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| BILL ANALYSIS |

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| C.S.H.B. 2691 |
| By: VanDeaver |
| Public Education |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE**  It has been noted that the state creates a unique identifier for students, teachers, and school employees and that student identifying information and demographic information is located within the Texas Student Data System. Reports indicate that the data being transferred by vendors conducting business with local education agencies and external agencies is of a high volume for which there are insufficient protections. In order to provide further safeguards against possible identify theft and malicious use, there have been calls for certain vendors to use the unique identifier. C.S.H.B. 2691 seeks to address this issue by requiring any website, application, or online service operator that has been approved by the Texas Education Agency or had a product so approved and that possesses any covered information about students to use the Texas Student Data System unique identifier. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY**  It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTION 1 of this bill. |
| **ANALYSIS**  C.S.H.B. 2691 amends the Education Code to require any operator of a website, online service, online application, or mobile application used primarily for a school purpose, if the operator has been approved by the Texas Education Agency (TEA) or had a product adopted by TEA and possesses any covered information, as defined for purposes of student information protection, to use the unique identifier established by the Texas Student Data System or a successor data management system maintained by TEA for any account creation, data upload, data transmission, analysis, or reporting to mask all personally identifiable student information. The bill requires such an operator to adhere to a state-required student data sharing agreement that includes an established identifier standard for all operators as prescribed by TEA. The bill authorizes a public school district, open-enrollment charter school, regional education service center, or other local education agency to require an operator that contracts directly with the entity to adhere to a state-approved student data sharing agreement that includes the use of an established unique identifier standard for all operators as prescribed by TEA.  C.S.H.B. 2691 exempts a national assessment provider who receives covered information from a student or from a district or campus on behalf of a student from compliance with the bill's provisions if the provider receives the covered information solely to provide access to employment, educational scholarships, financial aid, or postsecondary educational opportunities. The bill authorizes the commissioner of education to adopt rules as necessary to implement the bill's provisions. |
| **EFFECTIVE DATE**  September 1, 2021. |
| **COMPARISON OF ORIGINAL AND SUBSTITUTE**  While C.S.H.B. 2691 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.  The substitute does not include TEA as an entity required to use the unique identifier established by the Texas Student Data System for specified purposes. The substitute specifies that an operator required to use the unique identifier for those purposes is any operator that has been approved by TEA or had a product adopted by TEA.  The substitute does not include language making the requirement for an operator to adhere to a state-required student data sharing agreement applicable to any operator conducting business with TEA or a district, charter school, regional education service center, or other local education agency. The substitute includes an authorization for such a district, charter school, center, or other local education agency instead to require an operator that contracts directly with the entity to adhere to a certain state-approved data sharing agreement.  The substitute includes an exemption from the bill's provisions for a national assessment provider who receives covered information for certain specified purposes from a student or from a district or campus on a student's behalf.  The substitute includes an authorization for the commissioner of education to adopt rules as necessary to implement the bill's provisions.  The substitute changes the bill's effective date from September 1, 2019, to September 1, 2021. |
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