

**MINUTES
of the
FIFTH MEETING
of the
SCIENCE, TECHNOLOGY AND TELECOMMUNICATIONS COMMITTEE**

**October 20-21, 2016
Room 317, State Capitol
Santa Fe**

The fifth meeting of the Science, Technology and Telecommunications Committee (STTC) was called to order by Senator Michael Padilla, chair, on October 20, 2016 at 9:13 a.m. in Room 317 of the State Capitol in Santa Fe.

Present

Sen. Michael Padilla, Chair
Sen. William F. Burt
Rep. Stephanie Garcia Richard
Sen. Daniel A. Ivey-Soto (10/21)
Rep. Conrad James
Rep. Bill McCamley (10/20)
Sen. Bill B. O'Neill
Rep. Debbie A. Rodella
Rep. Carl Trujillo
Rep. John L. Zimmerman

Absent

Rep. James E. Smith, Vice Chair
Rep. Jason C. Harper
Sen. John C. Ryan

Advisory Members

Sen. Carlos R. Cisneros
Sen. Richard C. Martinez
Sen. Nancy Rodriguez
Rep. Luciano "Lucky" Varela
Sen. Peter Wirth (10/20)
Rep. Monica Youngblood (10/21)

Sen. Jacob R. Candelaria
Rep. Kelly K. Fajardo
Sen. Ron Griggs
Rep. Antonio Maestas
Sen. Steven P. Neville
Sen. Mary Kay Papen
Sen. William H. Payne
Rep. Nick L. Salazar

(Attendance dates are noted for members not present for the entire meeting.)

Staff

Gordon Meeks, Legislative Council Service (LCS)
Shawna Casebier, LCS
Ralph Vincent, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file.

Thursday, October 20

Call to Order and Introductions

Senator Padilla called the committee to order at 9:13 a.m. as a subcommittee. Committee members and staff were invited to introduce themselves.

Senator Burt brought to the attention of the committee a presentation taking place after the committee's meeting on an application called GovWhiz that is being used in Texas to streamline governmental processes, including renewal of licenses and mandated reporting. He noted that the application could be useful for New Mexico in simplifying its own processes.

Need for High-Speed Internet (Broadband)

Charles Lehman, Community Economics Laboratory, discussed with the committee New Mexico's broadband needs in economic development. He noted that surveys of 80 economic development organizations and chambers of commerce show that there is a greater need for broadband deployment in rural areas of the state, though there are still needs to be met in the urban centers. He stressed that adequate broadband is of critical importance to the economic-base sectors identified by the Jobs Council in its job-creation plan, and he said that New Mexico risks losing workforce development if the state does not have adequate broadband. Mr. Lehman noted that barriers to deploying broadband include the cost of deployment given the widely scattered nature of the population in New Mexico and the wide range of income levels. He reviewed for the committee the contracts that have been awarded as a result of recent legislation requiring a comprehensive broadband study and implementation plan and the progress that is being made as a result of this work.

Ovidiu Viorica, broadband program manager, and Eric Moores, broadband project manager, both of the Broadband Deficiencies Correction Program, Public School Facilities Authority, updated the committee on the progress of the public schools' broadband upgrades and equated the school broadband upgrades to the broadband needs statewide. The Broadband Deficiencies Correction Program was instituted pursuant to Senate Bill 159 (2014) to fund the planning, design and construction of broadband infrastructure in the public schools. Through partnerships with the federal E-Rate Program, fiber upgrades have been completed for approximately 60 schools network equipment and Wi-Fi upgrades have been completed for approximately 240 schools, and over \$30 million in infrastructure upgrades have been done using less than \$4 million from state and school funding. It was emphasized that cooperation with vendors is needed to continue the work of the program as the availability of state funding is uncertain and expensive. Wide area network connections and network and Wi-Fi upgrades will be needed in the future.

Dale Alverson and Terry Boulanger of the New Mexico Telehealth Alliance gave a PowerPoint presentation to the committee on the current status and future of telemedicine and e-health. They noted that there are major public health issues affecting New Mexico's rural communities and their economic development, and they said that telemedicine and telehealth can bridge gaps in access to health care. However, adequate broadband is a requirement of successfully implementing the telehealth technology. It was noted that Mississippi has deployed telehealth statewide, saving \$320 million a year. It was emphasized that a health information exchange (HIE) is a necessary component of implementing telehealth. They reviewed new and emerging telemedicine technologies, such as telemedicine carts, diagnostic/monitoring devices that remotely transmit patient information to doctors in real time and possibilities for tele-mentoring, tele-supervision, teaching and training with "Google Glass". The Southwest Telehealth Access Grid has been established to connect telehealth networks and help members access funding that is available through the Federal Communications Commission's (FCC's) Healthcare Connect Fund; however, a 35% cash match required by the FCC for participation remains a significant obstacle to broad participation.

Questions, comments and discussion from committee members included:

- the cost of diagnostic/monitoring devices; the availability of the devices to patients and doctors to use in home or clinical settings; and the federal Food and Drug Administration's approval process for the devices;
- retinal scans and other devices to detect glucose levels for diabetes care;
- Medicare/Medicaid eligibility for telehealth and telemedicine;
- the interoperability of medical data software and the standardization of health records through the HIE;
- how to encourage or incentivize patients to use telemedicine in place of emergency rooms;
- the status of the State Rural Universal Service Fund (SRUSF) and its use for broadband; there is support for a fee on users to go toward broadband deployment;
- the primary driver in other states for broadband deployment;
- the SRUSF and the sharing of resources and the need for legislation;
- the size of digital files for diagnostic images;
- the ongoing growth of broadband capacity demand;
- school districts budgeting for five-year master plan upgrades in information technology infrastructure;
- school districts being limited by needs at the "final mile";
- how much money is needed to match the FCC's 35% rule;
- the cost to connect a school to fiber optic cable;
- the federal Health Insurance Portability and Accountability Act of 1996 compliance and potential liabilities with transfer of health data;
- legislation to limit liability and protect physicians who may be hacked through the internet;
- amendments to the "Good Samaritan" statutes; and

- the hepatitis C epidemic, barriers to treatment and ways telemedicine could help.

Approval of Minutes

The minutes of the third STTC meeting on August 22-23, 2016 and the fourth STTC meeting on September 22-23, 2016 were approved by unanimous voice vote.

Discussion of Proposed Letter Regarding Los Alamos National Laboratory's (LANL's) Request for Proposal (RFP) Process

Representative Trujillo proposed, and the committee discussed, a letter to Secretary Ernest Moniz, United States Department of Energy, requesting that regional economic development proposals be added back into the RFP process in the next contract for management of LANL. A motion was made by Representative Garcia Richard, seconded by Representative Zimmerman, to endorse the letter, but the motion was held until the end of the day to allow for thorough review of the letter by the committee.

Colorado Broadband Fund and Providers' Comments

Referring to their handout, Tim Goodwin and Katherine Martinez, both from CenturyLink, addressed the committee on Colorado's 2014 broadband legislation. They said that Colorado passed a five-bill package that, in short, facilitated an environment that allowed broadband development. For example, they said the legislation streamlined the permitting processes and provided access to public rights of way for all broadband providers; deregulated all internet protocol-enabled services, including voice over internet protocol (VoIP) and broadband access; updated the terminology in the telecommunications statutes; deregulated basic service, except for areas where universal service support is provided, and prohibited state universal service support in areas where effective competition existed; and established a broadband deployment board and fund. They emphasized that there was strong bipartisan support in Colorado at the leadership level that forced the carriers and consumer groups to the table to draft and pass the legislation.

Questions, comments and discussion from committee members included:

- the four years it took in Colorado for stakeholders to come to a consensus and pass legislation;
- aggregation of users in Texas to equal a commercial user so as to incentivize expansion into sparser areas through "Texas Connect";
- gross receipts tax deductions in Texas and use and sales tax refunds in Colorado for broadband equipment;
- the outcomes of the Colorado legislation;
- Colorado's universal service fund assessment as a percentage of intrastate telecommunication revenue and the possibility of a "connection-based" approach;
- who and what types of services contribute to rural universal service funds (RUSF) and the lack of contribution from prepaid plans;

- the impact on the RUSF of data packages as a component of wireless telecommunications service contracts versus the voice component, which is the basis for the universal surcharge;
- identification of areas in New Mexico that do not have effective competition and how to define effective competition; and
- the challenges of obtaining public and private rights of way and franchise agreements with certain municipalities.

Providers' Plans to Meet Needs

John Francis, vice president, New Mexico Exchange Carrier Group (NMECG), referring to his handout, explained that the NMECG is a telephone association composed of telecommunication cooperatives and companies that offer services to customers throughout rural New Mexico. He provided some background to the committee on the establishment of the federal Universal Service Fund (USF) by the FCC to provide financial support for the expansion of telephone lines into rural communities and how the FCC is now transitioning the USF to include support for the expansion of broadband service under the Connect America Fund (CAF). Similarly, the Rural Telecommunications Act of New Mexico (RTA) created the SRUSF to implement and supplement the federal legislation. He stated that all NMECG members are using the support in state and federal legislation to expand broadband service, and by November 1, the small carriers will have to elect to participate in the CAF based on FCC eligibility, taking advantage of the \$2.1 billion a year that is available in funding for rural service across the United States. He noted that the small carriers are committed, but more needs to be done, especially in outlying areas.

Stuart Roberts, president, Southwest Cable Communications Association (SWCCA), provided the committee with a map of the areas where SWCCA members are providing very high-quality, reliable and commercial services. He stated that, as an industry, the SWCCA is 100% self-funded and that it finds the mechanisms to make the construction of the broadband infrastructure economically feasible, such as business customers paying for 50% of construction, which can be amortized, and residential customers receiving the infrastructure for free in exchange for buying the service. He also noted that the SWCCA is focused on finding redundant routes to bring broadband into the state and expressed optimism that the state is getting closer to meeting the demands of three years ago.

John Badal of Sacred Wind Communications reported to the committee that Sacred Wind Communications services 3,200 square miles of McKinley and San Juan counties and portions of Cibola and Rio Arriba counties and the Tohajiilee Chapter of the Navajo Nation. In 2006, when Sacred Wind Communications acquired the Navajo land business, only 26% of the residents had basic voice service. The company applied for and received a low-interest \$55,000 loan from the United States Department of Agriculture (USDA) RUSF to build out the network from scratch, and in 2016, it received approval for a \$13.8 million RUSF loan to upgrade the broadband system and increase capacities to meet the federal requirements. Today, 100% of customers have access to broadband and 78% have access to 10 megabit download speeds or higher. Sacred

Wind Communications has had success with using fixed wireless and has the largest fixed wireless network in the country. As it expands the fiber network to connect all hubs, it has also found opportunities to help other entities that were being passed over; for example, the Village of Milan. Using the Village of Milan as anchor, it has been able to build a fixed wireless network, using fiber-to-tower technology. Sacred Wind Communications put in a bid for E-Rate to get fiber optic cable to a number of schools, both in and out of the company's territory, and has won eight E-Rate cases outside of its territory.

Mr. Badal emphasized that rural telecommunications companies are a great resource for rural communities. The federal government has established regulations driving all regulated telephone carriers in the country to meet certain objectives. He said that, for broadband purposes, there are three categories of telecommunications providers: 1) price cap carriers; 2) rural telephone carriers, which are cost-based; and 3) neutral carriers, which are alternate carriers to the Connect America model. Telecommunications companies can get out of the USF, but it provides a guaranteed 10 years of predictable USF support if certain download objectives are met, and this is a significant funding source to the state of New Mexico, which Mr. Badal believes dovetails well with the Public Regulation Commission's (PRC's) policy. He stated that Sacred Wind Communications is also looking to the PRC's USF as a resource and the company is seeking support for a flat surcharge, suggesting that the PRC should be authorized to impose a higher surcharge.

John Brown, owner, CityLink Telecommunications, stated that his company has been in business for 10 years, providing neutral open-access, dark-fiber and high-speed, symmetrical bandwidth broadband services in Albuquerque. He noted that there are several hurdles to providing fiber to a customer's premises, including right-of-way access, pole attachment rules and the lack of "peering" in New Mexico. As to rights of way, usually, new entrants do not have access; the processes are expensive and lengthy as negotiations must be undertaken with each community; and often there is a maze of jurisdictions at the city, county and state level to navigate. As to pole attachment, new entrants do not have access, new federal rules dictate rates for telecommunications carrier attachers and cable company attachers, and it takes one to three years to negotiate a pole attachment with the pole owner. Mr. Brown also expressed frustration that New Mexico is not openly peered. He stated that peering, the interconnection between networks to exchange routing information, reduces the cost of broadband between entities and improves connectivity and reliability. Because New Mexico is not openly peered, his company peers with 800 other networks, most outside of New Mexico, which does not keep the internet traffic local. He stated that he has been trying for 10 years to peer with the University of New Mexico (UNM), but UNM wants to charge \$3,000 a month for peering, which other resource entities do not do. Mr. Brown also raised a concern that the Department of Information Technology's (DOIT's) rules regarding procurement exclude everyone except incumbents from participating in RFPs, and although his franchise agreement with Albuquerque requires dark fiber to schools without any cost to the school, the Albuquerque Public School District usually declines the offer and says it does not need it.

As to potential solutions, Mr. Brown stated that public-private partnerships (P-3s) are needed and the state needs to figure out a way to make them easier and better, whether through the Local Economic Development Act or other mechanisms. He suggested creating a one-stop shop for right-of-way needs and the grandfathering in of existing right-of-way holders. Additionally, Mr. Brown stated that pole attachment rules need to be created at the state level to level the playing field and give the state enforcement rights. He also suggested that New Mexico should actively peer to interconnect with other providers to keep the traffic local, which is good for cybersecurity.

Godfrey Enjady, general manager, Mescalero Apache Telecom, Inc., shared with the committee that his company has been in business since 2001 and is one of nine tribally owned telecommunications companies in the nation. He stated that the network is built of copper, which in a few years will be retired, and it will need to transition to fiber. More funding will be needed to make this transition in Indian country. He raised a concern that the funding reductions are enormous. There is a \$2 billion set-aside in the USF for small companies, but this fund is hard-capped for inflation or costs, while other funds, such as E-Rate, can grow. Mr. Enjady stressed that access to the internet is of particular importance to Native American communities as internet connection is vital to education.

Ms. Martinez reported to the committee that CenturyLink is accepting CAF funding to bring high-speed internet services to more than 25,000 households and businesses in rural New Mexico and bring new or faster broadband service to an additional 25,308 homes and businesses in high-cost areas. Investments are being made in 755 multi-tenant buildings in New Mexico to expand fiber-based services, and \$20 million has been invested in redundancy routes in the Taos area. To expand the reach of broadband, Ms. Martinez suggested that a broadband gross receipts tax deduction that is diverted directly into a broadband fund should be part of the conversation. She also suggested that legislation needs to be passed to encourage P-3s for broadband projects, including provisions to keep trenches open when the state is doing other work to allow providers to pull fiber; alleviate cost-prohibitive right-of-way fees; and eliminate franchise fees for right-of-way use. Ms. Martinez said that New Mexico is one of only two states that still mandate franchise fees. Ms. Martinez further suggested that the New Mexico Telecommunications Act is in need of modernization to reflect the current technology environment.

Questions, comments and discussion from committee members included:

- the cost, speed and ease of installation of fiber optics versus wireless;
- the disparate regulations for cable companies and telecommunications companies;
- the disqualification of cable companies for the USF;
- franchise agreements;
- possibilities for a unified, statewide strategic plan to provide broadband;
- USF support for broadband and federal requirements to provide local telephone services (lifelines);
- the investments of service providers in small communities;

- collaboration and coordination with governmental entities when street work is being done to lay pipe to enable technology infrastructure development;
- coordination with competing providers and tribal entities to install infrastructure;
- the need for tribal input in broadband planning;
- private company collaborations with municipal entities;
- the taxation of conduits that are buried but do not contain cable;
- the need for a one-stop shop for rights of way and permits; and
- the application, or lack thereof, of FCC pole attachment rules to telecommunications cooperatives.

Federal Support for Broadband Deployment New Mexico

Terry Brunner, state director, USDA Rural Development, told the committee that the USDA is the largest funder of broadband infrastructure in the state, having invested over \$200 million since 2009. He stated that loan funding is available through the infrastructure program, which provides low-interest loans to finance new and improved telecommunications infrastructure in rural communities, and the Farm Bill Broadband Program, which provides loans to finance the costs of constructing a broadband network serving rural communities of 20,000 or fewer and is mostly used by cooperatives. Grant funding is also available to entirely unserved communities through the Community Connect Program and to nonprofits and universities through the Distance Learning and Telemedicine Program. Special consideration is provided under both grant programs to projects serving tribal communities, Mr. Brunner said. He advised that rural universal service projects will likely continue under the next administration, and the stimulus Broadband Initiatives Program, which provided low-interest loans for community facilities and loan guarantees for private entities, may be reinitiated.

Questions, comments and discussion from committee members included:

- the need for a master plan for broadband deployment through the state;
- the elements of a master plan, including any needed legislative action to fix statutory holes; a broadband map showing deficiencies; and a financing plan similar to the ones for highways; and
- the need to have "shovel ready" projects to take advantage of stimulus money should more become available.

P-3 Legislation to Deploy Broadband

Senator Padilla addressed the committee on potential legislation that would create a framework for P-3s. He advised the committee that he was working to identify a couple of specific areas to focus on that could stimulate additional investment in New Mexico. As to broadband, he noted that the question is: how does the state encourage private investment? He stated that he has met with the public employees labor union and is working on coming to an agreement; however, no legislation has been drafted at this time. He cautioned that previously introduced legislation covered all potential P-3s. Senator Padilla said that, this time, he intends to create a successful framework for specific issues that could then be replicated for others P-3s.

Questions, comments and discussion from committee members included:

- major concerns with House Bill 299 (2015) that proposed enacting a P-3 Act, including labor utilization and accountability from the private sector, questions of who owns the asset, who guarantees maintenance during the life of the investment and the privatization of water services;
- whether or not P-3 legislation is really needed;
- whether the political will exists to undertake infrastructure projects in the state;
- the importance of investing in infrastructure;
- the importance of initiating narrowly defined P-3 legislation that focuses on meeting a need, which cannot be accomplished by the state on its own; and
- National Conference of State Legislatures' research on other states' successes with P-3s.

Motion to Send Letter to Secretary Moniz

The committee discussed amendments to the letter to the U.S. secretary of energy, Ernest Moniz, proposed by Representative Trujillo. On motion by Representative Rodella, seconded by Representative Trujillo, the committee approved sending the letter as amended by unanimous voice vote.

Friday, October 21

DOIT Spreadsheet Report

Darryl Ackley, secretary, DOIT, and Maria Sanchez, general counsel, DOIT, informed the committee that, in contravention of the conversation of yesterday, the state does have a broadband plan and map, and the plan may be accessed online at http://www.doit.state.nm.us/broadband/reports/nmbbp_strategic_plan.pdf. Secretary Ackley stated that the plan includes provider information and maps, actionable goals, recommendations for regional approaches and funding recommendations. He also stated that over the past two years, the DOIT has asked for a General Fund appropriation to have a single leadership office to deploy the broadband and geospatial initiatives, but the granting of the appropriation has yet to occur. Currently, the DOIT is working with the Broadband Deficiencies Corrections Program group since broadband projects are treated as a portfolio under the office of broadband planning. Additionally, Secretary Ackley told the committee that an Information Technology Commission exists, with representatives from all levels of government, that could be a centralized point for broadband policymaking.

Questions, comments and discussion from committee members regarding the statewide broadband plan included:

- a perceived lack of action on implementing the broadband plan;
- efforts and resources needed to keep the plan current;

- the current ongoing broadband projects for public safety, the Department of Health's telehealth initiatives and education; and
- the coordination needed to understand what the providers are doing to deploy broadband throughout the state and other opportunities for P-3s.

Secretary Ackley told the committee that since the committee's meeting in Las Cruces, an additional dashboard was created for the business case log. The dashboard shows the completed business requests to date, categorized by strategic domains and sectors.

Secretary Ackley then reviewed with the committee the DOIT's top-10 projects, based on the quarterly reporting of the lead agencies:

1. the Circuits Grant for radio towers and public safety broadband is mostly on track, although the federal grant needs to be closed out;
2. the MVE modernization project is in the green, on time and on schedule;
3. the SHARE upgrade is on track to go live with the human capital management module in early-to-mid 2017, and the first test for payroll using live data has been completed with minimal error;
4. EPICS continues to have risks in multiple areas, but Secretary Ackley said that he is confident enough in the leadership to move forward; the Children, Youth and Families Department (CYFD) case management system will be built using a modular approach, and the system will provide caseworkers access to case files in the field;
5. the ONGUARD system, which is the modernized system to provide accounting for oil and gas revenues and severance tax, is using a post-modern approach to build; the intent is to tie into the land management system at the State Land Office, and although the schedule has been pushed back, Secretary Ackley said that the technology approach is sound;
6. SWIRE will modernize the New Mexico State Police handheld mobile communications and provide funds for upgrades of the core of the radio system;
7. the Medicaid Management Information System upgrade project is expected to be a \$100 million plus project, depending on federal mandates, Secretary Ackley said, noting that the project is the first of its kind; the federal government has given approval for a modular approach and the Human Services Department (HSD) is on the cutting edge with this project;
8. the child support enhancement system replacement schedule is a little delayed, but is generally moving forward and corrective action has been taken to address the delay;
9. the Women, Infants and Children Program system upgrades are being developed in collaboration with the State of Texas; there have been some schedule slippages, but the project is moving forward; and
10. the Land Information Management System at the State Land Office is nearly complete; it is in the warranty phase of the contract negotiations, the details of which the state takes very seriously to ensure that the state is protected.

Questions, comments and discussion from committee members included:

- compliments from committee members on the new dashboard;
- a suggestion to add agency names to the top-10 project descriptions;
- the CYFD budget request for EPICS;
- the dependency of federal funding on what is appropriated at the state level;
- the consequences of projects being behind schedule and over budget;
- leveraging resources by collaborating with other states or cities in software development;
- ONGARD hosting; and
- the use of Medicaid software by health maintenance organizations or other contractors in addition to the HSD.

Administrative Office of the District Attorneys (AODA) Information Technology Challenges

Henry R. Valdez, director, AODA, Damion Bradford, information technology director, AODA, Filemon Gonzalez, fiscal officer, AODA, and Rick Tedrow, president, New Mexico District Attorney's Association, discussed with the committee the information technology support that is provided to all district attorneys (DAs) throughout the state and the information technology support and services that are provided to others involved in the criminal justice system. Mr. Valdez remarked that the DA is a criminal justice hub for all agencies. All reporting requirements originate with the DAs, and the AODA's information technology services help provide prosecutors with the tools necessary to evaluate a defendant and make a determination as to whether prison or diversion is best, which ultimately saves the state money. The information technology services support the DAs by providing access to a centralized case management system that contains all cases statewide. This is a valuable tool when criminals cross district and county lines, and it also enables the statewide victim notification system. Having access to the information helps move cases forward in an expedient manner. Several DAs from around the state were present and were introduced to the committee.

Mr. Bradford explained the status of the administrative and technical support that the AODA provides to all 14 judicial districts and to 14 separate state agencies. Through the use of data sharing in the Case Management System, many state agencies are able to get the data they need for reporting and prosecution, including federal reporting, insurance fraud reporting, criminal history reports for the DA's use and the universal jury instruction, among others. As to the New Mexico State Automated Victim Information Notification (SAVIN) System, any stakeholder can use the system, including the media, and notifications can be provided in English or Spanish via email, text message and/or a phone call. In addition to notifications about case status, the SAVIN System can be used for parole and release notifications.

As to major accomplishments of the AODA in fiscal year (FY) 2016, Mr. Bradford reported that the AODA continued to work with participating districts to implement a more refined document automation process whereby the system emails appropriate stakeholders when

a new document is added to the case. This system has been especially valuable for the discovery aspect of a trial, and it serves as an archive of all records. Enterprise technical support is also provided for all judicial districts to help with technical support issues, project management, business analysis and reporting.

Mr. Bradford noted that when the legislature modifies or creates a new statute that affects the AODA's business rules, modifications to the Case Management System are required. Such modifications require countless hours of design, testing, implementation and training, and Mr. Bradford stated that the AODA is understaffed to accomplish such work. He then outlined the critical staffing, project and software that the AODA needs to continue to be successful, and he discussed an appropriation request to meet those needs.

Questions, comments and discussion from committee members included:

- the need for the legislature to do whatever it can to mitigate additional cuts to the AODA;
- the potential to use capital outlay for hardware and equipment needs;
- unfilled full-time employment positions;
- the impact of the 3% budget cut on the AODA;
- location, security and backup of the data center;
- the annual information technology strategic plan and collaboration with the DOIT;
- funding sources for the AODA;
- sex offender registration;
- the importance of the AODA services to administering justice;
- victim notification regarding parole hearings and releases from prison and the role of the victim's advocate;
- calculation of parole eligibility and release dates; and
- the AODA funding request.

Campaign Finance Information System

Brad Winter, secretary of state, Kari Fresquez, interim elections director, Office of the Secretary of State, and Ken Ortiz, chief of staff, Office of the Secretary of State, addressed the committee on information technology successes of the office and the modernization of the campaign finance information system. Ms. Fresquez began the presentation by noting that since FY 2013, software replacement and modernization efforts have been under way for the New Mexico Business Filing System (NMBFS) and the Integrated Reporting and Integrity System (IRIS). The NMBFS was completed in June 2016, and the system replaced nine disparate legacy systems, including the corporation filing for the PRC. There are numerous self-service features in the NMBFS, and the Corporations Bureau of the Administrative Services Division of the PRC has maintained a one-to-three-day turnaround on filings due in large part to the technology and process improvements. As to the IRIS, it has improved election results delivery to the public and features automatic recount flags. In the 2016 primary, in which the IRIS was operational, there were zero audit findings by the independent election auditor. The Online Voter Registration

System, implemented in January 2016, has resulted in more accurate voter rolls and increased registrations and renewals. Ms. Fresquez said that the Motor Vehicle Division (MVD) electronic registrations have also been successful since the system went live in 2015.

In regard to campaign finance reform, Ms. Fresquez said that House Bill 105, passed in 2016, focuses on greater transparency, more meaningful data that make connections across reporting entities and easier, more error-free-reporting. To implement the system, a Computer Systems Enhancement Fund appropriation request will be made in the upcoming legislative session. The funding would cover software licensure, customization and implementation costs, project management, a security assessment and independent verification and validation. She noted that the new system is needed as House Bill 105 enacted specific requirements for how the reporting data need to be able to be reviewed and analyzed and the current system cannot be modernized to accomplish those mandates.

Questions, comments and discussion from committee members included:

- success of the online voter registration and the MVD systems;
- the importance of online voter registration information updates;
- the security of the online voter registration system and protections against cyberthreats;
- collaboration with the DOIT to implement the campaign finance modernization system;
- the specifics of the secretary of state funding request;
- the relational nature of the Campaign Finance Information System database in comparison to the requirements of the system mandated by House Bill 105;
- the safeguards to ensure accuracy of data contained in a modernized campaign finance system;
- idiosyncracies in election-cycle reporting;
- alerts to elected officials regarding the status of donations from particular donors;
- verification of a voting registrant's address when no physical address exists at a residence and the potential for voter disenfranchisement;
- legislation to provide for provisional voter registration and cancellation of registration if a mailing address cannot be confirmed;
- report cards for states on campaign finance transparency;
- which state is the gold standard for campaign finance databases (State of Maine);
- outside funding opportunities to increase transparency in campaign finance; and
- praise for the AODA's work and customer service.

Next Generation Science Standards (NGSS)

Lesley Crowell Galyas, director, Mathematics and Science Bureau, Public Education Department, gave a presentation to the committee on the NGSS and emphasized that the NGSS are critical since the last time science standards were adopted was in 2003. The 2003 standards were based on national standards written in 1996, and some things, such as DVDs and texting,

have been invented since the last science standards were written. She stressed that the NGSS is not common core — the NGSS is a state-led effort and each district is allowed to choose its own curriculum. The NGSS provides a framework for kindergarten through twelfth grade (K-12) science education that has an evidence-based foundation that draws on current scientific research; includes research on how students learn science effectively; and identifies the science that all K-12 students should know. She said that the NGSS replaces the "scientific method" with science and engineering practices, noting that teaching these practices is critical, given the number of laboratories and engineering practices in the state. The goal of the NGSS is not to teach students all of the facts, but rather to have students work through problems with cross-cutting concepts, building upon their knowledge and experiences. The NGSS creates performance expectations that focus on students being able to demonstrate proficiency and understand the practices, cross-cutting concepts and disciplinary core ideas.

Questions, comments and discussion from committee members included:

- how the NGSS integrates the study of mathematics and science;
- the importance of word problems to mathematics and science learning;
- the NGSS's use of group projects;
- the necessity of professional development of teachers to successfully manage and teach students; and
- appreciation for the work being done on the NGSS.

Technology Readiness Tax Credit

Genaro Montoya, program leader of technology and economic development, Sandia National Laboratories, and Micheline Devaurs, LANL, discussed with the committee the proposed Technology Readiness Gross Receipts Tax Credit and Program (TRGR). Mr. Montoya averred that the laboratories are responsible for transferring technologies developed in the laboratory to the private sector, but often, the technology developed is too immature to be used in commercial products without additional investment by companies. For instance, Sandia National Laboratories has 100 patents and 900 copyrights that are waiting on industry to commercialize. He also noted that, because of national security, technologies are often not ready to be commercialized.

The TRGR was modeled on the New Mexico Small Business Assistance Program to provide financial assistance to the laboratories and private enterprises to enable the collaborations that are needed between the laboratories and the private sector; promote the commercialization of licensed technology from a national laboratory in New Mexico; support the development and expansion of technology-based companies in New Mexico; and increase economic development in the state. Participation in the TRGR would be dependent on meeting specific eligibility requirements by the national laboratory and the business entity. The project and the impact of the project would go through a rigorous evaluation process, looking at return-on-investment analysis, cost savings, revenue generation and jobs created, along with other factors, to make sure that the taxpayers' money is being well-spent. Ms. Devaurs added that both

laboratories have worked together to develop the TRGR, and it has been vetted over multiple years with the research universities and industry, and she stated that the TRGR is an agreed-upon priority of both of the laboratories.

Questions, comments and discussion from committee members included:

- how the gross receipts tax credit from the state would work;
- participation of students in the program; and
- program accountability.

Senator Padilla requested that the panelists present the proposed TRGR to the Legislative Finance Committee as well.

Adjournment

There being no further business before the committee, the fifth meeting of the STTC for the 2016 interim adjourned at 2:36 p.m.