

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/2008

SPONSOR Campos LAST UPDATED _____ HB _____

SHORT TITLE School Computer Hardware Loan Fund SB 290

ANALYST Aguilar

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
\$2,500.0*		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

*See Narrative

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
	\$2,500.0		Recurring	Computer Hardware Loan Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Department of Information Technology (DOIT)

SUMMARY

Synopsis of Bill

Senate Bill 290 transfers the appropriation of \$2.5 million originally appropriated to the Public Education Department in Laws 2007, Section 442 of Section 55 of Chapter 42 that was to be used for providing computers to nonpublic schools owned by entities which operated five or more schools within the state to a new Computer Hardware Loan Fund.

FISCAL IMPLICATIONS

The appropriation of \$2.5 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year shall not revert to the general fund but remain in the computer hardware loan fund.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

This bill directs that applications from private schools demonstrate a critical need for the classroom use of the loaned computers and how they will support the private school's nonsectarian curriculum; it directs that loan agreements will make the private school responsible for the insurance and safekeeping of the loaned computers, restrict computer use to qualified students of the school, provide that the computers will not be used for sectarian or religious purposes, and allows for monitoring visits by the department; and authorizes private schools to hold students or parents responsible for damage or destruction. The Legislature may wish to consider adding language requiring the school to demonstrate how its curriculum aligns with the state standards and benchmarks.

The bill reauthorizes a prior year appropriation which was considered to have constitutional issues by providing funding directly to private schools for purchasing computer equipment. This bill appears to deal with this issue by providing for the loan of equipment.

Under the provisions of the 2007 bill it appears that the original appropriations would be directed to schools operated by the Archdiocese of Santa Fe. This bill expands the number of eligible schools.

PA/bb