA	
	CA	CALIFORNIA	US	
	CO	COLORADO	US	
	CT	CONNECTICUT	US	
	DC	DISTRICT OF COLUMBIA	US	
	DE	DELAWARE	US	
	FL	FLORIDA	US	
	FM	FEDERATED MICRONESIA	US	
	GA	GEORGIA	US	
	GU	GUAM	US	
	HI	HAWAII	US	
	IA	IOWA	US	
	ID	IDAHO	US	

	IL	ILLINOIS	US	
	IN	INDIANA	US	
	KS	KANSAS	US	
	KY	KENTUCKY	US	
	LA	LOUISIANA	US	
	MA	MASSACHUSETTS	US	
	MB	MANITOBA	CA	
	MD	MARYLAND	US	
	ME	MAINE	US	
	MH	MARSHALL ISLANDS	US	
	MI	MICHIGAN	US	
	MN	MINNESOTA	US	
	MO	MISSOURI	US	
	MP	NORTHERN MARIANA ISLANDS	US	
	MS	MISSISSIPPI	US	
	MT	MONTANA	US	
	NB	NEW BRUNSWICK	CA	
	NC	NORTH CAROLINA	US	
	ND	NORTH DAKOTA	US	
	NE	NEBRASKA	US	
	NF	NEWFOUNDLAND	CA	
	NH	NEW HAMPSHIRE	US	
	NJ	NEW JERSEY	US	
	NM	NEW MEXICO	US	
	NS	NOVA SCOTIA	CA	
	NT	NORTHWEST TERRITORY	CA	
	NV	NEVADA	US	
	NY	NEW YORK	US	
	OH	OHIO	US	
	OK	OKLAHOMA	US	
	ON	ONTARIO	CA	
	OR	OREGON	US	
	PA	PENNSYLVANIA	US	
	PE	PRINCE EDWARD ISLAND	CA	
	PQ	PROVINCE OF QUEBEC	CA	
	PR	PUERTO RICO	US	
	PW	PALAU	US	
	RI	RHODE ISLAND	US	
	SC	SOUTH CAROLINA	US	
	SD	SOUTH DAKOTA	US	
	SK	SASKATCHEWAN	CA	
	TN	TENNESSEE	US	
	TX	TEXAS	US	
	UT	UTAH	US	
	VA	VIRGINIA	US	
	VI	VIRGIN ISLANDS	US	
	VT	VERMONT	US	

	WA	WASHINGTON	US	
	WI	WISCONSIN	US	
	WV	WEST VIRGINIA	US	
	WY	WYOMING	US	
	YT	YUKON TERRITORY	CA	

Error Code:	Description:
VL000	Invalid login/password combination
DV000	Data Validation Failed... See specific DVxxx message for detail
DV010	First Name of Applicant is required
DV020	Last Name of Applicant is required
DV030	Invalid Name Suffix Code
DV040	Street Address of Applicant is required
DV050	Address State of Applicant is required
DV055	INVALID Address State Code of Applicant
DV060	Address ZIP of Applicant is required
DV065	Valid Numeric Address ZIP of Applicant is required
DV070	At least ONE Waiver Test Type is required
DV075	Invalid Test Type Code
DV080	Waiver Test Date required if test type exists
DV081	Test Date outside valid test date range
DV082	Invalid Waiver Date
DV090	Missing or Invalid Waiver Test Result Code for submitted test type
DV100	Valid Third Party Tester ID is required
DV110	Valid Third Party Administrator ID is required
DV120	Valid Third Party Testing Site Number is required
SL000	Unique Applicant Identifier Validation Failed... See specific SLxxx message for detail
SL010	No valid unique Applicant Identifier Submitted.
SL020	Submitted SSN is not nine numeric digits
SL030	Driver License and State of Record are required in combination together. One is missing.
SL031	Invalid State of Record Code with Driver License.
SL032	Submitted as a Florida DL Number, but not in Florida DL Format - X999999999999
SL040	Invalid Alien Registration Number submitted.
AU000	Tester/TPA/Site/TestType Authorization Failed...See specific AUxxx message for detail
AU010	No valid Test Types. Authorization Checking aborted.
AU011	Tester Authorization Failed.
AU012	TPA/Testing Site Authorization Failed
AU020	Tester is not authorized to submit test results.
AU030	Tester is not authorized for type of test
AU040	Third Party Administrator is not authorized to submit test results.
AU050	Testing Site is not authorized to submit test results.
AU060	Testing Site is not authorized for type of test

DB000	HSMV Database Update Failed. Contact DHSMV.
DB010	No applicant unique identifier specified. Update Aborted....
DB020	Applicant Database Insert Failed
DB030	Applicant Address Database Insert Failed
DB040	Waiver Database Insert Failed
DB050	Waiver Test Database Insert Failed. Waiver will be decertified.
DB060	Decertification of Waiver failed.

**Parent Proctoring Sworn Statement to DHSMV
for Class E Road Signs and Road Rules On-line Tests**

STATE OF FLORIDA
DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES
PARENT PROCTORING OF ON-LINE DRIVER LICENSE TESTING BY A MINOR

I do hereby affirm that I was present when the State of Florida knowledge tests for a Class E Learner's License were completed on-line by my child or ward

_____, a minor,
First Middle Last

date of birth _____.

I attest from my own observation that the named applicant responded to the items on the tests indicated below without reference to other materials and without assistance from another person, including myself.

Class E Road Signs Test _____ (check if applicable)

Class E Road Rules Test _____ (check if applicable)

Printed name of Parent or Legal Guardian: _____

Signature of Parent or Legal Guardian: _____

STATE OF FLORIDA, COUNTY OF _____

Sworn to (or affirmed) and subscribed before me this _____ day of _____, 20_____,

by _____ who is personally known to me or produced Identification _____ as proof.

(Identification type and number)

Notary Public or DL Examiner-Signature

Print, Type, or Stamp Commissioned Name of Notary Public

INSTRUCTIONS:

1. The parent or legal guardian of the on-line tested applicant must sign this form.
2. All signatures must be notarized or witnessed by an examiner.

HSMV 71022C (**DRAFT** 11/06)