

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 14, 2008
POSITION: Oppose unless amended

BILL NUMBER: SB 1298
AUTHOR: J. Simitian

BILL SUMMARY: Education Information

This bill would : (1) state Legislative intent to create a comprehensive longitudinal education data system; (2) require the State Department of Education (SDE) establish a process by which local educational agencies (LEAs) issue, maintain, and report information for child development programs using unique statewide pupil identifiers (SSIDs); 3) require the Chancellor's Office of the California Community Colleges (COCCC), the University of California (UC), and the California State University (CSU) to maintain the SSIDs, develop and maintain a three-year plan for the implementation, maintenance, and use of the SSIDs and to report to the Legislature annually, on or before April 1, on the progress of this process; 4) require the Legislative Analyst's Office (LAO) convene and staff a working group to make recommendations related to the governance of education data, as specified, and for the purpose of examining privacy issues related to pupil record information, and report its findings to the Legislature by June 1, 2009 and; 5) require the State Chief Information Officer (CIO) convene a group to create a strategic plan, as specified, that provides an overall structural design for the proposed education data system (including anticipating and proving technological capacity for the integration of noneducation data from other sources such as health, welfare, corrections, employment, etc.), and complete a feasibility study report analyzing the feasibility of, and mechanisms for, developing the system architecture for a comprehensive, longitudinal state education data system linking data from prekindergarten through university education by January 1, 2010.

FISCAL SUMMARY

The Department of Finance (Finance) estimates Proposition 98 General Fund (for the education components) and General Fund (for the non-educational components and administration) costs or pressures of at least the mid hundreds of millions to establish and maintain a comprehensive data system. In addition, we estimate that the cost for the CIO to develop a strategic plan and a feasibility study report would range from \$500,000 to \$1 million non-Proposition 98 General Funds.

COMMENTS

Finance is opposed to this bill in its current form for the following reasons, unless it amended to address the specified policy concerns:

- The proposed duties for essentially developing a strategic plan for implementing a comprehensive education data system (pre-K through university education) in California and related functions should appropriately be administered and overseen by the Chief Information Officer.
This bill would create Proposition 98 General Fund (for the educational components) and General Fund (for the non-educational components) costs in the mid hundreds millions of dollars. For example, the CSU's Common Management System, costs approximately \$400 million. The budget for Calpads is estimated to cost approximately \$33 million. We would note that this system is limited to pupils in K-12.
The substantial cost of the proposed system would come at the expense of direct instruction in schools, or other competing Proposition 98 and General Fund priorities.
California is currently in the process of implementing the California Longitudinal Pupil Achievement Data System and California Longitudinal Teacher Integrated Data Education System, which will provide policy makers with individual longitudinal data for the first time. Those systems should be implemented and looked at to determine the feasibility of utilizing them for the purpose stated in this bill.

Analyst/Principal Date Program Budget Manager Date
(0333) M. Aguilera Jeannie Oropeza

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

J. Simitian

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**ANALYSIS****A. Programmatic Analysis**

An abundance of education data is available in many forms at all levels of government and in the private sector. Examples range from automated reporting systems, program evaluations, studies, articles, and more. The new information that will be available through the new student and teacher data systems under development (see information below for detail) will be longitudinal data, which can track and shed insights into student and school performance over time.

**California Longitudinal Pupil Achievement Data System (Calpads)**—A system that allows for tracking individual student enrollment history and academic performance data over time. System goals pursuant to Chapter 1002, Statutes of 2002 (SB 1453), are to provide school districts and State Department of Education (SDE) access to data necessary to: (1) comply with federal No Child Left Behind reporting requirements, (2) provide a better means of evaluating educational progress and investments over time, (3) provide LEAs information that can be used to improve pupil achievement, and (4) provide an efficient, flexible, and secure means of maintaining longitudinal statewide pupil-level data.

**California Longitudinal Teacher Integrated Data Education System (Caltides)**— Chapter 840, Statutes of 2006 (SB 1614), authorizes the system. The SDE, in consultation with the Commission on Teacher Credentialing, is responsible for developing the system, which will serve as the central state repository for information regarding the teacher workforce for the purpose of developing and reviewing state policy, identifying workforce trends, and providing high-quality program evaluations of the effectiveness of teacher preparation and induction programs.

This bill would state Legislative intent to create a comprehensive longitudinal education data system to connect Pre-K through higher education, workforce, health, welfare, juvenile justice, and corrections data. Specifically, this bill would require: 1) a Pre-K through higher education longitudinal data system using SSIDs be operational by January 1, 2012; 2) the SDE establish a process for LEAs to issue, maintain, and report information for child development programs using SSIDs for K-12 programs; 3) the COCCC, UC, and CSU, maintain SSIDs for higher education students and develop and maintain three year plans for the implementation, maintenance and use of SSIDs; 4) require the LAO convene a staff working group (comprised at a minimum of the SPI, COCCC, UC, and CSU) to make recommendations related to the governance of education data, as specified, and for the purpose of examining privacy issues related to pupil record information, and report its findings to the Legislature by June 1, 2009; 5) require the CIO convene a group to create a strategic plan, as specified, that provides an overall structural design for the proposed education data system, and complete a feasibility study report analyzing the feasibility of, and mechanisms for, developing the system architecture for a comprehensive, longitudinal state education data system linking data from prekindergarten through university education by January 1, 2010; and 6) all governmental agencies and their representatives consider and comply with all state and federal privacy laws.

Finance is opposed to this bill unless it amended for reasons listed in the "Comments" section of this analysis.

As recommended--This bill would: (1) require the State Department of Education, Chancellor's Office of the California Community Colleges (CCC), University of California (UC), and California State University (CSU) to establish a process by which local education agencies, colleges and universities issue, maintain, and report information using unique statewide pupil identifiers; (2) require the State Chief Information Officer (CIO) to (a) convene a working group (consisting of at a minimum the Superintendent of Public Instruction, the Chancellor's Office(s) of the CCC, CSU and UC, and (b) form and advisory committee (consisting of at a minimum teachers and faculty, education providers, policymakers, researchers, parents and pupils) to the working group; (3) direct the working group to create a strategic plan that provides an overall structural design for the education data system (from pre-K through university education), the data protocols and procedures needed to implement the system and ensure privacy, and to report by September 1, 2009; (4) upon the request of the CIO, direct the California Commission on Teacher Credentialing, the State Board of Education, and the State Department of Education to provide electronically, at no cost, the California School Information Services program and Fiscal Crisis and Management Assistance Team with teacher distribution and educator credential status data and student assessment and accountability data or other academic and achievement data for the purpose of publicly releasing the data by January 1, 2009 (and for regular updating as determined by the CIO); (5) stipulate that state and local agencies shall comply with state and federal privacy law and ensure that the highest, appropriate security protections are in place.

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**B. Fiscal Analysis**

Finance estimates Proposition 98 General Fund (for the education components) and General Fund (for the non-educational components and administration) costs or pressures of at least the mid hundreds of millions to establish and maintain a comprehensive data system (based on the costs of similar integrated data systems such as the Child Welfare Services/Case Management System (\$254 million), the In Home Supportive Services/Case Management Information Payroll System (\$300 million) and the CSU's common management system (\$400 million)). The actual cost of the comprehensive system is unknown and would be subject to policy determination as to what data will be collected and be linked into the envisioned system. Finance estimates one-time Proposition 98 General Fund Costs of approximately \$1 million for LEAs to develop and assign identical SSIDs for themselves, UC, CSU, and COCCC (based on proportional costs to develop SSIDs for K-12) and annual General Fund costs of approximately \$2 million each for COCCC, \$1 million for CSU, and \$500K for UC to maintain SSIDs (based on a proportional cost of K-12's annual \$4 million dollar cost to maintain SSIDs). In addition, we estimate that the cost for the CIO to develop a strategic plan and a feasibility study report would range from \$500,000 to \$1 million in non-Proposition 98 General Funds.

| Code/Department<br>Agency or Revenue<br>Type | SO       | (Fiscal Impact by Fiscal Year) |    |                 |   |                 |                 |         |      | Fund<br>Code |
|--|----------|--------------------------------|----|-----------------|---|-----------------|-----------------|---------|------|--------------|
|  | LA       | (Dollars in Thousands)         |    |                 |   |                 |                 |         |      |              |
|  | CO<br>RV | PROP<br>98                     | FC | 2008-2009<br>FC | 2009-2010<br>FC                                 | 2010-2011<br>FC | 2010-2011<br>FC |         |      |              |
| 6110/Dept of Educ                            | SO       | No                             |    |                 | .....Costs in the mid hundreds of millions..... |                 |                 |         | 0001 |              |
| 6110/Dept of Educ                            | LA       | Yes                            |    |                 | .....Costs in the mid hundreds of millions..... |                 |                 |         | 0001 |              |
| 6110/Dept of Educ                            | LA       | Yes                            |    |                 | ..... Costs in the low of millions.....         |                 |                 |         | 0001 |              |
| 6440/UC                                      | SO       | No                             | C  | \$500           | C   | \$500           | C               | \$500   | 0001 |              |
| 6610/CSU                                     | SO       | No                             | C  | \$1,000         | C   | \$1,000         | C               | \$1,000 | 0001 |              |
| 6870/Comm College                            | SO       | No                             | C  | \$2,000         | C   | \$2,000         | C               | \$2,000 | 0001 |              |
| 0502/Chief Info                              | SO       | No                             |    | --              | C   | \$500 - 1,000   |                 | --      | 0001 |              |

Suggested Amendments  
SB 1298 (As amended July 14, 2008)

The Department of Finance's suggested mock-up of SB 1298 is as follows:

BILL NUMBER: SB 1298    AMENDED  
BILL TEXT

AMENDED IN ASSEMBLY    JULY 14, 2008  
AMENDED IN ASSEMBLY    JULY 2, 2008  
AMENDED IN SENATE    MAY 23, 2008  
AMENDED IN SENATE    APRIL 9, 2008

INTRODUCED BY    Senators Simitian and Steinberg  
(    Coauthor:    Assembly Member  
Brownley    )

FEBRUARY 20, 2008

An act to add Chapter 8 (commencing with Section 10800) to Part 7 of Division 1 of Title 1 of the Education Code, relating to education.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 8 (commencing with Section 10800) is added to Part 7 of Division 1 of Title 1 of the Education Code, to read:

CHAPTER 8. EDUCATION DATA AND INFORMATION ACT OF 2008

10800. This chapter shall be known and may be cited as the Education Data and Information Act of 2008.

10801. *It is the intent of the Legislature that:*

*(a) The design and implementation of a high-quality, comprehensive, and longitudinal education data system for California will do the following:*

*(1) Support a system of continuous learning by delivering timely, reliable, user-friendly, and relevant information to schoolsite and district leaders, county offices of education, higher education leaders, teachers and faculty, education program providers, policymakers, researchers, parents, pupils, and the public at large.*

*(2) Provide educators and parents with the tools, reports, and assistance needed to inform instruction and learning.*

*(3) Integrate education data from disparate sources, ~~including prekindergarten, kindergarten, grades 1 to 12, inclusive, and the higher education systems, adding information from prekindergarten education systems when that data is available.~~*

*(4) Anticipate and provide the technological capacity for ~~the integration~~ **data sharing** of noneducation data from other state sources such as health, welfare, juvenile justice, corrections, and employment agencies, the analysis of which is necessary to fully understand critical education policy and education finance questions.*

~~*(b) The State of California will have a longitudinally linked and fully operational prekindergarten through higher education data system architecture in place by January 1, 2012, including the universal use of the statewide pupil identifiers, which is a precondition for the system.*~~

10802. (a) The department, the Chancellor's Office of the California Community Colleges, the University of California, and the California State University shall establish a process by which local educational agencies, colleges and universities within those systems issue, maintain, and report information using the unique statewide pupil identifiers specified in paragraph

(3) of subdivision (e) of Section 60900 ~~for state and federally~~

funded child development and education programs under their purview.

~~(b) The Chancellor's Office of the California Community Colleges, the University of California, and the California State University shall maintain the statewide pupil identifiers specified in paragraph (3) of subdivision (c) of Section 60900 for purposes of connecting the longitudinal records of pupils enrolled in the colleges and universities within those systems.~~

~~(c) The department, the Chancellor's Office of the California Community Colleges, the University of California, and the California State University shall each develop and maintain a three year plan for the implementation, maintenance, and use of the and identifiers. Annually, on or before April 1, each segment shall provide a progress report to the Legislature.~~

~~10803. (a) The Legislative Analyst's Office shall convene a staff working group that includes bipartisan representation from both houses of the Legislature, and representation from the administration, the Superintendent, the Chancellor's Office of the California Community Colleges, the University of California, and the California State University.~~

~~(b) The working group shall make recommendations related to the governance of education data, including, but not limited to, the organizational structure of the governing entity, its relationship to other agencies, the scope of its authority and responsibilities, methods for holding the governing entity accountable, and methods for ensuring that the work of the governing entity primarily serves the purposes of continuous educational improvement at the same time as ensuring the privacy of data under its charge.~~

~~(c) The Legislative Analyst's Office shall coordinate the efforts of this working group with those of any other working group convened pursuant to law for the purpose of examining privacy issues related to pupil record information.~~

~~(d) The Legislative Analyst's Office shall report the recommendations of the working group convened pursuant to this section to the Legislature by June 1, 2009.~~

~~10804~~ **10803.** (a) The State Chief Information Officer appointed pursuant to Section 11545 of the Government Code shall convene a working group, representing, at a minimum, the Superintendent, the Chancellor's Office of the California Community Colleges, the University of California, the California State University, any other governmental entities that collect or report individual pupil education data that would become part of the comprehensive education data system. The CIO shall also form an advisory committee to the group, which shall at a minimum include, teachers and faculty, education program providers, policymakers, researchers, parents, and pupils.

(b) The group convened pursuant to this section shall create a strategic plan that provides an overall structural design for the education data system, for the interdepartmental data protocols and procedures that would be necessary for this system, and for specific procedures and policies that would be necessary to ensure the privacy of pupil record information so as to meet both federal requirements and the higher expectations of privacy held by the state.

~~(c) The strategic plan shall do all of the following:~~

~~(1) Examine the design, implementation, and use of the comprehensive longitudinal education data system that will link data from prekindergarten through university education for the purpose of creating a culture of continuous learning at the state and local level.~~

~~(2) The strategic plan shall examine the protocols and procedures to be used by state~~

~~agencies in data processing, including, but not limited to, collecting, storing, manipulating, sharing, retrieving, and releasing data so as to enable each state agency to accurately and efficiently collect and share data with the other state agencies.~~

~~(3) Examine the procedures and policies that would be necessary to ensure the privacy of pupil record information.~~

~~(4) Draw on previous reports and recommendations related to improving the education data of the state, including, but not limited to, the recommendations reported by the Legislative Analyst's Office~~

pursuant to Section 10803. Previous reports and recommendations shall be used to frame and guide discussion during the development of the strategic plan.

~~(5) Anticipate and provide the technological capacity for the integration of noneducation data from other state sources such as health, welfare, juvenile justice, corrections, and employment agencies, the analysis of which is necessary to fully understand critical education policy and education finance questions.~~

(6) Be delivered by the State Chief Information Officer to the Legislature and Governor on or before September 1, 2009.

~~(d) By January 1, 2010, the State Chief Information Officer shall complete a feasibility study report analyzing the feasibility of, and mechanisms for, developing the system architecture for a comprehensive, longitudinal state education data system linking data from prekindergarten through university education. The feasibility study report shall be informed by the strategic plan developed pursuant to this section.~~

**10804 (a). Notwithstanding any other provision of law, upon request of the State Chief Information Officer (CIO), the California Commission on Teacher Credentialing, State Board of Education and the State Department of Education shall provide, at no cost, the California School Information Services (CSIS) program and Fiscal Crisis and Management Assistance Team (FCMAT) with teacher distribution and educator credential status data and student assessment and accountability data or other student academic and achievement data, including but not limited to, data generated from, or related to, the Standardized Testing and Reporting (STAR) Program, the California High School Exit Exam (CAHSEE), the California English Language Development Test, the Academic Performance Index (API) and Adequate Yearly Progress data and calculations, graduation rates, and information on students who dropout of school.**

**(b) The data requested by the State Chief Information Officer shall be provided in an electronic format as designated by the CIO and in a timely manner. CSIS and FCMAT shall work in collaboration with the CIO to provide the public release of this information no later than January 1, 2009, which shall be periodically updated thereafter, in a format and schedule determined by the CIO with input from the advisory committee. The CIO shall ensure that the release of this information reflects data aggregated at the school site, district, county and statewide level and is in compliance with applicable state and federal privacy laws at the time of its release.**

**(c) To facilitate the timely transmittal of the data requested, the CIO may work directly with the assessment vendors of the California Commission on Teacher Credentialing, State Board of Education, and State Department of Education.**

10805. In meeting the requirements of this chapter, state agencies, local educational agencies, and the officers and appointees of those agencies shall consider and comply with state and federal privacy law, and ensure that the highest, appropriate security protections are in place in order to provide the maximum protection of privacy, **consistent with the requirements under the United States Constitution and all applicable federal laws, including the Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) (FERPA) and its implementing regulations (34 C.F.R. 99).**