

STATEMENT OF PURPOSE

RS23666

This is an FY 2015 supplemental appropriation to the Superintendent of Public Instruction to pay for broadband services and internet connectivity for the remainder of the 2014 - 2015 school year through June 30, 2015. This bill also provides guidance on the use of the funding and flexibility to school districts in acquiring short-term contracts for broadband services in FY 2015. Schools are provided funding for 4.5 months of service and funding is also provided to the Superintendent's Office to either hire staff, contract with staff, or contract with private vendors to support the transition of services from the Idaho Education Network (IEN) in the Department of Administration. Invoices for services rendered through June 30, 2015 may be paid during the month of July 2015.

This bill also reduces the operating expenditures for the IEN in the Department of Administration by the amount unpaid to Education Networks of America for broadband services rendered from September of 2014 through February of 2015. These payments have been in limbo since the district court determined that the contract authorizing the procurement of services was void. This bill does not address any back payments, attorney fees, or potential damages related to the lawsuit between Syringa and the state of Idaho.

FISCAL NOTE

The supplemental appropriation provides \$3,640,500 one-time from the General Fund to the Superintendent of Public Instruction. The \$3,640,500 is calculated based on 4.5 months of service at \$753,446 per month, plus an estimated \$250,000 for personnel or contract services to provide technology support to the schools.

The rescission removes a total of \$5,052,000 in General Fund dollars from the Department of Administration for the Idaho Education Network, of which \$3,292,300 is for the balance of the one-time partial year broadband appropriation made in H650 and \$1,759,700 is a one-time removal of operating expenditures in the department's FY 2015 operating budget (H647).

The net impact of both actions is an overall increase to the General Fund of \$1,411,500.

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