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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/08

SPONSOR Miera LAST UPDATED \_\_\_\_\_ HB 434

SHORT TITLE Educational Tech Deficiency Correction Fund SB \_\_\_\_\_

ANALYST Escudero

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$87,848.0	Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)

Public Education Department (PED)

Office of the Chief Information Officer (OCIO)

### SUMMARY

#### Synopsis of Bill

House Bill 434 appropriates \$87,840,000 from the General Fund to the Educational Technology Deficiency Correction Fund for expenditure in FY09 and subsequent fiscal years to make allocations to correct serious deficiencies in educational technology infrastructure pursuant to the Technology for Education Act.

### FISCAL IMPLICATIONS

The appropriation of \$9,000.0 contained in this bill is a non- recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall not revert to the general fund.

According to PED, the technology deficiencies in public schools are grossly behind in technological terms. The transfer from the General Fund to the Educational Technology Deficiency Correction Fund would have to be appropriated over a multi-year program and within five years to provide for compliance with the Cyber Academy Act, which says that if funding has been appropriated to replace obsolete computers, replacements will be on a five-year cycle with

a ratio of one computer to three students in each school.

**SIGNIFICANT ISSUES**

According to PED, this bill provides for an appropriation of \$87,840.0 from the general fund to the Educational Technology Deficiency Correction Fund for expenditure in fiscal year 2009 and subsequent fiscal years to make allocations to correct serious deficiencies in educational technology infrastructure pursuant to the Technology for Education Act. The Technology for Education Act provides guidelines and direction to the PED Educational Technology Bureau for establishing the educational technology adequacy standards, for seeing that school districts use these standards to correct deficiencies and that this action ensures state monies are expended in the most prudent manner possible consistent with the original purpose.

The current act required the development of minimum technology adequacy standards to supplement the adequacy standards developed by the Public School Capital Outlay Council (PSCOC) for school districts. As of this date there exists a Working Draft of the Adequacy Standards for Educational Technology that applies to 762 schools in New Mexico and is included below.

The following builds upon the *Public School Capital Outlay Task Force Report* section on Educational Technology. The standards are based upon Best Practices, and apply to all 762 schools in New Mexico:

Category	Standard	Benchmark
<b>Network</b>	Safe and secure network supporting voice, video & data to the desktop; sufficient server capacity to support uses both within the district, and connecting students, teachers and parents	E-mail for all educators and administrators; network capable of functioning when all computers are used at the same time; 5% downtime, or less; includes network operating software, network management software, virus protection, security
<b>Distance Learning</b>	Sufficient bandwidth and access to support anywhere, anytime learning	Students can participate in online courses from school and/or home; teachers can upgrade professional skills via online courses from school and/or home
	Multipoint videoconferencing systems available for student learning and educator professional development.	One two-way videoconferencing system per school. Schools with more than 400 students have additional systems for each additional 400 students enrolled.

<p><b>Computers and Software</b></p>	<ul style="list-style-type: none"> <li>• 2 students per multimedia computer; 1 to 1 computing devices for students and staff</li> <li>• Age of computers allows for current browsers and operating systems (Windows 2000 or XP; Mac OS-X)</li> <li>• Standard Productivity Software</li> <li>• Age-appropriate content and area specific software</li> </ul>	<ul style="list-style-type: none"> <li>• Elementary use: 2 hrs per week per student; secondary use: 5 hrs per week per student</li> <li>• Replace computers unable to run current browsers and operating systems in next refresh cycle.</li> <li>• Word Processing, Spreadsheet, PowerPoint, or equivalent</li> <li>• Math &amp; Science simulations, multimedia authoring, online curriculum subscriptions</li> </ul>
<p><b>Peripherals:</b></p> <ul style="list-style-type: none"> <li>• Printers</li> <li>• Projectors</li> <li>• Science Probes</li> <li>• Assistive Technologies</li> </ul>	<p>Sufficient peripherals to allow students to print, view, hear instructional materials, as well as complete individual tasks appropriate to their learning styles and abilities.</p>	<ul style="list-style-type: none"> <li>• One printer and projector per classroom.</li> <li>• 1 science probe per 2 lab students</li> <li>• Sufficient number and types of assistive technologies to support each student with an identified learning difference.</li> </ul>

Additionally, with an appropriation of \$1,500.0 from the 2006 Legislature and an appropriation of \$4,325.0 from the 2007 Legislature the state currently has upgraded infrastructure to standard in 8 districts and has begun to phase in upgrades at an additional 6 districts:

<b>DISTRICT</b>	<b>Total Needed to reach Standard</b>	<b>Tech. Adequacy FY 07</b>	<b>Balance Needed to get to Standard</b>	<b>Tech. Adequacy FY 08</b>	<b>Balance Needed to get to Standard</b>
Alamogordo	\$1,531,200	<b>\$120,000</b>	\$1,411,200	\$445,754	\$965,446
Capitan Municipal	\$169,700	<b>\$75,000</b>	\$94,700	\$94,700	\$0
Carlsbad	\$2,523,000	<b>\$36,000</b>	\$2,487,000	\$445,754	\$2,041,246
Deming Public	\$591,800	<b>\$17,314</b>	\$574,486	\$445,754	\$128,732
Des Moines Municipal	\$203,000	<b>\$91,915</b>	\$111,085	\$111,085	\$0
Dexter Consolidated	\$355,624	<b>\$78,049</b>	\$277,575	\$277,575	\$0
Fort Sumner	\$263,500	<b>\$206,000</b>	\$57,500	\$57,500	\$0
Hatch Valley Public	\$647,100	<b>\$154,500</b>	\$492,600	\$445,754	\$46,846
Hobbs Municipal	\$998,510	<b>\$277,781</b>	\$720,729	\$445,754	\$274,975
Jal Public	\$402,000	<b>\$100,200</b>	\$301,800	\$301,800	\$0
Lovington Municipal	\$1,236,000	<b>\$200,556</b>	\$1,035,444	\$445,754	\$589,690

Portales	\$329,600	<b>\$55,585</b>	\$274,015	\$274,015	\$0
Tatum Municipal	\$137,200	<b>\$23,100</b>	\$114,100	\$114,100	\$0
Tularosa Municipal	\$483,700	<b>\$64,000</b>	\$419,700	\$419,700	\$0
Total Awards		\$1,500,000	\$8,371,934	\$4,324,999	\$4,046,935

The Council on Technology in Education (CTE) reports that collaborative efforts have promoted accountability in integrating the technology standards into the annual state Educational Technology Plan Reports. Development of technology adequacy standards, district surveys, capital outlay models of prioritization, initial estimates and methodology to prioritize projects are recent actions to address district inadequacy reporting.

**PERFORMANCE IMPLICATIONS**

As stated by PED, there is no specific PED performance measure; however, this does support the PED’s goals of ensuring students graduate from high school better prepared to succeed in postsecondary education and the world of work and increasing access to and application of technology for student learning.

**ADMINISTRATIVE IMPLICATIONS**

The PED’s Education Technology Bureau will continue to work with the CTE and the PSCOC in assuring that the provisions of the act are implemented prior to distributing funds to public schools.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

As stated by HED, HB434 is related to the 2007 Cyber Academy Act: Section 9-10. Section 22-15a-11 NMSA 1978 that reads:

EDUCATIONAL TECHNOLOGY DEFICIENCIES-CORRECTION. School districts will agree to consult and coordinate with the public schools facilities authority before installing any educational technology infrastructure. OBSOLETE COMPUTER REPLACEMENT. If funding has been appropriated to replace obsolete computers, replacements will be on a five-year cycle with a ratio of one computer to three students in each school.

**OTHER SUBSTANTIVE ISSUES**

According to PED, the Educational Technology Deficiency Correction Fund does not extend to New Mexico’s postsecondary institutions. The \$87 million cost estimate is approximately four years old. Substantial Federal Communications Commission (FCC) eRate funding has been appropriated specifically to address technology infrastructure to New Mexico schools.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

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According to PED, by not enacting this legislation, New Mexico will not be able to keep up with the on-going technological demands of our schools and communities and when the CTE comes back to the Legislature there will be higher costs connected to the requests for funding. Additionally, educational technology deficiencies will not be addressed as identified in Chapter 22-15A-11 in New Mexico school code

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