

# Legislative Fiscal Bureau

## Fiscal Note

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SF 457 - New Century Learning Technology Initiative (LSB 3521 SS)  
Analyst: Robin Madison (Phone: (515) 281-5270) (robin.madison@legis.state.ia.us)  
Fiscal Note Version — New

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### **Description**

Senate File 457 establishes the New Century Learning Technology Initiative to provide laptop computers and wireless learning technology to students and teachers in public and accredited nonpublic schools. The Bill provides the technology through a public-private partnership to students and teachers in grade 7 in 15 selected school districts by the second semester of the 2003-2004 school year. The Initiative expands to all grade 7 students and teachers in public and accredited nonpublic schools in the 2004-2005 school year. In 2005-2006, the Initiative expands to all grade 8 students and teachers. The Bill identifies the Initiative's ultimate goal as providing the technology to all Iowa students and educators. Implementation of the Initiative is contingent upon an appropriation by the General Assembly.

The Bill creates the 14-member New Century Learning Technology Commission in the Department of Management (DOM) and the New Century Learning Technology Fund, the moneys of which are appropriated to the Commission for purposes of the Initiative. It directs the establishment of a public-private partnership to implement the Initiative and requires that the Commission issue a request for proposals. It requires that the provider and the proposal selected by the Commission meet certain requirements.

The Bill describes the features of an annual plan to be developed by the Commission and implemented by January 1, 2004. The plan is to provide for wireless, fully configured laptop computers with a basic productivity suite of functional software for students and teachers; professional development for teachers; internal networks and technical support; costs for replacement or repair of hardware; and an annual evaluation report and recommendations submitted annually to the General Assembly, the Department of Management, and the Legislative Fiscal Bureau. It must also include an alternative equivalent value factor option for school districts and accredited nonpublic schools that choose not to participate in the Initiative under certain conditions; the alternative equivalent value factor set by the Commission is to reflect the value of goods and services included in the State contract minus the value of efficiencies and economies of scale gained by the contract.

The Bill directs the Commission to prepare an annual budget for implementation of the plan and further directs that an appropriation sufficient to implement the plan be included in the Governor's budget submitted to the General Assembly.

### **Assumptions**

1. The Commission will meet 12 times per year in FY 2004 and 6 times in FY 2005 and FY 2006, with 14 members receiving \$50 per diem per meeting and mileage reimbursement averaging \$29 per member per meeting. Half of the members will require reimbursement for lodging and meal expenses, at a maximum of \$35 for meals and \$68 for lodging per member per meeting. Annual expenses for Commission members are estimated to be \$22,000 in FY 2004 and \$11,000 in FY 2005 and FY 2006.
2. Each meeting of the Commission will require the Department of Management to provide 40 hours of work by one professional at \$40 per hour and one secretary at \$17 per hour. The total cost for DOM staff support to implement the Initiative, including ongoing

supervision of the provider contract, is estimated to be \$27,000 in FY 2004 and \$14,000 in FY 2005 and FY 2006.

3. Total cost for hardware, software, support, and professional development will be \$1,200 per user for initial implementation in grades 7 and 8.
4. Enrollment in grade 7 in 15 selected school districts for second semester of FY 2004 will be 1,500. Total grade 7 enrollment in public and accredited nonpublic schools in FY 2005 and FY 2006 will be 40,000. Total grade 8 enrollment in public and accredited nonpublic schools in FY 2006 will be 40,000.
5. Staffing in grade 7 in 15 selected school districts for second semester of FY 2004 will be 100. Staffing for grade 7 in all public and accredited nonpublic schools in FY 2005 and FY 2006 will be 2,600. Staffing for grade 8 in all public and accredited nonpublic schools in FY 2006 will be 2,600.
6. The annual cost for hardware, software, support, and professional development is estimated to be \$1.9 million in FY 2004 and \$51.1 million in FY 2005 and FY 2006.
7. Until a design is completed and capacity requirements determined, the Iowa Communications Network (ICN) cannot determine whether additional equipment will be required to implement the Initiative. In most communities, ICN connections are available only in the high schools, not middle or elementary schools. The cost of possible additional ICN equipment cannot be estimated.

### **Fiscal Impact**

The estimated fiscal impact of SF 457 to the State General Fund, excluding possible costs to enhance the Iowa Communications Network, is \$1.9 million in FY 2004, \$51.1 million in FY 2005, and \$51.1 million in FY 2006. Costs related to the ICN cannot be estimated at this time.

### **Sources**

Department of Education  
Department of Management  
Iowa Communications Network

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/s/ Dennis C Prouty

April 30, 2003

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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