

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 401
PROPOSED COMMITTEE SUBSTITUTE H401-PCS20299-TV-7

Short Title: Authorize Data Sharing for NCLDS.

(Public)

Sponsors:

Referred to:

April 1, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR THE SHARING OF DATA BY THE DIVISION OF EMPLOYMENT SECURITY AND DIVISION OF MOTOR VEHICLES WITH THE NORTH CAROLINA LONGITUDINAL DATA SYSTEM AND THE NORTH CAROLINA P-20W STATEWIDE LONGITUDINAL DATA SYSTEM; TO CLARIFY THE USE OF DE-IDENTIFIED DATA; AND TO TRANSITION THE NORTH CAROLINA P-20W STATEWIDE LONGITUDINAL DATA SYSTEM TO THE NORTH CAROLINA LONGITUDINAL DATA SYSTEM UPON CONCLUSION OF THE FEDERAL GRANT FOR THE NORTH CAROLINA P-20W STATEWIDE LONGITUDINAL DATA SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 20-7(b2) reads as rewritten:

"(b2) Disclosure of Social Security Number. – The social security number of an applicant is not a public record. The Division may not disclose an applicant's social security number except as allowed under federal law. A violation of the disclosure restrictions is punishable as provided in 42 U.S.C. § 408, and amendments to that law.

In accordance with 42 U.S.C. 405 and 42 U.S.C. 666, and amendments thereto, the Division may disclose a social security number obtained under subsection (b1) of this section only as follows:

- (1) For the purpose of administering the drivers license laws.
- (2) To the Department of Health and Human Services, Child Support Enforcement Program for the purpose of establishing paternity or child support or enforcing a child support order.
- (3) To the Department of Revenue for the purpose of verifying taxpayer identity.
- (4) To the Office of Indigent Defense Services of the Judicial Department for the purpose of verifying the identity of a represented client and enforcing a court order to pay for the legal services rendered.
- (5) To each county jury commission for the purpose of verifying the identity of deceased persons whose names should be removed from jury lists.
- (6) To the Office of the State Chief Information Officer for the purposes of G.S. 143B-426.38A.
- (7) To the North Carolina Longitudinal Data System for the purposes of G.S. 116E-2."

SECTION 1.(b) Notwithstanding the requirements of G.S. 20-7(b2), in accordance with 42 U.S.C. § 405 and 42 U.S.C. § 666, and amendments thereto, the Division may disclose



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1 a Social Security number obtained under G.S. 20-7(b1) to the North Carolina P-20W Statewide
2 Longitudinal Data System for the purpose of connecting education and workforce data.

3 **SECTION 2.(a)** G.S. 96-4(x) reads as rewritten:

4 "(x) Confidentiality of Records, Reports, and Information Obtained from Claimants,
5 Employers, and Units of Government. – For purposes of this Chapter, the term "confidential
6 information" means any unemployment compensation information in the records of the
7 Division of Employment Security that pertains to the administration of the Employment
8 Security Law that is required to be kept confidential under 20 C.F.R. Part 603, including claim
9 information and any information that reveals the name or any identifying particular about any
10 individual or any past or present employer or employing unit, or that could foreseeably be
11 combined with other publicly available information to reveal any such particulars.

12 Confidential information is exempt from the public records disclosure requirements of
13 Chapter 132 of the General Statutes. Confidential information may be disclosed only as
14 permitted in this subsection. Any disclosure and redisclosure of confidential information must
15 be consistent with 20 C.F.R. Part 603 and any written guidance promulgated and issued by the
16 U.S. Department of Labor consistent with this regulation and any successor regulation. To the
17 extent a disclosure or redisclosure of confidential information is permitted or required by this
18 federal regulation, the Department's authority to disclose or redisclose the information includes
19 the following:

- 20 (1) Confidentiality of Information Contained in Records and Reports. – (i)
21 Except as hereinafter otherwise provided, it shall be unlawful for any person
22 to obtain, disclose, or use, or to authorize or permit the use of any
23 information which is obtained from an employer, individual, or unit of
24 government pursuant to the administration of this Chapter or G.S. 108A-29.
25 (ii) Any claimant or employer or their legal representatives shall be supplied
26 with information from the records of the Division to the extent necessary for
27 the proper presentation of claims or defenses in any proceeding under this
28 Chapter. Notwithstanding any other provision of law, any claimant may be
29 supplied, subject to restrictions as the Division may by regulation prescribe,
30 with any information contained in his payment record or on his most recent
31 monetary determination, and any individual, as well as any interested
32 employer, may be supplied with information as to the individual's potential
33 benefit rights from claim records. (iii) Subject to restrictions as the Secretary
34 may by regulation provide, information from the records of the Division may
35 be made available to any agency or public official for any purpose for which
36 disclosure is required by statute or regulation. (iv) The Division may, in its
37 sole discretion, permit the use of information in its possession by public
38 officials in the performance of their public duties. (v) The Division shall
39 release the payment and the amount of unemployment compensation
40 benefits upon receipt of a subpoena in a proceeding involving child support.
41 (vi) The Division shall furnish to the State Controller any information the
42 State Controller needs to prepare and publish a comprehensive annual
43 financial report of the State or to track debtors of the State. (vii) The
44 Secretary may disclose or authorize redisclosure of any confidential
45 information to an individual, agency, or entity, public or private, consistent
46 with the requirements enumerated in 20 C.F.R. Part 603 or any successor
47 regulation and any written guidance promulgated and issued by the U.S.
48 Department of Labor consistent with 20 C.F.R. Part 603. (viii) The Division
49 may disclose final decisions and the records of the hearings that led to those
50 decisions only after the expiration of the appeal rights as provided under
51 G.S. 96-15. (ix) The Division shall provide record level unemployment

1 compensation information to the North Carolina Longitudinal Data System
2 for statistical and analytical purposes to facilitate and enable the linkage of
3 student data and workforce data. Unemployment compensation data
4 provided to the North Carolina Longitudinal Data System shall be
5 maintained in compliance with all privacy and security standards established
6 as provided in Chapter 116E of the General Statutes.

7 "

8 **SECTION 2.(b)** Notwithstanding the requirement of G.S. 96-4(x), the Department
9 of Commerce, Division of Employment Security, shall provide record level unemployment
10 compensation information to the North Carolina P-20W Statewide Longitudinal Data System
11 for statistical and analytical purposes to facilitate and enable the linkage of student data and
12 workforce data required by the federal United States Department of Education grant awarded
13 for development of the North Carolina P-20W Statewide Longitudinal Data System.
14 Unemployment compensation data provided to the North Carolina P-20W Statewide
15 Longitudinal Data System shall be maintained in compliance with all privacy and security
16 standards established by the P-20W Council.

17 **SECTION 3.** G.S. 116E-1 reads as rewritten:

18 "**§ 116E-1. Definitions.**

- 19 (1) "Board" means the governing board of the North Carolina Longitudinal Data
20 System.
21 (2) "De-identified data" means a data set in which parent and student identity
22 information, including the ~~unique student identifier and~~ student social
23 security number, has been removed.
24 (3) "FERPA" means the federal Family Educational Rights and Privacy Act, 20
25 U.S.C. § 1232g.
26 (4) "Student data" means data relating to student performance. Student data
27 includes State and national assessments, course enrollment and completion,
28 grade point average, remediation, retention, degree, diploma or credential
29 attainment, enrollment, discipline records, and demographic data. Student
30 data does not include juvenile delinquency records, criminal records, and
31 medical and health records.
32 (5) "System" means the North Carolina Longitudinal Data System.
33 (6) "Unique Student Identifier" or "UID" means the identifier assigned to each
34 student by one of the following:
35 a. A local school administrative unit based on the identifier system
36 developed by the Department of Public Instruction.
37 b. An institution of higher education, nonpublic school, or other State
38 agency operating or overseeing an educational program, if the
39 student has not been assigned an identifier by a local school
40 administrative unit.
41 (7) "Workforce data" means data relating to employment status, wage
42 information, geographic location of employment, and employer
43 information."

44 **SECTION 4.(a)** G.S. 116E-5(e) reads as rewritten:

- 45 "(e) Use of data accessible through the System shall be regulated in the following ways:
46 (1) Direct access to data shall be restricted to authorized staff of the System.
47 (2) Only de-identified data shall be used in the ~~analysis, research, and~~ reporting
48 conducted by the System.
49 (3) The System shall only use aggregate data in the release of data in ~~reports and~~
50 ~~in response to data requests.~~ reports.

1 (4) Data that may be identifiable based on the size or uniqueness of the
2 population under consideration shall not be reported in any form by the
3 System. In reports of aggregate data, the Board shall establish rules to ensure
4 that confidentiality of individual student data is preserved.

5 (5) The System shall not release information that may not be disclosed under
6 FERPA, the Internal Revenue Code, and other relevant privacy laws and
7 policies.

8 (6) Individual or personally identifiable data accessed through the System shall
9 not be a public record under G.S. 132-1."

10 **SECTION 4.(b)** The P-20W Council shall, at a minimum, regulate use of data
11 accessible through the North Carolina P-20W Statewide Longitudinal Data System in the
12 following ways:

13 (1) Direct access to data shall be restricted to authorized staff of the North
14 Carolina P-20W Statewide Longitudinal Data System.

15 (2) Only de-identified data shall be used in the reporting conducted by the North
16 Carolina P-20W Statewide Longitudinal Data System.

17 (3) The North Carolina P-20W Statewide Longitudinal Data System shall only
18 use aggregate data in the release of data in reports.

19 (4) Data that may be identifiable based on the size or uniqueness of the
20 population under consideration shall not be reported in any form by the
21 North Carolina P-20W Statewide Longitudinal Data System. In reports of
22 aggregate data, the P-20W Council shall establish policies to ensure that
23 confidentiality of student data is preserved.

24 (5) North Carolina P-20W Statewide Longitudinal Data System shall not release
25 information that may not be disclosed under FERPA, the Internal Revenue
26 Code, and other relevant privacy laws and policies.

27 (6) Individual or personally identifiable data accessed through the North
28 Carolina P-20W Statewide Longitudinal Data System shall not be a public
29 record under G.S. 132-1.

30 **SECTION 5.(a)** G.S. 116E-6(a) reads as rewritten:

31 "(a) Local school administrative units, charter schools, community colleges, constituent
32 institutions of The University of North Carolina, and State agencies shall do all of the
33 following:

34 (1) Comply with the data requirements and implementation schedule for the
35 System as set forth by the Board.

36 (2) Transfer student data and workforce data to the System in accordance with
37 the data security and safeguarding plan developed by the Board under
38 G.S. 116E-5.

39 For the purposes of this section, State agencies that shall provide data to the System include
40 the Department of Health and Human Services, the Department of Commerce, Division of
41 Employment Security, the Department of Revenue, the Department of Labor, and the
42 Department of Transportation, Division of Motor Vehicles."

43 **SECTION 5.(b)** Local school administrative units, charter schools, community
44 colleges, constituent institutions of The University of North Carolina, and State agencies shall
45 comply with the data requirements and implementation schedule for the North Carolina P-20W
46 Statewide Longitudinal Data System as set forth by the P-20W Council and shall transfer
47 student data and workforce data to the North Carolina P-20W Statewide Longitudinal Data
48 System in accordance with the data security and safeguarding plan developed by the P-20W
49 Council.

50 For the purposes of this section, State agencies that shall provide data to the North
51 Carolina P-20W Statewide Longitudinal Data System include the Department of Health and

1 Human Services, the Department of Commerce, Division of Employment Security, and the
2 Department of Transportation, Division of Motor Vehicles.

3 **SECTION 6.** Upon the conclusion of the North Carolina P-20W Statewide
4 Longitudinal Data System grant provided by the United States Department of Education, the
5 North Carolina P-20W Statewide Longitudinal Data System shall become the North Carolina
6 Longitudinal Data System and shall be governed by the North Carolina Longitudinal Data
7 System Board.

8 **SECTION 7.** This act is effective when it becomes law.