



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Am. H.B. 370 of the 128th G.A.

Date: December 16, 2009

Status: As Reported by House Education

Sponsor: Rep. Garrison

Local Impact Statement Procedure Required: No — Possible indirect local effects (effects were in the As Introduced version)

Contents: Permits the Department of Education and the Chancellor of the Board of Regents to establish a P-16 longitudinal data system

State Fiscal Highlights

STATE FUND	Initial Fiscal Year	FUTURE YEARS
General Revenue Fund		
Revenues	- 0 -	- 0 -
Expenditures	Estimated increase of \$750,000 for maintenance and support of data system	Estimated increase of \$565,000 for maintenance and support of data system
Federal Special Revenue Fund Group		
Revenues	Increase from the federal SLDS grant program	- 0 -
Expenditures	Offsetting increase for design and development of data system	- 0 -

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- The bill permits the Ohio Department of Education (ODE) and the Board of Regents to establish a P-16 longitudinal data system. According to ODE, funding for the design and development of such a system may be applied for through the federal State Longitudinal Data Systems (SLDS) competitive grant program of the American Recovery and Reinvestment Act.
- ODE also estimates additional costs associated with the maintenance and support of such a system at \$750,000 in the first year of operation and \$565,000 in subsequent fiscal years.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Establishment of a P-16 longitudinal data system

The bill permits the Ohio Department of Education (ODE) and the Chancellor of the Board of Regents to establish a longitudinal data system for students in public elementary and secondary schools and public institutions of higher education by combining their student data, using ODE's existing system for giving each student a unique identifier number. While the data repository will be physically maintained within ODE's technical infrastructure, the Superintendent of Public Instruction and the Chancellor jointly must develop procedures for the maintenance of the combined data repository and designate the types of research that may be conducted using the data.¹

According to a spokesperson for ODE, costs associated with the design and development of a new data system capable of meeting the bill's guidelines for transfer, storage, and reporting of P-16 data would be allowable uses of any federal funds received by the state under the State Longitudinal Data Systems (SLDS) grant program of the American Recovery and Reinvestment Act. Based on the state's successful history in obtaining SLDS grant funding, ODE's estimate of the costs of implementing the new longitudinal data system assume that development costs can be met with federal funding. However, costs associated with maintenance, support, and operations of the new system are not allowable uses of these same federal funds. ODE estimates that maintenance, support, and operations costs associated with the new P-16 longitudinal data system will be approximately \$750,000 in the initial year and \$565,000 in subsequent years. These estimates include annual personnel costs of \$300,000 for three information technology professionals; annual software and hardware licensing fee costs of \$265,000; and initial year costs of \$170,000 to \$185,000 for the purchase of additional licenses and a new server.

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¹ The bill identifies several permitted uses of the data but also allows the Superintendent and the Chancellor to use the data for other purposes. The bill also states that all uses of student data must conform to the federal Family Educational Rights and Privacy Act of 1974 (20 United States Code 1232g).