HOUSE BILL No. 2774

By Committee on Commerce, Labor and Economic Development

Requested by Natalie Bright on behalf of Aligned

2-8

1 AN ACT creating the Kansas workforce pathway act; establishing the 2 office of workforce pathways within the department of commerce and 3 the Kansas council on workforce pathways; providing for a system for 4 linking and analyzing data and statistics concerning Kansas workforce; 5 providing for a free, searchable public online registry of educational and occupational credentials and restricting the release of personally 6 7 identifiable information therefrom; prescribing procedures to prevent 8 data breaches and providing funding therefor.

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10 Be it enacted by the Legislature of the State of Kansas:

Section 1. Sections 1 through 8, and amendments thereto, shall be known and may be cited as the Kansas workforce pathway act.

- Sec. 2. As used in this act:
- (a) "Act" means the Kansas workforce pathway act.
- (b) "Council" means the Kansas council on workforce pathways.
- 16 (c) "Deidentification" means the process used to remove all direct personal identifiers from individual level data.
 - (d) "Office" means the office of workforce pathways within the department of commerce.
 - (e) "Outside entity" means any public or private entity that is not a partner entity.
 - (f) "Partner entity" means a Kansas state agency that has signed a memorandum of understanding with the council to share data with the system, and such agency's head is a member of the council.
 - (g) "Student data" means data relating to student performance, including, but not limited to, the following:
 - (1) State and national assessments;
 - (2) course taking and completion;
 - (3) grade point average;
- 30 (4) remediation;
 - (5) retention;
- 32 (6) special population status as defined by the Kansas committee on workforce pathways;
- 34 (7) degree, diploma or credential attainment:
- 35 (8) enrollment and absenteeism data;

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(9) demographic data;

- (10) suspension and expulsion records; and
- (11) student financial aid data.
- (h) "System" or "KTLAS" means the Kansas terminal on linking and analyzing statistics on workforce pathways system.
- (i) "Workforce data" means data relating to workforce and employment, including, but not limited to, the following:
 - (1) Employment status;
 - (2) wage information;
 - (3) geographic location of employment; and
 - (4) industry or occupation.
- Sec. 3. (a) The Kansas terminal on linking and analyzing statistics on workforce pathways system is hereby established as a secure means to:
- (1) Exchange, deidentify and match individual level education and workforce data from partner entities while upholding legal protections to ensure privacy and security;
- (2) connect individuals and organizations to trusted information, resources, tools and services that support the education-to-employment pipeline; and
- (3) provide the legislature and state agencies with access to data regarding state workforce development, including early learning, education, workforce training and employment outcomes. The system shall make it possible to match data from various agencies and programs over time to create reports that may then be aggregated and analyzed to assist the legislature and state agencies with developing strategies to improve education and workforce outcomes.
 - (b) The system shall be configured in the following manner:
- (1) All information matched from partner entities shall be collected, safeguarded, kept confidential and used only by the office of workforce pathways in accordance with this act and other state and federal law, except as permitted by subsection (d);
- (2) each partner entity shall retain ownership of any data the partner entity provides to the system and shall reserve the right to opt out of any research request if the request would violate state or federal law, and for this purpose, the following shall apply:
- (A) A partner entity may not have access to data owned by another partner entity unless a data request is approved by a majority of the council; and
- (B) partner entities shall be permitted to engage in direct data sharing agreements with other partner entities or may be permitted to do so with external entities when and in the manner approved by the council if the data to be shared is owned by the contracting parties.
 - (c) The office of workforce pathways shall conduct research using the

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system related to the research agenda adopted by the council.

- (d) Notwithstanding any other provisions of state law, state agencies are hereby authorized to enter into memorandums of understanding with the council to share data as provided by this act.
- Sec. 4. (a) There is hereby created the Kansas council on workforce pathways that shall be composed of the following members:
- (1) The chairperson of the Kansas workforce council who shall be appointed by the governor;
- (2) each partner entity head who has signed a memorandum of understanding to share data with the system;
 - (3) the chairperson of the house committee on appropriations;
 - (4) the chairperson of the senate committee on ways and means;
- (5) the chairperson of the house committee on commerce, labor and economic development;
 - (6) the chairperson of the senate committee on commerce; and
- (7) four members of the public who shall be experienced in education and workforce data and statistics. The president of the senate, minority leader of the senate, speaker of the house and minority leader of the house shall each appoint, respectively, one of such members. The appointing authorities shall coordinate such appointments to ensure that the council membership is inclusive and reflects the racial, gender, geographic, urban, rural and economic diversity of the state.
 - (b) The council shall perform the following duties:
- (1) Develop a strategic plan to develop, implement and utilize the system to accomplish the objectives and ensure compliance with the configurations set forth in subsection 3, and amendments thereto;
- (2) oversee the development, adoption and implementation of rules and regulations to govern the proceedings of the council, the office of workforce pathways and the system;
- (3) oversee compliance regarding the protection of data shared with the system;
- (4) develop a data governance and security plan for the system regarding the use, privacy and security of data and publish the plan on a system website developed and administered, or caused to be developed and administered, by the office;
 - (5) establish the research agenda for the system;
- (6) establish a process for proposing and approving requests for reports using data matched in the system;
- (7) establish policies for sharing aggregated data or reports with the 39 40 public and external entities;
- 41 (8) develop strategies for promoting the transparent operation of the 42 system: 43
 - (9) form standing and ad hoc committees and working groups from

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among its own membership to accomplish its duties; and

- (10) prepare and provide an annual report to the office of the governor, speaker of the house of representatives, president of the senate, the chairpersons of the house committees on appropriations and on commerce, labor and economic development and the senate committees on ways and means and on commerce.
- (c) On or before June 30, 2025, and each June 30 thereafter, the council shall develop a list of credentials that are aligned to the in-demand occupations for each industry operating in the state. The credential registry shall be available to the public via an online repository to be developed and administered, or caused to be developed and administered, by the office of workforce pathways. Credential data shall be linked, open, interoperable, aligned with widely recognized standards and allow for open access across sector platforms.
- (d) The regular meetings of the council shall be held at least four times per fiscal year at the call of the chairperson. Special meetings of the council may be called by the chairperson or upon written request of a majority of the members of the council. All regular and special meetings of the council shall comply with the Kansas open meetings act.
- (e) A majority of the members of the council, or their designees, shall constitute a quorum for the transaction of business. At the first meeting of the council, the council shall select a chairperson, a vice chairperson and a secretary, who shall keep official minutes of the council's actions. The four members who are members of the public shall not be eligible for selection as officers. Officers shall serve for terms of one year and may be reelected.
- (f) Each member of the council, except for the members of the public appointed by the governor, may appoint a designee to represent the member from time to time as necessary or during all proceedings of the council. Such appointment shall be provided to the chairperson in writing, which may be electronic. Each member of the council shall serve only while holding such member's respective office or legislative position. Appointed members of the public shall serve terms of two years and may be reappointed. Appointed members shall serve at the pleasure of the appointing authority. Vacancies of appointed members shall be filled in the same manner as the original appointment.
- (g) A member of the council shall not receive a salary or per diem allowance for such member's service but shall be reimbursed through the department of commerce for expenses incurred in the performance of such member's duties and for subsistence allowances and mileage as provided in K.S.A. 75-3223, and amendments thereto.
- (h) No member or the designee of such member appointed to the council or any standing or ad hoc committee of the council may vote or otherwise participate in any discussion or debate on any matter before the

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council in which the member or designee, or an immediate family member, has a direct personal or pecuniary interest. A member or designee shall notify the chairperson of the council in writing of any conflict of interest.

- Sec. 5. (a) Direct access to data in the system shall be restricted to authorized staff of the office of education and workforce statistics or other persons with a need to access such data to further the objectives of this act if approved by the council. Access to data may be limited to certain categories or types of data or on such other basis as directed by the council.
- (b) Any person who knowingly and willfully releases data collected pursuant to this act to any other person not authorized to lawfully receive the data shall be guilty of a severity level 9, nonperson felony and punished as provided by law.
- Sec. 6. (a) The office of workforce pathways is hereby established within the department of commerce to develop and manage the system on behalf of the council. The secretary of commerce shall employ a director of the office of workforce pathways and such staff as necessary and convenient to fulfill the responsibilities of the office, as provided herein. The director of the office shall be an authorized representative for partner entity data. The director shall serve at the pleasure of the secretary and perform functions as provided by this act and the rules and regulations of the council.
- (b) Within the limits of appropriations therefor, the secretary of commerce may hire such employees in the unclassified service as are necessary or convenient to administer the office of workforce pathways. Such employees shall serve at the pleasure of the secretary. Subject to appropriations, the director may obtain the services of professionals necessary to perform the functions of the office.
- (c) In the event of a data breach, the office shall comply with applicable Kansas law, including, but not limited to, K.S.A. 2023 Supp. 75-7244, and amendments thereto, and other provisions pertaining to notifications of data breaches.
- Sec. 7. The council shall adopt rules and regulations as necessary to implement and administer the provisions of this act.
- Sec. 8. (a) Subject to appropriations acts, there shall be appropriated \$3,000,000 for fiscal year 2025 and each fiscal year thereafter for the purposes of developing and operating the system and funding the duties and responsibilities of the office of workforce pathways pursuant to the provisions of this act. Appropriations for the office shall be made for the department of commerce by separate line item appropriations for the office.
- (b) All expenditures from appropriations for the office of workforce pathways shall be made in accordance with appropriation acts upon

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warrants of the director of accounts and reports issued pursuant to 1 vouchers approved by the director of the office of workforce pathways or 3

the director's designee.

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Sec. 9. This act shall take effect and be in force from and after its publication in the statute book.