

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 650

BY APPROPRIATIONS COMMITTEE

AN ACT

1 APPROPRIATING ADDITIONAL MONEYS TO THE DEPARTMENT OF ADMINISTRATION FOR A  
2 PORTION OF FISCAL YEAR 2015; ALLOTING THE APPROPRIATION; PROVIDING  
3 LEGISLATIVE INTENT REGARDING THE USE OF THE APPROPRIATION; AUTHORIZING  
4 FUNDING FOR THE CURRENT CONTRACT; REQUIRING A SERVICE AUDIT OF THE IDAHO  
5 EDUCATION NETWORK; AND REQUIRING MONTHLY REPORTING.  
6

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. There is hereby appropriated to the Department of Adminis-  
9 tration for the Idaho Education Network Program \$4,800,000 from the General  
10 Fund to be expended for the period July 1, 2014, through February 28, 2015.

11 SECTION 2. ALLOTING APPROPRIATION. In accordance with Section  
12 67-3517, Idaho Code, the department shall make a request each month to the  
13 administrator of the Division of Financial Management for an allotment of  
14 spending authority that is limited to the monthly amount payable for ser-  
15 vices that support the Idaho Education Network, as appropriated in Section  
16 1 of this act. The administrator of the Division of Financial Management  
17 shall forward said request, upon its approval, to the State Controller, for  
18 spending authority of funds to be made available during the fiscal year to  
19 the department.

20 SECTION 3. USE OF APPROPRIATION. It is the intent of the Legislature  
21 that the Department of Administration shall use the appropriation provided  
22 for in Section 1 of this act to pay funds due in fiscal year 2015 to Education  
23 Networks of America, Inc./ENA Services, LLC ("ENA") from the E-rate program  
24 administered by Universal Service Administrative Company ("USAC") for ser-  
25 vices to be rendered to the Idaho Education Network ("IEN"), if not paid for  
26 by USAC pursuant to RFP02160 and any purchase orders and amendments (the "IEN  
27 Contract"), within a reasonable time after invoice from ENA to USAC. Prior  
28 to disbursement of the funds from the General Fund to the department, the  
29 department and ENA shall enter into an agreement with the following provi-  
30 sions, at a minimum:

31 (1) Disbursement of funds under this appropriation shall not constitute ac-  
32 knowledgment of any liability or rights of either party under the IEN Con-  
33 tract not expressly provided for in the IEN Contract.

34 (2) ENA shall immediately return to the department any funds paid to ENA un-  
35 der this appropriation, if and when USAC pays ENA for any of the services ENA  
36 rendered to the department pursuant to the IEN Contract.

1 (3) Nothing in this agreement shall displace ENA's responsibility under  
2 paragraph 9.13 or any other provision of the IEN Contract to submit invoices  
3 to USAC in accordance with established E-rate policies.

4 Upon completion of the agreement required under this section, and also upon  
5 the receipt of any funds paid back to the department by ENA pursuant to (2)  
6 of this section, the department shall immediately notify members of the IEN  
7 Program Resource Advisory Council (IPRAC). If ENA returns any appropriated  
8 funds to the department pursuant to (2) of this section, the department shall  
9 immediately transfer such funds to the General Fund. If the department does  
10 not use the entire appropriation for the purposes stated herein on or before  
11 February 28, 2015, it shall return the unused funds to the General Fund on or  
12 before February 28, 2015.

13 SECTION 4. FUNDING AUTHORIZED FOR THE CURRENT CONTRACT. Notwithstand-  
14 ing the authorization provided for in sections 67-5745D and 67-5745E, Idaho  
15 Code, to create and support the Idaho Education Network, any appropriation  
16 provided for in Section 1 of this act shall not be construed as an endorsement  
17 or a commitment to the continuation of the Idaho Education Network while op-  
18 erating under the current IEN Contract described in Section 3 of this act be-  
19 yond the provisions of this appropriation.

20 SECTION 5. SERVICE AUDIT OF IDAHO EDUCATION NETWORK. The department  
21 shall collaborate with the Legislature in performing service audits to de-  
22 termine ownership of all equipment purchased or leased in association with  
23 the IEN Contract, as well as confirmation of the type and level of usage of  
24 IEN services by each school district receiving services under this contract.

25 SECTION 6. REPORTING REQUIREMENTS. The department shall report  
26 monthly, in writing, to the Legislative Services Office, Budget and Policy  
27 Analysis Division, to the Division of Financial Management and to the IEN  
28 Program Resource Advisory Council regarding the status of USAC's contract  
29 review and the Syringa Networks, LLC v. Idaho Department of Administration  
30 lawsuit, an IEN expenditure report that includes fund balances to date and a  
31 litigation-related expenditure report.