

**NEBRASKA STATE RECORDS BOARD
MEETING: March 19, 1999**

Nebraska State Capitol
Room 1507
Lincoln, NE
March 19, 1999
10:00 A.M.

SCOTT MOORE
SECRETARY OF STATE



SUITE 2300 CAPITOL BUILDING
LINCOLN NEBRASKA 68509-4608
PHONE (402) 471-2554
FAX (402) 471-3237
sosadmin@sos.state.ne.us

STATE OF NEBRASKA

NEBRASKA STATE RECORDS BOARD

AGENDA

1507 STATE CAPITOL

March 19, 1999 - 10:00 A.M.

1. Call to Order, Roll Call
2. Notice of Hearing (Lincoln Journal Star, 3/12/99)
3. Approval of Minutes from January 15th meeting
4. Records Management Cash Fund Balance
5. Public Hearing--Consideration of Contract Between Explore and The Department of Motor Vehicles
6. Records Management E-mail, Digital Image and Web Page Standards Update-- Bill Ptacek
7. Miscellaneous Matters
8. Schedule Next Meeting
9. Adjournment

NEBRASKA STATE RECORDS BOARD

MINUTES

Meeting of January 15, 1999

These minutes are subject to approval by the Nebraska State Records Board at its next meeting.

The meeting was called to order by Chairman Scott Moore at 2:00 P.M. on January 15, 1999, in Room 1507 of the State Capitol, Lincoln, Nebraska.

The following board members were present:

Scott Moore, Chairman;

Lorelee Byrd, representing the State Treasurer;

John Dale;

Don Dunlap, representing the Auditor of Public Accounts;

Jeff Funk;

Lauren Hill, representing the Governor;

Lori McClurg;

Kathy Nathan;

Craig Schroeder.

Not present were:

Terry Harder;

Don Stenberg;

Mark Sutko.

The minutes of the meeting of September 3, 1998, were considered. Mr. Schroeder moved that the minutes be approved as circulated; motion seconded by Mr. Dale.

Voting For: Byrd, Dale, Funk, McClurg, Moore, Nathan, Schroeder

Voting Against: None

Not Voting: Dunlap, Hill

Absent: Harder, Stenberg, Sutko

The motion carried.

Greg Lemon, Deputy Secretary of State, introduced and discussed current and past monthly beginning cash balance of the State Records Board account in the Records Management Cash Fund. The January 6, 1999 balance was \$269,551.

State Treasurer David Heineman arrived at the meeting.

The Board discussed sources of revenue for the State Records Board account.

Joe Steele, State Court Administrator, appeared before the Board to present the proposed Agreement between the Supreme Court and the Nebraska State Records Board and to answer questions for the Board.

Attorney General Don Stenberg and Mark Sutko arrived at the meeting.

After discussion of the proposed agreement with the Supreme Court, Chairman Moore announced his intention to sign the agreement on behalf of the Board. There were no objections from the Board.

Chairman Moore opened discussion of the Guidelines for Web Page Accessibility for the blind and visually impaired. Dale Hayes from the Nebraska Health and Human Services System appeared in support of these guidelines and answered questions from the Board. After discussion, Chairman Moore indicated that these guidelines would be forwarded to the Nebraska Webmasters Group for discussion.

Michael Overton, Chair of the Criminal Justice Information System (CJIS), presented the CJIS request to allow no-cost access to Department of Motor Vehicles information available from Nebraska@ Online via pass-through from the CJIS server. After discussion, Mr. Heineman moved that a plan, proposal, and pricing be developed for presentation to the Board, to accomplish CJIS server access to vehicle and driver information, to include start-up costs, ongoing costs, and revenue impact; motion seconded by Mr. Schroeder.

Voting For: Dale, Dunlap, Funk, Heineman, Hill, McClurg, Moore, Nathan, Schroeder, Stenberg, Sutko

Voting Against: None

Absent: Harder

The motion carried.

Greg Lemon opened discussion of the contract between the Department of Motor Vehicles and Explore Information Services for access to driver information. Keith Dey, Information Services Manager for the Department of Motor Vehicles, provided information regarding this contract. James T. Carroll, representing Explore, provided information about this contract and his company. After discussion, Mr. Heineman moved that an Attorney General's opinion be requested as to whether the statute giving the director of the Department of Motor Vehicles authority to enter into contracts for the sale of a driver's records allows the Department to enter into such contracts without going through the procedures

established in statute for the approval of electronic access fees by the Nebraska State Records Board; motion seconded by Mr. Sutko.

Voting For: Dale, Dunlap, Funk, Heineman, Hill, McClurg, Moore, Nathan, Schroeder, Stenberg, Sutko

Voting Against: None

Absent: Harder

The motion carried.

Sam Somerhalder, General Manager for Nebrask@ Online, presented the Nebrask@ Online Business Plan -- 1999 and the General Manager's Report for December 1998.

Mr. Stenberg, Ms. McClurg, and Mr. Schroeder left the meeting.

Mr. Schroeder returned to the meeting.

Mr. Schroeder presented his Proposal for Creating a Local Government Information Network in Association with Nebraska Interactive, Inc. No action was taken.

Chairman Moore announced that the next meeting of the Board would be at 10:00 A.M. on March 8, 1999.

Mr. Heineman moved the meeting be adjourned; motion seconded by Mr. Sutko.

Voting For: Dale, Dunlap, Funk, Heineman, Hill, McClurg, Moore, Nathan, Schroeder, Stenberg, Sutko

Voting Against: None

Absent: Harder

The motion carried.

The Chairman declared the meeting adjourned at 4:35 P.M.

Records Management Cash Fund-Records Board

As of March 2, 1999

Monthly beginning cash balance.

Jun-97	\$1,023
July	\$9,761
Aug	\$20,525
Sep	\$44,422
Oct	\$65,453
Nov	\$84,819
Dec	\$91,339
Jan-98	\$110,133
Feb	\$129,437
Mar	\$152,483
Apr	\$308,797
May	\$112,201
June	\$192,697
July	\$204,592
August	\$380,842
September	\$159,765
October	\$247,925
November	\$395,966
December	\$258,879
Jan-99	\$269,551
Feb-99	\$289,373

STATE OF NEBRASKA

DEPARTMENT OF MOTOR VEHICLES
Edward D. Wimes
Director



Mike Johanns
Governor

March 1, 1999

Scott Moore
Chairman
State Records Board
State Capitol, Suite 2300
HAND DELIVERED

RE: REQUEST FOR APPROVAL TO PROVIDE A NEBRASKA DRIVER RECORD MONITORING SERVICE TO
RAM CENTER, INC., D/B/A EXPLORE INFORMATION SERVICES

Dear Chairman Moore:

This letter is to request approval of the State Records Board to continue to provide a driver record monitoring service to Explore Information Services, as provided for in Neb.Rev.Stat. 60-483(4), through Nebrask@ Online. This request is being made pursuant to Neb.Rev.Stat. 84-1205.02 which authorizes the Board to establish reasonable fees for electronic access and pursuant to Neb.Rev.Stat. 84-1205.03 which requires any state agency to provide electronic access to records for a fee to make a written request to the Board.

Currently, the Department of Motor Vehicles provides the driver record monitoring service, through Nebrask@ Online, agreed to in the Agreement for Pilot Project (copy attached as Attachment B). I am requesting the Board's approval of this Agreement and of the Amendment to Agreement for Pilot Project.

In accordance with the requirements outlined in 'Guidelines for Submission of Requests for Fee Based Electronic Access', dated December 12, 1997, I am including the following information:

1. *A copy of the contract under consideration if the electronic access is to be provided through a contractual arrangement. See Attachments.*
 - A -- original Agreement for Pilot Project, effective August 1, 1997 through August 1, 1998;
 - B -- renewed Agreement for Pilot Project, effective August 1, 1998 through August 1, 1999;
 - C -- Amendment to Agreement for Pilot Project, adjusting the formula for monthly payment; and,
 - D -- Interagency Agreement between the Department and the State Records Board, providing access to our electronic data files through Nebrask@ Online.
2. *A description of the public records which are the subject of the contract or proposed electronic access fee. Please refer to paragraphs (1) and (2) of page 1 of Attachment B.*



3. *The anticipated or actual timeline for implementation.* This process has been in place since August 1, 1997.
4. *Any security provisions for the protection of confidential or sensitive records.* Please refer to the Statement of Intended Use included in Attachment B.
5. *The fee and distribution of the fee for electronic access.* The proposed fees Explore is subject to are included in Attachment D. The fees will be collected by Nebrask@ Online and remitted to the Department, as per our Interagency Agreement with the State Records Board. The Department will distribute the fees collected as provided for in Neb.Rev.Stat. 60-483(1) [copy attached -- Attachment E].
6. *Some explanation or justification of the need for electronic access.* The Department does not have the resources to effectively deal with this type of request. Nebrask@ Online, as demonstrated by the past fulfillment, has the resources and the programming to successfully and painlessly accomplish this process.
7. *How fees and splits contained in the proposal were determined.* See Attachment F, provided by Explore Information Services, dated January 15, 1999, for an explanation of how the formula for monthly payment was determined.
8. *Any pertinent statutory provisions including any statutes establishing a fee for the records in other forms.* See Attachment E [Neb.Rev.Stat. 60-483(1)].
9. *The cost of providing electronic access and how that cost is computed.* The costs are the same as those associated with driver license records which have a price of \$3.00 set in statute. This service is priced based upon the search fee for a DLR, but influenced by a formula reflecting the volume activity normally experienced by the insurance customers of Explore. The only additional costs associated with providing this service is that personnel have to run the jobs on a weekend because of the volume of the files being monitored.
10. *Projected volume of activity and revenue.* See Attachment G, which contains both the historical and the projected volumes. Projections have been made through the life of the current contract (August 1, 1999).

Thank you for your consideration of this request. If you desire additional information, please contact Betty Johnson of my staff at 471-3888.

Sincerely,



Edward D. Wimes
Director

Attachments

AGREEMENT FOR PILOT PROJECT

This agreement is made and entered on the date signed by and between the State of Nebraska, Department of Motor Vehicles, (hereafter called "Department") and RAM Center, Inc. d/b/a Explore Information Services (hereafter called "Explore"). This agreement shall remain in effect until canceled or modified as provided herein.

STATEMENT OF INTENDED USE

Explore intends to use the Records (as the term is defined below) to the extent permitted under the Nebraska Uniform Motor Vehicle Records Disclosure Act, L.B. 635, 95th Leg., 1st Sess. ss 1-15 (1997).

Clients of Explore will provide Explore with lists of drivers. The Records received from the Department will be compared with those lists. If any driver on those lists are in the Records provided by the Department, Explore will report any and all of the drivers and their citation(s) to Explore's clients as part of Explore's services to its clients. Clients will use the information for insurance re-underwriting purposes. Explore's clients may include other information services companies. Each month, Explore shall destroy any information received from the Department regarding those drivers who are not clients of Explore or other information service companies having agreements with Explore.

IT IS MUTUALLY AGREED AS FOLLOWS:

- (1) The Department agrees to furnish to Explore a copy of all non-confidential records on computer tape or other mutually agreed upon method that contains information from files of uniform traffic citations and which were produced or developed by the Department for purposes related to the maintenance of the Department's operating record file database (the "Records") on a monthly basis or on another schedule mutually agreed upon in advance. The method of data transmittal shall be via computer tape or such other mutually agreed upon method. Except as expressly provided in the Agreement, and with the mutual consent of both parties, the Department may delegate the performance of any duties under this provision to any third party.
- (2) To provide this information, Explore agrees to furnish to the Department a monthly list of the names and dates of birth and the Nebraska driver's license number of each individual whose record they are requesting. Explore shall provide this to the Department or its third-party delegatee by the 25th of each month. The Department agrees to keep the listing confidential pursuant to Neb. Rev. Stat. 84-712.05 (3). Upon receipt of each monthly listing, the Department or its third-party delegatee shall provide a full driving record to Explore for each licensed Nebraska, listed on Explore's listing of clients, identified by the Department as having activity posted to their driving record

in the previous one month period of time. The records generated shall be provided at the pricing set forth in Appendix A. If, after receipt of the monthly listing, the Department or its third-party delegatee is unable to provide the requested information (except if the inability results from the Agreement being found invalid, illegal or void or if the Department is enjoined by a court or by an act of the Legislature from performance), the Department shall provide the entire driving record database until such time as the individual information can again be provided.

- (3) The initial performance by the Department under this Agreement is not due until 30 days past the date of this Agreement's execution.
- (4) Explore agrees to pay the Department for the Records in accordance with the formula set forth in Appendix A and attached hereto.
- (5) The Department agrees to label all shipments as to contents and to direct the Records to: Explore Information Services, Attention: Computer Operations, 115 West College Drive, Marshall, Minnesota 56258.
- (6) Explore agrees to furnish all data transmittal materials and shipping supplies. The cost of shipment will be assumed by Explore. Data will be sent via Federal Express Overnight mail and will be charged to Explore's Federal Express Collect Account.

GENERAL PROVISIONS

- (1) Explore shall not sell, assign or otherwise transfer any of the Records to any person, firm, association, corporation or government agency unless it be within the "Statement of Intended Use."
- (2) This agreement shall be effective when signed and supersedes any and all previous agreements or understandings between the parties. The agreement may be revised or amended in writing upon mutual consent of both parties.
- (3) This agreement shall be governed by the laws of the State of Nebraska. Explore agrees, at all times, to comply with and observe all federal and state laws and regulations, and local ordinances and laws that are in effect during the term of this Agreement and which, in any manner, affect access to, use or distribution of the Records.
- (4) Official notices or communications arising out of performance of this Agreement to be given by Explore to the Department shall be hand delivered or sent via certified or registered mail to:

Ms. Betty Johnson

Program Manager, Driver Records Division
Nebraska Department of Motor Vehicles
P.O. Box 94789
Lincoln, NE 68509-4789

- (5) Official notices or communications arising out of performance of this Agreement to be given by the Department shall be sent via certified or registered mail to:

Mr. James T. Carroll
Explore Information Services
4920 Moundview Drive
Red Wing, MN 55066

- (6) This agreement is voidable and subject to immediate cancellation by the Department upon Explore becoming insolvent or by filing or by having proceedings filed against it (and such involuntary proceedings are not dismissed within ninety (90) days of such filing), in bankruptcy or reorganization under Federal Bankruptcy laws.
- (7) No term or provision of this Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by either party to, or waiver of, a breach by the other shall not constitute a waiver of or excuse for any other different or subsequent breach.
- (8) No amendment to this Agreement shall be effective unless it is in writing and signed by the authorized representative of each party.
- (9) The Department shall provide written notification to Explore if the Department enters into contract negotiations with another person for the same or similar information as that provided through this Agreement. However, no rights granted Explore under this Agreement are exclusive, and the Department reserves the right to enter into agreements with other persons or entities to provide information that is the same or similar to that provided under this Agreement. Contracts with other parties for delivery of same or similar information shall not be on better terms than set forth in Appendix A.
- (10) The Department reserves the right to modify the electronic citation file at any time for the express purpose of serving the Department's needs in maintaining the Driver License/Operator Record System. The Department agrees to promptly notify Explore if the Department decides to modify the electronic citation database.

- (11) If any provision of this Agreement should be found illegal, invalid or otherwise void, it shall be considered severable. The remaining provisions shall not be impaired and the Agreement shall be interpreted, as far as is possible, to give effect to the parties intent.
- (12) This Agreement for a pilot project shall have an effective date of August 1, 1997, and shall be effective for one year from this date. This agreement shall terminate August 1, 1998 unless either party shall give sixty (60) days notice to the other to extend or renew the Agreement and both parties agree to the extension or renewal of the Agreement. This Agreement may be terminated only by an instrument in writing, signed by duly authorized representatives of both parties hereto.
- (13) This Agreement may be changed, modified or amended at any time after thirty (30) days notice by an instrument in writing, signed by duly authorized representatives of both parties hereto.
- (14) The Department makes no representation, either expressed or implied, regarding the use, performance or fitness for any particular purpose of the information furnished to Explore under this Agreement. Explore shall assume as the risk of loss, omission, or error in the copies of records furnished by the Department under this Agreement and shall hold the Department, its employees, agents, assignees and legal representatives harmless from all liabilities, claims, suits, losses, damages, causes of action, fines or judgments and expenses relating thereto, for injuries to persons and for loss of, damage to, or destruction of property which arise in connection with this agreement.
- (15) Explore shall indemnify the State of Nebraska with respect to any liabilities, demands, claims, suits, losses, damages, causes of actions, fines or judgments and expenses related thereto which may in any manner accrue or be asserted against the Department, its employees, agents, assignees and legal representatives that arise in connection with this agreement.
- (16) The Department and Explore shall comply with a drug-free workplace program and policy as stated in the attached policy statement.
- (17) Explore agrees to comply fully with Title VI of the Civil Rights Act of 1964, as amended and the Nebraska Fair Employment Practices Act, as amended, in that there shall be no discrimination against any employee who is employed in the performance of this agreement, or against any application for such employment because of age, color, national origin, race, creed, disability or sex.
- (18) The Department reserves the right to cease performance of any or all obligations under this Agreement, without recourse against the Department by

Explore, at any time the Department is restrained or enjoined by a court of competent jurisdiction from performance of any obligation established herein or upon the effective date of an act of the Nebraska Legislature restricting or removing the Department's authority to perform any obligation established herein.

- (19) Explore may not refer to or use the names of the State of Nebraska, the Department, or any state official or employee for commercial purpose, except that Explore may disclose that the Department is the provider of the Records to Explore. News releases pertaining to execution or implementation of this agreement may not be made without prior written approval of the Department.
- (20) Explore and any officer, director, employee or other person employed or retained by Explore to carry out the terms of this contract is an independent contractor and shall not be deemed an employee of the Department for any purpose.
- (21) The parties have the right to terminate this agreement upon sixty (60) days written notice if the other party materially breaches any term or condition of this Agreement, providing the breaching party has not cured the breach within such sixty (60) day period.
- (22) Explore agrees to and recognizes the Department's right to audit Explore's records for the limited purpose of verification of the number of drivers actually monitored by Explore.

The following parties, by their signature hereto, acknowledge that they are authorized to enter into this agreement on behalf of the Department and Explore:

BY: Alvin A. Abramson Date: August 4, 1997
Alvin A. Abramson, Director
State of Nebraska,
Department of Motor Vehicles

BY: Charles J. Schmidt Date: 7-30-97
Charles J. Schmidt
Division Manager
RAM Center, Inc. d/b/a
Explore Information Services

**APPENDIX A TO AGREEMENT FOR PILOT PROJECT BETWEEN
NEBRASKA DEPARTMENT OF MOTOR VEHICLES AND
RAM CENTER, INC. d/b/a EXPLORE INFORMATION SERVICES**

Formula for Monthly Payment

Number of drivers monitored by Explore x .28 ÷ 12 x \$3.00

Monthly Procedures

1. By the 25th of each month, Explore will supply the Department with the number of drivers monitored by Explore as of the 15th of that month.
2. On the last business day of each month, the Department will produce the data for Explore and send it within three business days via Federal Express overnight delivery using Explore's collect account number. Explore's collect account number is 1149-6667-3. Each month, a report listing the number of records on the computer tape(s) and an invoice for the current month's tape(s) will be mailed to Explore within the first five (5) business days with payment due by the 25th of the month.
3. Explore will ensure that there are adequate tapes on hand at the Department for this application. Nebraska DMV will inform Explore when the number of tapes on hand is getting low.
4. The Department will ensure that the previous month's invoice has been paid before the next month's data will be run.
5. The Department and Explore shall review the "formula for monthly payment" for accuracy on November 1, February 1, May 1 and August 1 of each year. On such dates the formula may be modified if both parties agree.

STATE OF NEBRASKA

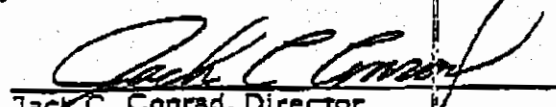
DEPARTMENT OF MOTOR VEHICLES

Jack C. Conrad
DirectorE. Benjamin Nelson
GovernorPOLICY STATEMENT

TO: DMV Employees
 FROM: Jack C. Conrad, Director
 DATE: June 1, 1992
 SUBJECT: Drug Free Workplace Policy Statement

Drug abuse and use at the workplace are subjects of immediate concern in our society. These problems are extremely complex and ones for which there are no easy solutions. From a safety perspective, the use of drugs may impair the well-being of all employees and the public at large, and may result in damage to departmental property. Therefore, it is the policy of the Department of Motor Vehicles that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the workplace is prohibited. Any employees violating this policy will be subject to discipline up to and including termination. The specifics of this policy are as follows:

1. The Department of Motor Vehicles does not differentiate between drug users and drug pushers or sellers. Any employee who gives or in any way transfers a controlled substance to another person or sells or manufactures a controlled substance while on the job or on state premises will be subject to discipline up to and including termination.
2. The term "controlled substance" means any drug listed in 21 U.S.C. § 812 and other federal regulations. Generally, these are drugs which have a high potential for abuse. Such drugs include, but are not limited to, Heroin, Marijuana, Cocaine, PCP, and "Crack". They also include "legal drugs" which are not prescribed by a licensed physician.
3. Each employee is required by law to inform the company within five (5) days after he or she is convicted for violation of any federal or state criminal drug statute where such violation occurred on state premises. A conviction means a finding of guilt (including a plea of nolo contendere) or the imposition of a sentence by a judge or jury in any federal or state court.
4. The Department's Personnel Officer must notify the U.S. government agency with which the contract was made within ten (10) days after receiving notice from the employee or otherwise receives actual notice of such a conviction.
5. If an employee is convicted of violating any criminal drug statute while on the workplace, he or she will be subject to discipline up to and including termination. Alternatively, the Department may require the employee to successfully finish a drug abuse program sponsored by an approved private or governmental institution.
6. As a condition of further employment on any federal government contract, the law requires all employees to abide by this policy.


 Jack C. Conrad, Director

 6-26-92
 Date

301 Centennial Mall South • P.O. Box 94789 • Lincoln, Nebraska 68509-4789 • Phone (402) 471-2281

An Equal Opportunity/Affirmative Action Employer



P.2/2

JUL 28 '97 02:32PM NE DMV LEGAL (402) 471-4825

**AMENDMENT TO AGREEMENT FOR PILOT PROJECT BETWEEN
NEBRASKA DEPARTMENT OF MOTOR VEHICLES AND
RAM CENTER, INC., d/b/a EXPLORE INFORMATION SERVICES**

The Formula for Monthly Payment contained in the Agreement effective August 1, 1998 through August 1, 1999 is hereby amended to the following:

Number of drivers monitored by Explore x .565 ÷ 12 x \$3.00

This Amendment shall take effect retroactively to December 1, 1998.

The following parties, by their signature hereto, acknowledge that they are authorized to amend the original Agreement on behalf of the Department and Explore.

BY: _____
Edward D. Wimes, Director
Department of Motor Vehicles
State of Nebraska

Date: _____

BY: _____
Charles J. Schmidt
Division Manager
RAM Center, d/b/a
Explore Information Services

Date: _____

INTERAGENCY AGREEMENT
between the
NEBRASKA DEPARTMENT OF MOTOR VEHICLES
and the
NEBRASKA STATE RECORDS BOARD

This Interagency Agreement is made by and between the Nebraska Department of Motor Vehicle (hereinafter "Nebraska Department of Motor Vehicle" or "DMV"), and the Nebraska State Records Board (hereinafter "Nebraska State Records Board" or "NSRB"), to provide access to the Nebraska Department of Motor Vehicle's electronic data files on Nebrask@ Online, an electronic data service operated by the Nebraska State Records Board for the State of Nebraska through a contractual arrangement with a private network manager.

WHEREAS, DMV maintains certain electronic data in computer databases, which data is available to the general public under certain circumstances; and

WHEREAS, DMV currently has data residing on the state mainframe computer and/or on its internal Local Area Network which is public and of interest to the public; and

WHEREAS, NSRB desires to have access to the DMV's data records at both locations, if data records are available at both locations, for the purpose of providing such access to Nebraska citizens and businesses who subscribe to Nebrask@ Online; and

WHEREAS, it is also contemplated by the parties that provision of electronic access through Nebrask@ Online will provide a material benefit to the DMV, to Nebraska citizens and businesses, will improve access to information and will decrease the need for DMV personnel to be involved in giving out this information by telephone or in person;

NOW THEREFORE, in consideration of the mutual conditions, covenants and promises contained in this Agreement, the parties agree as follows:

SECTION 1: Statement of Purpose.

The purpose of this Agreement is to define circumstances, responsibilities, and compensation relating to providing Nebrask@ Online with on-line computer access to certain data records at the DMV's discretion, maintained in electronic form by the DMV.

SECTION 2: Term of Agreement.

This Agreement shall be in full force and effect for a period of one year after the date it is fully signed. Thereafter, this Agreement shall continue for successive monthly periods upon the same terms, provisions and conditions as provided herein excepting that at either party's option, this Agreement may be terminated at any time after the original term of this Agreement, upon thirty (30) days advance written notice to the other party.

SECTION 3: Definition of Terms.

1. Data records- facts maintained in electronic form for communication or processing.
2. Nebrask@ Online subscribers- individuals or organizations who use Nebrask@ Online for computer assisted research.
3. Client department- a DMV section or unit serviced by DMV's internal computer section, and whose data files are available to external agencies.
4. Public Record Data- Data records which are considered public records under state or federal law.

SECTION 4: DMV Responsibilities.

1. Client departments will:
 - a. When requested, help in interpreting the meaning of data, provide input on display screen designs when consulted, and cooperate with Nebrask@ Online in placing data records onto Nebrask@ Online as permitted by DMV, but only if desired by Nebrask@ Online subscribers.
 - b. In the absence of a central DMV data or computer department or service, perform those duties and responsibilities outlined in subparagraph 2 of SECTION 4.
2. The central DMV data or computer department or service will:
 - a. When requested, help in interpreting the meaning of data, provide advice on display screen designs when consulted, and cooperate with Nebrask@ Online in placing data records onto Nebrask@ Online as permitted by the DMV, but only if desired by Nebrask@ Online subscribers.
 - b. Provide computer access to DMV data records as permitted by the DMV, subject to interruption of service pursuant to SECTION 10.
 - c. Provide acceptable response time within limitations of budget constraints.
 - d. Provide reasonable levels of problem determination support to help isolate problems when requested, and if the problem resides on the DMV's end of the system, provide reasonable fixes or repairs.
 - e. Have final control and responsibility for security authorization of Nebrask@ Online (in cooperation with any Client departments) in granting access to its data.

3. DMV will:

a. Oversee the timely and effective performance of this Agreement from the DMV's perspective, and assist Nebrask@ Online in resolving constructively any problems thereunder and any new issues that arise in connection therewith.

b. Provide reasonable levels of support to any central DMV data or computer department or service; and to any Client department, in placing DMV data records on-line with Nebrask@ Online, to the extent permitted by Nebraska Department of Motor Vehicle, but only if desired by subscribers to Nebrask@ Online.

SECTION 5: NSRB Responsibilities.

1. NSRB agrees:

a. To recognize that authorized on-line access provides no right to possession or ownership of data records at any time.

b. To take all reasonable precautions to protect against unauthorized access to DMV's data records.

c. To provide reasonable programming, software, hardware, and supplies necessary to establish electronic access to DMV data records.

d. To abide by Nebraska Department of Motor Vehicle's regulations which may now be in force or effect or which may in the future become effective.

e. To recognize there is no express or implied ownership of DMV's equipment by the payment of any fee or charge to the DMV.

f. To provide reasonable reporting that accurately reflects usage associated with access to DMV data records by Nebrask@ Online Subscribers.

g. To keep such records as are required to document usage associated with providing access to DMV's electronic database and to provide DMV access to these records at reasonable times for auditing purposes if so requested by DMV.

h. To cooperate with DMV and Client departments in placing data records onto Nebrask@ Online as permitted by DMV but only if desired by Nebrask@ Online subscribers, including securing proper access from the appropriate authority for, and providing necessary security to, each type of data records desired.

SECTION 6: Billing, Payment and Rates for Services.

NSRB shall cause the network manager to remit fees for DMV data records accessed through Nebrask@ Online as set forth in an addendum to this Agreement. Reimbursement to DMV for specific items of information in the DMV database shall be equal to statutory fees for such information where applicable. Payment shall be made to DMV by the last working day of the month following the month in which access was electronically requested by Nebrask@ Online Subscribers. A summary page detailing fee generating transactions per month and the amount of payment by Nebrask@ Online to DMV will accompany payment.

Rates for services shall be set by DMV, NSRB and the Nebrask@ Online Network Manager and may be adjusted from time to time to cover the entire cost of providing service to Nebrask@ Online. Rates set shall continue in effect until modified by mutual Agreement of DMV, NSRB and the Nebrask@ Online Network Manager.

SECTION 7: Illegal Provisions.

If any provision of this Agreement shall be declared to be illegal, void or unenforceable by a court of competent jurisdiction, the other provisions shall not be affected but shall remain in full force and effect.

SECTION 8: Termination.

At DMV's option, this Agreement may be terminated immediately upon the occurrence of any of the following:

1. NSRB's failure to indemnify DMV pursuant to SECTION 9 of this Agreement.
2. NSRB's non-payment in violation of SECTION 6 of this Agreement.
3. NSRB's allowance of unauthorized access prohibited by this Agreement.
4. NSRB's material breach of any term, provision or condition of this Agreement.
5. DMV's determination that resources devoted to providing access to Nebrask@ Online are required by DMV for its internal operation.

At either party's option, this Agreement may be terminated at any time after the original term of this Agreement upon thirty (30) days written notice to the other party.

SECTION 9: Indemnification and Hold Harmless Provisions.

NSRB hereby relieves, releases, indemnifies and holds harmless DMV, its officers, agents, employees, and departments, from liability for any and all damages resulting from incorrect or misinterpretation of data which occurs in transmission or as a result of any interface or coding performed by Nebrask@ Online (but not from any liability which would otherwise accrue against DMV by reason of inaccuracies or misinterpretations residing on DMV's own data records) and for any other liability asserted against DMV arising from Nebrask@ Online's operations.

SECTION 10: Interruption of Service.

DMV shall use its best efforts to provide adequate and uninterrupted service under the terms of this Agreement. However, DMV shall not be liable for interruption of service when the same shall be due to circumstances beyond the control of DMV, its agents, servants, or employees, including but not limited to unanticipated equipment malfunction or periodic maintenance or update of the computer system or systems upon which such data records reside.

SECTION 11: Assignment.

This Agreement may not be assigned by NSRB without the prior written consent of DMV and any such assignment of this Agreement without such permission shall be null and void.

SECTION 12: Notices.

All notices shall be in writing and shall be directed to the parties to this Agreement as shown below:

To NSRB: Mr. Samuel R. D. Somerhalder
 Network Manager
 Nebrask@ Online
 1221 "N" St., Suite 303
 Lincoln, NE 68508

To Nebraska Department of Motor Vehicle:

 Mr. Alvin Abramson, Director
 Nebraska Department of Motor Vehicle
 301 Centennial Mall South
 Lincoln, NE 68509

SECTION 13: Data Records To Be Accessed.

The data records to be accessed shall be set forth by separate addendum to this Agreement.

SECTION 14: Construction.

This Agreement shall be construed in accordance with the laws of the State of Nebraska.

SECTION 15: Paragraph Headings.

The paragraph headings are inserted in this Agreement for convenience only and shall not be used in interpreting this Agreement.

SECTION 16: Total Agreement.

This Agreement constitutes the complete and exclusive statement of the Agreement between the parties hereto. No amendment, waiver or alteration of this Agreement shall be effective unless signed by an authorized officer of each of the parties to this Agreement. Neither DMV nor NSRB shall be bound by any oral Agreement or representation.

IN WITNESS TO THEIR Agreement TO ALL THE ABOVE AND FOREGOING, the parties hereto have executed this Agreement the day and year below written.

"DMV"

Nebraska Department of Motor Vehicle

by Gloria Wanner
Authorized Officer

Date 1/27/98

"NSRB"

Nebraska State Records Board

by [Signature]
Authorized Officer

Date 1-29-98

**Addendum One
to the
Interagency Agreement Between
Nebraska Department of Motor Vehicles
and
Nebraska State Records Board**

This Addendum One to the Interagency Agreement between Nebraska Department of Motor Vehicles and the Nebraska State Records Board sets forth certain services provided by Nebrask@ Online (operated under the auspices and authority of the Nebraska State Records Board), the prices (P) to be charged for such Nebrask@ Online services, how the revenue from such Nebrask@ Online services is to be divided between Nebraska Department of Motor Vehicles (R/DMV) and Nebrask@ Online (R/NOL). All revenue received pursuant to this addenda shall be deposited by the Network manager in the State Records Board Cash Fund pursuant to the provisions of the contract between the Nebraska State Records Board and Nebrask@ Interactive, Inc and any addenda thereto and distributed back to NOL and the agency as provided below.

This Addendum One covers services described below. It is contemplated that additional future addenda will cover other services which are currently provided by the Nebraska Department of Motor Vehicles.

Data Records to be Accessed:

Type of Data	P	R/DMV	R/NOL
Drivers License Record Search (Interactive or batch, per record)	\$3.00	\$2.00	\$1.00
Title Registration and Lien Search:			
Interactive	\$1.00	\$0.40	\$0.60
Special Request			
Initial Set-up/programming	\$55-500	N/A	\$55-500
First Run	\$24.00	\$9.60	\$14.40
Successive Runs/no set-up	\$24.00	\$9.60	\$14.40
Minimum(up to 2000 records)			
Over 2000 records	\$12/1000	\$4.80/1000	\$7.20/1000

Subscription, Transaction and Connect Time Charges for Nebraska Department of Motor Vehicles:

The NSRB shall also require that the network manager for Nebrask@ Online provide not more than five user Ids for Nebraska Department of Motor Vehicles allowing direct access to Nebraska Department of Motor Vehicles data records as displayed on Nebrask@ Online for the purpose of assisting subscribers with inquiries requiring interpretation of records, laws, rules and regulations, or policies and procedures pertaining to the records.

Subscription Charges:

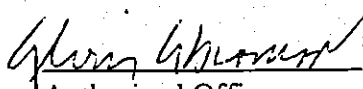
Nebrask@ Online shall waive the \$50.00 annual subscription fee for Nebraska Department of Motor Vehicles access.

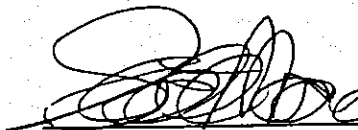
Transaction Charges:

Nebrask@ Online shall waive transaction fees for Nebraska Department of Motor Vehicles access to their services as they are needed. All other transaction charges apply.

Connect Time Charges:

Nebrask@ Online shall waive all connect time charges for Nebraska Department of Motor Vehicles.

 Date 1-7-98
Authorized Officer
Nebraska Department of Motor Vehicles

 Date 1-29-98
Authorized Officer
Nebraska State Records Board

§ 60-483. Operator's license; numbering; records; abstracts of operating records; fees; information to United States Selective Service System; when.

(1) The director shall assign a distinguishing number to each operator's license issued and shall keep a record of the same which shall be open to public inspection by any person requesting inspection of such record who qualifies under section 60-2906 or 60-2907. Any person requesting such driver record information shall furnish to the Department of Motor Vehicles (a) verification of identity and purpose that the requester is entitled under section 60-2906 or 60-2907 to disclosure of the personal information in the record, (b) the name of the person whose record is being requested, and (c) when the name alone is insufficient to identify the correct record, the department may request additional identifying information. The department shall, upon request of any requester, furnish a certified abstract of the operating record of any person and shall charge the requester a fee of three dollars per abstract. The department shall remit any revenue generated under this section to the State Treasurer, and the State Treasurer shall credit eight and one-third percent to the Department of Motor Vehicles Cash Fund, fifty-eight and one-third percent to the General Fund, and thirty-three and

one-third percent to the Records Management Cash Fund.

(2) The director shall, upon receiving a request and an agreement from the United States Selective Service System to comply with requirements of this section, furnish driver record information to the United States Selective Service System to include the name, post office address, date of birth, sex, and social security number of licensees. The United States Selective Service System shall pay all costs incurred by the department in providing the information but shall not be required to pay any other fee required by law for information. No driver record information shall be furnished to the United States Selective Service System regarding any female, nor regarding any male other than those between the ages of seventeen years and twenty-six years. The information shall only be used in the fulfillment of the required duties of the United States Selective Service System and shall not be furnished to any other person.

(3) The director shall keep a record of all applications for operators' licenses that are disapproved with a brief statement of the reason for disapproval of the application.

(4) The director may enter into an agreement with any person to provide the person information regarding adjudicated traffic citations or administrative actions from the records produced for or developed by the department for purposes related to maintenance of the driver record information data base. The agreement may determine the periodic basis, cost, and media on which the information will be provided.

Source: Laws 1929, c. 149, § 9, p. 516; C.S. 1929, § 60-409; Laws 1937, c. 141, § 19, p. 516; Laws 1941, c. 176, § 2, p. 688; C.S. Supp., 1941, § 60-409; R.S. 1943, § 60-412; Laws 1961, c. 315, § 9, p. 1005; Laws 1961, c. 316, § 9, p. 1014; Laws 1963, c. 360, § 1, p. 1154; Laws 1965, c. 384, § 1, p. 1238; Laws 1973, LB 319, § 1; Laws 1974, LB 974, § 1; Laws 1978, LB 502, § 1; Laws 1983, LB 326, § 1; Laws 1984, LB 694, § 2; Laws 1984, LB 711, § 1; Laws 1987, LB 300, § 2; Laws 1987, LB 767, § 1; R.S. 1943, (1988), § 60-412; Laws 1989, LB 285, § 33; Laws 1993, LB 491, § 10; Laws 1995, LB 467, § 9; Laws 1997, LB 590, § 2; Laws 1997, LB 635, § 19; Laws 1997, LB 720, § 17.

Explore Information Services'
Impact on the State of Nebraska
Department of Motor Vehicles Sale of Driving Records
for
The State of Nebraska
Department of Motor Vehicles

January 15, 1999

Explore's clients who do business in Nebraska, insure 201,329 drivers and ordered 130,541 driving records from the DMV each year for the purposes of renewing insurance policies prior to being Explore customers. Thus, these customers represented \$391,623 in revenue for the State of Nebraska prior to being Explore customers.

<u>Company</u>	<u># of insured drivers</u>	<u>% of book run on renewal before Explore</u>	<u># of driving records ordered from DMV</u>	<u>Annual revenue to DMV & NE Online</u>
American Nat'l	715	5%	36	\$ 108
Dairyland	9,291	50%	4,645	13,935
EMC	7,994	15%	1,199	3,597
Farmers Mutual	74,994	100%	74,994	224,982
General Casualty	20,275	88%	17,842	53,526
Greatway	536	100%	536	1,608
Grinnell	2,389	33%	788	2,364
Hawkeye	8,966	33%	2,959	8,877
Heritage	10	25%	3	9
Hoosier	1	100%	1	3
IMT	1,839	33%	607	1,821
Iowa Mutual	4,153	50%	2,077	6,231
Lemars	2,381	20%	476	1,428
Midwest Family	1,541	33%	509	1,527
Minn. F&C	1,569	50%	785	2,355
Motor Club	30,302	33%	10,000	30,000
North Star	1,236	100%	1,236	3,708
St. Paul	8,919	25%	2,230	6,690
Union Ins.	14,654	33%	4,836	14,508
United Fire	<u>9,564</u>	<u>50%</u>	<u>4,782</u>	<u>14,346</u>
Totals	201,329	64.8%	130,541	\$391,623

II. With the present equation for monthly payment (# of drivers monitored by Explore / 12 x 28% x \$3.00), Explore will pay the DMV \$169,116 per year for our 201,329 drivers.

III. New Driving Records Created (see Explore's attached study of Nebraska insured drivers).

A. Explore's study shows that the average, annual rate increase of \$150 per year due to conviction or suspension/revocation activity would lead 50% of surcharged drivers to shop for insurance. See pie graph on page 3 on the attached study entitled "Increase in Insurance Rate for Consumer to Shop for Better Deal."

1. 7% of the 50% of surcharged drivers who would shop for insurance after their premium is increased would get a quote from one insurance

agency. This agency would order a driving record from the DMV to quote a proper premium. (See pie graph on page 4 of the attached study entitled "Number of Insurance Agencies Consumer Would Look at Before Choosing an Insurance Company to do Business With.") This would result in **\$3,171** in new driving record revenues for the State of Nebraska assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 7\% \times 15\%$ conviction rate $\times 1$ agency $\times \$3$ driving record fee = **\$3,171**).

2. 21% of surcharged drivers would shop at two insurance agencies. This would result in **\$19,026** in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 21\% \times 15\%$ conviction rate $\times 2$ agencies $\times \$3$ driving record fee = **\$19,026**).
3. 33% of these drivers would shop at three insurance agencies. This would result in **\$44,846** in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 33\% \times 15\%$ conviction rate $\times 3$ agencies $\times \$3$ driving record fee = **\$44,846**).
4. 10% of these drivers would shop at four insurance agencies. This would result in **\$18,120** in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 10\% \times 15\%$ conviction rate $\times 4$ agencies $\times \$3$ driving record fee = **\$18,120**).
5. 10% of these drivers would shop at five or more insurance agencies. This would result in **\$22,650** in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 10\% \times 15\%$ conviction rate $\times 5$ agencies $\times \$3$ driving record fee = **\$22,650**).
6. Adding up the bold revenue numbers, if 201,329 drivers are monitored by Explore, this will result in **\$107,813** in new driving record revenues for DMV. However, Explore believes that 53% of Nebraska drivers are insured by companies which utilize "aged MVR's." This is due to the fact that 53% of drivers are insured by companies that order MVR's on behalf of their agents to underwrite policies. The remaining 47% of drivers are insured by independent agents who do not utilize aged MVR's. Thus, the new revenues generated for the the State of Nebraska are ($\$107,813 \times 47\%$) **\$50,672**.

IV. Explore's Impact on DMV Revenues

- A. Explore's clients were ordering \$391,623 worth of driving records each year for the purposes of renewing their existing policies prior to doing business with Explore. With our program in place, drivers with convictions are surcharged by their insurance carrier. Because our program will allow insurance companies to surcharge bad drivers more quickly, each year, 50% of the surcharged drivers in our program will shop for a new insurance carrier creating **\$50,672** in new driving record revenues for the State of Nebraska. This is due to the fact that for each independent agency a driver shops at, an MVR will be generated to quote a proper premium. Our present equation with the DMV will generate \$169,116. Thus, between Explore's payment and the

new driving record revenues our system generates, the State of Nebraska will have annual revenues of \$219,788 from our program.

- B. There is an annual shortfall under the present equation of \$171,835 per year. This number is calculated by subtracting the present revenues generated by Explore's program through our payments to the State plus the new driving records our service generates from the revenues the State was experiencing from our clients prior to being an Explore customer.
- C. Due to the shortfall, Explore's payment to the State should be increased. The new equation for monthly payment to the State should be: $\# \text{ of drivers monitored by Explore} / 12 \text{ months} \times 56.5\% \times \3.00 . With 201,329 drivers monitored by Explore, this would generate \$341,253 on an annual basis in addition to the \$50,672 our system creates in new driving record orders. Our system would generate \$391,925 annually for the DMV, the General Fund and Nebraska Online. This would replace the \$391,623 in revenues the State was realizing from the sale of driving records for renewal purposes from the clients of Explore prior to being Explore clients.

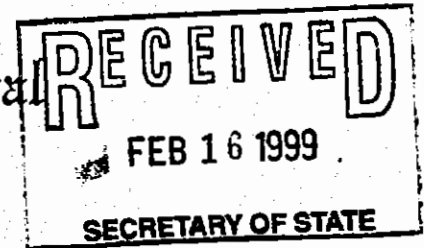
Historical and Projected Volume of Activity and Revenue

Month	Year	# Records Monitored	# Records Paid For	Fees Collected	
September	1997	521	12	\$ 36.00	
October	1997	3,726	86	\$ 258.00	
November	1997	15,610	364	\$ 1,092.00	
December	1997	17,854	416	\$ 1,248.00	
January	1998	19,952	465	\$ 1,395.00	
February	1998	19,627	457	\$ 1,371.00	
March	1998	20,663	482	\$ 1,446.00	
April	1998	23,044	519	\$ 1,557.00	
May	1998	22,527	519	\$ 1,557.00	
June	1998	140,633	3,227	\$ 9,681.00	
July	1998	30,784	706	\$ 2,118.00	
August	1998	335,106	7,819	\$ 23,457.00	
September	1998	181,506	4,195	\$ 12,585.00	
October	1998	185,408	4,286	\$ 12,858.00	
November	1998	194,629	4,492	\$ 13,476.00	
December	1998	195,404	4,467	\$ 13,401.00	
January	1999	215,066	4,121	\$ 12,363.00	
February	1999	215,066	4,121	\$ 12,363.00	<i>Projected</i>
March	1999	215,066	4,121	\$ 12,363.00	<i>Projected</i>
April	1999	215,066	4,121	\$ 12,363.00	<i>Projected</i>
May	1999	215,066	4,121	\$ 12,363.00	<i>Projected</i>
June	1999	215,066	4,121	\$ 12,363.00	<i>Projected</i>
July	1999	215,066	4,121	\$ 12,363.00	<i>Projected</i>



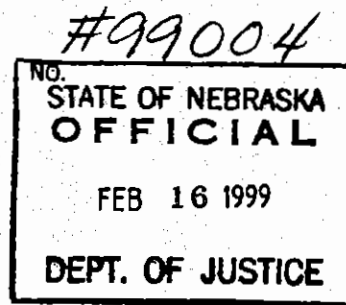
STATE OF NEBRASKA
Office of the Attorney General

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DON STENBERG
ATTORNEY GENERAL

STEVE GRASZ
LAURIE SMITH CAMP
DEPUTY ATTORNEYS GENERAL



DATE: February 9, 1999

SUBJECT: Authority Of The State Records Board With Respect To Electronic Access To Motor Vehicle Records Through A Gateway; Neb. Rev. Stat. § 60-483 (4) (1998) and Neb. Rev. Stat. § 84-1205.03 (Cum. Supp. 1998).

REQUESTED BY: Scott Moore
Nebraska Secretary of State
Chairman, State Records Board

WRITTEN BY: Don Stenberg, Attorney General
Dale A. Comer, Assistant Attorney General

In your capacity as Chairman of the State Records Board (the "Board"), you have requested an opinion from us regarding "the laws governing the establishment of fees for electronic access to public information administered by the Board." You state that Neb. Rev. Stat. § 84-1205.03 (Cum. Supp. 1998) currently requires state agencies which desire to provide public records in an electronic format through a gateway for a fee to apply to the Board and follow various procedures for the establishment of electronic access fees. You also point out that Neb. Rev. Stat. § 60-483 (4) (1998) provides that the Director of the Nebraska Department of Motor Vehicles (the "Department") may enter into an agreement to provide information concerning various traffic citations and administrative actions, and that such an agreement may establish the price for such information. You then ask:

Does Neb. Rev. Stat. § 60-483 (4) give the Director of the Department of Motor vehicles the authority to enter into contracts for the sale of information as described

David K. Arterburn
L. Jay Bartel
Kristine D. Brenneis
J. Kirk Brown
David T. Bydalek
Dale A. Comer
Suzanna Glover-Ethrich
Royce N. Harper

Jason W. Hayes
Amber F. Hemick
Lauren L. Hill
Amy Hollenbeck
William L. Howland
Marilyn B. Hutchinson
Therese N. James
Kimberly A. Klein

Jennifer S. Liedahl
Charles E. Lowe
Lise D. Martin-Price
Lynn A. Nelson
Donald J. B. Miller
Ronald D. Moravec
Fredrick F. Neid
Marie C. Pawol

Perry A. Pirsch
Paul N. Potadle
Mark D. Rafferty
Carla Heathershaw Risko
Robert B. Rupe
James D. Smith
James H. Spears

Mark D. Starr
Martin Swanson
John R. Thompson
Barry Waid
Terri M. Weeks
Melanie J. Whittamore-Mantzios
Linda L. Willard

Scott Moore
February 9, 1999
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in § 60-483 (4), through a gateway, without making a written request for approval through the Board and going through the procedures established for the setting of fees pursuant to Neb. Rev. Stat. § 84-1205.03?

Two portions of the Nebraska statutes are at issue in your opinion request. First, § 84-1205.03 (1), which is part of the Records Management Act, provides:

Any state agency other than the courts desiring to enter into an agreement to or otherwise provide electronic access to public records through a gateway for a fee shall make a written request for approval to the [State Records] board. The request shall include, but not be limited to, (a) a copy of the contract under consideration if the electronic access is to be provided through a contractual arrangement, (b) the public records which are the subject of the contract or proposed electronic access fee, (c) the anticipated or actual timeline for implementation, and (d) any security provisions for the protection of confidential or sensitive records. The board shall take action on such request in accordance with section 84-1205.02 and after a public hearing within thirty days after receipt. The board may request a presentation or such other information as it deems necessary from the requesting state agency.

Under the Records Management Act, the term "electronic access" is defined to mean "collecting, sharing, disseminating, and providing access to public records electronically," and the term "gateway" is defined to mean "any centralized electronic information system by which public records are provided through dial-in modem or continuous link." Neb. Rev. Stat. §§ 84-1202 (14) and 84-1202 (15) (Cum. Supp. 1998).

Apart from the Records Management Act, Section 60-483 (4), which is a portion of the Nebraska Statutes dealing with the Department of Motor Vehicles, provides:

The director [of the Department of Motor Vehicles] may enter into an agreement with any person to provide the person information regarding adjudicated traffic citations or administrative actions from the records produced for or developed by the department for purposes related to maintenance of the driver records information data base. The agreement may determine the periodic basis, cost, and media on which the information will be provided.

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You wish to know whether § 60-483 (4) allows the Director of the Department of Motor Vehicles to provide the enumerated motor vehicle records through an electronic gateway for a fee without engaging in the process contemplated in § 84-1205.03 (1).

While the result is not entirely clear, it appears to us that the better answer to your question is that § 60-483 (4) does not allow the Director of the Department of Motor Vehicles to contract for access to motor vehicle records through an electronic gateway for a fee without the approval of the State Records Board in the manner set out in § 84-1205.03 (1). There are several reasons why we believe that to be the better answer.

First of all, in Nebraska, special provisions of a statute on a particular subject will prevail over conflicting general provisions in the same or other statutes. *State v. Wood*, 245 Neb. 63, 511 N.W.2d 90 (1994). In the present instance, it appears to us that § 84-1205.03 (1) deals specifically with electronic access to public records through a gateway and the procedures to be followed by state agencies with respect to fees for that particular access. In contrast, § 60-483 (4) does not specifically mention electronic access to public records through a gateway and deals with such access only to the extent that it appears to grant some general authority to the Department to contract to make such records available and to determine their cost. As a result, it appears to us that the more specific statute in this instance is § 84-1205.03 (1), and we believe its provisions control over those of § 60-483 (4).

It also appears to us that applying the requirements of § 84-1205.03 (1) in this instance over § 60-483 (4) is more consistent with the general legislative intent underlying the Records Management Act. Both § 84-1205.03 (1) and § 60-483 (4) were added to the Nebraska Statutes by the same bill -- LB 590 which was passed by the Legislature in 1997. 1997 Neb. Laws LB 590. That bill also added the following language to § 84-1201, the statutory section which sets out the legislative intent underlying the Records Management Act:

The Legislature declares that:

*

*

*

(3) The increasing availability and use of computers is creating a growing demand for electronic access to public records, and agencies should use new technology to enhance public access to public records;

(4) There must be public accountability in the process of collecting, sharing, disseminating, and accessing public records;

(5) The Legislature has oversight responsibility for the process of collecting, sharing, disseminating, and providing access, including electronic access, to public records and establishing fees for disseminating and providing access;

(6) Several state agencies, individually and collectively, are providing electronic access to public records through various means, including gateways; and

(7) ***There is a need for a uniform policy regarding the management, operation, and oversight of systems providing electronic access to public records.***

1997 Neb. Laws LB 590, § 3 (emphasis added). In light of this express intent, and in particular in light of the stated need for a uniform policy for the operation of systems providing electronic access to public records, it makes little sense to us to read § 60-483 (4) so as to allow the Director of the Department of Motor Vehicles to set fees and requirements for access to motor vehicle records through an electronic gateway separate and apart from the State Records Board. Instead, we believe that agreements for access to such records in that fashion are subject to the requirements of § 84-1205.03 (1). Section 60-483 (4) then controls access to Department records in other forms or media such as magnetic tape.

Finally, the Legislative history of LB 590 from 1997 supports our conclusion with respect to the question which you presented. The language of § 60-483 (4) was added as an amendment to LB 590 late in the legislative process for that bill. The introducer of the amendment to LB 590 which became § 60-483 (4), Senator Withem, described the purpose of the amendment as follows:

It [AM 2304 which became § 60-483 (4)] also deals with a peripheral issue that came up as this issue was unfolding. There is a company that markets itself in a way that it amasses state government information, does some adjustment to that, and then provides it to insurance companies. That information is adjudicated traffic citations and administrative actions. It's public information. This agen . . . this company is in the business of gathering that information, doing some sort of collation process and selling that to insurance companies. They exist in a number of states. They came to Nebraska last year wanting to provide their service here in Nebraska. Because of two things, number one there is no specific statutory authority for the Department of Motor Vehicles, the Director of the Department of Motor Vehicles to provide this information, and also because of the political controversy that was associated with all of these issues, the director felt

Scott Moore
February 9, 1999
Page -5-

very uncomfortable entering into this agreement. This [amendment] would allow specific authority for the director to enter into an agreement with any person to provide the person information regarding these adjudicated traffic citations or administrative actions from the records produced for or developed by the department for purposes related to maintenance of the drivers records information data base. This agreement may determine the periodic base cost and median (sic) which information will be provided.

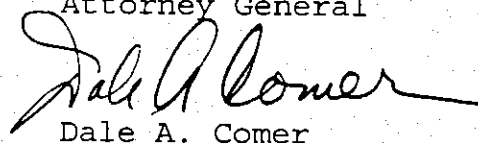
Floor Debate on LB 590, 95th Neb. Leg., 1st Sess. 9005 (May 30, 1997) (Statement of Sen. Withem). Later in the floor debate, Senator Withem also described the amendment in the following terms:

This was meant as very narrowly drafted language to deal with a specific situation that is out there. There is a company wishing to enter into this agreement. The director, in essence, doesn't mind entering into the agreement, is just concerned that he doesn't have statutory authority to do it.

Floor Debate on LB 590, 95th Neb. Leg., 1st Sess. 9006 (May 30, 1997) (Statement of Sen. Withem). As a result, it is apparent that the language of § 60-483 (4) was added to the statutes with the narrow purpose of providing the Director of the Department of Motor Vehicles with specific statutory authority to enter into contractual arrangements to provide access to certain motor vehicle records. We do not believe that the language of § 60-483 (4) was intended to supplant the general purposes of LB 590 dealing with electronic access to public records through a gateway and creation of a uniform system to bring that about. For that reason, it appears to us that electronic access to motor vehicle records through a gateway is subject to § 84--1205.03 (1).

Sincerely yours,

DON STENBERG
Attorney General



Dale A. Comer
Assistant Attorney General

Approved by:



Attorney General

AGREEMENT FOR PILOT PROJECT

This agreement is made and entered on the date signed by and between the State of Nebraska, Department of Motor Vehicles, (hereafter called "Department") and RAM Center, Inc. d/b/a Explore Information Services (hereafter called "Explore"). This agreement shall remain in effect until canceled or modified as provided herein.

STATEMENT OF INTENDED USE

Explore intends to use the Records (as the term is defined below) to the extent permitted under the Nebraska Uniform Motor Vehicle Records Disclosure Act, L.B. 635, 95th Leg., 1st Sess. ss 1-15 (1997).

Clients of Explore will provide Explore with lists of drivers. The Records received from the Department will be compared with those lists. If any driver on those lists are in the Records provided by the Department, Explore will report any and all of the drivers and their citation(s) to Explore's clients as part of Explore's services to its clients. Clients will use the information for insurance re-underwriting purposes. Explore's clients may include other information services companies. Each month, Explore shall destroy any information received from the Department regarding those drivers who are not clients of Explore or other information service companies having agreements with Explore.

IT IS MUTUALLY AGREED AS FOLLOWS:

- (1) The Department agrees to furnish to Explore a copy of all non-confidential records on computer tape or other mutually agreed upon method that contains information from files of uniform traffic citations and which were produced or developed by the Department for purposes related to the maintenance of the Department's operating record file database (the "Records") on a monthly basis or on another schedule mutually agreed upon in advance. The method of data transmittal shall be via computer tape or such other mutually agreed upon method. Except as expressly provided in the Agreement, and with the mutual consent of both parties, the Department may delegate the performance of any duties under this provision to any third party.
- (2) To provide this information, Explore agrees to furnish to the Department a monthly list of the names and dates of birth and the Nebraska driver's license number of each individual whose record they are requesting. Explore shall provide this to the Department or its third-party delegatee by the 25th of each month. The Department agrees to keep the listing confidential pursuant to Neb. Rev. Stat. 84-712.05 (3). Upon receipt of each monthly listing, the Department or its third-party delegatee shall provide a full driving record to Explore for each licensed Nebraska, listed on Explore's listing of clients, identified by the Department as having activity posted to their driving record

in the previous one month period of time. The records generated shall be provided at the pricing set forth in Appendix A. If, after receipt of the monthly listing, the Department or its third-party delegatee is unable to provide the requested information (except if the inability results from the Agreement being found invalid, illegal or void or if the Department is enjoined by a court or by an act of the Legislature from performance), the Department shall provide the entire driving record database until such time as the individual information can again be provided.

- (3) The initial performance by the Department under this Agreement is not due until 30 days past the date of this Agreement's execution.
- (4) Explore agrees to pay the Department for the Records in accordance with the formula set forth in Appendix A and attached hereto.
- (5) The Department agrees to label all shipments as to contents and to direct the Records to: Explore Information Services, Attention: Computer Operations, 115 West College Drive, Marshall, Minnesota 56258.
- (6) Explore agrees to furnish all data transmittal materials and shipping supplies. The cost of shipment will be assumed by Explore. Data will be sent via Federal Express Overnight mail and will be charged to Explore's Federal Express Collect Account.

GENERAL PROVISIONS

- (1) Explore shall not sell, assign or otherwise transfer any of the Records to any person, firm, association, corporation or government agency unless it be within the "Statement of Intended Use."
- (2) This agreement shall be effective when signed and supersedes any and all previous agreements or understandings between the parties. The agreement may be revised or amended in writing upon mutual consent of both parties.
- (3) This agreement shall be governed by the laws of the State of Nebraska. Explore agrees, at all times, to comply with and observe all federal and state laws and regulations, and local ordinances and laws that are in effect during the term of this Agreement and which, in any manner, affect access to, use or distribution of the Records.
- (4) Official notices or communications arising out of performance of this Agreement to be given by Explore to the Department shall be hand delivered or sent via certified or registered mail to:

Ms. Betty Johnson

Program Manager, Driver Records Division
Nebraska Department of Motor Vehicles
P.O. Box 94789
Lincoln, NE 68509-4789

- (5) Official notices or communications arising out of performance of this Agreement to be given by the Department shall be sent via certified or registered mail to:

Mr. James T. Carroll
Explore Information Services
4920 Moundview Drive
Red Wing, MN 55066

- (6) This agreement is voidable and subject to immediate cancellation by the Department upon Explore becoming insolvent or by filing or by having proceedings filed against it (and such involuntary proceedings are not dismissed within ninety (90) days of such filing), in bankruptcy or reorganization under Federal Bankruptcy laws.
- (7) No term or provision of this Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by either party to, or waiver of, a breach by the other shall not constitute a waiver of or excuse for any other different or subsequent breach.
- (8) No amendment to this Agreement shall be effective unless it is in writing and signed by the authorized representative of each party.
- (9) The Department shall provide written notification to Explore if the Department enters into contract negotiations with another person for the same or similar information as that provided through this Agreement. However, no rights granted Explore under this Agreement are exclusive, and the Department reserves the right to enter into agreements with other persons or entities to provide information that is the same or similar to that provided under this Agreement. Contracts with other parties for delivery of same or similar information shall not be on better terms than set forth in Appendix A.
- (10) The Department reserves the right to modify the electronic citation file at any time for the express purpose of serving the Department's needs in maintaining the Driver License/Operator Record System. The Department agrees to promptly notify Explore if the Department decides to modify the electronic citation database.

- (11) If any provision of this Agreement should be found illegal, invalid or otherwise void, it shall be considered severable. The remaining provisions shall not be impaired and the Agreement shall be interpreted, as far as is possible, to give effect to the parties intent.
- (12) This Agreement for a pilot project shall have an effective date of August 1, 1997, and shall be effective for one year from this date. This agreement shall terminate August 1, 1998 unless either party shall give sixty (60) days notice to the other to extend or renew the Agreement and both parties agree to the extension or renewal of the Agreement. This Agreement may be terminated only by an instrument in writing, signed by duly authorized representatives of both parties hereto.
- (13) This Agreement may be changed, modified or amended at any time after thirty (30) days notice by an instrument in writing, signed by duly authorized representatives of both parties hereto.
- (14) The Department makes no representation, either expressed or implied, regarding the use, performance or fitness for any particular purpose of the information furnished to Explore under this Agreement. Explore shall assume as the risk of loss, omission, or error in the copies of records furnished by the Department under this Agreement and shall hold the Department, its employees, agents, assignees and legal representatives harmless from all liabilities, claims, suits, losses, damages, causes of action, fines or judgments and expenses relating thereto, for injuries to persons and for loss of, damage to, or destruction of property which arise in connection with this agreement.
- (15) Explore shall indemnify the State of Nebraska with respect to any liabilities, demands, claims, suits, losses, damages, causes of actions, fines or judgments and expenses related thereto which may in any manner accrue or be asserted against the Department, its employees, agents, assignees and legal representatives that arise in connection with this agreement.
- (16) The Department and Explore shall comply with a drug-free workplace program and policy as stated in the attached policy statement.
- (17) Explore agrees to comply fully with Title VI of the Civil Rights Act of 1964, as amended and the Nebraska Fair Employment Practices Act, as amended, in that there shall be no discrimination against any employee who is employed in the performance of this agreement, or against any application for such employment because of age, color, national origin, race, creed, disability or sex.
- (18) The Department reserves the right to cease performance of any or all obligations under this Agreement, without recourse against the Department by

Explore, at any time the Department is restrained or enjoined by a court of competent jurisdiction from performance of any obligation established herein or upon the effective date of an act of the Nebraska Legislature restricting or removing the Department's authority to perform any obligation established herein.

- (19) Explore may not refer to or use the names of the State of Nebraska, the Department, or any state official or employee for commercial purpose, except that Explore may disclose that the Department is the provider of the Records to Explore. News releases pertaining to execution or implementation of this agreement may not be made without prior written approval of the Department.
- (20) Explore and any officer, director, employee or other person employed or retained by Explore to carry out the terms of this contract is an independent contractor and shall not be deemed an employee of the Department for any purpose.
- (21) The parties have the right to terminate this agreement upon sixty (60) days written notice if the other party materially breaches any term or condition of this Agreement, providing the breaching party has not cured the breach within such sixty (60) day period.
- (22) Explore agrees to and recognizes the Department's right to audit Explore's records for the limited purpose of verification of the number of drivers actually monitored by Explore.

The following parties, by their signature hereto, acknowledge that they are authorized to enter into this agreement on behalf of the Department and Explore:

BY: Alvin A. Abramson Date: August 1, 1997
Alvin A. Abramson, Director
State of Nebraska,
Department of Motor Vehicles

BY: Charles J. Schmidt Date: 7-30-97
Charles J. Schmidt
Division Manager
RAM Center, Inc. d/b/a
Explore Information Services

**APPENDIX A TO AGREEMENT FOR PILOT PROJECT BETWEEN
NEBRASKA DEPARTMENT OF MOTOR VEHICLES AND
RAM CENTER, INC. d/b/a EXPLORE INFORMATION SERVICES**

Formula for Monthly Payment

Number of drivers monitored by Explore x .28 ÷ 12 x \$3.00

Monthly Procedures

1. By the 25th of each month, Explore will supply the Department with the number of drivers monitored by Explore as of the 15th of that month.
2. On the last business day of each month, the Department will produce the data for Explore and send it within three business days via Federal Express overnight delivery using Explore's collect account number. Explore's collect account number is 1149-6667-3. Each month, a report listing the number of records on the computer tape(s) and an invoice for the current month's tape(s) will be mailed to Explore within the first five (5) business days with payment due by the 25th of the month.
3. Explore will ensure that there are adequate tapes on hand at the Department for this application. Nebraska DMV will inform Explore when the number of tapes on hand is getting low.
4. The Department will ensure that the previous month's invoice has been paid before the next month's data will be run.
5. The Department and Explore shall review the "formula for monthly payment" for accuracy on November 1, February 1, May 1 and August 1 of each year. On such dates the formula may be modified if both parties agree.

STATE OF NEBRASKA

DEPARTMENT OF MOTOR VEHICLES

Jack C. Conrad
DirectorE. Benjamin Nelson
GovernorPOLICY STATEMENT

TO: DMV Employees
 FROM: Jack C. Conrad, Director
 DATE: June 1, 1992
 SUBJECT: Drug Free Workplace Policy Statement

Drug abuse and use at the workplace are subjects of immediate concern in our society. These problems are extremely complex and ones for which there are no easy solutions. From a safety perspective, the use of drugs may impair the well-being of all employees and the public at large, and may result in damage to departmental property. Therefore, it is the policy of the Department of Motor Vehicles that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the workplace is prohibited. Any employees violating this policy will be subject to discipline up to and including termination. The specifics of this policy are as follows:

1. The Department of Motor Vehicles does not differentiate between drug users and drug pushers or sellers. Any employee who gives or in any way transfers a controlled substance to another person or sells or manufactures a controlled substance while on the job or on state premises will be subject to discipline up to and including termination.
2. The term "controlled substance" means any drug listed in 21 U.S.C. § 812 and other federal regulations. Generally, these are drugs which have a high potential for abuse. Such drugs include, but are not limited to, Heroin, Marijuana, Cocaine, PCP, and "Crack". They also include "legal drugs" which are not prescribed by a licensed physician.
3. Each employee is required by law to inform the company within five (5) days after he or she is convicted for violation of any federal or state criminal drug statute where such violation occurred on state premises. A conviction means a finding of guilt (including a plea of nolo contendere) or the imposition of a sentence by a judge or jury in any federal or state court.
4. The Department's Personnel Officer must notify the U.S. government agency with which the contract was made within ten (10) days after receiving notice from the employee or otherwise receives actual notice of such a conviction.
5. If an employee is convicted of violating any criminal drug statute while on the workplace, he or she will be subject to discipline up to and including termination. Alternatively, the Department may require the employee to successfully finish a drug abuse program sponsored by an approved private or governmental institution.
6. As a condition of further employment on any federal government contract, the law requires all employees to abide by this policy.

Jack C. Conrad
 Jack C. Conrad, Director

6-26-92
 Date

301 Cassinial Mall South • P.O. Box 94789 • Lincoln, Nebraska 68509-4789 • Phone (402) 471-2281

An Equal Opportunity/Affirmative Action Employer



AGREEMENT FOR PILOT PROJECT

This Agreement is made and entered on the date signed by and between the State of Nebraska, Department of Motor Vehicles, (hereafter called "Department") and RAM Center, Inc., d/b/a Explore Information Services (hereafter called "Explore"). This Agreement shall remain in effect until canceled or modified as provided herein.

STATEMENT OF INTENDED USE

Explore intends to use the Records (as the term is defined below) to the extent permitted under the Nebraska Uniform Motor Vehicle Records Disclosure Act, Neb. Rev. Stat. §§ 60-2,901 through 60-2,913 (R.S. Supp., 1997).

Clients of Explore will provide Explore with lists of drivers. The Records received from the Department will be compared with those lists. If any driver on those lists are in the Records provided by the Department, Explore will report any and all of the drivers and their citation(s) to Explore's clients as part of Explore's services to its clients. Clients will use the information for insurance re-underwriting purposes. Explore's clients may include other information services companies. Each month, Explore shall destroy any information received from the Department regarding those drivers who are not clients of Explore or other information service companies having agreements with Explore.

IT IS MUTUALLY AGREED AS FOLLOWS:

- (1) The Department agrees to furnish to Explore a copy of all non-confidential records on computer tape or other mutually agreed upon method that contains information from files of uniform traffic citations and which were produced or developed by the Department for purposes related to the maintenance of the Department's operating record file database (the "Records") on a monthly basis or on another schedule mutually agreed upon in advance. The method of data transmittal shall be via computer tape or such other mutually agreed upon method. Except as expressly provided in the Agreement, and with the mutual consent of both parties, the Department may delegate the performance of any duties under this provision to any third party.
- (2) To provide this information, Explore agrees to furnish to the Department a monthly list of the names and dates of birth and the Nebraska driver's license number of each individual whose record they are requesting. Explore shall provide this to the Department or its third-party delegatee by the 25th of each month. The Department agrees to keep the listing confidential pursuant to Neb. Rev. Stat. § 84-712.05(3) (R.S. Supp., 1996). Upon receipt of each monthly listing, the Department or its third-party delegatee shall provide a full driving record to Explore for each licensed Nebraska driver listed on Explore's listing of clients, identified by the Department as having activity posted to their driving record in the previous one month period of time. The records generated shall be

provided at the pricing set forth in Appendix A. If, after receipt of the monthly listing, the Department or its third-party delegatee is unable to provide the requested information (except if the inability results from the Agreement being found invalid, illegal or void or if the Department is enjoined by a court or by an act of the Legislature from performance), the Department shall provide the entire driving record database until such time as the individual information can again be provided.

- (3) Explore agrees to pay the Department for the records in accordance with the formula set forth in Appendix A and attached hereto.
- (4) The Department agrees to label all shipments as to contents and to direct the records to: Explore Information Services, Attention: Computer Operations, 115 West College Drive, Marshall, Minnesota 56258.
- (5) Explore agrees to furnish all data transmittal materials and shipping supplies. The cost of shipment will be assumed by Explore. Data will be sent via Federal Express Overnight mail and will be charged to Explore's Federal Express collect account.

GENERAL PROVISIONS

- (1) Explore shall not sell, assign or otherwise transfer any of the Records to any person, firm, association, corporation or government agency unless it be within the "Statement of Intended Use."
- (2) This Agreement shall be effective when signed and supersedes any and all previous Agreements or understandings between the parties. The Agreement may be revised or amended in writing upon mutual consent of both parties.
- (3) This Agreement shall be governed by the laws of the State of Nebraska. Explore agrees, at all times, to comply with and observe all federal and state laws and regulations, and local ordinances and laws that are in effect during the term of this Agreement and which, in any manner, affect access to, use or distribution of the records.
- (4) Official notices or communications arising out of performance of this Agreement to be given by Explore to the Department shall be hand delivered or sent via certified or registered mail to:

Ms. Betty Johnson
Program Manager, Driver Records Division
Nebraska Department of Motor Vehicles
P.O. Box 94789
Lincoln, NE 68509-4789

- (5) Official notices or communications arising out of the performance of this Agreement to be given by the Department shall be sent via certified or registered mail to:

Mr. James T. Carroll
Explore Information Services
4920 Moundview Drive
Red Wing, MN 55066

- (6) This Agreement is voidable and subject to immediate cancellation by the Department upon Explore becoming insolvent or by filing or by having proceedings filed against it (and such involuntary proceedings are not dismissed within ninety (90) days of such filing), in bankruptcy or reorganization under Federal Bankruptcy laws.
- (7) No term or provision of this Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by either party to, or waiver of, a breach by the other shall not constitute a waiver of or excuse for any other different or subsequent breach.
- (8) No amendment to this Agreement shall be effective unless it is in writing and signed by the authorized representative of each party.
- (9) The Department shall provide written notification to Explore if the Department enters into contract negotiations with another person for the same or similar information as that provided by this Agreement. However, no rights granted Explore under this Agreement are exclusive, and the Department reserves the right to enter into agreements with other persons or entities to provide information that is the same or similar to that provided under this Agreement. Contracts with other parties for delivery of same or similar information shall not be on better terms than that set forth in Appendix A.
- (10) The Department reserves the right to modify the electronic citation file at any time for the express purpose of serving the Department's needs in maintaining the Driver License/Operator Record System. The Department agrees to promptly notify Explore if the Department decides to modify the electronic citation database.
- (11) If any provision of this Agreement should be found illegal, invalid or otherwise void, it shall be considered severable. The remaining provisions shall not be impaired and the Agreement shall be interpreted, as far as is possible, to give effect to the parties intent.
- (12) This Agreement, a renewal of a previous pilot project agreement with an effective

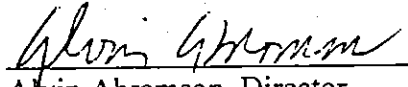
date of August 1, 1997, shall be effective for one year. This Agreement shall terminate August 1, 1999 unless either party shall give sixty (60) days notice to the other to extend or renew the Agreement and both parties agree to the extension or renewal of the Agreement. This Agreement may be terminated only by an instrument in writing, signed by duly authorized representatives of both parties hereto.

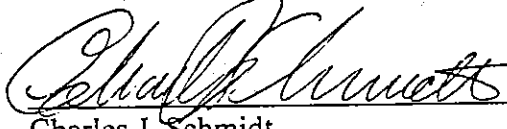
- (13) This Agreement may be changed, modified or amended at any time after thirty (30) days notice by an instrument in writing, signed by duly authorized representatives of both parties hereto.
- (14) The Department makes no representations, either express or implied, regarding the use, performance or fitness for any particular purpose of the information furnished to Explore under this Agreement. Explore shall assume as the risk of loss, omission, or error in the copies of records furnished by the Department under this Agreement and shall hold the Department, its employees, agents, assignees and legal representatives harmless from all liabilities, claims, suits, losses, damages, causes of action, fines or judgments and expenses relating thereto, for injuries to persons and for loss of, damage to, or destruction of property which arise in connection with this Agreement.
- (15) Explore shall indemnify the State of Nebraska with respect to any liabilities, demands, claims, suits, losses, damages, causes of actions, fines or judgments and expenses related thereto which may in any manner accrue or be asserted against the Department, its employees, agents, assignees and legal representatives that arise in connection with this agreement.
- (16) The Department and Explore shall comply with a drug-free workplace program and policy as stated in the attached policy statement.
- (17) Explore agrees to comply fully with Title VI of the Civil Rights Act of 1964, as amended and the Nebraska Fair Employment Practices Act, as amended, in that there shall be no discrimination against any employee who is employed in the performance of this agreement, or against any application for such employment because of age, color, national origin, race, creed, disability or sex.
- (18) The Department reserves the right to cease performance of any or all obligations under this Agreement, without recourse against the Department by Explore, at any time the Department is restrained or enjoined by a court of competent jurisdiction from performance of any obligation established herein or upon the effective date of an act of the Nebraska Legislature restricting or removing the Department's authority to perform any obligation established herein.
- (19) Explore may not refer to or use the names of the State of Nebraska, the Department, or any state official or employee for commercial purpose, except that

Explore may disclose that the Department is the provider of the Records to Explore. News releases pertaining to execution or implementation of this Agreement may not be made without prior written approval of the Department.

- (20) Explore and any officer, director, employee or other person employed or retained by Explore to carry out the terms of this contract is an independent contractor and shall not be deemed an employee of the Department for any purpose.
- (21) The parties have the right to terminate this Agreement upon sixty (60) days written notice if the other party materially breaches any term or condition of this Agreement, providing the breaching party has not cured the breach within such sixty (60) day period.
- (22) Explore agrees to and recognizes the Department's right to audit Explore's records for the limited purpose of verification of the number of drivers actually monitored by Explore.

The following parties, by their signature hereto, acknowledge that they are authorized to enter into this agreement on behalf of the Department and Explore:

BY:  Date: 8-5-98
Alvin Abramson, Director
Department of Motor Vehicles
State of Nebraska

BY:  Date: 8-3-98
Charles J. Schmidt
Division Manager
RAM Center, d/b/a
Explore Information Services

**APPENDIX TO AGREEMENT FOR PILOT PROJECT BETWEEN
NEBRASKA DEPARTMENT OF MOTOR VEHICLES AND
RAM CENTER, INC., d/b/a EXPLORE INFORMATION SERVICES**

Formula for Monthly Payment

Number of drivers monitored by Explore x .28 ÷ 12 x \$3.00

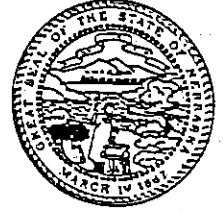
Monthly Procedures

1. By the 25th of each month, Explore will supply the Department with the number of drivers monitored by Explore as of the 15th of that month.
2. On the last business day of each month, the Department will produce the data for Explore and send it within three (3) business days via Federal Express overnight delivery using Explore's collect account number. Explore's collect account number is 1149-6667-3. Each month, a report listing the number of records on the computer tape(s) and an invoice for the current month's tape(s) will be mailed to Explore within the first five (5) business days with payment due by the 25th of the month.
3. Explore will ensure that there are adequate tapes on hand at the Department for this application. The Department will inform Explore when the number of tapes on hand is getting low.
4. The Department will ensure that the previous month's invoice has been paid before the next month's data will be run.
5. The department and Explore shall review the "formula for monthly payment" for accuracy on November 1, February 1, May 1 and August 1 of each year. On such dates the formula may be modified if both parties agree.

STATE OF NEBRASKA

DEPARTMENT OF MOTOR VEHICLES

Alvin Abramson
Director



E. Benjamin Nelson
Governor

POLICY STATEMENT

TO: DMV Employees
FROM: Alvin Abramson, Director *Alvin Abramson*
DATE: July 1, 1998
SUBJECT: Drug Free Work Place Policy Statement

Drug abuse and use at the work place are subjects of immediate concern in our society. These problems are extremely complex and ones for which there are no easy solutions. From a safety perspective, the use of drugs may impair the well-being of all employees and the public at large, and may result in damage to departmental property. Therefore, it is the policy of the Department of Motor Vehicles that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the work place is prohibited. Any employees violating this policy will be subject to discipline up to and including termination. The specifics of this policy are as follows:

1. The Department of Motor Vehicles does not differentiate between drug users and drug pushers or sellers. Any employee who gives or in any way transfers a controlled substance to another person or sells or manufactures a controlled substance while on the job or on state premises will be subject to discipline up to and including termination.
2. The term "controlled substance" means any drug listed in 21 U.S.C. § 812 and other federal regulations. Generally, these are drugs which have a high potential for abuse. Such drugs include, but are not limited to, Heroin, Marijuana, Cocaine, PCP, and "Crack". They also include "legal drugs" which are not prescribed by a licensed physician.
3. Each employee is required by law to inform the Department within five (5) days after he or she is convicted for violation of any federal or state criminal drug statute where such violation occurred on state premises. A conviction means a finding of guilt (including a plea of nolo contendere) or the imposition of a sentence by a judge or jury in any federal or state court.
4. The Department's Personnel Manager must notify the U.S. government agency with which the contract was made within ten (10) days after receiving notice from the employee or otherwise receives actual notice of such a conviction.
5. If an employee is convicted of violating any criminal drug statute while on the work place, he or she will be subject to discipline up to and including termination. Alternatively, the Department may require the employee to successfully finish a drug abuse program sponsored by an approved private or governmental institution.
6. As a condition of further employment on any federal government contract, the law requires all employees to abide by this policy.

**AMENDMENT TO AGREEMENT FOR PILOT PROJECT BETWEEN
NEBRASKA DEPARTMENT OF MOTOR VEHICLES AND
RAM CENTER, INC., d/b/a EXPLORE INFORMATION SERVICES**

The Formula for Monthly Payment contained in the Agreement effective August 1, 1998 through August 1, 1999 is hereby amended to the following:

Number of drivers monitored by Explore x .565 ÷ 12 x \$3.00

This Amendment shall take effect retroactively to December 1, 1998.

The following parties, by their signature hereto, acknowledge that they are authorized to amend the original Agreement on behalf of the Department and Explore.

BY: _____
Edward D. Wimes, Director
Department of Motor Vehicles
State of Nebraska

Date: _____

BY: _____
Charles J. Schmidt
Division Manager
RAM Center, d/b/a
Explore Information Services

Date: _____

INTERAGENCY AGREEMENT
between the
NEBRASKA DEPARTMENT OF MOTOR VEHICLES
and the
NEBRASKA STATE RECORDS BOARD

This Interagency Agreement is made by and between the Nebraska Department of Motor Vehicle (hereinafter "Nebraska Department of Motor Vehicle" or "DMV"), and the Nebraska State Records Board (hereinafter "Nebraska State Records Board" or "NSRB"), to provide access to the Nebraska Department of Motor Vehicle's electronic data files on Nebrask@ Online, an electronic data service operated by the Nebraska State Records Board for the State of Nebraska through a contractual arrangement with a private network manager.

WHEREAS, DMV maintains certain electronic data in computer databases, which data is available to the general public under certain circumstances; and

WHEREAS, DMV currently has data residing on the state mainframe computer and/or on its internal Local Area Network which is public and of interest to the public; and

WHEREAS, NSRB desires to have access to the DMV's data records at both locations, if data records are available at both locations, for the purpose of providing such access to Nebraska citizens and businesses who subscribe to Nebrask@ Online; and

WHEREAS, it is also contemplated by the parties that provision of electronic access through Nebrask@ Online will provide a material benefit to the DMV, to Nebraska citizens and businesses, will improve access to information and will decrease the need for DMV personnel to be involved in giving out this information by telephone or in person;

NOW THEREFORE, in consideration of the mutual conditions, covenants and promises contained in this Agreement, the parties agree as follows:

SECTION 1: Statement of Purpose.

The purpose of this Agreement is to define circumstances, responsibilities, and compensation relating to providing Nebrask@ Online with on-line computer access to certain data records at the DMV's discretion, maintained in electronic form by the DMV.

SECTION 2: Term of Agreement.

This Agreement shall be in full force and effect for a period of one year after the date it is fully signed. Thereafter, this Agreement shall continue for successive monthly periods upon the same terms, provisions and conditions as provided herein excepting that at either party's option, this Agreement may be terminated at any time after the original term of this Agreement, upon thirty (30) days advance written notice to the other party.

SECTION 3: Definition of Terms.

1. Data records- facts maintained in electronic form for communication or processing.
2. Nebrask@ Online subscribers- individuals or organizations who use Nebrask@ Online for computer assisted research.
3. Client department- a DMV section or unit serviced by DMV's internal computer section, and whose data files are available to external agencies.
4. Public Record Data- Data records which are considered public records under state or federal law.

SECTION 4: DMV Responsibilities.

1. Client departments will:
 - a. When requested, help in interpreting the meaning of data, provide input on display screen designs when consulted, and cooperate with Nebrask@ Online in placing data records onto Nebrask@ Online as permitted by DMV, but only if desired by Nebrask@ Online subscribers.
 - b. In the absence of a central DMV data or computer department or service, perform those duties and responsibilities outlined in subparagraph 2 of SECTION 4.
2. The central DMV data or computer department or service will:
 - a. When requested, help in interpreting the meaning of data, provide advice on display screen designs when consulted, and cooperate with Nebrask@ Online in placing data records onto Nebrask@ Online as permitted by the DMV, but only if desired by Nebrask@ Online subscribers.
 - b. Provide computer access to DMV data records as permitted by the DMV, subject to interruption of service pursuant to SECTION 10.
 - c. Provide acceptable response time within limitations of budget constraints.
 - d. Provide reasonable levels of problem determination support to help isolate problems when requested, and if the problem resides on the DMV's end of the system, provide reasonable fixes or repairs.
 - e. Have final control and responsibility for security authorization of Nebrask@ Online (in cooperation with any Client departments) in granting access to its data.

3. DMV will:

- a. Oversee the timely and effective performance of this Agreement from the DMV's perspective, and assist Nebrask@ Online in resolving constructively any problems thereunder and any new issues that arise in connection therewith.
- b. Provide reasonable levels of support to any central DMV data or computer department or service; and to any Client department, in placing DMV data records on-line with Nebrask@ Online, to the extent permitted by Nebraska Department of Motor Vehicle, but only if desired by subscribers to Nebrask@ Online.

SECTION 5: NSRB Responsibilities.

1. NSRB agrees:

- a. To recognize that authorized on-line access provides no right to possession or ownership of data records at any time.
- b. To take all reasonable precautions to protect against unauthorized access to DMV's data records.
- c. To provide reasonable programming, software, hardware, and supplies necessary to establish electronic access to DMV data records.
- d. To abide by Nebraska Department of Motor Vehicle's regulations which may now be in force or effect or which may in the future become effective.
- e. To recognize there is no express or implied ownership of DMV's equipment by the payment of any fee or charge to the DMV.
- f. To provide reasonable reporting that accurately reflects usage associated with access to DMV data records by Nebrask@ Online Subscribers.
- g. To keep such records as are required to document usage associated with providing access to DMV's electronic database and to provide DMV access to these records at reasonable times for auditing purposes if so requested by DMV.
- h. To cooperate with DMV and Client departments in placing data records onto Nebrask@ Online as permitted by DMV but only if desired by Nebrask@ Online subscribers, including securing proper access from the appropriate authority for, and providing necessary security to, each type of data records desired.

SECTION 6: Billing, Payment and Rates for Services.

NSRB shall cause the network manager to remit fees for DMV data records accessed through Nebrask@ Online as set forth in an addendum to this Agreement. Reimbursement to DMV for specific items of information in the DMV database shall be equal to statutory fees for such information where applicable. Payment shall be made to DMV by the last working day of the month following the month in which access was electronically requested by Nebrask@ Online Subscribers. A summary page detailing fee generating transactions per month and the amount of payment by Nebrask@ Online to DMV will accompany payment.

Rates for services shall be set by DMV, NSRB and the Nebrask@ Online Network Manager and may be adjusted from time to time to cover the entire cost of providing service to Nebrask@ Online. Rates set shall continue in effect until modified by mutual Agreement of DMV, NSRB and the Nebrask@ Online Network Manager.

SECTION 7: Illegal Provisions.

If any provision of this Agreement shall be declared to be illegal, void or unenforceable by a court of competent jurisdiction, the other provisions shall not be affected but shall remain in full force and effect.

SECTION 8: Termination.

At DMV's option, this Agreement may be terminated immediately upon the occurrence of any of the following:

1. NSRB's failure to indemnify DMV pursuant to SECTION 9 of this Agreement.
2. NSRB's non-payment in violation of SECTION 6 of this Agreement.
3. NSRB's allowance of unauthorized access prohibited by this Agreement.
4. NSRB's material breach of any term, provision or condition of this Agreement.
5. DMV's determination that resources devoted to providing access to Nebrask@ Online are required by DMV for its internal operation.

At either party's option, this Agreement may be terminated at any time after the original term of this Agreement upon thirty (30) days written notice to the other party.

SECTION 9: Indemnification and Hold Harmless Provisions.

NSRB hereby relieves, releases, indemnifies and holds harmless DMV, its officers, agents, employees, and departments, from liability for any and all damages resulting from incorrect or misinterpretation of data which occurs in transmission or as a result of any interface or coding performed by Nebrask@ Online (but not from any liability which would otherwise accrue against DMV by reason of inaccuracies or misinterpretations residing on DMV's own data records) and for any other liability asserted against DMV arising from Nebrask@ Online's operations.

SECTION 10: Interruption of Service.

DMV shall use its best efforts to provide adequate and uninterrupted service under the terms of this Agreement. However, DMV shall not be liable for interruption of service when the same shall be due to circumstances beyond the control of DMV, its agents, servants, or employees, including but not limited to unanticipated equipment malfunction or periodic maintenance or update of the computer system or systems upon which such data records reside.

SECTION 11: Assignment.

This Agreement may not be assigned by NSRB without the prior written consent of DMV and any such assignment of this Agreement without such permission shall be null and void.
SECTION 12: Notices.

All notices shall be in writing and shall be directed to the parties to this Agreement as shown below:

To NSRB: Mr. Samuel R. D. Somerhalder
 Network Manager
 Nebrask@ Online
 1221 "N" St., Suite 303
 Lincoln, NE 68508

To Nebraska Department of Motor Vehicle:

 Mr. Alvin Abramson, Director
 Nebraska Department of Motor Vehicle
 301 Centennial Mall South
 Lincoln, NE 68509

SECTION 13: Data Records To Be Accessed.

The data records to be accessed shall be set forth by separate addendum to this Agreement.

SECTION 14: Construction.

This Agreement shall be construed in accordance with the laws of the State of Nebraska.

SECTION 15: Paragraph Headings.

The paragraph headings are inserted in this Agreement for convenience only and shall not be used in interpreting this Agreement.

SECTION 16: Total Agreement.

This Agreement constitutes the complete and exclusive statement of the Agreement between the parties hereto. No amendment, waiver or alteration of this Agreement shall be effective unless signed by an authorized officer of each of the parties to this Agreement. Neither DMV nor NSRB shall be bound by any oral Agreement or representation.

IN WITNESS TO THEIR Agreement TO ALL THE ABOVE AND FOREGOING, the parties hereto have executed this Agreement the day and year below written.

"DMV"

Nebraska Department of Motor Vehicle

by Gloria G. Hanson
Authorized Officer

Date 1/27/98

"NSRB"

Nebraska State Records Board

by [Signature]
Authorized Officer

Date 1-29-98

**Addendum One
to the
Interagency Agreement Between
Nebraska Department of Motor Vehicles
and
Nebraska State Records Board**

This Addendum One to the Interagency Agreement between Nebraska Department of Motor Vehicles and the Nebraska State Records Board sets forth certain services provided by Nebrask@ Online (operated under the auspices and authority of the Nebraska State Records Board), the prices (P) to be charged for such Nebrask@ Online services, how the revenue from such Nebrask@ Online services is to be divided between Nebraska Department of Motor Vehicles (R/DMV) and Nebrask@ Online (R/NOL). All revenue received pursuant to this addenda shall be deposited by the Network manager in the State Records Board Cash Fund pursuant to the provisions of the contract between the Nebraska State Records Board and Nebrask@ Interactive, Inc and any addenda thereto and distributed back to NOL and the agency as provided below.

This Addendum One covers services described below. It is contemplated that additional future addenda will cover other services which are currently provided by the Nebraska Department of Motor Vehicles.

Data Records to be Accessed:

Type of Data	P	R/DMV	R/NOL
Drivers License Record Search (Interactive or batch, per record)	\$3.00	\$2.00	\$1.00
Title Registration and Lien Search:			
Interactive	\$1.00	\$0.40	\$0.60
Special Request			
Initial Set-up/programming	\$55-500	N/A	\$55-500
First Run	\$24.00	\$9.60	\$14.40
Successive Runs/no set-up	\$24.00	\$9.60	\$14.40
Minimum(up to 2000 records)			
Over 2000 records	\$12/1000	\$4.80/1000	\$7.20/1000

Subscription, Transaction and Connect Time Charges for Nebraska Department of Motor Vehicles:

The NSRB shall also require that the network manager for Nebrask@ Online provide not more than five user Ids for Nebraska Department of Motor Vehicles allowing direct access to Nebraska Department of Motor Vehicles data records as displayed on Nebrask@ Online for the purpose of assisting subscribers with inquiries requiring interpretation of records, laws, rules and regulations, or policies and procedures pertaining to the records.

Subscription Charges:


Nebrask@ Online shall waive the \$50.00 annual subscription fee for Nebraska Department of Motor Vehicles access.


Transaction Charges:

Nebrask@ Online shall waive transaction fees for Nebraska Department of Motor Vehicles access to their services as they are needed. All other transaction charges apply.

Connect Time Charges:

Nebrask@ Online shall waive all connect time charges for Nebraska Department of Motor Vehicles.

 Date 1-7-98
Authorized Officer
Nebraska Department of Motor Vehicles

 Date 1-29-98
Authorized Officer
Nebraska State Records Board

§ 60-483. Operator's license; numbering; records; abstracts of operating records; fees; information to United States Selective Service System; when.

(1) The director shall assign a distinguishing number to each operator's license issued and shall keep a record of the same which shall be open to public inspection by any person requesting inspection of such record who qualifies under section 60-2906 or 60-2907. Any person requesting such driver record information shall furnish to the Department of Motor Vehicles (a) verification of identity and purpose that the requester is entitled under section 60-2906 or 60-2907 to disclosure of the personal information in the record, (b) the name of the person whose record is being requested, and (c) when the name alone is insufficient to identify the correct record, the department may request additional identifying information. The department shall, upon request of any requester, furnish a certified abstract of the operating record of any person and shall charge the requester a fee of three dollars per abstract. The department shall remit any revenue generated under this section to the State Treasurer, and the State Treasurer shall credit eight and one-third percent to the Department of Motor Vehicles Cash Fund, fifty-eight and one-third percent to the General Fund, and thirty-three and

one-third percent to the Records Management Cash Fund.

(2) The director shall, upon receiving a request and an agreement from the United States Selective Service System to comply with requirements of this section, furnish driver record information to the United States Selective Service System to include the name, post office address, date of birth, sex, and social security number of licensees. The United States Selective Service System shall pay all costs incurred by the department in providing the information but shall not be required to pay any other fee required by law for information. No driver record information shall be furnished to the United States Selective Service System regarding any female, nor regarding any male other than those between the ages of seventeen years and twenty-six years. The information shall only be used in the fulfillment of the required duties of the United States Selective Service System and shall not be furnished to any other person.

(3) The director shall keep a record of all applications for operators' licenses that are disapproved with a brief statement of the reason for disapproval of the application.

(4) The director may enter into an agreement with any person to provide the person information regarding adjudicated traffic citations or administrative actions from the records produced for or developed by the department for purposes related to maintenance of the driver record information data base. The agreement may determine the periodic basis, cost, and media on which the information will be provided.

Source: Laws 1929, c. 149, § 9, p. 516; C.S. 1929, § 60-409; Laws 1937, c. 141, § 19, p. 516; Laws 1941, c. 176, § 2, p. 688; C.S. Supp., 1941, § 60-409; R.S. 1943, § 60-412; Laws 1961, c. 315, § 9, p. 1005; Laws 1961, c. 316, § 9, p. 1014; Laws 1963, c. 360, § 1, p. 1154; Laws 1965, c. 384, § 1, p. 1238; Laws 1973, LB 319, § 1; Laws 1974, LB 974, § 1; Laws 1978, LB 502, § 1; Laws 1983, LB 326, § 1; Laws 1984, LB 694, § 2; Laws 1984, LB 711, § 1; Laws 1987, LB 300, § 2; Laws 1987, LB 767, § 1; R.S. 1943, (1988), § 60-412; Laws 1989, LB 285, § 33; Laws 1993, LB 491, § 10; Laws 1995, LB 467, § 9; Laws 1997, LB 590, § 2; Laws 1997, LB 635, § 19; Laws 1997, LB 720, § 17.

**Explore Information Services' ·
Impact on the State of Nebraska
Department of Motor Vehicles Sale of Driving Records
for
The State of Nebraska
Department of Motor Vehicles**

January 15, 1999

Explore's clients who do business in Nebraska, insure 201,329 drivers and ordered 130,541 driving records from the DMV each year for the purposes of renewing insurance policies prior to being Explore customers. Thus, these customers represented \$391,623 in revenue for the State of Nebraska prior to being Explore customers.

<u>Company</u>	<u># of insured drivers</u>	<u>% of book run on renewal before Explore</u>	<u># of driving records ordered from DMV</u>	<u>Annual revenue to DMV & NE Online</u>
American Nat'l	715	5%	36	\$ 108
Dairyland	9,291	50%	4,645	13,935
EMC	7,994	15%	1,199	3,597
Farmers Mutual	74,994	100%	74,994	224,982
General Casualty	20,275	88%	17,842	53,526
Greatway	536	100%	536	1,608
Grinnell	2,389	33%	788	2,364
Hawkeye	8,966	33%	2,959	8,877
Heritage	10	25%	3	9
Hoosier	1	100%	1	3
IMT	1,839	33%	607	1,821
Iowa Mutual	4,153	50%	2,077	6,231
Lemars	2,381	20%	476	1,428
Midwest Family	1,541	33%	509	1,527
Minn. F&C	1,569	50%	785	2,355
Motor Club	30,302	33%	10,000	30,000
North Star	1,236	100%	1,236	3,708
St. Paul	8,919	25%	2,230	6,690
Union Ins.	14,654	33%	4,836	14,508
United Fire	<u>9,564</u>	<u>50%</u>	<u>4,782</u>	<u>14,346</u>
Totals	201,329	64.8%	130,541	\$391,623

II. With the present equation for monthly payment (# of drivers monitored by Explore / 12 x 28% x \$3.00), Explore will pay the DMV \$169,116 per year for our 201,329 drivers.

III. New Driving Records Created (see Explore's attached study of Nebraska insured drivers).

- A. Explore's study shows that the average, annual rate increase of \$150 per year due to conviction or suspension/revocation activity would lead 50% of surcharged drivers to shop for insurance. See pie graph on page 3 on the attached study entitled "Increase in Insurance Rate for Consumer to Shop for Better Deal."

1. 7% of the 50% of surcharged drivers who would shop for insurance after their premium is increased would get a quote from one insurance

agency. This agency would order a driving record from the DMV to quote a proper premium. (See pie graph on page 4 of the attached study entitled "Number of Insurance Agencies Consumer Would Look at Before Choosing an Insurance Company to do Business With.")

This would result in \$3,171 in new driving record revenues for the State of Nebraska assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 7\% \times 15\%$ conviction rate $\times 1$ agency $\times \$3$ driving record fee = \$3,171).

2. 21% of surcharged drivers would shop at two insurance agencies. This would result in \$19,026 in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 21\% \times 15\%$ conviction rate $\times 2$ agencies $\times \$3$ driving record fee = \$19,026).
3. 33% of these drivers would shop at three insurance agencies. This would result in \$44,846 in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 33\% \times 15\%$ conviction rate $\times 3$ agencies $\times \$3$ driving record fee = \$44,846).
4. 10% of these drivers would shop at four insurance agencies. This would result in \$18,120 in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 10\% \times 15\%$ conviction rate $\times 4$ agencies $\times \$3$ driving record fee = \$18,120).
5. 10% of these drivers would shop at five or more insurance agencies. This would result in \$22,650 in new driving record revenues assuming Explore's 201,329 drivers ($201,329 \times 50\% \times 10\% \times 15\%$ conviction rate $\times 5$ agencies $\times \$3$ driving record fee = \$22,650).
6. Adding up the bold revenue numbers, if 201,329 drivers are monitored by Explore, this will result in \$107,813 in new driving record revenues for DMV. However, Explore believes that 53% of Nebraska drivers are insured by companies which utilize "aged MVR's." This is due to the fact that 53% of drivers are insured by companies that order MVR's on behalf of their agents to underwrite policies. The remaining 47% of drivers are insured by independent agents who do not utilize aged MVR's. Thus, the new revenues generated for the the State of Nebraska are ($\$107,813 \times 47\%$) \$50,672.

IV. Explore's Impact on DMV Revenues

- A. Explore's clients were ordering \$391,623 worth of driving records each year for the purposes of renewing their existing policies prior to doing business with Explore. With our program in place, drivers with convictions are surcharged by their insurance carrier. Because our program will allow insurance companies to surcharge bad drivers more quickly, each year, 50% of the surcharged drivers in our program will shop for a new insurance carrier creating \$50,672 in new driving record revenues for the State of Nebraska. This is due to the fact that for each independent agency a driver shops at, an MVR will be generated to quote a proper premium. Our present equation with the DMV will generate \$169,116. Thus, between Explore's payment and the

new driving record revenues our system generates, the State of Nebraska will have annual revenues of \$219,788 from our program.

- B. There is an annual shortfall under the present equation of \$171,835 per year. This number is calculated by subtracting the present revenues generated by Explore's program through our payments to the State plus the new driving records our service generates from the revenues the State was experiencing from our clients prior to being an Explore customer.
- C. Due to the shortfall, Explore's payment to the State should be increased. The new equation for monthly payment to the State should be: # of drivers monitored by Explore / 12 months x 56.5% x \$3.00. With 201,329 drivers monitored by Explore, this would generate \$341,253 on an annual basis in addition to the \$50,672 our system creates in new driving record orders. Our system would generate \$391,925 annually for the DMV, the General Fund and Nebraska Online. This would replace the \$391,623 in revenues the State was realizing from the sale of driving records for renewal purposes from the clients of Explore prior to being Explore clients.

Historical and Projected Volume of Activity and Revenue

Month	Year	# Records Monitored	# Records Paid For	Fees Collected	
September	1997	521	12	\$ 36.00	
October	1997	3,726	86	\$ 258.00	
November	1997	15,610	364	\$ 1,092.00	
December	1997	17,854	416	\$ 1,248.00	
January	1998	19,952	465	\$ 1,395.00	
February	1998	19,627	457	\$ 1,371.00	
March	1998	20,663	482	\$ 1,446.00	
April	1998	23,044	519	\$ 1,557.00	
May	1998	22,527	519	\$ 1,557.00	
June	1998	140,633	3,227	\$ 9,681.00	
July	1998	30,784	706	\$ 2,118.00	
August	1998	335,106	7,819	\$23,457.00	
September	1998	181,506	4,195	\$12,585.00	
October	1998	185,408	4,286	\$12,858.00	
November	1998	194,629	4,492	\$13,476.00	
December	1998	195,404	4,467	\$13,401.00	
January	1999	215,066	4,121	\$12,363.00	
February	1999	215,066	4,121	\$12,363.00	<i>Projected</i>
March	1999	215,066	4,121	\$12,363.00	<i>Projected</i>
April	1999	215,066	4,121	\$12,363.00	<i>Projected</i>
May	1999	215,066	4,121	\$12,363.00	<i>Projected</i>
June	1999	215,066	4,121	\$12,363.00	<i>Projected</i>
July	1999	215,066	4,121	\$12,363.00	<i>Projected</i>

AGENCY CONTRACTS
With Nebraska State Records Board
Updated 3/1/99

1. State Records Board and Nebraska Interactive, Inc.
2. Secretary of State
3. Accountability and Disclosure Commission
4. Dept. of Agriculture
5. Board of Public Accountancy
6. Attorney General
7. Auditor of Public Accounts
8. Dept. of Banking and Finance
9. Brand Committee
10. Coordinating Commission for Postsecondary Education
11. Deaf and Hard of Hearing Commission
12. Energy Office
13. Board of Examiners for Professional Engineers and Architects
14. Governor's Office
15. Historical Society
16. Commission of Industrial Relations
17. Dept. of Insurance
18. Dept. of Justice
19. Commission on Law Enforcement and Criminal Justice
20. Library Commission

21. Lieutenant Governor's Office
22. Commission on Local Government Innovation and Restructuring
23. Liquor Control Commission
24. Dept. of Administrative Services - Material Division
25. Department of Motor Vehicles
26. State Patrol
27. Dept. of Administrative Services - Personnel Division
28. Property Tax Division
29. Commission on Public Advocacy
30. Public Service Commission
31. Real Estate Commission
32. Retirement Systems, Public Employees
33. Dept. of Revenue
 - 33a. Lottery Division
34. Dept. of Roads
35. Rural Development Commission
36. Secretary of State
37. Tax Equalization and Review Commission
38. Volunteer Service Commission
39. Worker's Compensation Court
40. State Treasurer
41. Military Department
42. Health & Human Service System-Vital Statistics Division

43. Mexican American Commission

44. Dept. of Aeronautics

45. Supreme Court

46. Water Resources

47. Emergency Management Agency

48. GIS Steering Committee