

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 401

Short Title: Authorize Data Sharing for NCLDS. (Public)

Sponsors: Representatives Blackwell, Saine, and Cleveland (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: State Personnel.

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."



1           **SECTION 1.(b)** Notwithstanding the requirements of G.S. 20-7(b2), in accordance  
2 with 42 U.S.C. § 405 and 42 U.S.C. § 666, and amendments thereto, the Division may disclose  
3 a Social Security number obtained under G.S. 20-7(b1) to the North Carolina P-20W Statewide  
4 Longitudinal Data System for the purpose of connecting education and workforce data.

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

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

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

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

1 decisions only after the expiration of the appeal rights as provided under  
2 G.S. 96-15. (ix) The Division shall provide record level unemployment  
3 compensation information to the North Carolina Longitudinal Data System  
4 for statistical and analytical purposes to facilitate and enable the linkage of  
5 student data and workforce data. Unemployment compensation data  
6 provided to the North Carolina Longitudinal Data System shall be  
7 maintained in compliance with all privacy and security standards established  
8 as provided in Chapter 116E of the General Statutes.

9 ...."

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

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

20 **"§ 116E-1. Definitions.**

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

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

47 "(e) Use of data accessible through the System shall be regulated in the following ways:

- 48 (1) Direct access to data shall be restricted to authorized staff of the System.  
49 (2) Only de-identified data shall be used in the ~~analysis, research, and~~ reporting  
50 conducted by the System.

- 1 (3) The System shall only use aggregate data in the release of data in ~~reports and~~  
2 ~~in response to data requests.~~reports.  
3 (4) Data that may be identifiable based on the size or uniqueness of the  
4 population under consideration shall not be reported in any form by the  
5 System. In reports of aggregate data, the Board shall establish rules to ensure  
6 that confidentiality of individual student data is preserved.  
7 (5) The System shall not release information that may not be disclosed under  
8 FERPA, the Internal Revenue Code, and other relevant privacy laws and  
9 policies.  
10 (6) Individual or personally identifiable data accessed through the System shall  
11 not be a public record under G.S. 132-1."

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

- 15 (1) Direct access to data shall be restricted to authorized staff of the North  
16 Carolina P-20W Statewide Longitudinal Data System.  
17 (2) Only de-identified data shall be used in the reporting conducted by the North  
18 Carolina P-20W Statewide Longitudinal Data System.  
19 (3) The North Carolina P-20W Statewide Longitudinal Data System shall only  
20 use aggregate data in the release of data in reports.  
21 (4) Data that may be identifiable based on the size or uniqueness of the  
22 population under consideration shall not be reported in any form by the  
23 North Carolina P-20W Statewide Longitudinal Data System. In reports of  
24 aggregate data, the P-20W Council shall establish policies to ensure that  
25 confidentiality of student data is preserved.  
26 (5) North Carolina P-20W Statewide Longitudinal Data System shall not release  
27 information that may not be disclosed under FERPA, the Internal Revenue  
28 Code, and other relevant privacy laws and policies.  
29 (6) Individual or personally identifiable data accessed through the North  
30 Carolina P-20W Statewide Longitudinal Data System shall not be a public  
31 record under G.S. 132-1.

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

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

- 36 (1) Comply with the data requirements and implementation schedule for the  
37 System as set forth by the Board.  
38 (2) Transfer student data and workforce data to the System in accordance with  
39 the data security and safeguarding plan developed by the Board under  
40 G.S. 116E-5.

41 For the purposes of this section, State agencies who shall provide data to the System,  
42 include, but are not limited to, the Department of Health and Human Services, the Department  
43 of Commerce, Division of Employment Security, the Department of Revenue, the Department  
44 of Labor, and the Department of Transportation, Division of Motor Vehicles."

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

1           For the purposes of this section, State agencies who shall provide data to the North  
2 Carolina P-20W Statewide Longitudinal Data System include, but are not limited to, the  
3 Department of Health and Human Services, the Department of Commerce, Division of  
4 Employment Security, and the Department of Transportation, Division of Motor Vehicles.

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

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