

**NOTICE OF PROPOSED RULEMAKING DOCKET NO. 25-00007-UT**

The New Mexico Public Regulation Commission (“Commission”) gives notice of its initiation of a formal rulemaking to promulgate amendments to an existing rule, at Title 17, Chapter 11, Part 10, of the New Mexico Administrative Code, entitled “State Rural Universal Service Fund.” The amendments that may be adopted may include all, part, or none of the language in the proposed rule amendments.

Summary of the full text of the proposed rule amendments and short explanation of their purpose: The Commission intends to adopt amendments to the State Rural Universal Service Fund Rule, 17.11.10 NMAC (“Rule”), pursuant to amendments to the Rural Telecommunications Act of New Mexico (“RTA”), NMSA 1978, §§ 63-9H-1 to -14 (1999, as amended through 2023), adopted by the Legislature in 2023. The RTA provides for the establishment and maintenance of the State Rural Universal Service Fund (“SRUSF”). The Legislature’s amendments to the RTA, which became effective on July 1, 2023, concern Section 63-9H-6 of the RTA, which governs the SRUSF.

The Commission proposes amendments to conform the Rule to be consistent with the 2023 amendments to the RTA. The proposed rule amendments, if adopted, would impact the provision of access reduction support (“ARS”) from the SRUSF to rural incumbent local exchange carriers. The Legislature’s amendments to the RTA set the dollar amounts of ARS payments, for the years 2024, 2025, and 2026, to be equal to the dollar amounts of ARS payments made in 2023. Moreover, the amendments to the RTA require that ARS payments be terminated after December 31, 2026. In addition, the Legislature eliminated the \$8,000,000 annual minimum limit upon the support that the Commission provides through its Broadband Program. Instead, the amended RTA requires the Commission to dedicate to the Broadband Program, on an annual basis, the funding that remains available within the \$30,000,000 cap upon the SRUSF, after all other statutory claims upon SRUSF funding have been satisfied. The Commission’s proposed amendments to the Rule would incorporate these amendments to the RTA into the Rule.

In addition to the amendments that are proposed for the purpose of conforming the Rule to the 2023 amendments to the RTA, the Commission proposes an additional amendment for the purpose of clarification of the Rule. The proposed amendment would eliminate, from 17.11.10.31(B) NMAC, the following sentence: “To the extent a year’s broadband program funding is not exhausted by grants awarded during that year, the funds will rollover to the following year.” The Commission proposes removing this sentence as this sentence could be read, incorrectly, to suggest that the Commission may award Broadband Program funding in an amount that exceeds the \$30 million annual statutory cap on the SRUSF, based upon an amount of funding that was not awarded in the previous year.

Legal authority authorizing the proposed rule amendments and the adoption of the proposed rule amendments: The Commission has the authority to promulgate and adopt the proposed rule amendments, pursuant to Section 62-19-9 NMSA 1978 and Section 63-9H-6 NMSA 1978.

How a copy of the full text of the proposed rule amendments can be obtained: A copy of the full text of the proposed rule amendments and instructions on how to access the complete rulemaking record, reports, and other items filed in the Commission’s e-docket system may be obtained from the Rulemaking Proceedings section of the Commission’s website at <https://www.prc.nm.gov/rulemaking-proceedings>, under Docket No. 25-00007-UT, or by calling LaurieAnn Santillanes of the Commission’s Office of General Counsel at (505) 670-4830.

How a person may comment on the proposed rule amendments, where comments will be received, and when comments are due: Written initial comments may be filed no later than **March 28, 2025**, written response comments may be filed no later than **April 7, 2025**. Filed comments shall refer to Docket No. 25-00007-UT. Comments may be electronically filed by sending them in PDF format to [prc.records@prc.nm.gov](mailto:prc.records@prc.nm.gov). All written comments will be posted on the Commission’s e-Docket website within three days of their receipt by the Commission’s Records Management Bureau.

The record of this case closes on **April 23, 2025**. From that date through the completion of this proceeding, rulemaking participants shall be forbidden from communicating with the Commission or its representatives concerning substantive issues in this proceeding.

When and where a public comment hearing will be held and how a person may participate in the hearing: A public comment hearing on the proposed rule amendments and any proposed alternatives, to be presided over by the Commission or its designee, shall be held beginning at **10:00 A.M. on April 10, 2025**, at the Commission's offices located at 142 W. Palace, Santa Fe, New Mexico, 87505, and via the Zoom video-conferencing platform.

Any interested person who wishes to make a comment at the hearing may contact Patrick Rodriguez via email at [public.comment@prc.nm.gov](mailto:public.comment@prc.nm.gov) or by phone at (505) 490-7910 as soon as possible before the start of the hearing to sign up as a commenter. The Commission shall email a Zoom invitation to all commenters. The Zoom invitation shall include a call-in number for those commenters who are unable to access Zoom's video-conferencing platform. The public comment hearing shall be held to receive oral comments. All commenters may be limited in time to speak, subject to the discretion of the Commission or its designee. The Commission or its designee may also determine that a spokesperson should be designated to speak on behalf of an organization, a group, or a group of individuals that shares the same message or seeks the same goals, in order to maximize the efficiency of the public hearing. No testimony or other evidence shall be taken at the hearing as this is a rulemaking proceeding. The subject matter of public comments shall be relevant to matters within the Commission's jurisdiction. A court reporter shall prepare a transcript of the hearing for filing in this docket.

Any person with a disability requiring special assistance to participate in the hearing should contact the Office of Director of Administrative Services of the Commission at (505) 827-8019 as soon as possible prior to the commencement of the hearing.

Technical information that served as a basis for the proposed rule amendments and how the information can be obtained: Not applicable.