

LFC Requester:

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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov 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: 1.28.26

Check all that apply:

Bill Number: SB152Original Correction Amendment Substitute Sponsor: Sen. PadillaAgency Name
and CodeOffice of Broadband Access and
Expansion - 36100High Speed Internet
Affordability Program

Number:

Person Writing

Cass Brulotte

Short

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Title:

Phone: 505-699-5260 :nnect.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
0	0		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
0	0	0		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	0	0	0			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A
Duplicates/Relates to Appropriation in the General Appropriation Act: No

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: The bill repeals the low income telephone service assistance act, and establishes the Low Income Telecommunications Assistance Program (LITAP) within the Public Regulation Commission (PRC).

The PRC will establish rules implementing the program in order to provide affordable access to telecommunications services to eligible low-income families in New Mexico. Eligible households will include those receiving need-based assistance through the Health Care Authority, and those that include an at-risk student pursuant to the *Yazzie/Martinez* litigation.

The program will be funded through the State Rural Universal Service Fund. LITAP funding is capped at \$10 million in the first year, and \$45 million in subsequent years.

Additionally, the bill brings the PRC's broadband program into alignment with the Broadband Access and Expansion Act, establishes caps for other programs funded by the State Rural Universal Service Fund, repeals the sunset provision for the Access Reduction Support program, makes technical clean-up within the section, and updates reporting requirements for the legislature.

FISCAL IMPLICATIONS

There will be no fiscal implications to the state general fund or agency appropriations. The LITAP will be exclusively funded through the State Rural Universal Service Fund.

SIGNIFICANT ISSUES

Affordability is one of the six (6) strategic priorities in the three-year Statewide Broadband Plan, which is available online at: https://connect.nm.gov/uploads/1/4/1/9/141989814/obae-2026-28-three-year-broadband-plan-final_draft-compressed.pdf.

The establishment of a state-funded LITAP through this bill will assist the state in lowering broadband costs for New Mexicans, and fostering socioeconomic progress for eligible households by enabling meaningful access to the internet.

PERFORMANCE IMPLICATIONS

The PRC will need to establish rules to implement LITAP.

ADMINISTRATIVE IMPLICATIONS

The bill will have no administrative impact on the Office of Broadband. LITAP will be administered through the PRC.

The bill requires LITAP to supplement the federal Lifeline program administered by the Federal

Communications Commission which provides a broadband subsidy capped at \$9.25 per month and \$34.25 per month on qualifying Tribal lands. Lifeline is undersubscribed due to the low subsidy amount that is unable to cover the cost of providing broadband to low-income households. 50,515 households in New Mexico (approximately 15 percent of eligible households) subscribed through Lifeline as of June 2025. This bill will incentivize use of Lifeline, by ensuring that eligible applicants for the New Mexico program are also receiving federal funds.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

The LITAP is intended to create a state-funded alternative for the federal Affordable Connectivity Program, which Congress defunded in 2024.

ALTERNATIVES

N/A.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

In 2026, a family of four making \$44,550 or less (135 percent of federal poverty guidelines) would be eligible for support through LITAP. In New Mexico, approximately 330,000 households fall below this threshold. Nationwide, an estimated 40 percent of households making \$50,000 or less cannot afford to pay anything for home broadband. Without this bill, low-income households, and at-risk students, will be unable to meaningfully access the internet. This lack of meaningful access will limit employment, educational, and health care opportunities, particularly in rural and tribal communities.

Through the PRC's broadband program, the Connect New Mexico Fund, and federal funding, New Mexico will have enforceable commitments to serve virtually every broadband serviceable location in New Mexico by the end of 2026. However, affordability - not access - is the single largest barrier to New Mexico families subscribing to broadband service.

AMENDMENTS

N/A.