

Date of Hearing: April 9, 2024

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

AB 2723 (Irwin) – As Amended March 21, 2024

[Note: This bill is double referred to the Assembly Education Committee and will be heard by that Committee as it relates to issues under its jurisdiction.]

SUBJECT: The California Cradle-to-Career Data System Act

SUMMARY: Makes various technical and clarifying changes to the statutes pertaining to the Cradle-to-Career Data System (C2C). Specifically, **this bill:**

- 1) Limits the operation of the C2C working group until the first meeting of the C2C governing board.
- 2) Repeals the C2C working group from the Education Code beginning on January 1, following the first meeting of the C2C governing board.
- 3) Removes the specific reference to the number of data points in the P20W data set.
- 4) Adds the California School Information Services to the list of institutions who are represented on the C2C governing board but are not considered data providers.
- 5) Corrects a typo for the Education Code reference for the definition of operational tools in the section of the C2C language regarding the responsibilities of the C2C governing board.
- 6) Clarifies the specific date, July 27, 2026 for the phase in of the one-stop automated process for the following:
 - a) Messaging and tools to increase and monitor student readiness for college admission and attendance; and,
 - b) Single point of entry to submit California college and university applications and applications for student financial aid.

EXISTING LAW:

- 1) Establishes the C2C Act. Declares it is the intent of the Legislature to build a data system to enable partner entities to share information reliably in a manner that promotes data privacy and security, and to design a data system that minimizes the need for new infrastructure that will serve families and students, as specified. Establishes the Cradle-to-Career data system's Workgroup (workgroup), comprised of data providers, to: assess and recommend data system structural components, processes and options for expansion and enhancement of data system functionality, to be outlined in two legislative reports; and advise ongoing efforts to develop administer, and enhance the data system. The partner entities are required, and the UC is requested to enter into memoranda of understanding for data sharing purposes. Includes the appropriation of funding for the purposes of the working group of \$10 million (Education Code (EDC) Section 10850 – 10859).

- 2) Establishes the C2C for the purpose of connecting individuals and organizations with data from various state agencies and higher education institutions. The data system be a source of actionable data on student progress through education, workforce training, employment, health, and social services. The data system will allow the public to interact with state-level disaggregated deidentified data through operational tools and analytical tools and will adhere to the federal and state privacy laws (EDC Section 10860).
- 3) Contains an array of definitions for the C2C including, but not limited to:
 - a) “P20W data set” means the data set adopted by the governing board and requested from the data providers, including, but not limited to the approximately 160 data points described in the report to the Department of Finance and the Legislature during the planning phase of the C2C and as adjusted by the governing board. The governing board may add or remove requested data points based on changes in the usage of the element. Data providers retain sole control over their source data and may reject, add, or remove data elements contributed to the P20 data set, as reflected in its participation agreement with the managing entity (EDC Section 10861).
- 4) Establishes the governing board of the C2C to be comprised of 21 members as follows:
 - a) The Superintendent of Public Instruction (or their designee);
 - b) The Chancellor of the California Community Colleges (CCC) (or their designee);
 - c) The Chancellor of the California State University (CSU) (or their designee);
 - d) The President of the University of California (UC) (or their designee);
 - e) The President of the Association of Independent California Colleges and Universities (AICCU) (or their designee);
 - f) The Chief of the Bureau for Private Postsecondary Education (or their designee);
 - g) The Executive Director of the Commission on Teacher Credentialing (or their designee);
 - h) The Secretary of Labor and Workforce Development (or their designee);
 - i) Four public members appointed by the Governor, two of whom are elementary and secondary practitioners and two are members of the public who represent beneficiaries of the system and have experience with educational data;
 - j) Four members of the public appointed by the Legislature, of which two are appointed by the Speaker of the Assembly and two are appointed by the President Pro Tempore of the Senate;
 - k) One Senator appointed by the President Pro Tempore (or their designee);
 - l) One Assembly member appointed by the Speaker of the Assembly (or their designee);
and,
 - m) The Chief Operations Officer of the California School Information Services.

Stipulates the following board members are not data providers: the AICCU, the members of the public appointed by the Governor, and the members of the public appointed by the Legislature and subjects the meetings of the governing board to Bagley-Keene Open Meeting Act (EDC Section 10864).

- 5) Authorizes the C2C governing board to appoint an executive officer to oversee the office of the C2C. Sets the responsibilities for the governing board including, but not limited to: adopting best practices related to privacy and security, which may include the creation of an opt out policy for students and families. Clarifies this section does not hinder the use of personally identifiable data information for educator and student facing college guidance and planning tools, defined as operational tools in Section 10851 (EDC 10866 subdivision (c) (1)-(2).

FISCAL EFFECT: Unknown

COMMENTS: *Need for the measure.* As enumerated by the author, “As the Cradle to Career Data System continues to build out its capabilities, it is important to clean up its related code sections. We have come a long way from the first meeting of the workgroup to envision the Data System, with the first ingestion of data from data providers last fall, and analytical dashboards slated for release in the coming months. As Californians continue to watch and participate in the development of this Data System, it is important that feedback is directed to the Office and Governing Board.”

As mentioned by the author, AB 2723 (Irwin) is a technical clean-up bill of language that was adopted in the Postsecondary Education Budget Trailer Bill in 2021. The Cradle-to-Career Data System was created in 2021, with the passing of AB 132 (Committee on Budget), Chapter 144, Statutes of 2021, after a collaborative 18-month planning process by state agencies, community members, data experts, the Legislature, and the Governor. AB 2723 (Irwin) seeks to clean-up mistakes made during the drafting process, declare obsolete sections inoperative, and to clarify the due dates for certain requirements of the C2C. The below table provides the proposed amendments to the code sections and the purpose of the “clean-up or technical change:”

Proposed Clean Up or Technical Change	Purpose
Amends EDC Section 10853 – To render the C2C working group inoperative once the first meeting of the governing board transpires.	The first meeting of the governing board has already transpired; therefore the language would be inoperative but remain in code for posterity and historical reasons.
Amends EDC Section 108459.5 – Repeals the article of code referencing the working group after the first meeting of the governing board.	The first meeting of the governing board has already transpired and therefore the article hosting the language would for the working group would be repealed. <i>Committee Staff note the first section of code would be repealed by the second section of code within this measure.</i>
Amends EDC Section 10861 – Removes the specific reference to a number of data points	After the language was adopted, more than 160 data points were confirmed and approved for

<p>that are referred to as the P20W data set.</p>	<p>transmission by the data providers to the C2C. Removing the specific number would provide more flexibility for the data system and the data providers with the definition of what is the P20W data set without having to reference a specific number of data points.</p>
<p>Amends EDC Section 10866 – Fixes the code section reference for operational tools.</p>	<p>The incorrect code section was referenced for the definition of operational tools. The current definition for operational tools refers to EDC Section 10851, which contains definitions for the working group and does not reference operational tools. The amendments would update the reference to EDC Section 10861 which does contain the definition for operational tools.</p>
<p>Amends EDC Section 10864 – Clarifies which members of the governing board are data providers and which are not.</p>	<p>This section would update the governing board members who are not data providers to include members of the public and the Chief Operations Officers of California School Information Services (as this entity does not provide data to the system).</p>
<p>Amends EDC Section 10870 – Provides clarity as to the date when specific tools should be phased into the C2C database.</p>	<p>To be clear, the “date” was always in code it referenced to a sequence of events that would need to occur before a specified phase in date could be established. The sequence of events has transpired and therefore the phase in date is now July 27, 2026.</p>

What is the C2C? The C2C is a statewide longitudinal database that incorporates and links data across multiple agencies, who interact with Californians at every stage of their educational journey, from preschool to career. Once operational, the C2C will accept data from 12 data providers, link the data from the 12 data agencies, aggregate and de-identify the data. Once this occurs, the C2C will place the data into publicly consumable dashboards and query tables, and will provide data sets upon request and approval to researchers. Once fully operational, the C2C will maintain deidentified data from 15 education, social service, and workforce entities and will have data on student’s progress from preschool through college and employment. The data system will help policy makers and researchers access the data to “foster evidence-based decision-making to help California build a more equitable future,” as outlined by the Vision Statement for the C2C. As stated on the C2C’s website, “the Office of C2C does not collect new data from students or families. It links and enables the public to gain insight from data that has already been collected and validated by the [C2C’s] data partners.”

Committee Staff note that while the C2C does not collect new data, various operational tools that could eventually be phased into the C2C do collect data directly from students. Furthermore, the C2C is tasked in code to develop a one-stop application for financial aid and enrollment to the

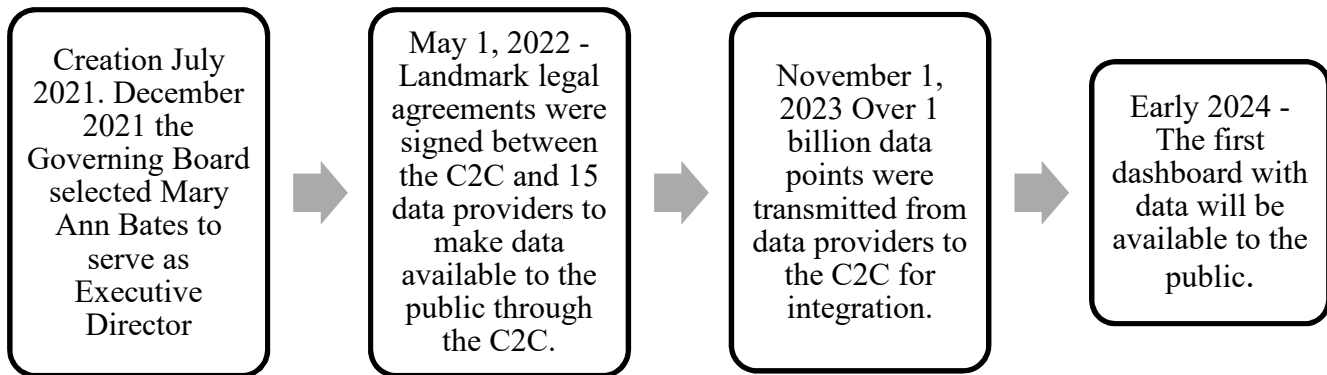
public college and universities in California. Therefore, one would assume the C2C will eventually collect data from students even if it is passing it along to the various data providers.

Creation of the C2C. Prior to the creation of the C2C, according to the Education Commission of the States, *50-State Comparison Statewide Longitudinal Data System*, California was one of nine states that did not have a longitudinal data system in 2019. Without an intricate system in place, researchers and policy makers are often left to establish data sharing agreements or memorandums of understanding between entities in order to answer intricate policy questions. Memorandums used to exchange data, even between state agencies, can take years to negotiate, due to privacy implications and concerns over how the data will be used. Even with concerns regarding privacy and the use of data, the need for data to help decision makers make informed decisions based on empirical data and not on biases is imperative to providing equitable educational, health, and human services structures throughout California.

To address the ongoing concern from practitioners, policymakers, and researchers on the need for a statewide data platform, Governor Newsom, in collaboration with the Legislature, passed SB 75 (Committee on Budget and Fiscal Review), Chapter 51, Statutes of 2019, and established the C2C workgroup. The workgroup was comprised of 16 agencies representing: higher education, early education, K-12, workforce, and human service agencies. The workgroup was tasked with providing recommendations to the Governor's Office about the development of the data system through three planning reports. The working group spent 18 months speaking with the public, legislative staff, and data experts to create the blueprint of the C2C which would become the foundation for the trailer bill that codified the data system. AB 132 (2021) established the C2C data system, the governing structure, and the mission of the data system.

Present day – C2C governance and operational status. The C2C is in its third operational year and is part of the Government Operations Agency. The day to day function of the C2C is managed by the executive director, Mary Ann Bates, and the managing entity, the Office of the C2C. The governing board is comprised of data providers, members of the public, and representatives from State Legislature. Currently, Assemblymember Irwin and Senator Baird represent the Legislature on the C2C Governing Board. Since its inception, the C2C has accomplished several major milestones, as depicted below:

At the time of the publication of this analysis, the first dashboard with data has not been published by the C2C, but should be by the end of 2024.



Committee comments. As previously mentioned, the C2C was created through a budget trailer bill in 2021. Originally, to provide alternative language to the Governor’s trailer bill language and to ensure the creation of a longitudinal data base was not authorized without a policy discussion, AB 99 (Irwin) of 2021, was heard in the Assembly Education and Higher Education Committee. While AB 99 (Irwin) was significantly amended in the Senate, some of the language around privacy and the membership of the governing board from AB 99 (Irwin) were incorporated into the final language which govern the C2C.

Since the fall of 2023, Assembly Legislative Staff and representatives from the C2C have been engaging in conversations on amending the various provision of the C2C. Specifically the conversations have centered around two concepts:

- 1) Whether the C2C manages, collects, or maintains data; and,
- 2) Whether the C2C should be excluded from some of the California Information Practices Act requirements since they do not collect nor control the data in the data system.

The language was not finalized in time for this Committee to review and amend the bill; however, AB 2723 (Irwin) has offered the measure as a vehicle once negotiated language is finalized.

Should the language of this measure be amended to include either of the above proposed concepts, Committee Staff believe the bill would include language within the jurisdiction of the Assembly Privacy and Consumer Protection Committee and who should be given an opportunity to review the bill.

The proposed language of AB 2723 (Irwin) contains several technical errors which occurred during drafting of the measure.

To ameliorate the intent of the Author and the C2C, Committee Staff suggests and the Author has accepted, the following amendments:

- 1) The first proposed amendment accomplishes the Author’s intent of keeping a record of the working group for prosperity by not repealing the article, but rather rendering it inoperative.

Section 2 of the bill, EDC Section 10895.5 is amended to read as follows:

This article *shall remain operative only until the first meeting of the governing board described in Section 10864.* ~~be repealed on the January 1 immediately following the first meeting of the governing board described in Section 10864.~~

- 2) The second proposed amendment accomplishes the Author's intent of correctly listing which governing members are not data providers, by updating the section to include ALL the governing members that do not provide data to the C2C. The amendment adds the Assemblymember and Senator who reside on the board to the list of non-data providers

Section 4 of the bill, EDC Section 10864, subdivision (e) is amended to read as follows:

(e) Institutions represented on the governing board shall all be data providers with the exception of those governing board members represented pursuant to paragraphs (5), (11), (12), (13), (14), and (15) of subdivision (a). ~~Institutions represented on the governing board, with the exception of those institutions represented pursuant to paragraphs (5), (11), (12), and (15) of subdivision (a), shall be data providers.~~

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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