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FISCAL IMPACT REPORT

SPONSOR Nava **ORIGINAL DATE** 02/09/11
LAST UPDATED 02/27/11 **HB** _____

SHORT TITLE Amend Definitions in Ed. Tech Equipment Act **SB** 331/aSPAC

ANALYST Hanika-Ortiz

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Public Education Department (PED)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee Amendment inserts an emergency clause.

Synopsis of Original Bill

Senate Bill 331 (SB 331) amends the definition of *education technology equipment* and *lease-purchase arrangement* as used in 6-15A-3 NMSA 1978, the Education Technology Equipment Act (Act).

FISCAL IMPLICATIONS

SB 331 carries no appropriation as there is no fiscal impact.

SIGNIFICANT ISSUES

The bill clarifies the definition of *education technology equipment* to include technology services such as network connection devices, digital communications equipment, servers, switches, portable media, and software licenses. The bill also updates *lease-purchase arrangement* terms to include general obligation leases and notes and removes terms such as bond, loan, warrant, debenture, and obligation when used to describe instruments evidencing school technology equipment debt.

PERFORMANCE IMPLICATIONS

The bill appears to be true to the intent of the original statute. The bill eliminates outdated language and makes the statute reflect current terminology used by school districts.

ADMINISTRATIVE IMPLICATIONS

Professional development for educators on use of the equipment/services and implementation of a meaningful and relevant curriculum is always an anticipated need.

OTHER SUBSTANTIVE ISSUES

PED reports that in order to create a seamless learning environment it is necessary to have the network infrastructure inclusive of network devices, digital communications equipment, servers, switches and portable media. Without the proper infrastructure and devices the educational side becomes fragmented.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

School districts should still be able to purchase technology equipment and incur debt for such through a lease-purchase arrangement pursuant to the broad definitions as used in the Act.

AHO/bym:svb