



STATE OF NEW MEXICO  
OFFICE OF BROADBAND ACCESS & EXPANSION

Office of Broadband Access and Expansion  
Department of Information Technology  
State of New Mexico

---

Michelle Lujan Grisham, Governor  
Howie Morales, Lieutenant Governor

**Notice of Funding Opportunity (NOFO)**  
Connect New Mexico Pilot Program  
August 10, 2022

Questions: [broadbandpilot@state.nm.us](mailto:broadbandpilot@state.nm.us)

Executive Summary			
Opportunity Name	Connect New Mexico Pilot Program		
Administering Agency	Office of Broadband Access and Expansion; Department of Information Technology		
Available Funding	\$123M funding pool; \$10,000,000 maximum grant award per application		
Matching Share	<ul style="list-style-type: none"> <li>• Matching share requirement of 25%; waivers to allow a lower match may be considered under extenuating circumstances that justifiably prohibit the minimum contribution</li> </ul>		
Source of Funding	<ul style="list-style-type: none"> <li>• American Rescue Plan Act (ARPA) of 2021, Coronavirus Capital Projects Fund</li> <li>• Authorized by New Mexico House Bill 2</li> </ul>		
Program Purpose	<ul style="list-style-type: none"> <li>• Foster the deployment of broadband access across unserved and underserved areas in New Mexico through sustainable, scalable networks and financially viable business plans and serve the comprehensive community with high-quality, reasonably priced solutions.</li> </ul>		
Eligible Service Area	<ul style="list-style-type: none"> <li>• Areas in which 80% of the household and business locations in the applicant’s Project Area are either unserved and/or underserved.                             <ul style="list-style-type: none"> <li>○ An unserved household or business lacks access to a wireline-based broadband connection offering at least 25/3 Mbps (download/upload)</li> <li>○ An underserved household or business has access to a wireline-based broadband connection offering at least 25/3 Mbps but less than 100/20 Mbps</li> </ul> </li> </ul>		
Eligible Project Types	<ul style="list-style-type: none"> <li>• <u>Network Purpose</u>: Last-mile networks that provide connectivity to unserved and underserved households and businesses. Network facilities complementary to last-mile network for enabling broadband are also eligible – e.g., middle-mile, community Wi-Fi networks.</li> <li>• <u>Speed and Latency Threshold</u>: Delivers 100 Mbps symmetrical download/upload speeds and supports low latency to enable real-time, interactive applications. Networks not meeting this standard may be funded when impracticable to deploy due to geography, topography, or excessive cost barriers. In such cases, the network must reliably offer at least 100/20Mbps and be scalable to 100 Mbps symmetrical.</li> <li>• <u>Technologies</u>: Fiber-optic wireline, fixed wireless, and alternative technologies meeting speed and latency thresholds</li> </ul>		
Eligible Entities	<ul style="list-style-type: none"> <li>• Tribal government; local units of government (e.g., municipalities, counties and other political subdivisions); local and state agencies; non-profit entities; for-profit entities; cooperative or mutual organizations; utilities</li> <li>• Collaborations among multiple eligible entities are eligible. One partner must be identified as the Lead Applicant.</li> </ul>		
Eligible Expenses	<ul style="list-style-type: none"> <li>• Application preparation, market assessment (e.g., data gathering, feasibility studies); permitting and regulatory reviews (e.g., rights of way, easement, environmental, historical and cultural assessment); network planning &amp; design; infrastructure deployment; network facilities &amp; equipment; long-term leases; grants administration and reporting</li> </ul>		
Scoring Framework	<ul style="list-style-type: none"> <li>• Eight key areas: project impact, community engagement, economic efficiency, project readiness, organization qualifications, marketing and services strategy, adoption assistance programs, project sustainability</li> </ul>		
Application Window Closing Dates and Review Format	Wave One	Wave Two	Wave Three*
	September 23, 2022	December 9, 2022	February 27, 2023
	<ul style="list-style-type: none"> <li>• Rolling Basis: Applications will be accepted and reviewed on a rolling basis. Award announcements may also occur on a rolling basis.</li> <li>* Note: Wave Three is contingent upon funds remaining unallocated after the first two waves.</li> </ul>		
Website	<a href="https://www.doit.nm.gov/programs/broadband/connect-new-mexico-pilot-program/">https://www.doit.nm.gov/programs/broadband/connect-new-mexico-pilot-program/</a>		
Questions	Please submit questions to: <a href="mailto:broadbandpilot@state.nm.us">broadbandpilot@state.nm.us</a>		

## Table of Contents

<b>A.</b>	<b>PROGRAM OVERVIEW .....</b>	<b>4</b>
1.	PROGRAM PURPOSE .....	4
2.	STATUTORY AUTHORITY AND FUNDING SOURCES .....	4
3.	ELIGIBLE ENTITIES .....	5
4.	KEY DATES .....	5
5.	DEFINITION OF TERMS .....	5
<b>B.</b>	<b>ELIGIBLE SERVICE AREAS .....</b>	<b>8</b>
1.	CRITERIA .....	8
2.	DATA TO SUBSTANTIATE UNSERVED AND UNDERSERVED STATUS .....	8
3.	PUBLIC POSTING OF PROJECT AREAS .....	9
4.	TRIBAL GOVERNMENT CONSENT AND SERVICE STATUS CONFIRMATION .....	9
<b>C.</b>	<b>ELIGIBLE PROJECT TYPES .....</b>	<b>9</b>
1.	NETWORK PURPOSE .....	9
2.	ELIGIBLE TECHNOLOGIES .....	10
3.	NETWORK PERFORMANCE REQUIREMENTS .....	10
<b>D.</b>	<b>FINANCIAL POLICIES AND REQUIREMENTS .....</b>	<b>10</b>
1.	ELIGIBLE PROJECT SIZE .....	11
2.	MATCHING SHARE .....	11
3.	ELIGIBLE EXPENDITURES .....	12
4.	INELIGIBLE EXPENDITURES .....	13
5.	TIMING OF ELIGIBLE EXPENDITURES .....	13
6.	DUPLICATION OF FUNDING .....	14
<b>E.</b>	<b>OTHER POST-AWARD REQUIREMENTS AND OBLIGATIONS .....</b>	<b>14</b>
1.	BUILDOUT REQUIREMENTS .....	14
2.	FIVE-YEAR SERVICE AGREEMENT .....	14
3.	LOW-COST SERVICE OPTION .....	14
4.	PARTICIPATION IN PRICE SUBSIDY PROGRAMS .....	15
5.	OPEN NETWORK REQUIREMENTS .....	15
6.	REPORTING REQUIREMENTS .....	15
7.	WORKER AND CONTRACTOR EMPLOYMENT GUIDELINES .....	16
8.	COMPETITIVE PROCUREMENT REQUIREMENTS .....	17
9.	NETWORK PERFORMANCE TESTING REQUIREMENTS POST-COMMERCIAL SERVICE LAUNCH .....	18
10.	TAX OBLIGATIONS .....	18
<b>F.</b>	<b>APPLICATION COMPONENTS AND PROJECT EVALUATION PROCESS .....</b>	<b>18</b>
1.	APPLICATION .....	18
2.	FACTORS FOR CONSIDERATION BY THE CONNECT NEW MEXICO ACT .....	18
3.	SCORING RUBRIC .....	19
4.	PROJECT REVIEW PROCESS .....	20
<b>G.</b>	<b>ADMINISTRATIVE GUIDELINES .....</b>	<b>21</b>
1.	REQUIREMENTS TO RECEIVE PAYMENT .....	21
2.	APPLICATION SUBMISSION .....	21
3.	QUESTIONS .....	21
4.	SUPPORT SERVICES .....	22
5.	REFERENCE LINKS .....	22

This Notice of Funding Opportunity (“NOFO”) formally establishes the funding availability for the Connect New Mexico Pilot Program. The NOFO sets forth the program purpose, program eligibility factors (e.g., project types, service areas, entities), allowable expenditures, key performance requirements (e.g., network performance, service offerings, etc.), evaluation criteria, and compliance requirements.

## A. Program Overview

### 1. Program Purpose

High-speed broadband constitutes an essential utility critical to the social and economic development and advancement of New Mexicans. Yet too many residents, businesses, and community institutions lack access to basic broadband, defined as 25/3 Mbps (download/upload). The pandemic further demonstrated the dire consequences of the digital divide when too many New Mexicans could not engage remotely in e-learning, telework, telehealth, and other essential activities.

A key obstacle preventing the deployment of high-speed, reliable broadband through terrestrial-based networks – especially in rural communities – involves the lack of a financially viable business case funded through private capital. The challenges include the high costs of network deployment and operations and the low population densities that limit the revenue opportunity and spread these costs across fewer customers. The Connect New Mexico Pilot Program aims to bridge the digital divide and foster socio-economic progress by providing infrastructure grants for broadband deployment to these unserved and underserved communities. These grants will serve as a catalyst to attract matching contributions from private capital.

### 2. Statutory Authority and Funding Sources

Governor Michelle Lujan Grisham and the New Mexico Legislature, through House Bill 2, appropriated \$123,066,812 for expenditure by the Department of Information Technology (“DoIT”) in fiscal years 2022 through 2025 to “plan, design, construct, renovate and equip broadband, including alternative and satellite broadband, statewide.”<sup>1</sup> Senate Bill 93 established the New Mexico Office of Broadband Access and Expansion (“Office of Broadband”) to coordinate state and local broadband efforts. The Office of Broadband is administratively attached to DoIT.<sup>2</sup>

Funding for the Connect New Mexico Pilot Program (“Pilot Program”) is sourced from the American Rescue Plan Act (“ARPA”) Coronavirus Capital Projects Fund (“CPF”), which is administered by the U.S. Department of Treasury (“Treasury”).<sup>3</sup> Funds are awarded to States which become the official grant recipient (“Recipient”). Recipients then award funds to Subrecipients (“Grantees”).

Treasury specifically notes that the Capital Projects Fund allows for “investment in high-quality broadband infrastructure as well as other connectivity infrastructure, devices, and equipment.” Based on this guidance and House Bill 2, this Pilot Program is designed to fund the costs of infrastructure that enables broadband access. Treasury also prescribes several policies and encourages states to enact various

---

<sup>1</sup> See [House Bill 2](#), December 21, 2021.

<sup>2</sup> The Office of Broadband Access and Expansion was created by the [Senate Bill 93](#), “Broadband Access and Expansion Act” (Laws 2021, Chapter 123).

<sup>3</sup> [Guidance for the Coronavirus Capital Projects Fund, U.S. Department of Treasury.](#)

guidelines for CPF-funded projects; these are reflected in the Pilot Program guidelines and evaluation criteria, as discussed throughout the NOFO.

**3. Eligible Entities**

Eligible entities that can apply for the grants from the Connect New Mexico Pilot Program include:

- Government entities: Tribal governments; local units of government (e.g., municipalities, counties and other political subdivisions); State and local agencies
- Private for-profit entities: Commercial service providers (established or new entrants)
- Non-profit entities: Community organizations; institutes of higher education; etc.
- Other: Co-operatives, mutual organizations, utilities

Collaborations among two or more of the eligible entities are eligible. One partner must be identified as the Lead Applicant.

**4. Key Dates**

➤ **Three Waves of Funding**

The Connect New Mexico Pilot Program will include three waves of application review and grant awards. Closing dates follow:

Wave	Closing Dates
Wave One	September 23, 2022
Wave Two	December 9, 2022
Wave Three	February 27, 2023

➤ **Rolling Basis**

Applications will be accepted and reviewed on a rolling basis. Award announcements may also occur on a rolling basis. Wave Three is contingent upon funds remaining unallocated after the first two waves.

**5. Definition of Terms**

The following terms are defined to support full transparency and clarity regarding program rules and guidance.

Term	Definition
Program Definitions	
Project Area	<p>The service area defined by the Applicant for the proposed last-mile broadband network.</p> <ul style="list-style-type: none"> <li>• For a wireline network, the Project Area involves all the premises for which the grantee shall provide wireline-based service within a reasonable time period (e.g., five business days) after a request by the customer to be served. These premises can be either directly connected or directly passed by the network.</li> <li>• For a wireless and alternative technology networks, the Project Area involves the premises specifically targeted by the infrastructure investment, with the understanding that the signal from the radio access or other networks may permeate outside the Project Area . The grantee shall provide the broadband</li> </ul>

	<p>service within a reasonable time period (e.g., five business days) after receiving a customer request.</p> <p>Note: The service area does not have to be contiguous. While the “unserved” or “underserved” status pertains to household and business speed requirements, the Award Agreement shall require that community institutions lacking 100/20 Mbps wireline also be served.</p>
Premise	The term premise means an individual residential or business location in the state of New Mexico.
Served Premise	The household or business location that has access to a wireline-based broadband connection that reliably offers at least 100 Mbps download and 20 Mbps upload
Unserved Premise	A household or business location that lacks access to a wireline-based broadband connection with a reliable data rate of at least 25 Mbps download and 3 Mbps upload
Underserved Premise	A household or business location that has access to a wireline-based broadband connection that reliably offers at least 25 Mbps download and 3 Mbps upload but less than 100 Mbps download and 20 Mbps upload
Unserved Area	A Project Area in which at least 80 percent of the premises in the defined area is unserved
Underserved Area	A Project Area in which at least 80 percent of the premises in the defined area is underserved
<b>Network Element</b>	
Last Mile Networks	Defined as a network for which the predominant purpose is to provide broadband service to end-users (e.g., homes, businesses, community institutions)
Middle Mile Network	Defined as a network for which the predominant purpose involves connecting a last-mile network to a regional or national Internet backbone to enable transport of local traffic to the public Internet; services may include interoffice transport, carrier-neutral internet exchange facilities, transport connectivity to data centers, lit service transport, leased dark fiber, and other similar services
Colocation Facility	Defined as a physical data center hosting facility that allows customers to deploy their own servers, networks and storage hardware powered by electricity and backup power
<b>Parties</b>	
Recipient	A party that intends to sign the Grant Agreement with the U.S. Department of Treasury and assume full responsibility for all program requirements. This will be the State of New Mexico.
Subrecipient	A party that aims to sign the grant Award Agreement with the State of New Mexico and assume responsibility for program requirements. The Subrecipient is the grantee or awardee.
Grantee	A party that is awarded a grant award from the Pilot Program. In this NOFO, the Subrecipient is also the Grantee or Awardee
Socially Disadvantaged Entity	A “socially disadvantaged” group involves one whose members have been subject to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. These groups include American Indians, Alaskan Natives, Asians, Blacks or African Americans, Hispanics and Native

	Hawaiians or Other Pacific Islanders. A “socially disadvantaged” entity involves one in which at least 50% of the ownership is held by socially disadvantaged individuals.
<b>Financial Items</b>	
Grant	The financial assistance award from the State of New Mexico to a grantee, under which the grantee bears responsibility for achieving the purpose and activities authorized in this NOFO
Matching Share	Refers to the non-state monetary funds and in-kind funds that are contributed by the grantee and approved by the Office. Any matching funds from another Federal or New Mexico Agency must be approved by the Office of Broadband.
In-kind Contributions	Non-cash donations of property, goods or services that are necessary to the grant-assisted project and would otherwise be purchased
<b>Administrative Terms</b>	
Award Agreement	A legal instrument of financial assistance between the Office of Broadband Access and Expansion (the awarding agency) and the Grantee evidencing the terms and conditions of the award
Deployment Period	Time period that starts from execution of the Award Agreement to the time that service is available to the prospective broadband premises under the grant
Service Period	The period that is established at close of the Deployment Period and five years thereafter when performance testing is required, and the grantee’s service agreement is established, monitored and enforced
Closeout	The process by which the state awarding agency determines that all applicable administrative actions and all required work of the award have been completed
<b>Other</b>	
Household	A house, apartment, single room, or other group of rooms, if occupied or intended for occupancy as separate living quarters, and where the occupants do not live with any other persons in the structure and there is direct access from the outside or through a common hall
Business	Any lawful trade, investment, or other purpose or activity, whether conducted or undertaken for profit
Community Institution	Schools, libraries, medical and healthcare providers, public safety entities, community colleges and other institutions of higher education, and other community support organizations and agencies
<b>Other</b>	
Census Blocks	They are defined by the U.S. Census Bureau and refer to statistical areas bounded by visible features, such as streets, roads, streams, and railroad tracks, and by nonvisible boundaries, such as selected property lines and city, township, school district, and county limits and short line-of-sight extensions of streets and roads
Indefeasible Right of Usage (IRU)	Involves a contractual arrangement in which a network owner provides a buyer irrevocable usage rights to particular network facilities, such as one or more dark fiber strands, for the useful life of the asset. The arrangements are often structured as a capital lease, and Generally Accepted Accounting Principles (GAAP) may treat the purchase as a capital asset. The arrangement may involve a service contract for maintenance.

**B. Eligible Service Areas**

**1. Criteria**

Eligible services areas include those where at least 80% of the premises within the Project Area are either unserved or underserved. The Applicant defines its own Project Area. A Project Area is not required to conform to census block, jurisdictional, or boundaries other than the Applicant's proposed boundaries.

A Project Area does not need to be contiguous and may include gaps, given that adjacent households and businesses may already be served. However, the Office of Broadband expects to have the Project Area include all unserved or underserved premises in the census block intersected by the Project Area. The Office of Broadband also expects the project area to include every community institution lacking 100/20 Mbps through a wireline network. Otherwise, the Applicant should explain why any unserved or underserved premise within a census block intersected by the Project Area is being left out. An explanation lacking strong merit may adversely impact the consideration received during the review process.

The Awardee’s proposed network must have the capability to provide broadband service to every premise located in the Project Area at the speeds and prices defined in the application.

**2. Data to Substantiate Unserved and Underserved Status**

Applicants must demonstrate that the Project Area only includes eligible service areas as determined by the current availability of broadband speeds. Applicants are encouraged to consult the New Mexico Broadband Map and other sources listed in the table below.

Data Source	Description
<p><b>New Mexico Broadband Map</b></p>	<ul style="list-style-type: none"> <li>• This map includes data from the FCC National Broadband Map and service providers in the state. The map will illustrate qualifying service areas based on being unserved and underserved.</li> <li>• However, an applicant may include areas outside these qualifying areas. The applicant must provide data to indicate that the area is unserved or underserved.</li> <li>• The link for the map is located on the Pilot Program website.</li> </ul>
<p><b>NTIA Indicators of Broadband Need</b></p>	<ul style="list-style-type: none"> <li>• The map applies several different data layers to indicate broadband availability based on throughput, including Ookla, Measurement Lab (M-Lab), Microsoft. It also includes FCC mapping data.</li> <li>• Weblink: <a href="https://broadbandusa.ntia.doc.gov/resources/data-and-mapping">https://broadbandusa.ntia.doc.gov/resources/data-and-mapping</a></li> </ul>
<p><b>Survey Data</b></p>	<ul style="list-style-type: none"> <li>• Involve direct input from end-users regarding the speeds, technologies, and other performance features of their broadband service.</li> <li>• The Office of Broadband encourages applicants to provide survey-based data, especially if the maps may potentially label an area as “served” when in fact part of the Project Area is unserved or underserved.</li> </ul>
<p><b>Speed Test Data</b></p>	<ul style="list-style-type: none"> <li>• Speed test data is helpful to support other data sets. Speeds are influenced by several factors, some of which do not reflect the available network type and capacity (e.g., subscribed level of service).</li> </ul>



Note: The Office invites stakeholders across New Mexico to provide data to enhance the accuracy of the aforementioned maps further to either indicate broadband is lacking in areas deemed served, or inversely, speeds are greater than what the maps indicate. This feedback can be sent to: [nmbbgroup@edac.unm.edu](mailto:nmbbgroup@edac.unm.edu).

### **3. Public Posting of Project Areas**

The Office of Broadband aims to ensure funds are directed to currently unserved or underserved areas with no near-term plans to deploy a wireline network that delivers at least 100/20 Mbps. The Office will develop a process to publicly post the Project Areas. Service providers are invited to provide evidence indicating that a grant-funded project may be duplicative of an existing or planned broadband network. Specifically, the Office of Broadband will seek input from:

- Existing service providers which can provide evidence that the Project Area is currently served
- Awardees and beneficiaries from another federal or state funding program that plan to deploy a broadband network and make commercial services available within a reasonable time period from the NOFO issuance date (e.g., two years);
- Entities that have made substantiated progress in launching a network. This includes the demonstration of: a) comprehensive business and technical plan; b) funding secured; c) detailed budget; d) detailed project plan that supports the launch of commercial services within two years of the NOFO issuance date.
- For service currently offered or planned on Tribal lands, the entity must obtain an acknowledgment from the appropriate Tribal office to confirm the claim made by the service provider regarding available or planned service.

The Office will issue guidelines for a service provider to demonstrate that broadband services are, or will be available, in the Project Area.

### **4. Tribal Government Consent and Service Status Confirmation**

An applicant who proposes to provide service on Tribal lands, as identified in the Project Area, must obtain a Certification of Consent from the appropriate tribal office. This Tribal office should be the assigned authority to make broadband-related decisions as designated by the Tribal Government (e.g., tribal broadband, information technology, or regulatory office). The Tribal office must also note whether the Project Area is unserved or underserved, and how that determination was made. The statement must be provided on Tribal letterhead or by an official email. Any applicant that fails to provide a certification of consent and confirmation of unserved (or underserved status) will be deemed incomplete.

#### **C. Eligible Project Types**

An eligible project should meet the following criteria for purpose, technology, and performance.

##### **1. Network Purpose**

###### **➤ Last-Mile Projects**

An eligible project serves the purpose of implementing a last-mile network that provides connectivity to unserved and underserved households, businesses and community institutions.

➤ **Other Eligible Network Facilities to Complement Last-Mile Networks**

Other network facilities are eligible so long as they enable the last-mile network(s) in the eligible service area. These may include middle-mile networks, in-building networks, community Wi-Fi deployments, and other network facilities that enable broadband to unserved and underserved areas. Middle-mile projects should have commitments in place to support new and/or improved last-mile service.

**2. Eligible Technologies**

Eligible technologies include fiber-optic wireline, fixed wireless network, and alternative technologies. These alternative technologies may include non-terrestrial networks, including high altitude platform stations (HAPS) and satellite networks. They make include alternative terrestrial networks, including mobile wireless networks that also provides high-speed fixed wireless.

The U.S. Department of Treasury states that “Recipients are encouraged to prioritize investments in fiber-optic infrastructure where feasible, as such advanced technology better supports future needs.”<sup>4</sup> In response to this guideline, the evaluation criteria provide additional scoring consideration to proposals that offer at least 100 Mbps symmetrical, and additional consideration for networks offering 1 Gbps.

**3. Network Performance Requirements**

The applicant’s network must also meet the following performance requirements.

Performance Standard	Detail
<b>Speed</b>	<ul style="list-style-type: none"> <li>• Per the CPF guidelines, the network must be designed to deliver service that reliably meets or exceeds 100 Mbps symmetrical download/upload.</li> <li>• For a network that cannot meet this speed standard, the Applicant must explain why it would be impracticable to design and deploy a network that meets the 100 Mbps symmetrical threshold. These challenge may be due to geography, topography, or excessive cost barriers.</li> <li>• At a minimum, the network must reliably meet or exceed 100/20 Mbps (download/upload) speeds. Also, the network must be eventually scalable to a minimum of 100 Mbps symmetrical as demand for greater bandwidth increases.</li> </ul>
<b>Latency</b>	<ul style="list-style-type: none"> <li>• The applicant’s network must offer a latency that is sufficiently low to support real-time, interactive applications.</li> </ul>
<b>Outages</b>	<ul style="list-style-type: none"> <li>• Network must be designed with redundancy features so that outages do not exceed 48 hours during any calendar year.</li> </ul>
<b>Readiness</b>	<ul style="list-style-type: none"> <li>• A last-mile network shall provide access to broadband service to each customer who requests service within five business days.</li> </ul>

**D. Financial Policies and Requirements**

<sup>4</sup> [Guidance for the Coronavirus Capital Projects Fund, U.S. Department of Treasury.](#)

## 1. Eligible Project Size

The maximum grant per project is limited to \$10 million. This maximum threshold aims to foster a diversity of project awardees and geographic areas. Applicants seeking greater funding may submit separate multiple applications. However, the Office of Broadband does not have to fund the other applications, even if they are contiguous.

## 2. Matching Share

The applicant must provide at least a 25 percent match that complements the funds received from the New Mexico Broadband Fund. This match requirement policy helps maximize the total available grant funding for the state. The merit-review scoring process will consider additional points for those projects that exceed the 25 percent threshold. The match can include monetary and in-kind contributions

### ➤ Eligible Sources of In-Kind Match

In-kind match is a non-cash contribution of value provided by the applicant (or supporting stakeholders). These contributions are a necessary part of the project and would otherwise be required for purchase if not contributed through in-kind. In-kind contributions have to reflect market value. Examples of in-kind include:

- Equipment: Network equipment (switching, routing, transport, access); customer premises equipment (modems, routers)
- Outside plant: Fiber project (donated fibers, cables, conduit); supporting infrastructure (e.g., cabinets vaults, patch panels, mounting hardware)
- Fee waivers or discounts for access: Waivers associated with free or discounted access to rights of way, pole attachments, conduits, easements, or other types of tangible or intangible property required to deploy the network
- Donates supplies: Supplies used in the construction or improvement of broadband facilities
- Donated land: Includes land with improvements, structures, buildings, and appurtenances (e.g., towers and poles)
- Donated capital leases: Includes leases of dark fiber (e.g., IRU)
- Volunteer services: Performed by professional and technical personnel, consultants, and other skilled and unskilled labor, including engineering design, project management, infrastructure deployment, and accounting and legal services that are a necessary part of the project.

### ➤ Matching Share Documentation

Applicant must provide documentation to validate the availability of matching funds. Examples of appropriate documentation may include: a letter of credit; a letter confirming funds from a bank; a board resolution committing funding; or loan documentation. If the application has additional financial partners contributing to the matching funds, the application must also identify the financial partner(s) and documentation of the amount and availability of each partner's financial match.

### ➤ Waivers for Matching Share Reduction

An applicant is allowed to file a waiver if unique circumstances prevent a matching contribution of at least 25%. These unique circumstances may include a business case that does not earn the required rate of return, even with a 75% grant amount, due to a limited revenue opportunity (e.g., few customers, low average revenue per subscriber, etc.) or uniquely high-cost structure for capital or operating expenses. Alternatively, a socially disadvantaged group or community facing severe economic distress may cite

specific challenges that limit its ability to contribute the 25% matching contribution. Or, an extenuating circumstance may prevent the applicant from raising matching funds after repeated efforts.

OBAE will carefully review the evidence and data to determine if the waiver is justified based on the extenuating circumstances. If a proposal is deemed compelling, based on its initial evaluation, but the matching share waiver fails to provide an evidence-based justification, the applicant may be asked to contribute the 25% matching share to receive an award.

➤ **IRU Sales for Middle-Mile Projects**

An IRU is a capital asset. The sale of an IRU during the performance period can be considered part of the matching share if the applicant can include a commitment letter from the purchaser in the application.

**3. Eligible Expenditures**

Eligible expenses are defined in the table below. These expenditures are identified by Treasury as eligible or involve the necessary expenditures to the deployment of broadband infrastructure.

Category	Eligible Activities
Application Preparation	<ul style="list-style-type: none"> <li>• Costs related to preparing an application</li> </ul>
Market Assessment	<ul style="list-style-type: none"> <li>• Data gathering, feasibility studies, community engagement, public feedback processes, digital equity assessments and planning, needs assessment</li> </ul>
Permitting and Regulatory Reviews	<ul style="list-style-type: none"> <li>• Upfront costs for rights of way, easement and condemnation; acquiring permits; costs associated with satisfying the environmental, historical and cultural assessment, reviews, and mitigation</li> </ul>
Network Planning and Design	<ul style="list-style-type: none"> <li>• Architectural and engineering design</li> </ul>
Network Infrastructure Deployment	<ul style="list-style-type: none"> <li>• Costs related to the construction, improvement, and acquisition of facilities required to deploy broadband infrastructure including all required materials and labor costs; site planning work (e.g., make ready); project management</li> </ul>
Network Facilities	<ul style="list-style-type: none"> <li>• Last-Mile: Electronics necessary to deliver service to an end user including, but not limited to optical line terminal (OLT), optical network terminals (ONT), routers, switches, firewalls, wireless radio equipment, antennae, access points, and any necessary equipment shelters.</li> <li>• Middle-Mile: Electronics necessary to deliver backhaul and middle-mile services</li> <li>• Alternative Technologies for Non-Terrestrial Systems: Eligible network elements include system components required to deliver broadband to unserved and underserved New Mexicans. These may include user terminals to receive a signal, ground segments designed to serve New Mexican communities, and core aerial network elements specific to serving New Mexican communities.</li> <li>• Customer Premise Equipment: Equipment placed within the premise to enable connectivity (e.g., routers, modems, etc.)</li> </ul>
Long-Term Leases	<ul style="list-style-type: none"> <li>• Cost of long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including infeasible right-of-use (IRU) agreements and capital leases</li> </ul>

Personnel	<ul style="list-style-type: none"> <li>Personnel costs, including salaries and fringe benefits for staff and consultants required for the implementation of the project (such as project managers, program directors, subject matter experts, grant administrators, financial analysts, accountants, and attorneys)</li> </ul>
Grants Administration and Reporting	<ul style="list-style-type: none"> <li>Personnel and other necessary costs to administer the grant</li> <li>Costs associated with the collection, monitoring, and the reporting of data regarding project execution, spending, outcomes, and performance measures to enable compliance with Treasury's and the State of New Mexico's reporting requirements and activities to support program evaluation</li> </ul>

#### 4. Ineligible Expenditures

The following expenditures are not eligible.

##### ➤ Expenditures Prohibited by Department of Treasury

The following expenditures are identified by the Treasury as ineligible per the ARPA guidelines for the Capital Projects Fund.

- Acquisition of spectrum licenses
- Operations and maintenance costs (other than grant administration costs)
- Short-term operating leases
- Payment of interest or principal on outstanding debt instruments, or other debt service costs incurred prior to March 15, 2021
- Fees or issuance costs associated with the issuance of new debt
- Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding
- To support or oppose collective bargaining. (Note: this does not affect the ability to use funds to comply with 41 C.F.R. 60-1.4.)

##### ➤ Other Ineligible Expenditures

The Office of Broadband also designates the following expenditures as ineligible. Other potentially ineligible expenses will be listed on the program website.

##### Ineligible Expenses

- Expenditures related to land buildings, structures, improvements, or equipment not directly used to support the deployment of a broadband network
- Passthrough expenditures with respect to subcontractors or other third parties operating on an Awardee's behalf to the extent they are not the result of arm's length transactions or are not reflective of fair market rates.

#### 5. Timing of Eligible Expenditures

Per the Department of Treasury ARPA guidelines, the Office of Broadband will provide reimbursement for all eligible expenses incurred after the award date. Certain expenses – incurred before the award date but after publication of this NOFO – are allowed. These include: application preparation; market assessment; and other planning expenses directly related to the project. Also, Treasury funds can only be applied for

expenditures incurred by December 31, 2026, which is the end of the period of performance for the Capital Projects Fund. Costs incurred by the Awardee after December 31, 2026, will not be eligible for invoicing to the State.

## **6. Duplication of Funding**

An unserved or underserved area may be in location with existing enforceable federal or state funding commitments for broadband deployment. In such cases, funding from the Pilot Program cannot be applied for costs that will be reimbursed by the other federal or state funding stream(s).

Funds may be used only for complementary purposes. In such cases, there must be additional public benefit and a justification for using additional public funding to deploy infrastructure in such overlapping areas.

The awardee will be required to certify in the Award Agreement that the funds requested from the Connect New Mexico Pilot Program have not been and will not be reimbursed by any other state or federal funding programs.

## **E. Other Post-Award Requirements and Obligations**

Awardees are subject to several post-award requirements. These will be included in a standard terms sheet which will be part of the Award Agreement. The Office of Broadband will post this standards term sheet on the Pilot Program website. Any material breach of these requirements may subject the grantee to the repayment provision.

### **1. Buildout Requirements**

Projects are required to be completed within three years after signing the grant Award Agreement. The project plan must demonstrate this completion target. The Office of Broadband may extend the initial three-year award period when exceptional circumstances warrant an extension.

The grantee will have to show: a) significant progress has been completed; b) extenuating circumstances require an extension of time to allow the project to be completed; c) a plan to resolve the extenuating circumstances; d) detailed project plan that still allows the project to be completed within a reasonable period after the original build-out completion date. As noted earlier, Department of Treasury ARPA guidelines allow for reimbursement for those expenditures that occur prior to September 30, 2026.

### **2. Five-Year Service Agreement**

Grantees are required to provide all the services and pricing stated in the application for at least five years. This provision will be included in the Award Agreement.

### **3. Low-Cost Service Option**

Per Treasury guidance, grantees “must offer at least one low-cost option offered at speeds that are sufficient for a household with multiple users to simultaneously telework and engage in remote learning.” OBAE will review the totality of services and pricing in the scoring rubric; however, a low-cost option is required per this guidance.

#### 4. Participation in Price Subsidy Programs

An applicant must provide a signed commitment to participate in federal programs that provide low-income consumers with subsidies for broadband service, such as the FCC's Affordable Connectivity Program (ACP). Treasury noted that it will identify other required programs, but specifically not those mandating the service provider to be designated as an eligible telecommunications carrier.

#### 5. Open Network Requirements

##### ➤ Middle-Mile Projects

Pilot Program awards for middle-mile network projects will require the grantee to make the network open for interconnection with other broadband service providers. The Award Agreement will contain specific award conditions for compliance with open network requirements. Publicly funded middle-mile networks best serve the public interest when other carriers are able to interconnect on fair and non-discriminatory terms and conditions. Moreover, the public interest is best served when government agencies can have dedicated access to a portion of the capacity. Such specific award condition may include the following:

- Interconnection: A middle-mile grantee must allow interconnection to grant-funded facilities at any technically feasible point along the network, without exceeding current or reasonably anticipated capacity limitations. This obligation includes, at a minimum, the physical interconnection of the grantee's facilities to a requesting party's facilities for the exchange of traffic. In addition, grantee must connect to the public Internet directly, or indirectly, and provide requesting parties with an ability to connect to the Internet. Rates and terms for interconnection shall be reasonable and nondiscriminatory.
- Wholesale Broadband Service: A middle-mile grantee must offer wholesale broadband service at rates and terms that are reasonable and nondiscriminatory.
- Negotiate in Good Faith: Middle-mile grantees shall negotiate in good faith with all requesting parties (i.e., public, private, non-profit, or other parties) making a bona fide request for interconnection or wholesale services.
- Commercial Dark Fiber Sale to Broadband Service Providers: Middle-mile grantees are encouraged to offer the sale of dark fiber via IRU's to broadband service providers at prices consistent with those offered in major metropolitan areas nationally.
- Dark Fiber for State, Tribal and Local Government Agencies: In exchange for the public funding, middle-mile grantees deploying fiber-based networks will be required to specifically sell dark fiber to state, Tribal, and government agencies, as well as public institutions of higher education. The contractual arrangement may involve a 25-year IRU. The price of the IRU, and supporting services (e.g., maintenance) shall be reasonable and comparable to IRU pricing reflected in competitive, urban markets. The capacity will primarily serve the broadband needs of the government agencies. Rates and terms for maintenance services for the dark fiber shall be reasonable and nondiscriminatory.

##### ➤ Last Mile Projects

The open network requirement does not apply to last-mile networks. However, additional scoring consideration is offered to last-mile projects that provide an open network program.

#### 6. Reporting Requirements

Grantees will be required to submit quarterly progress reports to document the project's advancement. The Office will release specific requirement, guidance and other supporting materials (e.g., templates). These reports will be due during the project performance period. The project performance period involves

the first quarter during which the Award Agreement is established and ends when the project is closed out. The following table illustrates several of the information requirements. Further details on reporting will be provided on the program website.

<b>Quarterly Progress Reports (illustrative)</b>	
<b>Category</b>	<b>Reported Data</b>
Project Update Narrative	<ul style="list-style-type: none"> <li>• Narrative regarding progress achievement</li> <li>• Narrative regarding projects risks and mitigation approaches</li> </ul>
Pre-Network Deployment	<ul style="list-style-type: none"> <li>• Key permits required and secured</li> <li>• Rights of way approvals required and received</li> <li>• Private easements required and secured</li> <li>• Network design competition status</li> </ul>
Environmental, Cultural and Historical Preservation	<ul style="list-style-type: none"> <li>• Environmental compliance requirements and status</li> <li>• Cultural reviews requirements and status</li> <li>• Historical preservation review and status</li> </ul>
Network Installation Metrics	<ul style="list-style-type: none"> <li>• Fiber miles deployed, upgraded, and leased</li> <li>• Household, business, and community institutions able to receive service</li> <li>• Towers deployed</li> <li>• Ground stations deployed</li> <li>• Aerial network elements launched</li> <li>• Interconnection points established</li> <li>• Colocation centers</li> </ul>
Pre-Launch Network Testing	<ul style="list-style-type: none"> <li>• Maximum download and upload speeds available to all units able to receive service</li> <li>• Latency measures</li> </ul>
Expenditures	<ul style="list-style-type: none"> <li>• Expenditures for the quarter by budget category</li> <li>• Source of the funding (government or matching contribution)</li> </ul>
Customer and Marketing Activity	<ul style="list-style-type: none"> <li>• Subscribers purchasing a last-mile service (e.g., households, businesses, community anchor institutions)</li> <li>• Entities purchasing a middle mile service (e.g., ISP's, data centers, etc.)</li> <li>• Services launched and pricing</li> </ul>
Adoption Programs	<ul style="list-style-type: none"> <li>• Digital literacy training program activity (e.g., sessions held, attendees, etc.)</li> <li>• Price subsidy program activity (specific programs, customers receiving price subsidy, etc.)</li> </ul>

## **7. Worker and Contractor Employment Guidelines**

Treasury provides several guidelines regarding employment practices for workers and contractors.

- Compliance with Federal, State, Tribal and Local Laws: Funded projects must comply with all relevant federal laws and regulations, and with all requirements for state, Tribal, and local laws and ordinances to the extent that such requirements do not conflict with federal laws.



- Wage Requirements: Treasury also notes that the federal Davis-Bacon Act prevailing wage rate requirements do not apply to projects funded solely by the Capital Projects Fund program. Treasury does request States to ensure that projects “incorporate strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions, not only to promote effective and efficient delivery of high-quality infrastructure projects but also to support the economic recovery through strong employment opportunities for workers.” Such practices may help to ensure a reliable supply of skilled labor that would minimize disruptions, such as those associated with labor disputes or workplace injuries.
- History of Compliance: Treasury further encourages States to prioritize employers (including contractors and subcontractors) without recent violations of federal and state labor and employment laws as a further measure that may minimize project disruptions and delays. Awardees should also consider this history in their choice of vendor selection.
- Contract Work Hours and Safety Standards Act: Among other requirements contained in 2 C.F.R. 200, Appendix II, all contracts made by a Recipient or Subrecipient in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with certain provisions of the Contract Work Hours and Safety Standards Act, 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Treasury will seek information from Recipients on their workforce plans and practices related to Capital Projects Fund Projects and information about subcontracted entities.
- Procurement Practices: Treasury encourages Recipients to prioritize in their procurement decisions employers who can demonstrate:
  - Their workforce meets high safety and training standards, including professional certification, licensure, and/or robust in-house training;
  - Prioritization in the hiring of local workers and/or workers from historically disadvantaged communities;
  - Direct employment of their workforce, or policies and practices in place to ensure contractors and subcontractors meet high labor standards; and
  - No recent violations of federal and state labor and employment laws

The Office of Broadband will request the Applicant to discuss its worker and contractor practices, the responses of which will be considered during the evaluation process and impact the overall score earned by the Applicant.

## **8. Competitive Procurement Requirements**

Grantees must follow applicable federal and state laws and guidelines for procurement. For example, grantees must ensure that purchases requiring competitive procurement reflect a process and practices that allows multiple vendors to participate. In such cases, applicants must document the following: process used for vendor notification and requirements documentation (e.g., Request for Proposal); evaluation criteria (e.g., price, quality, availability, special support, etc.); ranking of responses. Sole source contracts are allowed for extenuating circumstances (e.g., recently completed a competitive process; vendor offers a product or service not available by others; long-standing commercial relationship by which bringing aboard a new product may disrupt an existing network). The FAQ will provide further details on this topic.

Grantees must not choose vendors debarred from conducting business with the federal government or the State of New Mexico.

**9. Network Performance Testing Requirements Post-Commercial Service Launch**

Grantees will also have to engage in performance testing of the network during the five-year service period. The test results are to be reported to the Office of Broadband on a periodic basis. These tests pertain to the network speed and latency. Details will be published on the Pilot Program website.

**10. Tax Obligations**

Grant awards and contract payments to vendors may be subject to state or federal taxes. Applicants are encouraged to consult with a tax professional, and account for potential tax obligations, as part of the application submission.

**F. Application Components and Project Evaluation Process**

**1. Application**

The application for the Connect New Mexico Pilot Program is entitled Packet One. The application is available on the Pilot Program website. Application sections include:

<b>Application Sections</b>
<ul style="list-style-type: none"> <li>• Applicant Summary</li> <li>• Project Dashboard</li> <li>• Executive Summaries</li> <li>• Map and Location Data</li> <li>• Project Impact</li> <li>• Community Engagement</li> <li>• Matching Contribution and Demonstration of Financial Need</li> <li>• Project Budget</li> <li>• Project Plan</li> <li>• Organizational and Personnel Background</li> <li>• Contractors and Vendor Management</li> <li>• Labor and Employment Practices</li> <li>• Technology and Network Design</li> <li>• Marketing and Services Strategy</li> <li>• Affordability and Adoption Assistance</li> <li>• Financial Standing</li> <li>• Appendix for Attachments</li> </ul>

**2. Factors for Consideration by the Connect New Mexico Act**

The Pilot Program is an independent program from the Connect New Mexico Fund, which was established in December 2021 by the Connect New Mexico Act. The Act directs the Council to evaluate the extent to which a proposal achieves the following factors.<sup>5</sup> The Office of Broadband will consider these factors, as well as several other factors will be considered as noted in the scoring rubric below.

- Connects unserved and underserved populations of New Mexico, with priority given to projects that will connect unserved populations

<sup>5</sup> See [House Bill 10](#), December 21, 2021.

- Meets or exceeds the baseline standards established by the FCC
- Leverages existing infrastructure
- Complements or coordinates with the statewide broadband plan
- Leverages regional collaboration
- Fosters digital inclusion
- Stimulates in-state economic development, including the creation of jobs and apprenticeships
- Leverages in-kind or financial support from local agencies or entities, federal assistance funding or federal Coronavirus Aid, Relief, and Economic Security Act, federal Consolidated Appropriations Act, 2021 or federal American Rescue Plan Act of 2021 funding.

### 3. Scoring Rubric

The scoring rubric follows that considers eight major categories and several components noted below. The specific points and consideration factors are listed in Scoring Guide which is posted on the Pilot Program website.

Categories	Key Components
Project Impact	<ul style="list-style-type: none"> <li>• <b>Broadband Impact:</b> Degree of unserved and underserved premises passed by wireline or covered by fixed wireless; degree of unserved premises relative to underserved premises; the magnitude of speed increase relative to existing service speeds</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Comprehensive Community Impact:</b> Degree to which network serves the broader community, including: community institutions; government facilities; backhaul for commercial mobile and public safety networks; backhaul to data centers; etc.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Socioeconomic Development:</b> Designing network and providing solutions to foster social and economic development</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Degree of Economic Hardship:</b> Level of existing economic distress (e.g., unemployment rates, poverty level)</li> </ul>
Community Engagement	<ul style="list-style-type: none"> <li>• <b>Local and Regional Partnerships:</b> Partnerships with local and regional community organizations, businesses, government entities, and other broadband service providers to help achieve the project’s mission and maximize impact</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Community Support:</b> Degree of community support from residents, businesses, institutions and other local interests (e.g., customized support letters filed)</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Community Financial Contribution:</b> Financial and/or in-kind contribution from community organizations and individuals</li> </ul>
Economic Efficiency	<ul style="list-style-type: none"> <li>• <b>Matching Contribution Degree:</b> Degree of matching contribution above the 25% minimum requirement</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Project Cost Efficiency:</b> Demonstration that the collective set of decisions across technology selection, network design, procurement processes, and strategic planning yields the most cost-effective project</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Leveraging Existing Assets:</b> Leverage of existing network assets and facilities that would otherwise require expenditure</li> </ul>
Project Readiness	<ul style="list-style-type: none"> <li>• <b>Network and Technology Details:</b> Detail of network design and technology architecture</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Detailed Project Schedule:</b> Details of project activities, milestones, target dates, and dependencies</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Detailed Budget:</b> Detailed itemized budget that lists quantities, costs, and brief narrative on purpose and reasonableness of expenditure</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Comprehensive Risk Mitigation Strategy:</b> Identification of all major risks and detailed risk mitigation plan</li> </ul>

<b>Organization Qualifications</b>	<ul style="list-style-type: none"> <li>• <b>Organizational Experience:</b> Demonstrated experience and capabilities in executing similar projects</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Business Structure:</b> Networks owned or operated by, or affiliated with, local and tribal governments, non-profits, and cooperatives</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Local/Regional Workforce Participation:</b> Strategy to hire local staff and leverage local/regional firms and contractors to design, plan, deploy, and operate the project</li> </ul>
<b>Marketing and Services Strategy</b>	<ul style="list-style-type: none"> <li>• <b>Price Competitiveness:</b> Prices commensurate with rates in competitive, urban markets</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Diverse Set of Service Offerings:</b> Breadth of service offerings to accommodate a diverse set of customer segments and other supporting services</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Customer Acquisition and Retention strategy:</b> Details around plans to capture and retain customers</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Open Access Policies:</b> A) For last-mile networks, policies and programs to offer wholesale services to other retail last-mile service providers; b) For middle-mile, policies and programs to provide wholesale services, including dark-fiber to other network service providers.</li> </ul>
<b>Adoption Assistance Programs</b>	<ul style="list-style-type: none"> <li>• <b>Affordability Assistance Program:</b> Collective set of programs and policies to foster affordability for all community segments</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Digital Inclusion Programs:</b> Programs and strategies to enable adoption, including: devices, digital literacy, outreach, community networks, etc.</li> </ul>
<b>Project Sustainability</b>	<ul style="list-style-type: none"> <li>• <b>Financial Viability:</b> Assessment of business case (e.g., detailed showing of revenue and cost elements) and financial strength of applicant (or consortium)</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Network Capacity and Scalability:</b> Total capacity available today and capability of network to efficiently scale to accommodate future bandwidth demand</li> </ul>

#### 4. Project Review Process

The project review process will involve a three-stage process.

Review Process	Amount
Phase I: Application Evaluation by Review Team	<ul style="list-style-type: none"> <li>• Applications will be reviewed by a team of subject matters experts in the broadband sector. Each application will have at least three reviewers. These reviewers may be state or non-state employees and contractors.</li> <li>• During the review process, the reviewers may discuss the application with each other but not their scores, which will be determined on an individual basis.</li> <li>• Projects will be scored based on the scoring criteria listed in the Scoring Guide. Projects that receive a higher proportion of the available points, especially relative to the average scores in a particular wave, then move into Phase II: Due Diligence.</li> </ul>
Phase II: Due Diligence	<ul style="list-style-type: none"> <li>• Due diligence process is led by the Office of Broadband Access and Expansion.</li> <li>• This process involves a review of the following:                             <ul style="list-style-type: none"> <li>– Adherence to all programmatic requirements</li> <li>– Request for further information from the applicant to resolve open issues or clarify information</li> <li>– Consideration of justification for waiver for minimum match requirement (if applicable)</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• This phase considers any unresolved and open issues with regarding to service providers which believe the area is currently served, or will soon be served through other government and/or private funding.</li> <li>• This phase also considers any adverse legal or financial circumstances in the Applicant’s history or current standing.</li> <li>• This phase also considers the technology selection relative to the inputs and recommendations from the 2020 Strategic Plan and other studies.</li> </ul>
<p>Phase III: Final Selection</p>	<ul style="list-style-type: none"> <li>• Projects that receive favorable scores and clear the due diligence phase are then recommended for final consideration.</li> <li>• The Office, in its recommendations, will consider other factors that serve the public interest, including: funding a diversity of projects across organizations, geographies, technologies, and business models; socioeconomic development priorities; broadband strategic planning activities and coordination with other federal funding programs.</li> </ul>

**G. Administrative Guidelines**

**1. Requirements to Receive Payment**

OBAE staff will also validate if the Lead Applicant has favorable standing in New Mexico and the federal government to receive state funds. Entities must be eligible to receive payment from the State of New Mexico Department of Finance and Administration (DFA). A W-9 Form must be completed if required by DFA. Entities must meet the following requirements stated in the table below.

Requirements to Receive Payment
<ul style="list-style-type: none"> <li>• Has a valid Federal Tax Identification Number (FEIN);</li> <li>• Is not on the Federal Excluded Parties List;</li> <li>• Is in Good Standing with the New Mexico Secretary of State, as applicable;</li> <li>• Is not on the New Mexico Stop Payment list; and</li> <li>• Automated email notification to the entity provides notice of “qualified” status or informs how to remediate a negative verification (e.g., not in good standing with the Secretary of State). A federal Debarred and Suspended status cannot be remediated.</li> <li>• Pursuant to the policy of the New Mexico Office of the Comptroller, to receive grant funds from the State of New Mexico, a grantee must be considered a regarded entity by the IRS for federal income tax purposes. Disregarded entities will not be eligible to receive grant funds.</li> </ul>

**2. Application Submission**

Applications can be submitted by uploading files into an intake system established by OBAE. This link is located on the Pilot Program website. Directions are noted on the website. In addition to the application, please note that several supporting documents must be uploaded through the application system.

**3. Questions**

OBAE will accept questions about the application via email. All questions will be answered via email and will collectively be posted with answers on the following website. Questions must be submitted no later than one week before the close of a wave. Please email your questions to: [broadbandpilot@state.nm.us](mailto:broadbandpilot@state.nm.us).

#### 4. Support Services

Staff from the Office of Broadband will be available to answer questions regarding the NOFO, application requirements, scoring guide, and any specific policies and processes related to this NOFO. However, staff will not help an applicant prepare their application.

#### 5. Reference Links

Topic	Link
ARPA Capital Projects Fund	<a href="https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund">https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund</a>
State of New Mexico Broadband Site	<a href="https://www.doit.state.nm.us/broadband/index.shtml">https://www.doit.state.nm.us/broadband/index.shtml</a>
New Mexico Broadband Speed and Quality Testing	<a href="https://www.doit.nm.gov/programs/broadband/new-mexico-broadband-speed-quality-testing/">https://www.doit.nm.gov/programs/broadband/new-mexico-broadband-speed-quality-testing/</a>
New Mexico Department of Transportation, Right of Way Bureau	<a href="https://www.dot.nm.gov/infrastructure/right-of-way-bureau/">https://www.dot.nm.gov/infrastructure/right-of-way-bureau/</a>

## End of Document