

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: SB580

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Hanger

3. Committee: General Laws and Technology

4. Title: Data collection and dissemination; governance.

5. Summary: The bill creates the position of Chief Data Officer (CDO) in the Office of the Governor, to coordinate and oversee the effective sharing of data among Virginia state and local entities, and to implement effective data governance strategies to maintain data integrity and security and promote access to open data. The CDO is required to develop guidelines regarding data sharing among Virginia state and local entities and private entities where appropriate, data storage, privacy, compliance with federal law, de-identification of data for research purposes, and appropriate access to and presentation of open data to the public. The office is also to generally oversee and assist with data sharing in the Commonwealth to promote the usage of data in improving the delivery of services, improving outcomes, and assisting policy and decision-making.

The CDO will also assist state and local public entities with the application of the Government Data Collection and Dissemination Practices Act and the applicability of federal laws governing privacy and access to data, encourage and coordinate data access and sharing efforts of state and local public entities to promote the usage of data in improving the delivery of services, improving outcomes, and assisting policy and decision-making. assist the Chief Information Officer of the Commonwealth on matters related to the creation, storage, and dissemination of data, and oversee the implementation of an open data website hosting data from state and local public entities.

The bill also amends the Government Data Collection and Dissemination Practices Act to define “proper purpose” and to allow the sharing of data among agencies of the Commonwealth and between the Commonwealth and political subdivisions if such sharing would accomplish a proper purpose of the agency or political subdivision.

The bill creates a Data Sharing and Analytics Advisory Committee, comprised of 15 members, to advise the CDO in the establishment of the initial business rules, guidelines, and best practices related to the CDO’s duties. The Committee is to deliver recommendations to the Governor and General Assembly for a permanent governance structure for data sharing and analytics in the Commonwealth by October 1, 2018. The bill provides that the Committee will sunset on June 30, 2019.

The fourth enactment clause of the bill requires the CDO to focus his initial efforts on developing a project for the sharing, analysis, and dissemination among and between state and local agencies of data related to substance abuse, with a focus on opioid addiction and abuse. The bill requires Virginia state agencies in the Health and Human Resources and Public Safety and Homeland Security secretariats, community service boards, local law-enforcement agencies, and other human services-related entities that receive state funds to share data substance abuse prevention data with the CDO and each other when appropriate. The CDO is encouraged to enter into public-private partnerships and agreements with public institutions of higher education the Commonwealth to conduct data analytics related to the project.

The CDO is required to report to the Governor and General Assembly by October 1, 2019 on the status of the project, including such information as: sources of information for the project, areas of improved service delivery resulting from the sharing of data, trends or metrics relevant to the prevention and treatment of substance abuse and opioid addiction as a result of the sharing of data, cost savings and efficiencies through improved service delivery, legal or policy hindrances preventing the sharing of data, and any policy recommendations regarding substance abuse or opioid addiction treatment and prevention or data sharing in general.

6. Budget Amendment Necessary: Yes. Items 1 and 65.

7. Fiscal Impact Estimates: Preliminary – see Item 8. Additional fiscal impacts for state agencies and the cost of the project required by the bill are currently indeterminate.

7a. Expenditure Impact:

ITEM 1

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	\$0	-	-
2019	\$6,000	-	General
2020	\$0	-	General
2021	\$0	-	General
2022	\$0	-	General
2023	\$0	-	General
2024	\$0	-	General

ITEM 65

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	\$0	0	-
2019	\$148,236	1	General
2020	\$148,236	1	General
2021	\$148,236	1	General
2022	\$148,236	1	General
2023	\$148,236	1	General
2024	\$148,236	1	General

- 8. Fiscal Implications:** This legislation would create a new Chief Data Officer (CDO) in the Office of the Governor. The CDO would be responsible for developing guidelines and best practices for data sharing, storage, security, privacy, and compliance with federal laws. Additionally, the Director is to assist state and local public bodies in applying the Government Data Collection and Dissemination Practices Act and understanding federal privacy laws, assist the Chief Information Officer of the Commonwealth (CIO) with matters related to the creation, storage, or dissemination of data, and to encourage and coordinate efforts of agencies across state and local government to access data. The estimated salary and benefits for the CDO position is \$148,236. The position of the Chief Data Officer could be funded through an appropriation transfer from the Secretary of Technology.

The bill requires the CDO to oversee the implementation of a website dedicated to hosting open data from state and local public entities and providing links to any other open data websites in the Commonwealth. The Commonwealth has an existing open data website (data.virginia.gov) which links to data state agencies currently host. The Virginia Information Technologies Agency (VITA) and the Library of Virginia (LVA) have an existing memorandum of understanding to jointly manage the current website. VITA notes that server and storage costs for the open data website will increase as more datasets are hosted, however without knowing how many datasets will ultimately be hosted such costs are currently indeterminate.

The bill requires the CDO to encourage and coordinate efforts of agencies across multiple secretariats to access data and amends the Government Data Collection and Dissemination Practices Act by inserting a proper purpose provision whereby Commonwealth agencies and political subdivisions could potentially increase the volume and frequency of data or information shared among and between agencies. Any direct fiscal impact would depend upon the extent to which the bill results in an increase for data that is shared, the prevailing data storage costs at the time the data are shared and maintained, and the need for any systems or interfaces to facilitate the sharing of data.

The bill creates a Data Sharing and Analytics Advisory Committee (the Committee), comprised of 15 members, to advise the CDO in the establishment of the initial business rules, guidelines, and best practices related to the CDO's duties. The Committee will consist of five legislative members, seven nonlegislative members, and three ex officio members. The Committee would be in existence for one year, from July 1, 2018 until June 30, 2019. The bill does not specify an agency to provide staff support for the Committee.

While the enactment clause states that members are to serve without compensation, Item 1 paragraph B.4.c., of SB30 states "Notwithstanding any other provision of law, each General Assembly member shall receive compensation for each day, or portion thereof, of attendance at an official meeting of any joint subcommittee, board, commission, authority, council, compact, or other body that has been created or established by the General Assembly or by resolution of a house of the General Assembly, provided that the member has been appointed to, or designated an official member of, such joint subcommittee, board, commission, authority, council, compact, or other body pursuant to an act of the General Assembly or a resolution of a house of the General Assembly that provides for the appointment or

designation.” The Clerks Offices of the House of Delegates and the Senate of Virginia indicate that this compensation for legislative members would cost \$6,000 in fiscal year 2019, assuming the Committee meets four times during the year.

It is unclear if this provision also means that Committee members may not be eligible for reimbursement for reasonable and necessary expenses. If Committee members are not eligible for such reimbursement, the Committee does not generate any additional state fiscal impact. If Committee members are eligible for such reimbursement, the additional cost is indeterminate, as the bill does not indicate how frequently the Committee is to meet during the year.

This legislation requires the CDO, in cooperation with the Committee, to focus his initial efforts on developing a project for the sharing, analysis, and dissemination among and between state and local entities of data related to substance abuse, with a focus on opioid addiction and abuse. The full scope of the project is currently unknown, and therefore the cost of the project is indeterminate. Agencies within the Health and Human Resources and Public Safety and Homeland Security secretariats may also require additional support or staff depending on the scope and scale of the project, however the costs for these agencies is currently indeterminate.

9. Specific Agency or Political Subdivisions Affected: Office of the Governor, all agencies and political subdivisions

10. Technical Amendment Necessary: No.

11. Other Comments: The substitute version of this bill incorporates SB459, SB719, and SB830.

This revised fiscal impact statement has been issued to incorporate comments received by the Clerks Offices of the House of Delegates and the Senate of Virginia.

Date: February 8, 2018
File: SB580S1