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FISCAL IMPACT REPORT

ORIGINAL DATE 1/30/09

SPONSOR Nava LAST UPDATED _____ HB _____

SHORT TITLE Regional Educational Technology Assistance SB 292

ANALYST Haug

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|---------|-------------------------|------------------|
| FY09 | FY10 | | |
| | \$400.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
New Mexico State University (NMSU)

SUMMARY

Synopsis of Bill

Senate Bill 292 appropriates \$400.0 from the general fund to the Board of Regents of New Mexico State University for the regional educational technology assistance program.

FISCAL IMPLICATIONS

The appropriation of \$400.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 shall revert to the general fund.

SIGNIFICANT ISSUES

The HED states that this request was not submitted by NMSU to the HED for review and is not included in the Department's funding recommendation for FY10.

The LFC Appropriation Recommendations, Volume II, pages 364-365 states:

The committee has concerns about the growth of research and public service projects within the higher education budget, as well as the alignment of these projects with state goals and strategic plans. The committee also continues to have significant concerns about accountability and performance outcomes for these projects.

The committee recommendation reduces funding included in the HED request by varying levels from FY09 funding amounts for research projects, public service projects and P-20 pipeline projects focusing on students.

With respect to special projects, higher education institutions advanced 114 proposals for new projects and expansions at a total general fund cost of \$54 million during the HED budget request process in fall 2008.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The Executive Budget in Brief notes that over the years more than 300 RPSPs have been created, accounting for a large portion of institution budgets. The current RPSPs were reviewed while considering the relevance of the project to the core mission of the institution, the community benefit and the outcomes associated with each project. (Budget in Brief and Policy Highlights, P 9-10.)

NMSU states:

The RETA program has been funded through the Professional Develop fund from the NM PED since 2004. Prior to 2004, it was funded through a US Department of Education Technology Innovation Challenge Grant. RETA is a statewide partnership that helps New Mexico K-12 educators and administrators integrate technology into their classrooms.

RETA is requesting an appropriation of \$400,000 from the general fund to provide sustainability for the program through stable funding. RETA helps build capacity statewide by supporting K-12 teachers integration of technology into teaching and learning. Specifically, RETA partners with the NM PED to provide professional development for educators training to be online teachers and to develop online courses (IDEAL-NM), learning how to effectively integrate laptops in support of improved student learning (Laptop Learning Initiative), and creating their Professional Development Dossiers for licensure advancement. Plus, RETA provides professional development on a variety of topics via the convenience of online technologies. Through RETA grant partnerships with NM school districts, we are further able to leverage funding to provide customized services.

GH/svb