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FISCAL IMPACT REPORT

SPONSOR Padilla **ORIGINAL DATE** 1/31/2020
LAST UPDATED 2/06/2020 **HB** _____
SHORT TITLE Telecommunications Regulation Task Force **SJM** 4/aSRC
ANALYST Leger

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY20	FY21	FY22	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	*Minimal			*Minimal	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of SRC Amendment

The Senate Rules Committee amendment adds a representative of the Economic Development Department and Communications Workers of America Local 7037 to the regulation task force and calls for the task force be subject to the Open Meetings Act.

Synopsis of Senate Joint Memorial

SJM 4 requests the Legislative Council to create a telecommunications regulation task force to develop recommendations for legislative and administrative actions to foster a level regulatory and competitive market environment for telecommunications service providers.

A presentation, including a written report of findings and recommendations, shall be made to the appropriate legislative interim committee by November 1, 2020.

FISCAL IMPLICATIONS

The SJM does not include an appropriation to supplement costs, therefore, any costs would be absorbed by the legislature.

SIGNIFICANT ISSUES

The New Mexico Telecommunications Act was enacted in 1985, and reiterated in 1999 through the passage of the Rural Telecommunications Act. In 2017, the Rural Telecommunications Act

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was amended to accelerate the transition of regulation away from telephone regulation models of the twentieth century and toward a market-driven regulatory scheme that incentivizes investment in broadband technologies and infrastructure to benefit New Mexican consumers and businesses.

The SJM states the Public Regulation Commission (PRC) increased telephone regulation, thus moving further away from the level regulatory playing field envisioned by the legislation.

The task force is requested to develop recommendations for legislative and administrative actions to ensure equal regulation among telecommunications providers and to foster a competitive telecommunications environment. Members should be composed of representatives from the legislature, the PRC, the Office of the Attorney General, the Department of Information Technology, and telecommunications service providers.

JLL/al/sb