



Message from the Acting Director, Office of Broadband Access and Expansion, Drew Lovelace

Dear fellow New Mexicans,

The role of government in industry and society constitutes a commonly debated topic across kitchen tables, classrooms, board rooms, hallways, and community centers around the country, and certainly in New Mexico. The impetus behind these debates are several but often involve two common themes. First, despite tremendous progress achieved in recent years toward fostering economic growth and social opportunity, many citizens feel left behind. Second, the narrative often involves whether the government or the private sector can best be trusted to solve our problems.

The Office of Broadband Access and Expansion (OBAE) recognizes the divergent views around this debate, especially as we tirelessly work to achieve our goals of fostering universal broadband availability and digital inclusion for ALL New Mexicans – residents, businesses, and community institutions. Achieving these goals requires collaboration across government, industry, non-profits, community leaders and organizations, and academia, and mutual respect for the unique strengths across the ecosystem. A multi-stakeholder approach shifts the debate from “what is the role of government” to “how government can efficiently and effectively work with stakeholders to drive impactful, sustainable change.” Collaboration and respect represent two of our fundamental values.

New Mexico is the fifth largest state in size but thirty-sixth in population. This means the cost to build the broadband network and the recurring operating expenses are spread over a smaller base of potential customers. This recipe of large size and low population does not allow for sound private-sector business cases without government support. These challenging economics partially explain why approximately 16% of the State’s residential and business locations remain unserved or underserved.

Moreover, the COVID-19 pandemic demonstrated our society’s increasing dependence on high-speed Internet. Every part of our modern lives necessitates broadband – distance learning, telehealth, telework, information gathering, social communication, government services, and entertainment. While physical connection to broadband is essential, true access does not exist without digital equity. Meaningful Internet usage requires access to affordable services, affordable devices, community networks, and digital literacy, which altogether constitute digital equity.

Since OBAE was created in 2022, our multifaceted role includes spearheading grant funding programs; providing technical assistance across the broadband ecosystem; convening stakeholders; coordinating with other federal, state, and local agencies to solve challenges; engaging in analytics and research to identify gaps and opportunities; and running the Statewide Education Network. In all these efforts, we take great pride in working with many local and state partners to ensure every New Mexican can participate in our digital economy and society.

Our 2024 Broadband Plan builds upon the tremendous progress achieved over the past year. During the 2024-2025 time period, OBAE will launch, award, and invest \$770 million into broadband infrastructure. This involves \$70 million from the Connect New Mexico Fund for general infrastructure, \$25 million from the Connect New Mexico Fund for school broadband infrastructure, and \$675 million from the Broadband Equity, Access, and Deployment program. Coupled with private matching funds, the total budgets for broadband infrastructure projects could approach \$1.3 to \$1.5 billion. We will also closely monitor the \$117 million in grants already issued to 19 projects from the Connect New Mexico Pilot Program. We also recently launched the \$5 million GWEP (Grant Writing, Engineering, and Planning) Fund to assist electric and telephone co-ops, local governments, and tribes with preparing technical and financial plans and grant applications for projects to connect the unserved.

On the digital equity front, OBAE will submit its plan to the federal government in February of 2024 and continue to advocate for Congress to extend the Affordable Connectivity Program, helping 180,000 New Mexican households to

Office of Broadband Access and Expansion
Three Year Broadband Plan
January 2, 2024

receive a subsidy on their Internet bill and helping to put devices into the hands of more New Mexicans. Should the program not be continued, OBAE will advocate for the State to fund and run a similar program.

I am honored to lead this organization. I express my deepest gratitude to former Director Kelly Schlegel, who retired in September 2023. She exemplifies the best of government leadership – a strong work ethic, values grounded in humility and transparency, and commitment to collaboration and daily community outreach. Director Schlegel built a dynamic organization with a staff of 20 personnel and contractors and an institutional structure committed to public-private partnerships. We are building upon these strengths.

I am grateful for the resounding support of Governor Michelle Lujan Grisham. The Governor's directive to OBAE is clear – connect all New Mexican residents and entities with affordable, reliable, high-speed Internet and remove every barrier limiting them from taking advantage of the rich resources online. Second, we are grateful to the Legislature, who, working with the Governor, have given us resources to build our team and provide grant funds necessary to bridge the digital divide.

OBAE is committed to connecting the rich cultural history of its diverse people to its future through universal broadband. Thank you for placing your trust in me and my Office. We look forward to working together to achieve the Governor's vision of making New Mexico the most connected state.

Sincerely,

Drew Lovelace
Acting Director, Office of Broadband Access and Expansion