

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 806*

Short Title: Education Longitudinal Data System Changes. (Public)

Sponsors: Senators Brock, Hise, and Clark (Primary Sponsors).

Referred to: Education/Higher Education.

May 20, 2014

1 A BILL TO BE ENTITLED
2 AN ACT AMENDING THE LAW PERTAINING TO THE EDUCATION LONGITUDINAL
3 DATA SYSTEM, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT
4 COMMITTEE ON INFORMATION TECHNOLOGY.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 116E-1(7) reads as rewritten:

7 "(7) 'Workforce data' means data relating to employment status, wage
8 information, geographic location of employment, and employer information.
9 Such data is individual data."

10 SECTION 2. G.S. 116E-2(a) reads as rewritten:

11 "(a) The North Carolina Longitudinal Data System is a statewide data system that
12 contains ~~individual level~~ individual student data and workforce data from all levels of
13 education and the State's workforce. The purpose of the System is to do the following:

- 14 (1) Facilitate and enable the exchange of student data and workforce among
15 agencies and institutions within the State.
16 (2) Generate timely and accurate information about student performance that
17 can be used to improve the State's education system and guide decision
18 makers at all levels.
19 (3) Facilitate and enable the linkage of student data and workforce data."

20 SECTION 3. G.S. 116E-3 is amended by adding a new subsection to read:

21 "(f) The Board shall be located administratively within the Department of Public
22 Instruction but shall exercise its powers and duties independently of the Department of Public
23 Instruction and the State Board of Education. The Board may employ professional and clerical
24 staff, including an executive director."

25 SECTION 4. G.S. 116E-4 reads as rewritten:

26 "§ 116E-4. Powers and duties of the Board.

27 (a) The Board shall have the following powers and duties:

- 28 (1) Develop an implementation plan to phase in the establishment and operation
29 of the System.
30 (2) Provide general oversight and direction ~~to the System.~~ for the System and to
31 users of the System.
32 (3) Approve the annual budget for the System.
33 (4) Before the use of any individual data in the System, the Board shall do the
34 following:



- 1 a. Create an inventory of the individual student data proposed to be
2 accessible in the System and required to be reported by State and
3 federal education mandates.
- 4 b. Develop and implement policies to comply with FERPA and any
5 other privacy measures, as required by law or the Board.
- 6 c. Develop a detailed data security and safeguarding plan that includes
7 the following:
- 8 1. Authorized access and authentication for authorized access.
9 2. Privacy compliance standards.
10 3. Privacy and security audits.
11 4. Breach notification and procedures.
12 5. Data retention and disposition policies.
- 13 (5) Oversee routine and ongoing compliance with FERPA and other relevant
14 privacy laws and policies.
- 15 (6) Ensure ~~Make and enter into contracts and agreements necessary or incidental~~
16 to the performance of its powers and duties under this Article; use revenue
17 available to the Board for administrative expenses and its obligations under
18 the contracts and agreement; and ensure that any contracts that govern
19 develop, use, or integrate databases that are outsourced to private vendors
20 include express provisions that safeguard privacy and security and include
21 penalties for noncompliance.
- 22 (7) Designate a standard and compliance time line for electronic transcripts that
23 includes the use of UID to ensure the uniform and efficient transfer of
24 student data between local school administrative units and institutions of
25 higher education.
- 26 (8) Review research requirements and set policies for the approval of data
27 requests from State and local agencies, the General Assembly, and the
28 public.
- 29 (9) Establish an advisory committee on data quality to advise the Board on
30 issues related to data auditing and tracking to ensure data validity.
- 31 (b) The Board shall adopt rules according to Chapter 150B of the General Statutes as
32 provided in G.S. 116E-6 to implement the provisions of this Article.
- 33 (c) The Board shall report quarterly to the Joint Legislative Education Oversight
34 Committee, the Joint Legislative Commission on Governmental Operations, and the Joint
35 Legislative Oversight Committee on Information ~~Technology beginning September 30, 2013.~~
36 Technology. The report shall include the following:
- 37 (1) An update on the implementation of the System's activities.
38 (2) Any proposed or planned expansion of System data.
39 (3) Any other recommendations made by the Board, including the most
40 effective and efficient configuration for the System.
- 41 (d) The Board is deemed an authorized representative of the Department of Public
42 Instruction, The University of North Carolina, and the North Carolina System of Community
43 Colleges under applicable State and federal law for the purpose of accessing and compiling
44 student record data for research purposes.
- 45 (e) The Board may receive funding from the following sources:
- 46 (1) State appropriations.
47 (2) Grants or other assistance from local school administrative units, community
48 colleges, constituent institutions of The University of North Carolina, or
49 private colleges and universities.
50 (3) Federal grants.

- 1 (4) Any other grants or contributions from public or private entities received by
2 the System."

3 **SECTION 5.** G.S. 116E-5 reads as rewritten:

4 "**§ 116E-5. North Carolina Longitudinal Data System.**

5 (a) There is created the North Carolina Longitudinal Data System. The System is an
6 information technology asset of the State and shall be located administratively within the
7 Department of Public Instruction but shall ~~exercise its powers and duties be operated~~
8 independently of the Department of Public Instruction and the State Board of Education.

9 (b) The System shall allow users to do the following:

- 10 (1) Effectively organize, manage, disaggregate, and analyze individual student
11 and workforce data.
12 (2) Examine student progress and outcomes over time, including preparation for
13 postsecondary education and the workforce.

14 ~~(c) The System shall be considered an authorized representative of the Department of~~
15 ~~Public Instruction, The University of North Carolina, and the North Carolina System of~~
16 ~~Community Colleges under applicable federal and State statutes for purposes of accessing and~~
17 ~~compiling student record data for research purposes.~~

18 (d) The System shall perform the following functions and duties:

- 19 (1) Serve as a data broker for the System, including data maintained by the
20 following:
21 a. The Department of Public Instruction.
22 b. Local boards of education, local school administrative units, and
23 charter schools.
24 c. The University of North Carolina and its constituent institutions.
25 d. The Community Colleges System Office and local community
26 colleges.
27 e. The North Carolina Independent College and Universities, Inc., and
28 private colleges or universities.
29 f. Nonpublic schools serving elementary and secondary students.
30 g. The Department of Commerce, Division of Employment Security.
31 h. The Department of Revenue.
32 i. The Department of Health and Human Services.
33 j. The Department of Labor.
34 (2) Ensure routine and ongoing compliance with FERPA, the Internal Revenue
35 Code, and other relevant privacy laws and policies, including the following:
36 a. The required use of de-identified data in data research and reporting.
37 b. The required disposition of information that is no longer needed.
38 c. Providing data security, including the capacity for audit trails.
39 d. Providing for performance of regular audits for compliance with data
40 privacy and security standards.
41 e. Implementing guidelines and policies that prevent the reporting of
42 other potentially identifying data.
43 (3) Facilitate information and data requests for State and federal education
44 reporting with existing State agencies as appropriate.
45 (4) Facilitate approved responses to public information requests~~requests from~~
46 the Board.

47 (5) Develop a process for obtaining information and data requested by the
48 General Assembly and Governor of current de-identified data and research.

49 (e) Use of data accessible through the System shall be regulated in the following ways:

- 50 (1) Direct access to data shall be restricted to authorized staff of the
51 ~~System~~Board.

- 1 (2) Only de-identified data shall be used in the analysis, research, and reporting
2 conducted by the System.
- 3 (3) The ~~System Board~~ shall only use aggregate data in the release of data in
4 reports and in response to data requests.
- 5 (4) Data that may be identifiable based on the size or uniqueness of the
6 population under consideration shall not be reported in any form by the
7 System.
- 8 (5) The ~~System Board~~ shall not release information that may not be disclosed
9 under FERPA, the Internal Revenue Code, and other ~~relevant~~ applicable
10 privacy laws and policies.
- 11 (6) Individual or personally identifiable data accessed through the System shall
12 not be a public record under G.S. 132-1.
- 13 (f) ~~The System may receive funding from the following sources:~~
- 14 (1) ~~State appropriations.~~
- 15 (2) ~~Grants or other assistance from local school administrative units, community~~
16 ~~colleges, constituent institutions of The University of North Carolina, or~~
17 ~~private colleges and universities.~~
- 18 (3) ~~Federal grants.~~
- 19 (4) ~~Any other grants or contributions from public or private entities received by~~
20 ~~the System."~~

21 **SECTION 6.** This act is effective when it becomes law.