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## FISCAL IMPACT REPORT



SPONSOR: Campos DATE TYPED: 02/06/02 HB \_\_\_\_\_

SHORT TITLE: Rural Broadband Telecommunications Project SB 406

ANALYST: Carrillo

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	\$500.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HCO Request 926, SB180

### SOURCES OF INFORMATION

General Services Department (GSD)  
Information Technology Management Office

### SUMMARY

#### Synopsis of Bill

Senate Bill 406, Rural Broadband Telecommunications Project, appropriates \$500.0 from the General Fund to the Information Technology Commission for the purpose of funding a rural broadband telecommunications demonstration project in San Miguel County. The bill contains both reversion and emergency clauses.

#### Significant Issues

According to the Information Technology Management Office (ITMO) staff this bill appears to be duplicative of the MAGnet initiative. MAGnet initiative funding has been used to contract for development of comprehensive telecommunications architecture for the state.

The General Services Department (GSD) staff notes rural communities throughout the state are trying to address their telecommunications issues. The state has put significant effort into developing a cost-effective and comprehensive approach to solving telecommunications access issues throughout rural New Mexico. Paramount among these is converting the State's antiquated analog microwave system to digital technology, as required by the Federal Communications Commission by

2003. Several demonstration (pilot) programs have been conducted in recent years, such as the 1998 microwave project in Questa and a circuit aggregation MAGnet pilot project in Carlsbad (which is nearing completion).

**FISCAL IMPLICATIONS**

The appropriation of \$500.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2003 shall revert to the General Fund. Earmarking reduces the ability of the legislature to establish spending priorities.

**RELATIONSHIP**

House Capital Outlay Request 926 -- \$10,000.0 for continued conversion of the State's microwave radio system to digital technology.

SB180, State Telecommunications Assessment & Network

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