



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: SB0118.02 (003): Generally revise student data laws to enhance privacy

Primary Sponsor: Daniel Zolnikov Status: As Amended in Senate Committee

☐ Included in the Executive Budget ☒ Needs to be included in HB 2 ☐ Significant Local Gov Impact
☐ Significant Long-Term Impacts ☐ Technical Concerns ☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
General Fund (01)	\$150,000	\$150,000	\$150,000	\$150,000
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>(\$150,000)</u>	<u>(\$150,000)</u>	<u>(\$150,000)</u>	<u>(\$150,000)</u>
General Fund Balance				

Description of fiscal impact

SB 118 establishes the right to be forgotten, allowing students or parents to submit a verifiable request to delete certain student data from the statewide K-12 data system having oversight by the Workforce Data Governing Board. The state cost is \$150,000 per year.

FISCAL ANALYSIS

Assumptions

Office of Public Instruction

1. Section 2 of SB 118 requires that all Office of Public Instruction (OPI) contracts contain data privacy and security provisions and include penalties for non-compliance. The SOC (Security Operations Center) 2 Type II report is the benchmark for adhering to security requirements and can cost up to \$150,000 per contract.
2. As amended, SB 118 requires only the one student data collection and communication system that the Education and Workforce Data Governing Board has oversight of needing to meet the requirements of the SOC 2 Type II report.
3. Ensuring compliance with the security provision in this bill would cost OPI up to \$150,000 annually.
4. There are currently three additional student databases at OPI that will not be considered to be a part of the requirements of SB 118 as they are not under the oversight of the Education and Workforce Data Governing Board.
5. The bill provides definition of "deidentified data" and a re-identification code.

Department of Labor and Industry

6. SB 118 establishes the right to be forgotten. The Department of Labor and Industry (DLI) assumes that this right only applies to data housed within the state educational data system. DLI assumes that existing and future data sharing contracts between the state education and workforce agencies will not be subject to these restrictions.

Department of Administration

7. This bill would see the board ensure compliance with the right to be forgotten, which includes prohibiting the use of a student's social security number in whole or in part as a unique identifier. No fiscal impact is anticipated for DOA.

Fiscal Analysis Table

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Operating Expenses	\$150,000	\$150,000	\$150,000	\$150,000
TOTAL Expenditures	\$150,000	\$150,000	\$150,000	\$150,000
<u>Funding of Expenditures</u>				
General Fund (01)	\$150,000	\$150,000	\$150,000	\$150,000
TOTAL Funding of Expenditures	\$150,000	\$150,000	\$150,000	\$150,000
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)

NO SPONSOR SIGNATURE

3/18

Sponsor's Initials

Date



Budget Director's Initials

3/17/2025

Date