

<b>LFC Requester:</b>	<b>Liu</b>
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**AGENCY BILL ANALYSIS  
2021 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:**

**[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)**

*and*

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*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Check all that apply:  
**Original**     **Amendment**    \_\_\_\_\_  
**Correction**    \_\_\_\_\_ **Substitute**    \_\_\_\_\_

**Date** 1/29/2021  
**Bill No:** HB141

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**Agency Name  
and Code  
Number:**                      PED-924

**Short  
Title:**                      ED INFRASTRUCTURE  
   TECHNOLOGY DEFINITION

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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
NFI	NFI	NFI	NFI

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY21	FY22	FY23		
NFI	NFI	NFI	NFI	NFI

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(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	NFI	NFI	NFI			

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to: SB43, SB93, and SB 131.  
 Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis:

House Bill 141 (HB141) proposes an amendment to the definition of “educational technology infrastructure” in the Public School Capital Outlay Act (PSCOA). The amendment expands the definition beyond physical hardware to include services used to support broadband connectivity and remote learning. Additionally, the proposal would expand to include connection for students and teachers.

**FISCAL IMPLICATIONS**

The Public School Capital Outlay Fund is funded from Supplemental Severance Tax Bonds (SSTBs) originally dedicated by the Legislature solely for financing standards-based projects as defined in the PSCOA. The provisions of this bill are adding another initiative, which could result in a reduction in funding for regular standards-based projects. In recent years, a number of initiatives have been added to the list of eligible programs funded by the Act. Currently, funds are used to support the Capital Improvements Act (SB-9), the lease payment assistance program, Construction Industries Division reimbursements, State Fire Marshall reimbursements, the Public School Facilities Authority (PSFA) operating budget, master facility plans, broadband deficiencies, school buses, and emergency allocations.

The additional uses of the fund have increased considerably in recent years, significantly reducing available revenues for standard-based construction projects. Enacting this bill would continue this trend and further reduce funding available for standards-based projects.

**SIGNIFICANT ISSUES**

Due to the recent pandemic, all school districts and charter schools have been forced to provide education through remote means. Additionally, many students still lack high quality, affordable internet connectivity, making remote learning extremely difficult. This bill would allow the PSCOC to make expenditures to assist not only school districts and charter schools, but also students and teachers with broadband connectivity and remote learning.

Furthermore, this bill aligns with the PED’s legislative initiatives in closing the digital divide.

Many financial and logistical efforts have been made to ensure all New Mexico students have both the digital devices and the internet connectivity they need to effectively access distance learning; however, there is still much work to do. This bill would support continued efforts to ensure students have devices and the connection needed to use it, in order to access digital content and instruction, both during the health pandemic and in the future.

#### **ADMINISTRATIVE IMPLICATIONS**

The Public School Capital Outlay Council and the Public School Facilities Authority would need to develop guidelines and standards for providing the additional expenditures, which may include an application and ranking methodology.

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to SB43 and SB131. These bills affect funding from the Supplemental Severance Tax Program. Additionally, HB141 relates to SB93 by setting up a broadband office and tasks that office with dealing with home access.

#### **OTHER SUBSTANTIVE ISSUES**

The use of public funds for private entities and individuals in certain instances can be a violation of the New Mexico Constitution and the Anti-Donation Clause. Providing funding directly to students and teachers for connectivity services may need to be reviewed to ensure there is no anti-donation violation.

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The PSCOC will continue to fund technology infrastructure projects under current language of the PSCOA.

#### **AMENDMENTS**

None as of 1/29/2021.