

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: CS/HB 660

51st Legislature, 1st Session, 2013

Tracking Number: .193926.1

Short Title: Education Technology Equipment

Sponsor(s): Representative Mimi Stewart

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Date: March 14, 2013

HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR HOUSE BILL 660

Bill Summary:

CS/HB 660 amends the *Public School Capital Outlay Act* to:

- define the term “education technology equipment” as tools used in the educational process that constitute learning and administrative resources. The term may include:
 - closed-circuit television systems;
 - educational television and radio broadcasting and cable television;
 - satellite, copper wire, and fiber-optic transmission;
 - network connection devices and digital communications equipment, including voice, video, and data equipment;
 - computer hardware and software, including software licenses, data storage fees, and other technologies and services;
 - local and remote servers;
 - other computer infrastructure;
 - portable media such as discs and drives that contain data for electronic storage and playback;
 - maintenance equipment; and
 - any other techniques and tools used to implement technology in schools and related facilities.

In addition, CS/HB 660:

- removes reference to the *No Child Left Behind Act*, within the context of the state match for federal grants for charter school lease payments;
- adds language allowing the Public School Capital Outlay Council (PSCOC) to:
 - expend up to \$10.0 million of the Public School Capital Outlay Fund (PSCOF) in FY 14 through FY 18 for an educational technology infrastructure deficiency correction initiative pursuant to the bill;
 - expend up to \$200 million of the PSCOF during FY 14 through FY 18 for “education technology equipment,” allowing school districts to:

- purchase;
 - install;
 - maintain; and
 - upgrade equipment; and
- grant funding for “education technology equipment” to school districts and charter schools using an application process guided by the following criteria:
- the application must:
 - ✓ be made in accordance with standards developed by the PSCOC, the Public Education Department (PED), the Department of Information Technology (DoIT), and telecommunication providers that identify educational technology infrastructure deficiencies in school districts; and
 - ✓ include itemized costs and details on how the equipment is needed to meet state or federal education requirements;
 - the Public School Facilities Authority (PSFA), must verify the information in the application and rank the application based on a minimum of the following considerations:
 - ✓ the availability of alternative funding, such as general obligation bonds or state or federal grants; and
 - ✓ the existing education technology infrastructure of the school district along with the size and location of the district;
 - upon the completion of a public hearing, the PSCOC may grant applications on a priority basis established in rule and award either full or partial grants;
 - require the PSCOC to identify educational technology infrastructure deficiencies, prior to awarding grants; and
 - grants must be expended within two years of the allocation.

Finally, CS/HB 660:

- adds a new section on “Educational Technology Infrastructure Deficiency Corrections” that requires the PSCOC to:
 - collaborate with PED and DoIT by September 1, 2013 to define and develop the following:
 - minimum adequacy standards for educational technology infrastructure deficiency correction initiative to identify and determine reasonable costs for correcting deficiencies in school districts;
 - a methodology for prioritizing projects to correct deficiencies; and
 - a methodology for determining the school district’s share of the project costs;
 - approve allocations from the PSCOF, pursuant to criteria outlined in the bill, and dependent on a school district’s commitment to pay its share of the project costs using several funding sources, such as the *Education Technology Equipment Act*; and
 - reduce or waive a school district’s share of the project costs in accordance with provisions in statute.

Fiscal Impact:

CS/HB 660 does not contain an appropriation; instead it provides guidelines for expending a proportion of the PSCOF.

Substantive Issues:

Among its provisions, CS/HB 660:

- expands the use of the PSCOF to include “education technology equipment,” which may diminish capacity to fund other capital improvements or other allowable uses of the fund; and
- allows the PSCOC to collaborate with DoIT and PED in the development of standards and methodologies for awarding grants, as detailed in the “Bill Summary.”

According to the DoIT bill analysis:

- The inclusion of DoIT in advising the council in the development of technology standards and methodology for determinations in prioritizing projects and determining project costs aligns with current statutory obligations and the department’s expertise.
- Telecommunications access is not equitable and available statewide.
- Broadband communications are essential in modern technology.
- DoIT is accomplishing two major objectives: to define broadband availability and enhance its adoption through several statewide projects.

Background:

Public School Capital Outlay Act

The purpose of the *Public School Capital Outlay Act* is to ensure that, through a standards-based process for all school districts, the physical condition and capacity, educational suitability, and technology infrastructure of all public school facilities in New Mexico meet an adequate level statewide. Additionally, the act requires the design, construction, and maintenance of school sites and facilities emphasis safety, functionality, and durability in order to meet the educational responsibility of establishing a learning environment where students can achieve success.

Education Technology Equipment Act

The purpose of the *Education Technology Equipment Act* is to implement the provisions of Article 9, Section 11 of the Constitution of New Mexico, which declares that a school district may create a debt by entering into a lease-purchase arrangement to acquire education technology equipment without submitting the proposition to a vote of the qualified electors of the school district.

Charter Schools

Current provisions in the *Public School Buildings Act* began requiring, as of July 1, 2007, that a resolution submitted to the qualifying electors must include capital improvement funding for a locally chartered or state-chartered charter school located within the school district if the:

- charter school timely provides the necessary information to the school district for inclusion on the resolution that identifies the capital improvements of the charter school for which the revenue proposed to be produced will be used; and
- capital improvements are included in the five-year facilities plan.

Technology for Education Act

The purpose of the *Technology for Education Act* is to:

- establish the Education Technology Bureau¹ within PED;
- create the Council on Technology in Education with 17 members appointed by PED for terms of four years; and
- create the Educational Technology Fund in the state treasury.

Public School Capital Improvements Act

The purpose of the *Public School Capital Improvements Act* (SB 9) or commonly known as the “two-mill levy,” is to create a funding mechanism that allows districts to ask local voters to approve a property levy of up to two mills for a maximum of six years. Funds generated through imposition of the two-mill levy must be used for:

- building, remodeling, making additions to, providing equipment for, or furnishing public school buildings;
- purchasing or improving public school grounds;
- maintaining public school buildings or public school grounds, including the purchasing or repairing of maintenance equipment, participating in the facility information management system as required by the *Public School Capital Outlay Act* and including payments under contract with regional education cooperatives for maintenance support services and expenditures for technical training and certification for maintenance and facilities management personnel, but excluding salary expenses of school district employees;
- purchasing activity vehicles for transporting students to extracurricular activities; and
- purchasing computer software and hardware for student use in public school classrooms.

Public School Buildings Act

The *Public School Buildings Act* (HB 33) allows districts to impose a tax not to exceed 10-mills for a maximum of six years on the net taxable value of property upon approval of qualified voters. Subject to certain limitations, these funds are to be used for:

- building, remodeling, making additions to, providing equipment for, or furnishing public school buildings;

¹ The Education Technology Bureau no longer exists.

- payments made pursuant to a financing agreement between a school district or a charter school for the leasing of a building or other real property with an option to purchase for a price that is reduced according to payments made;
- purchasing or improving public school grounds;
- purchasing activity vehicles for transporting students to and from extracurricular activities, provided that this authorization for expenditure does not apply to school districts with a student MEM greater than 60,000; or
- administering the projects undertaken pursuant to law, including expenditures for facility maintenance software, project management software, project oversight, and district personnel specifically related to administration of projects funded by the *Public School Buildings Act*, provided that expenditures pursuant to this subsection do not exceed 5.0 percent of the total project costs.

Committee Referrals:

HEC/SFC

Related Bills:

HB 264 *School District Building Systems Needs*

HB 268a *School District Funding Match Waivers*

CS/HB 289 *Local Proceeds for School District Employees*

HB 291 *School Deferred-Maintenance Issues*

CS/SB 147a *Education Technology Definitions*

SB 186 *Payment of School Lease-Purchase Arrangements*

SB 519 *Charter School Education Tech Act Proceeds*

CS/SB 620 *Education Technology Equipment (Identical)*