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FISCAL IMPACT REPORT

| | | | | | |
|--------------|-------------------------------------|-------------|----------|----------|----------|
| SPONSOR: | Eisenstadt | DATE TYPED: | 01/28/00 | HB | |
| SHORT TITLE: | State Telecommunications Assessment | | | SB | 116 |
| | | | | ANALYST: | Carrillo |

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|----------|-----------------------------|------|-------------------------|------------------|
| FY00 | FY01 | FY00 | FY01 | | |
| | \$ 450.0 | | | non-recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

Department of Public Safety

Office of Information Technology Management

Commission on Higher Education

State Department of Education

General Services Department

SUMMARY

Synopsis of Bill

Senate Bill 116 contains a general fund appropriation for the Office of Information Technology Management to contract for a telecommunications assessment. Components of the assessment shall include:

- modeling of new digital technology coverage for state radio and public broadcast television;
- identification of leapfrog technologies that can fill the connectivity gap and assessments of state radio-emergency communications infrastructure;
- military communications infrastructure;
- public broadcast television coverage;
- connectivity of public schools, institutions of higher learning and libraries;
- public health facilities; and
- existing state agency connectivity.

SB 116 includes a reversions clause.

FISCAL IMPLICATIONS

SB 116 appropriates \$450.0 from the general fund to the Office of Information Technology Management for expenditure on a professional services contract. The bill includes a reversion clause.

ADMINISTRATIVE IMPLICATIONS

Staff from the General Services Department states much of the information sought by the assessment will come from GSD as provider of telecommunications services for many of the purposes included in the proposed legislation.

RELATIONSHIP

SB 116 relates to SB 124, Create NM Telecommunications Council. SB 124 proposes to create a nine-member telecommunications council attached to the Economic Development Department to:

- •develop goals and plans for the state's economic and telecommunications needs
- •determine status of basic and advanced telecommunications services in the state
- •identify telecommunications investment incentives
- •develop federal grant funding plan
- •assist the Information Technology commission in any telecommunications infrastructure assessment
- •determine how to minimize government expenditures by encourage private ownership of telecommunications infrastructure
- •analyze how stated-owned telecommunications infrastructure can provide advanced service to private industry
- •analyze successful projects that provide information services to rural communities
- •report to the governor and legislature by December 1 of each year.

General Services Department staff notes the contract assessment proposed by SB 116 includes tasks that are closely related to the tasks assigned to the telecommunications council created by SB124. Why is the funding being appropriated to the Office of Information Technology Management instead of the telecommunications council?

TECHNICAL ISSUES

The staff from the State Department of Education suggests adding language to ensure all relevant stakeholders are part of the overall design and development of the request for proposal to ensure the resulting study and analysis is comprehensive and meets the intent of this legislation.

General Services Department staff notes the bill identifies "military communications infrastructure" as one of

the resources to be examined. This should clearly state whether it includes Department of Defense military communications or is limited only to New Mexico national Guard communications (which are federally funded).

OTHER SUBSTANTIVE ISSUES

The Commission on Higher Education staff comments the proposed Multi-Agency Integrated Communications Network (MAGnet) for New Mexico would provide a consolidated, coordinated, standardized, and secure statewide data telecommunications network. This would be achieved by building off of the many exiting data network efforts in the public sector in New Mexico and would address infrastructure gaps through private contracts. This is intended to ameliorate the need for massive expenditure to build new infrastructure. Thus the updated inventory of infrastructure is a necessary precursor to effectively implement the MAGnet.

The Office of Information Technology Management staff indicates the state is paying for multiple independent serve networks and does not have a complete inventory even for the executive. This legislation mandates the compilation of a complete inventory of all circuits and also "leapfrog technologies", such as microwave, radio, and broadcast television, for all government entities, including K-12, higher education, national Guard, and libraries. This information will be used to plan circuit consolidation and eliminate redundant circuits, develop cost effective network policy and service, and identify areas which are under served. This has potential both for substantial cost savings and for directing investment into productive installations.

WJC/njw