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| <b>LFC Requester:</b> | <b>Leger</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*

[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)

*{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** 2/15/2021  
**Bill No:** HB10

**Sponsor:** Reps. Natalie Figueroa  
Joy Garratt  
Susan K. Herrera  
Candie G. Sweetser  
Christine Chandler

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

**Short  
Title:** BROADBAND  
DEVELOPMENT DIVISION

**Person Writing:** John Sena  
**Phone:** 505-570-7816    **Email** John.Sena@state.nm.us

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

| Appropriation |         | Recurring<br>or Nonrecurring | Fund<br>Affected |
|---------------|---------|------------------------------|------------------|
| FY21          | FY22    |                              |                  |
| NFI           | \$900.0 | Recurring                    | General Fund     |
|               |         |                              |                  |

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

| Estimated Revenue |      |      | Recurring<br>or<br>Nonrecurring | Fund<br>Affected |
|-------------------|------|------|---------------------------------|------------------|
| FY21              | FY22 | FY23 |                                 |                  |
|                   |      |      |                                 |                  |
|                   |      |      |                                 |                  |

(Parenthesis ( ) Indicate Expenditure Decreases)

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

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

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: HB10 is a companion bill of SB93, Broadband Access & Expansion Act. HB10 conflicts with HB141, Ed Infrastructure Technology Definition; and SB144, Remote Education Technology Infrastructure.

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: House Bill 10 (HB10) would create the “Connect New Mexico Act.” HB10 would establish a Broadband Development Division within the Department of Information Technology (DoIT), which, among other things: (1) would be required to submit a report to the Legislative Finance Committee (LFC) on the progress and implementation of the Broadband Development Plan; (2) oversee the coordination of state agency broadband programs and budget requests for broadband projects; (3) may be the applicant for federal and private sector broadband funding assistance for state agencies; (4) would coordinate with all state agencies and public educational institutions regarding budget requests for broadband and the purchase of broadband infrastructure, devices, and services, with the goal of implementing bulk pricing agreements; (5) would be required to facilitate communication and coordination among local governments, public educational institutions, private entities, and state agencies regarding infrastructure projects; (6) would be required to consult and negotiate with federal, local, state, and tribal government agencies to create a uniform system of permits, licenses, and regulation of rights of way for broadband infrastructure across all governmental jurisdictions within each region of the state; and (7) would be required to provide technical and planning assistance to local government, public educational institutions, state agencies, and tribal governments in the design, development, or implementation of their own plans for the development of broadband services.

On or before September 1, 2025 and every three years after that, the Broadband Development Division would be required to update and revise the Statewide Broadband Development Plan developed pursuant to HB10 and report it to the governor and the legislature. Additionally, under HB10, the Broadband Development Division would be required to provide an annual report by October 1 of each year to the appropriate legislative interim committees.

The PED’s analysis of HB10 focuses on the duties of the PED and how the proposed bill impacts public school students.

**FISCAL IMPLICATIONS**

HB10 would appropriate \$950 thousand from the general fund to the DoIT for expenditure in

FY22 and subsequent fiscal years to implement the proposed bill. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

The executive's FY22 budget recommendation includes \$10 million for statewide digital access for students. This proposal would continue efforts to ensure every student has a device and the connection needed to use it, so that they can access digital content and instruction, both during the health pandemic and in the future.

## **SIGNIFICANT ISSUES**

HB10 would require all state agencies involved in broadband to coordinate their efforts with the new division in DoIT. Specifically, the bill would also amend Section 9-24-8 NMSA 1978, Public Education Department (PED) Act, to amend the PED secretary's duties to include: coordinate with the Broadband Development Division of DoIT to ensure that purchases of education technology infrastructure and applications for federal assistance funding and for grants from other sources for education technology infrastructure are made in accordance with the Broadband Development Plan established pursuant to HB10.

The bill would also amend the Public School Capital Outlay Act to include the definition of "broadband infrastructure," which means any cable or device used for high-capacity transmission of a wide range of frequencies enabling a large number of electronic messages to be transmitted or received simultaneously. Also, the bill would amend the duties of the Public School Facilities Authority to require coordination with the Broadband Development Division on purchases of education technology and applications for federal assistance funding or grants.

The proposed legislation would allow all state agencies who are connected to broadband to collaborate to develop a better system and long-range plan to close the digital divide in the state. Currently, many different agencies across the state work on different aspects of broadband. Bringing together all the expertise into a single entity to work through collaboration can benefit all the New Mexicans who do not have access to broadband.

HB10 addresses the issue in New Mexico of digging and trenching for fiber installation and would encourage a dig-once approach. Currently, the Navajo Nation is using this model to bring extra capacity to their communities that get funding for tribal schools from the Universal Service Administrative Company (USAC) under the Schools and Libraries program (E-rate program). A coordinated effort to address needs beyond connecting community anchor institutions has the potential to save the state money over time and improve return on investment.

## **PERFORMANCE IMPLICATIONS**

N/A

## **ADMINISTRATIVE IMPLICATIONS**

Under HB10, the PED would be required to collaborate with DoIT's Broadband Development Division when purchasing broadband infrastructure and when applications for federal assistance funding and grants is submitted.

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

HB10 is a companion bill of SB93, Broadband Access & Expansion Act. HB10 conflicts with HB141, Ed Infrastructure Technology Definition; and SB144, Remote Education Technology Infrastructure.

#### **TECHNICAL ISSUES**

N/A

#### **OTHER SUBSTANTIVE ISSUES**

This legislation creates a unified and coherent path to address broadband needs in the state, including the option to include tribal governments who also seek to connect their tribal students. Silos that have developed over time have become a barrier to holistic solutions.

#### **ALTERNATIVES**

N/A

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

N/A

#### **AMENDMENTS**

N/A