

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB262 proposes to amend the definition of several defined terms contained in the Connect New Mexico Act (Act) found at Section 63-9K-2 NMSA 1978. The term “Broadband infrastructure” would be amended to mean any cable or device used for high-capacity transmission of a wide range of frequencies to provide internet services or otherwise enable a larger number of electronic messages to be transmitted or received simultaneously. A new term, “broadband office” is proposed to mean the office of broadband access and expansion, which would replace the department of information technology throughout the Act. A new term, “internet” is defined to mean a global set of computing and electronic devices interconnected through networking infrastructures to provide data and information sharing and communication facilities.

The Bill would modify the duties of the Connect New Mexico Council (Council). The Council would be required to advise the broadband office concerning the development of a grant program, make recommendations for grant awards from the connect New Mexico fund, and adopt rules regarding the administration of the grants. In addition, HB262 would require the broadband council to implement a grant program to develop and expand broadband infrastructure and services, and provides money to the New Connect Fund.

HB262 proposes that funds from the “connect New Mexico fund” shall be used to implement a grant program to develop and expand broadband infrastructure and services and each year the broadband office would be required to award grants to include private entities for broadband infrastructure to provide service primarily for residential purposes. In addition, HB262 would require the broadband office to consider approving grants from the fund to a private entity, to the extent to which it can meet certain criteria and to which the project fosters digital equity.

FISCAL IMPLICATIONS

Funding has not been appropriated for this Bill.

SIGNIFICANT ISSUES

In 2021, SB144 required the Public School Capital Outlay Council (PSCOC) to develop guidelines for a statewide education network (SEN) integrating regional network hubs and allowed the PSCOC to provide grant assistance from the Public School Capital Outlay Fund (PSCOF) to fund the SEN in accordance with the guidelines it developed. In turn, the Public

School Facilities Authority (PSFA) released a Request for Proposals (RFP) to be issued integral to the development of a SEN. The RFP requested proposals from qualified providers for the Backbone, Last Mile Connections and Commodity Internet for participating school districts and charter schools. Since the issuance of the RFP, the Office of Broadband Access and Expansion (OBAE) and the PSFA have been collaborating and coordinating efforts to establish the SEN. Due to the OBAE's expertise and because the OBAE is better positioned to implement the SEN, the PSCOC and New Mexico Department of Information Technology (DoIT) contemplate entering into an Intergovernmental Agreement whereby, the OBAE will manage the SEN as well as the PSFA Broadband Deficiencies Correction Program (BDCP) staff.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

Section 14 of Article IX of the New Mexico Constitution prohibits state or local governments to provide direct or indirect donations or aid to any person or organization. As such, the grant awards to private entities proposed in this Bill must be awarded in a manner that does not conflict with the anti-donation clause of Section 14 of Article IX of the New Mexico Constitution.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS