

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 02/26/09

SPONSOR Cisneros LAST UPDATED _____ HB _____

SHORT TITLE 3 Dimensional Academies for Lifelong Learners SB 670

ANALYST Williams

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$6,000.0	Recurring	Appropriation Contingency Fund --- Education Lockbox

(Parenthesis () Indicate Expenditure Decreases)

Duplicates IDEAL NM for which PED receives \$750.0 thousand in operating funding and PED receives \$1 million in operating funding based on FY09 recurring operating budgets

Duplicates the Cyber Academy initiative

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Department of Information Technology (DOIT)

Public Education Department (PED)

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

Senate Bill 670 appropriates \$6 million from the separate account of the appropriation contingency fund, known as the “education lock box”, for the purpose of contracting for the design, development and implementation of a project-based, story-centered and learn-by-doing curriculum. The curriculum would be supported by real-time mentoring by career-field experts and would be delivered via virtual 3-D academies to New Mexico students.

The website would be controlled by the state of New Mexico. A request for proposals issued by HED must address curricula design based on the following criteria:

1. Enhance skills in career, critical thinking, communication and college preparedness

2. Simulate professional work experience in aerospace, health care, digital media and film
3. Available for local or remote participation by lifelong learners
4. Provide for professional development in mentoring methods and techniques.

FISCAL IMPLICATIONS

The appropriation of \$6 million contained in this bill is a recurring expense to the appropriation contingency fund. This designation is based on the nature of the appropriation contained in this bill. Expenditures may be made in fiscal years 2010 and 2011.

Any unexpended or unencumbered balance remaining at the end of fiscal year 2011 shall revert to the separate account of the appropriation contingency fund.

SIGNIFICANT ISSUES

PED provides the formal definition of a virtual three-dimension education from Singhal and Zyda (1999): “three-dimensional virtual spaces [are] simultaneously shared by many users, each represented in those spaces as a geometric object, called avatar, the virtual environment supporting interaction in real time, and the communication between users being carried out through text, actions and --- in some cases --- through the actual voices of users”.

According to DFA and PED, this concept duplicates the Innovative Digital Education and Learning New Mexico (IDEAL NM) which has already begun collaborative work to implement virtual three-dimensional learning opportunities for students using the state’s supercomputer Encanto. IDEAL NM is intended to provide eLearning services to P-12 schools, higher education institutions and government agencies. As of January 15, 2009, IDEAL NM provided services to 870 students from 46 school districts, nine charter schools, three private schools and one juvenile justice center.

Other collaborative efforts include IDEAL NM working with the two national laboratories in the state. Other collaborative efforts in this area include film and digital arts education programs at New Mexico State University, University of New Mexico and New Mexico Highlands University.

PED also notes the bill conflicts with the Cyber Academy Act (Senate Bill 209 passed during the 2007 legislative session).

HED notes the bill is consistent with its agency strategic priorities and goals, but does not support the legislation due to the state’s current fiscal restraints and similar ongoing efforts.

According to the February 2009 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

OTHER SUBSTANTIVE ISSUES

According to DFA, the “education lockbox” was created to fund educational reform. The Office of Educational Accountability (OEA) reported in May 2008 that \$67.4 million remained of the initial \$120 million. According to OEA, the initial purpose of the lockbox funds was to serve the purposes of PreK-12 reform (primarily as the result of House Bill 212 in 2003 and subsequent related legislation).

POSSIBLE QUESTIONS

1. Is this an appropriate use of funds in the education lockbox?
2. How would performance outcomes be measured?
3. What are best practices or models from other states and how would these approaches be incorporated?

AW/svb