

LFC Requester:

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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.legis.state.nm.us/AgencyAnalysis) and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: February 14, 2025 *Check all that apply:*
Bill Number: SB357 Original Correction
 Amendment Substitute

Sponsor: Carrie Hamblen **Agency Name and Code Number:** Office of Broadband Access and Expansion - 36100
Essential Services **Person Writing:** Cass Brulotte
Development Act **Phone:** 505-699-5260 **Email:** cassandra.brulotte@connect.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	0		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total	Recurring or Nonrecurring	Fund Affected

				Cost		
Total	0	0	0			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act: yes

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: The Essential Services Development Act authorizes local and regional governments to adopt plans for development of essential services for residential purposes. Essential service projects are those that provide access to water, internet, sewer, and energy. Once plans are created, the local governmental entity is authorized to seek state funding, which is the only approved funding source.

FISCAL IMPLICATIONS

None

SIGNIFICANT ISSUES

OBAE has received just under \$1 billion in state and federal funding to implement broadband infrastructure projects throughout the New Mexico. Despite this significant investment, the New Mexico Broadband Strategic Plan estimates that the state requires between \$2.2 billion and \$5.5 billion dollars of capital investment to achieve complete connectivity.

The Essential Services Development Act creates another avenue by which OBAE could partner with local governments to fill this gap, and expand connectivity to unserved residents and community anchor institutions in underserved communities.

PERFORMANCE IMPLICATIONS

OBAE received \$5,000,000 from the Connect New Mexico Fund for broadband Grant Writing, Engineering, and Planning (GWEP) grants. Local and regional governments are eligible entities, and the application portal is currently open.

Local and regional governments are eligible to receive \$100,000 grants to support the writing, engineering, and planning of broadband development plans. These GWEP funds will help broadband development plans created under the Essential Services Development Act successfully obtain the state public support authorized under the act.

The expenditure authority for GWEP currently expires on June 30, 2025. OBAE has requested an extension on this authority, which would benefit local and regional governments impacted by this bill.

ADMINISTRATIVE IMPLICATIONS

The Federal Communications Commission (FCC) requires detailed GIS/mapping reporting on broadband infrastructure projects. This requirement will need to be addressed in any broadband development plan, and may require the expertise of the New Mexico Geospatial Information Officer to complete.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OBAE is administering multiple broadband infrastructure grant programs throughout the State. To maximize funding, explore collaboration opportunities, and prevent unintentional overbuilds, local and regional governments should consult with OBAE while creating their broadband development plans.

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS