

INTER-STATE AGREEMENT

BETWEEN

STATE OF MARYLAND
DEPARTMENT OF LABOR, LICENSING, AND REGULATION
OFFICE OF FIELD OPERATIONS
DISLOCATION SERVICES UNIT
1100 North Eutaw Street
Baltimore, Maryland 21201

AND

STATE OF DELAWARE
DEPARTMENT OF LABOR
DIVISION OF EMPLOYMENT AND TRAINING
4425 North Market Street
Wilmington, Delaware 19802

FOR

HEALTH INSURANCE COVERAGE
PROVIDED TO
TAA, RTAA AND PBGC RECIPIENTS

THIS AGREEMENT, effective December 1, 2009 is made by and between the Maryland State Department of Labor, Licensing, and Regulation ("DLLR") and the Delaware Department of Labor ("DDOL").

DLLR and the DDOL do mutually agree as follows:

1. PROGRAM AND SERVICE TO BE PROVIDED

- 1.1 Subject to the continuing availability of federal funds, DLLR and DDOL shall provide services as described in the proposal dated December 1, 2009, attached as the Appendix, entitled: **NEG Grant Narrative.**

2. TERMS AND TERMINATION

- 2.1 Performance under this Agreement shall commence on December 1, 2009, and shall continue until services are completed; but in any case no later than December 31, 2011.

- 2.2 Both parties agree that this Agreement may be terminated following a thirty (30) day written notice by either party.

3. PAYMENT

- 3.1 The cost to DLLR for the services to be provided to the DDOL under this Agreement shall come from U.S. Department of Labor National Emergency Grant (NEG) Health Coverage Tax Credit (HCTC) Gap-Filler Funds.
- 3.2 On behalf of DLLR, Tri-County Council of the Lower Eastern Shore of Maryland shall receive these NEG HCTC Funds for use in supplying appropriate benefits and services to the HCTC Eligible Populations from Delaware.
- 3.3 As related to the use of any NEG HCTC Funds, DLLR will make payments to the DDOL as follows. The DDOL Federal Tax Identification Number is 51-6000279. The DDOL agrees to include this number on all invoices billed to DLLR Office of Budget and Finance.
- 3.4 Payment of these funds is conditional upon DLLR receiving funds from the Federal Government – US Department of Labor as specified to pay for the total costs of the services set forth in the Appendix. DLLR will give timely notice to the DDOL in the event DLLR does not receive the funds to pay for the total cost of the services provided under this Agreement.

4. GENERAL PROVISIONS AND CONDITIONS

- 4.1 The terms of the Agreement and its execution are subject to all applicable Maryland laws and regulations insofar as such laws and regulations are not in conflict with statutory provisions laws or regulations of the State of Delaware.
- 4.2(a) It is understood and agreed that the DDOL shall not be liable in any action, or tort, or contract, or otherwise for any action of DLLR. DLLR's liability for any action arising under or from this Agreement is limited by the doctrines of Absolute, Qualified and Sovereign Immunity as well as the Maryland Tort Claims Act, 12-101 *et seq.*, State Government Article, Maryland Annotated Code.

- (b) It is understood and agreed that DLLR shall not be liable in any action in tort, contract or otherwise for any action of the DDOL. DDOL'S liability for any action arising under or from this Agreement is limited by the Doctrines of Absolute, Qualified and Sovereign Immunity as well as the Delaware Tort Claims Act, 10 Del. C. Ch. 40.
- 4.3 Both DLLR and DDOL shall comply with all applicable federal, state and permit laws and ordinances, and as are necessary, local governmental standards and requirements, including licensing and for the lawful providing of the terms under this Agreement.
- 4.4 The persons performing the services as set forth in the Appendix shall be employees of the DDOL or consultant(s) approved under Paragraph 4.5 or subcontractor(s) assigned under Paragraph 4.8.
- 4.5 DLLR shall designate Scott Wallace, or designee, to serve as Project Officer for this Agreement. DDOL shall designate Lori A. Reeder, or designee, to serve as Project Officer for this Agreement. All contacts between DLLR and the DDOL regarding all matters relative to this Agreement shall be coordinated through the Project Officers. The use of funds under this Agreement by the DDOL to hire consultants shall require the prior approval by DLLR, through its Project Officer, or any such arrangement and the proposed work plan of the consultant(s) involved. (Approval is not required if the Appendix indicates the consultant's use.)
- 4.6 This Agreement may be amended as DLLR and the DDOL mutually agree in writing. Except for the specific provision of the Agreement, which is thereby amended, the Agreement shall remain in full force and effect after such amendment. Adjustments of funds between categories that do not affect the total authorized funding and is consistent with the objectives of the Agreement do not require an amendment to the Agreement. Written approval by the DLLR Project Officer, however, is required.
- 4.7 Both parties hereby expressly acknowledge the possibility of substantial changes in federal regulation applicable to this Agreement and expressly agree to renegotiate this Agreement as necessary to comply with such changes; provided that any increase in the scope of work or cost of performance will be compensated for by a budget increase or, in the alternative, by modifying the scope of work to reduce the cost of performance.


- 4.8 Unless otherwise provided in the Appendix, the DDOL may not, during the term of this Agreement or any renewals or extensions of this Agreement, assign or subcontract all or any part of this Agreement without the prior written consent of the DLLR Project Officer.
- 4.9 Both parties shall retain all books, records, and other documents relevant to this Agreement for a period of no less than three years after the date of final payment, a resolution of audit findings, or disposition of non-expendable property, whichever is later, and upon receipt of reasonable written notice thereof, and full access thereto. The right to examine any of said materials shall be afforded federal and/or state auditors who shall have substantiated in writing a need therefore in the performance of their official duties, and such other persons as are authorized by DLLR. The DDOL will provide the DLLR a copy of that part of any audit performed by university, local, state or independent auditors which relates to the performance of this Agreement and administration of funds provided by DLLR pursuant to this Agreement. Any additional audit information requested by DLLR may be secured by DLLR at its own expense using its own or the DDOL auditors or other state approved auditors.
- 4.10(a) The DDOL shall obtain prior written approval of DLLR for any purchase of assets with funds paid under this Agreement, excluding ordinary office supplies, unless such purchase is described in the Appendix.
- (b) Title of all property furnished by DLLR shall remain in DLLR. Title to Equipment purchased with Funds available under this Agreement shall vest in the DDOL; provided however that title to equipment having an acquisition cost of \$500 or more per unit and a useful life of more than two years ("Capital Equipment") shall vest in DLLR upon acquisition. The DDOL shall provide a list of Capital Equipment acquired under this Agreement to DLLR upon completion of the Agreement or the last renewal of the Agreement. Unless otherwise specified by DLLR, within twelve (12) months after termination of this Agreement or the last renewal of this Agreement, title to the Capital Equipment so identified shall automatically transfer to the DDOL.
- 4.11 Except in accordance with a court order, neither party or its Contractors shall use or disclose any information concerning a recipient of the services provided under this Agreement for any purposes not directly connected with the administration of such services, except upon written consent of the other party and the recipient of

the service or his/her responsible parent, guardian, or legal representative or as required by section 10-611 *et. seq.*, State Government Article Maryland Annotated Code. Both parties agree to make available information maintained, as necessary, to respond to a request by an individual for accounting of disclosures of their personal information. DDOL is bound by the provisions 29 Del. C. Ch. 100.


- 4.12 Fair Practices Certification. DLLR and DDOL certify that they prohibit, and covenant that they will continue to prohibit, discrimination on the basis of: (i) political or religious opinion or affiliation, marital status, race, color, creed, or national origin; (ii) sex or age, except when age or sex constitutes a bona fide occupation qualification; or (iii) the physical or mental disability of a qualified individual with a disability. Upon the request of the other party, DLLR and DDOL will submit to the other information relating to its operation with regard to political or religious opinion or affiliation, marital status, physical or mental disability, race, color, creed, sex, age, or national origin.
- 4.13 Assurances of Non-Discrimination and Equal Opportunity in DOL-funded Agreements. Because services provided under this Agreement are funded in whole with monies DLLR receives from the U.S. Department of Labor, DDOL and DLLR specifically agree that they will comply fully with the non-discrimination and equal opportunity provisions of the Workforce Investment Act of 1998; the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights of 1964 as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 C.F.R. part 37.
- 4.14 Drug and Alcohol Free Workplace. DDOL and DLLR agree to comply with the State of Maryland's policy concerning drug and alcohol free workplaces, as set for the in COMAR 01.01.1989.18 and 21.11.08, and must remain in compliance throughout the term of this Agreement.
- 4.15 This Agreement, together with the Appendix attached hereto and incorporated herein by reference, represents the complete, total and final understanding of the parties, and no other understandings or representations, oral or written, regarding the subject matter of the Agreement, shall be deemed to exist or to bind the parties hereto at the time of execution.

IN WITNESS WHEREOF, the parties have executed this Agreement.

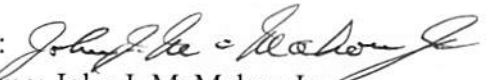
WITNESS:
Approved as to Legality (DDOL)

Name: 
Title: Director
Date: 4/15/10


WITNESS:
Approved as to Legality (DLLR)


Name: Scott Wallace
Title: State Administrator DSU
Date: 4/17/10

FOR DDOL:

By: 
Name: John J. McMahon Jr.
Title: DDOL Secretary of Labor
Date: 4/15/10

FOR DLLR:

By: 
Name: Andy Moser
Title: DLLR Assistant Secretary
Date: 4-1-10

Attachment: Appendix

**Maryland/Delaware
Health Coverage Tax Credit Gap-Filler Plan
NEG Grant Narrative
December 1, 2009**

The Federal Trade Act law identifies ten categories of health insurance that may be “qualified” as coverage that would allow Trade Act eligibles to obtain the health coverage tax credit and NEG assistance. The U.S. Department of Labor has provided Workforce Investment Act National Emergency Grant HCTC Gap-Filler Funds to the State of Maryland for making Gap-Filler Payments. These Gap-Filler Payments are made on behalf of HCTC Eligible Applicants that have applied for and are awaiting IRS HCTC Advance Payment Assistance. The State of Maryland has contracted with the Tri-County Council of the Lower Eastern Shore of Maryland to administer the application eligibility process, outreach and payment procedures for its Statewide Eligible Applicants.

With this agreement the State of Maryland will expand the scope of this project to include these HCTC Gap-Filler Services to Delaware Eligible HCTC Gap-Filler Applicants.

The State of Maryland HCTC/Trade Act Administrator and the State of Delaware Trade Act Administrator have agreed as follows:

To accept Delaware applicants for eligibility review for the Health Coverage Tax Credit (HCTC) Gap-Filler Payment Program.

Upon a thorough review, Delaware Participants found eligible will be processed for the 80% GAP Advance Payment through the HCTC Gap-Filler Center in Salisbury.

This eligibility process will be followed on a case-by-case basis for each application packet received.

The HCTC Program Operator will make direct contact with the Delaware HCTC Gap Applicant to verify, review and notify the applicant of the benefits being provided through HCTC. Included in the notification will be a brief application and acknowledgement form for the DEHCTC Program to be completed and returned to HCTC in Salisbury.

The HCTC Program Operator will handle all activities related to DEHCTC Gap Payment will full disclosure to the Gap Applicant.

The HCTC Program Operator will request any additional documentation or application completion directly through the DEHCTC Applicant.

The HCTC Program Operator will require the DEHCTC Gap-Filler Applicant to make direct application to IRS HCTC for the Federal HCTC Program.

The HCTC Program Operator will make up to 3 Gap-Filler Payments within the IRS/HCTC Application Period. Any Gap-Filler Payments beyond the 3rd Gap-Filler Payment will be approved by the Maryland HCTC Gap-Filler/Trade Act Administrator according to established policies and procedures.

DEHCTC Participants processed for approval will be invoiced by the HCTC Program Operator for the 20% HCTC Portion of their Premium and all other non-allowable portions of their monthly health insurance premium. DEHCTC Participants will be required to supply certified/guaranteed funds for the required 20% + non-HCTC allowed portions of the health premium costs.

Any DEHCTC Participant not meeting the Trade Adjustment Assistance (TAA), Reemployment Trade Adjustment Assistance (RTAA) or Pension Benefit Guaranty Corporation (PBGC) Eligibility Criteria will be denied the HCTC Gap-Filler Benefit by the HCTC Program Operator.

Any HCTC Gap-Filler Payments made for DEHCTC Participants that are later disallowed by IRS/HCTC or further verification by the HCTC Program Operator will need to be repaid by the DEHCTC Participant.

The DEHCTC Participant will be required to repay the Gap-Filler Payment Amount. Under any disallowed HCTC Gap-Filler Payment circumstances, the Tri-County Council of the Eastern Shore of Maryland collection process will be followed to secure repayment.

Delaware Trade Act Unit will supply daily TAA and RTAA Eligible Lists to the HCTC Program Operator in Salisbury.

The HCTC Program Operator will make available outreach materials for Delaware Applicants under DEHCTC logo.

The HCTC Operator will provide dedicated phone service for DEHCTC Applicants (toll-free to Delaware) and will respond to these line calls as Delaware HCTC.

The HCTC Operator will customize webpage/site for Delaware under DEHCTC logo and related content.

The Delaware Department of Labor (DDOL) will supply UI/HCTC, State Qualifying Plan, TAA Unit and TRA Unit Points of Contact for documentation assistance/verification.

The DDOL, HCTC Program Operator and Maryland HCTC Gap-Filler Administrator will assure technical assistance and training are provided to Delaware Frontline Staff for outreach activities. The DDOL will include outreach materials and activities for DEHCTC benefits as part of their Rapid Response Services to HCTC Eligible TAA and RTAA Participants in Delaware.

The DEHCTC Gap-Payment Program will follow the established policies and procedures laid out for the Maryland HCTC Gap-Payment Program.

Addendum:

Maryland HCTC Gap-Filler Administrator – is Dislocation Services Unit within DLLR.

HCTC Program Operator – is the Tri-County Council of the Lower Eastern Shore of Maryland.

Delaware Department of Labor – is the Trade Act administrative entity.

Delaware Health Coverage Tax Credit (DEHCTC) – is the market name for Delaware's NEG Gap-Filler Program.