

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 also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR Picraux DATE TYPED 2/12/04 HB 550

SHORT TITLE UNM Lamdarail Project SB \_\_\_\_\_

ANALYST Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$1,000.0			Recurring	General Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Commission on Higher Education Funding Recommendations for FY05 (CHE)

#### Responses Received From

Commission on Higher Education (CHE)

University of New Mexico (UNM)

### SUMMARY

#### Synopsis of Bill

House Bill 550 appropriates \$1 million from the general fund to the Board of Regents of the University of New Mexico for expenditure in fiscal year 2005 and 2006 for the implementation of the dual fiber optic network infrastructure related to the National Lamdarail Project (NLR).

#### Significant Issues

National LamdaRail (NLR) is “a major initiative of U.S. research universities and private sector technology companies to provide a national scale infrastructure for research and experimentation in networking technologies and applications. According to its website, the NLR will provide the research community with direct control over a nationwide optical fiber infrastructure, enabling a wide range of facilities, capabilities and services in support of both application level and net-

working level experiments and serving diverse communities of computational scientists, distributed systems researchers and networking researchers. A primary goal of NLR is to bring together

these diverse research communities to solve complex challenges of network architecture, end-to-end performance, and scaling.”

NLR aims to catalyze innovative research and development into next generation network technologies, protocols, services and applications put the control, the power and the promise of experimental network infrastructure in the hands of our nation’s scientists and researchers.

According to UNM, the benefits to New Mexico include:

- The very high speed connectivity provided by the National LambdaRail will enhance New Mexico State University, New Mexico Tech and The University of New Mexico’s opportunities to develop research partnerships with other major universities in the United States and abroad and to compete for regional and national funded initiatives in areas such as homeland security, microelectronics, ecology, advanced materials research, and telemedicine.
- The National LambdaRail can provide New Mexico’s national labs with very high speed connectivity to other labs and research institutes in the United States.
- The National LambdaRail’s model of no Acceptable Use Policy (AUP), which means this is the only non-commercial network that will allow commercial traffic, beyond that required by law will facilitate New Mexico’s Research Universities and National Labs’ connectivity to private industry to enhance technology transfer that stimulates economic development.
- With no AUP, the National LambdaRail can be used to collaborate with New Mexico companies in economic development initiatives with other entities across the country where high speed connectivity is a requirement. For example, members of Biomedical or Nanotechnology industries would find the high speed connectivity of the LambdaRail advantageous to locating facilities in New Mexico.
- K through 12 and higher education in New Mexico will benefit from this by being able to engage in next generation teaching and learning technologies. They will be able to do this by using advanced tools made available by the National LambdaRail such as virtual reality, visualization and distributed multimedia tools.
- It has been said that technology makes distance and location irrelevant. Indeed, when available and affordable, advanced telecommunications services deliver benefits particularly relevant to rural communities. Distance learning, telemedicine, and e-commerce add more value to remote users than those in metropolitan area. Business access to this high-speed network will stimulate economic growth around the state, allowing digital filmmakers in Gallup to work with California studios, the dairy farms in Clovis to track their herds through a data base located in another state, and businesses in Alamogordo to compete on the same footing as those in Houston and Minneapolis.

**FISCAL IMPLICATIONS**

The bill makes an appropriation of \$1 million National LambdaRail (NLR) is a major initiative of U.S. research universities and private sector technology companies to provide a national scale infrastructure for research and experimentation in networking technologies and applications.

Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

**OTHER SUBSTANTIVE ISSUES**

In the interest of accountability, the institution receiving the appropriation in this bill shall submit a program evaluation to the Legislative Finance Committee and the Commission on Higher Education by August 2007 detailing the benefits to the State of New Mexico from having implemented this program.

This request was not in the list of priority projects submitted to the Commission on Higher Education for review. Consequently, this request was not included in the Commission's funding recommendations for FY05.

**LB/dm:lg**