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FISCAL IMPACT REPORT

ORIGINAL DATE 02/09/18

SPONSOR Roch **LAST UPDATED** _____ **HB** 84

SHORT TITLE Educational Use of Social Security Numbers **SB** _____

ANALYST Amacher

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Could be Significant (See Fiscal Impacts)					

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Response Received From

Higher Education Department (HED)
Department of Information & Technology (DOIT)

No Response Received From

Children, Youth & Families Department (CYFD)
Department of Health (DOH)
Workforce Solutions Department (DWS)
Governor's Office (GOV)
Human Services Department (HSD)
Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 84 prohibits the use of social security numbers (SSNs) in certain education-related functions such as in the Educational Data System and the Assessment and Accountability Act. This bill provides an exception to the use of social security numbers in the School Personnel Act when performing a background check in accordance with the law. The effective date of this bill July 1, 2019.

FISCAL IMPLICATIONS

The fiscal impact could be significant, at this moment there are no immediate identifiable costs because it is unclear if the current database is adaptable to such a change and the degree of staff involvement necessary to support implementation within the database. If the system is not adaptable, a new database system may have to be created. However, HED notes that if this bill is more broadly interpreted to prevent the use of SSNs in the HED Data Editing and Reporting System (DEAR), the cost would be immense. One of the main advantages of DEAR data is its ability to track student transfer and student transition into the workforce using SSNs. If each higher education institution submitted their own internal ID instead of SSNs, matches across institutions would be very difficult and subject to errors, and matches to Department of Workforce Solutions unemployment insurance wage data would no longer be feasible.

HED further notes - but does not specify – that there is already a fairly high cost involved in the name/birthdate match between DEAR data and Public Education Department data. There are many cases where a match is ambiguous and staff has to decide and manually select which match is correct. There are also cases where a match isn't possible, which lessens the overall accuracy of the reports and analyses. Replacing SSNs in DEAR with an alternative common student identifier will require substantial effort and expense for HED and all NM postsecondary institutions.

SIGNIFICANT ISSUES

HB 84 prohibits the use of social security numbers (SSNs) in certain education-related functions. The bill amends the Educational Data System (Chapter 22-1-11 NMSA 1978) by clearly stating the data system shall not include the use of social security numbers. Data system partners, in consultation with school districts, charter schools and public post-secondary educational institutions, from collecting and distributing aggregate data about student(s) or educator(s) must ensure the data does not reveal personally identifiable information.

HB 84 adds new material to the Assessment and Accountability Act (Chapter 22-2C NMSA 1978) to read “a social security number shall not be used for any proposed under the Assessment and Accountability Act.”

HB 84 adds new material to the School Personnel Act (Chapter 22-10A-5 NMSA 1978) to provide an exception in using a social security number in the following instances:

- To perform a background check in accordance with School Personnel Act;
- To process a request for or issue a license in accordance with the School Personnel Act;
- To comply with payroll and benefit requirements imposed by the School Personnel Act;
- To comply with a court-issued order or subpoena; or
- To release information in accordance with a request by the person associated with the number.”

The effective date of this bill July 1, 2019.

OTHER SUBSTANTIVE ISSUES

NMHED notes that data on Pre-K through high school enrollment in New Mexico public

secondary institutions comes from PED's internal data system. This system does not use social security numbers (SSNs). All students are assigned a Unique Identifier (UI), often referred to as a Student Teacher Accountably Reporting System (STARS ID).

Data on New Mexico colleges and universities enrollment comes from the HED Data Editing and Reporting (DEAR) System – a unit record data collection form all public colleges and universities on students, courses, financial aid, certificates and degrees awarded. The DEAR data has been collected since 1995 and uses SSNs as a unique identifier. SSN matching is a required component of the DEAR system, largely because the data is used to verify financial aid awards, and currently because it is the only feasible way to track students as they move between institutions and into the workforce, as reported by HED.

The Data System Council determined that job placement data in NM would be a very important component of the Education Data System. As HED notes this can most readily be done by matching to UI wage data maintained by the Department of Workforce Solutions. A simple name match would return too many false, uncertain and failed matches. Currently, matches from HED to the UI wage data are made using SSNs. Employment results entered into the Education Data System do not include the SSN.

HED reports the inability to collect SSNs at the PED level will make it difficult or even impossible to track students from PED who either drop out or who choose not to enter a public college, university or the workforce in New Mexico.

Matches between institutions or system are greatly facilitated by the use of SSNs, notes HED. Matches based on name and birthdate are subject to duplication error. Names are not always spelled the same way. Nicknames are entered instead of full names or names change. Mandates to track student and also effectiveness of programs designed to affect student success are more difficult and expensive when the SSN is not available.

JMA/jle