

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1076** HLS 14RS 2009
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: 946

Date: April 7, 2014	10:42 AM	Author: SCHRODER
Dept./Agy.: Education		Analyst: Jodi Mauroner
Subject: Student information		

STUDENTS EG +\$651,000 SD EX See Note Page 1 of 2

Provides for limitations and prohibitions on the collection and sharing of student information and provides penalties for violations

The proposed legislation prohibits local public schools from collecting certain student information without parental consent. Further states that beginning June 1, 2015 school officials shall not provide student information to any school board, person, entity or agency with exceptions for providing aggregated data using a unique student identification number for reporting requirements; and for providing DOE information for the purpose of satisfying state and federal assessments, auditing, funding, monitoring, and school and district accountability requirements. The bill directs the DOE to develop a system for unique student identification numbers by May 1, 2015 and to assign such a number to every student enrolled in a public school no later than June 1, 2015. The bill provides parameters for individual access to school computer systems, restrictions on the use and sharing of the information contained therein and provides minimum requirements for anyone who has access for ensuring protection of the student information. Provides a punishment of imprisonment for not more than six months or fines of not more than ten thousand dollars, or both for violators of the law.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$651,000	\$0	\$0	\$0	\$0	\$651,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

There will be an increase in expenditures for the Department of Education for the student information system modifications to develop a unique student identification number system (UID). DOE is in the process of transitioning the statewide data system to a unique identifier system with the overall goal to replace student social security numbers with unique identifiers (UID) and to distribute the new UIDs to the local school systems to be used for required assessment and reporting activities. The DOE has applied for a \$651,000 grant of 8(g) funds from BESE for the project. If approved by BESE at the April Board meeting, the funds would be available for FY 14-15. If it is not approved and these funds are not available another source of funding must be identified. The funds would be used for development, software and related consulting services (\$526,000), operating services (\$65,000), and equipment (\$60,000). The DOE anticipates awarding a contract by January 2015 with an expected completion date of May 30, 2015. The DOE projects additional maintenance and support costs in the amount of \$34,000 for FY 15-16 through FY 18-19. These amounts are not included in the 8(g) grant and would likely be funded with state general fund.

There will be an indeterminable increase in expenditures for the Office of Financial Assistance (OSFA) to reconfigure La Connect. OSFA, through an out of state third party administrator, manages Louisiana Connect, an online college and career planning resource which allows students and their parents to track individual academic progress, build profiles to highlight skills and achievements and engage in career planning strategies. Student data is transferred to OSFA and La Connect from the DOE. La Connect will require modifications to incorporate the use of a unique identification number. However, the extent of the modifications will not be evident until the DOE has completed the transition for the student information system. Additionally, it is possible that some parents may not approve the transfer of a student's personally identifiable information and OSFA will have to establish a manual process for the purpose of determining TOPS eligibility, requiring additional staff.

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REVENUE EXPLANATION

There is a potential increase in revenues for local governments as a result of the fines authorized by the bill. Any revenue generated through the imposition of fines would accrue to local governments.

Senate	<u>Dual Referral Rules</u>	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> Evan Brasseaux Staff Director
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}		
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}		

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CONTINUED EXPLANATION from page one:

There is an indeterminable impact to institutions of higher education to the extent the bill would require programming changes to data systems impacting financial aid, and admissions. A Board of Regents survey to assess Enterprise Resource Planning (ERP) systems revealed that there is a wide variation in student record systems in use across all post-secondary institutions, ranging from Legacy systems created in-house to purchased systems like Banner and PeopleSoft. Therefore expenditures related to modifications to existing student records systems will vary due to the types of systems and the size of the IT staff available to service the system.

Finally, there is a potential increase in the expenditures for local law enforcement agencies as a result of the penalties authorized by the bill. The penalty is a misdemeanor; therefore, these offenders are not sentenced to the Department of Public Safety and Corrections. Local law enforcement agencies may realize an indeterminable increase in expenditures associated with prison costs. The cost increase will depend on the number of persons convicted, the minimum sentence an offender serves, and the cost per day for a local law enforcement agency to incarcerate an offender.

Senate

Dual Referral Rules

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director