

February 11, 2025

The Honorable Jason W. Goetz, Chairperson
House Committee on K-12 Education Budget
300 SW 10th Avenue, Room 546-S
Topeka, Kansas 66612

Dear Representative Goetz:

SUBJECT: Fiscal Note for HB 2303 by House Committee on K-12 Education Budget

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2303 is respectfully submitted to your committee.

HB 2303 would create the Longitudinal Data Act. The bill would establish the Division of Longitudinal Data within the Kansas Legislative Research Department (KLRD) and would create the new position of Director of Longitudinal Data, who would be appointed by the Legislative Coordinating Council (LCC). The bill would allow the Director to hire assistants and employees for the new Division.

The Division would establish the Kansas Longitudinal Data System as a secure means for the following:

1. Exchange, de-identify and match individual-level education and workforce data from participating agencies and outside entities while upholding legal protections to ensure privacy and security;
2. Connect individuals and organizations to trusted information, resources, tools and services that support the education-to-employment pipeline;
3. Provide the Legislature and state agencies with access to data regarding state workforce development, including early learning, education, workforce training and employment outcomes; and

4. Match data from participating agencies over time to create reports that may then be aggregated and analyzed to assist the legislature and state agencies with developing strategies to improve education and workforce outcomes.

Each participating agency would be required to enter into a memorandum of understanding with the Division to participate in the system. All information matched from participating agencies would be collected, safeguarded, kept confidential and used only by the Division in accordance with this act, as well as state and federal law. Each participating agency would retain ownership of any data and would reserve the right to opt out of any research request if the request would violate state or federal law. A participating agency would not have access to data owned by another participating agency unless a data request is approved by the Division.

The bill would outline the following duties for the new Division:

1. Establish the Kansas longitudinal data system;
2. Develop a strategic plan to develop, implement and utilize the system to accomplish the objectives of the Division;
3. Collect data from participating agencies and outside organizations;
4. Connect and ensure collected data is de-identified by the Division;
5. Store connected data;
6. Conduct research on data using the system in accordance with the research agenda adopted by the LCC;
7. Conduct research on data in the system to answer research requests;
8. Oversee compliance regarding the security and protection of data shared to and stored in the system;
9. Develop a data governance and security plan for the system regarding the use, privacy and security of data and publish the plan on a website developed and administered by the Division;
10. Establish policies for sharing aggregated data or reports with the public and external organizations;
11. Develop strategies to promote the transparent operation of the system; and
12. Prepare and provide an annual report to the LCC and the Governor.

The bill would require the Division to create a prioritized list of data research requests. On or before January 31, 2026, the Director would be required to receive data research requests from the following prioritized individuals and organizations: a legislative committee or a legislative staff office; the Governor or an executive branch agency; the Kansas Board of Education; and the Kansas Board of Regents. In addition, upon the approval of the LCC, the Division may prepare data research at the request of the following: a state governmental entity; a political subdivision of the state; a private entity; or a member of the public.

The Division may require the person or organization to pay the full cost of completing the data research request once the data research is complete. The bill would allow the Director to designate a research designee to assist in conducting research and would outline a process for the designation.

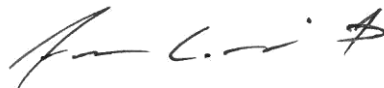
The Division would be required to establish the Kansas Credential Skills Registry, which would be a comprehensive and up-to-date collection of information on all educational and occupational credentials that are granted or funded by the state. The bill would outline the information to be included in the registry and a timeline of when a list would be available. The registry would be available to the public, readable by individuals and machine actionable, aligned with widely recognized standards for open access.

Finally, the bill would appropriate \$3.0 million from the State General Fund in FY 2026 to the Legislative Coordinating Council (LCC) for the costs of the Division.

KLRD indicates the bill would have no fiscal effect, as the bill would appropriate funds to the LCC for the Division in FY 2026. According to Legislative Administrative Services (LAS), the bill's appropriation of \$3.0 million from the State General Fund would be the budget for the new Division. However, LAS states that because the new Division would be housed within KLRD, there would have to be a transfer of funds from the LCC to KLRD, as any new FTE positions, along with other operating expenditures, would occur within KLRD for the Division. LAS reports that future costs for the Division would be approximately \$3.0 million, depending on future legislative agency budgets approved for submission in the annual budgeting process by the LCC.

The Division of the Budget notes that appropriations from the State General Fund cannot be transferred between agencies. However, an interagency agreement could allow the FY 2026 appropriation to the LCC to pay for Division expenditures that would occur in KLRD. Any fiscal effect associated with HB 2303 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt".

Adam C. Proffitt
Director of the Budget

cc: Shirley Morrow, Legislative Research