

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: SB1365

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Barker

3. Committee: Finance and Appropriations

4. Title: Data governance; Office of Data Governance and Analytics; Chief Data Officer.

5. Summary: Creates the Office of Data Governance (the Office) in the Office of the Secretary of Administration, to be directed by the existing Chief Data Officer of the Commonwealth. The Office is charged with overseeing general data governance in the Commonwealth, as well as developing and managing the Commonwealth Data Trust, a multi-stakeholder data exchange and analytics platform. A multi-level governance structure is established to govern the Trust. The bill also establishes the advisory Virginia Data Commission to advise the Office on issues relating to data sharing.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications:

Office of Data Governance and Analytics

The bill codifies the Office of Data Governance and Analytics (“the Office”), overseen by the Chief Data Officer of the Commonwealth (CDO). Per the CDO, many of the powers and duties codified in the bill are activities already being done by the CDO and existing staff, and therefore do not require additional resources. New responsibilities created by the bill, such as providing staff and operational support the Virginia Data Commission, Executive Data Board, Data Governance Council, and Data Stewards Group, can be absorbed within the appropriation and staff provided in SB1100, as introduced. The Office may require additional resources in the future depending on projects and initiatives requested by the Virginia Data Advisory Commission and/or state and local agency partners, but those costs are unknowable at this time.

Commonwealth Data Trust

The bill creates the Commonwealth Data Trust as “a secure, multi-stakeholder data exchange and analytics platform with common rules for data security, privacy, and confidentiality.” The Trust is governed by three entities created by the bill:

- The Executive Data Board, comprised of the directors or chief executives, or their designees, of executive branch agencies engaged in data sharing and analytics projects with the Commonwealth Data Trust.
- The Data Governance Council, comprised of employees of the agencies represented on the Board, selected by the Board members from their respective agencies.
- The Data Stewards Group, comprised of employees from executive branch agencies with technical experience in data management or data analytics. Executive branch agencies are encouraged to designate at least one agency data steward to serve on the Group and may designate multiple data stewards as appropriate based upon organizational or data system responsibilities.

These three entities will require staff time from participating state agencies. Depending on the level of involvement, requirements of participation, and volume of data projects, some participating state agencies may require additional resources in the future but such costs are unknown at this time. Examples of activities that may require additional resources in the future include:

- The bill requires members of the Executive Data Board to “allocate appropriate resources at their respective agencies to support data governance, sharing, and analytics initiatives.”
- The bill requires members of the Data Governance Council to “(iii) administer data governance policies, standards, and best practices, as set by the Board; (iv) oversee data sharing and analytics projects; (v) review open data assets prior to publication;... (vii) develop necessary privacy and ethical standards and policies for Commonwealth Data Trust resources; (viii) monitor the sharing of Commonwealth Data Trust Member-Contributed data resources; (ix) review and approve new Commonwealth Data Trust-managed data resources; and (x) conduct any other business the CDO deems necessary for Commonwealth Data Trust governance.”
- The bill requires members of the Data Stewards Group to “(iv) ensure data quality processes and standards are implemented consistently by agencies in the Commonwealth; (v) provide communication and education to data users on the appropriate use, sharing, and protection of the Commonwealth's data assets... (vii) liaise with agency project managers and information technology investment staff to ensure adherence to Commonwealth data standards and data sharing requirements.”

Data Governance and Analytics Fund

The bill creates the Data Governance and Analytics Fund in the state treasury. Any funds received by the CDO for the use or sale of products of, or services rendered by, the Office are to be paid into the state treasury and credited to the Fund. Moneys in the Fund shall be used solely to support the Office in carrying out its powers and duties, subject to appropriation. The amount of revenue generated by the sale of products or services by the Office is indeterminate at this time.

Virginia Data Advisory Commission

The bill establishes the Virginia Data Advisory Commission as an advisory commission in the executive branch of state government. The Commission is to be comprised of 27 members: three members of the Senate of Virginia, three members of the House of

Delegates, seven nonlegislative citizen members appointed by the Governor, and 14 ex officio members including the Executive Secretary of the Supreme Court of Virginia, the CDO, the Chief Workforce Advisor, and the 11 Governor's Secretaries.

The bill requires the Commission to meet at least biennially or at the call of the chairman of the Commission or the Chief Data Officer. Legislative members are entitled to compensation and all members are entitled to reimbursement for all reasonable and necessary expenses incurred in the performance of their duties. Funding for these expenses are to be provided by the Office of Data Governance and Analytics.

The CDO estimates that the Commission will likely meet between two and four times per year. Based on information provided by the House of Delegates, it is assumed that legislative members will receive \$300 per day for compensation and \$309 per meeting for expense reimbursement. This analysis also assumes that the seven nonlegislative members will also receive \$309 per meeting for expense reimbursement. The ex officio members are not estimated to receive reimbursement. Using these inputs, meetings could cost between \$11,634 and \$23,268. The CDO indicates that these costs can be absorbed within the appropriation provided in SB1100 as introduced.

The Commission has a sunset data of July 1, 2024.

9. Specific Agency or Political Subdivisions Affected: The Chief Data Officer of the Commonwealth, all state agencies engaged in data sharing and analytics projects.

10. Technical Amendment Necessary: Yes – technical adjustment of paragraph lettering:

Line 113, strike "D." and insert "E."

Line 148, strike "E." and insert "F."

Line 154, strike "F." and insert "G."

Line 159, strike "G." and insert "H."

Line 119, strike "date" and insert "data".

Correct Secretary title:

Line 188, strike "Defense" and insert "Veterans".

Line 189, strike "Veterans" and insert "Defense".

11. Other Comments: None.

Date: February 4, 2021

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