BEFORE THE NEW MEXICO DEPARTMENT OF INFORMATION TECHNOLOGY

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IN THE MATTER OF ADOPTION OF GRANT PROGRAM RULES

Docket No. 23-0001

COMMENTS OF CTIA

CTIA¹ offers the following comments in response to the Department of Information Technology's ("Department's") December 27, 2022 Notice of Proposed Rulemaking regarding the draft proposal for NMAC 1.12.21 (the "Draft Rules").

CTIA appreciates the opportunity to provide formal feedback on the Draft Rules, after providing informal feedback on the Draft Rules in December, 2022.² CTIA is encouraged to see that the Draft Rules largely reflect the principles CTIA espoused then, which it reiterates in the present proceeding.

The significant recent influx of state and federal money to support broadband deployment underscores the importance of sound policies that use this money most effectively to expand broadband access in New Mexico. Wireless broadband serves a crucial role in meeting New Mexico's broadband needs, with 5G fixed wireless access ("FWA" or "5G home broadband"), in particular, providing speeds that meet and exceed customers' broadband needs. Most 5G home broadband services already offer speeds of 100+ megabits per second (Mbps) download and 20+

¹ CTIA – The Wireless Association ("CTIA") (<u>www.ctia.org</u>) represents the U.S. wireless communications industry and the companies throughout the mobile ecosystem that enable Americans to lead a 21st century connected life. The association's members include wireless carriers, device manufacturers, and suppliers as well as app and content companies. CTIA vigorously advocates at all levels of government for policies that foster continued wireless innovation and investment. The association also coordinates the industry's voluntary best practices, hosts educational events that promote the wireless industry and co-produces the industry's leading wireless tradeshow. CTIA was founded in 1984 and is based in Washington, D.C.

² See CTIA Letter re: Broadband Grant Program NMAC Rules (November 23, 2022), available at <u>https://api.ctia.org/wp-content/uploads/2022/12/CTIA-Comments-before-the-New-Mexico-Broadband-Council-re-Draft-Broadband-Grant-Rules-.pdf</u> (last accessed Jan. 30, 2023).

Mbps upload, with some 5G home services reaching up to 1 gigabit per second (Gbps) download and 50 Mbps upload.³ As Wells Fargo analysts noted, "5G home broadband ... should offer a compelling solution in more rural markets ... in particular."⁴ Goldman Sachs agrees, finding that wireless providers "will have some near- to medium-term success with their 5G fixed wireless access (FWA) offerings in under-served areas ... as these services will likely deliver average speeds of 100-300 Mbps."⁵ And Accenture "estimates the wireless providers' 5G [fixed wireless broadband] deployment could serve up to nearly half of American's rural households, with at least one new 5G [fixed wireless broadband] provider serving each of those communities."⁶

With streamlined deployments and lowered costs-to-serve, 5G for home broadband services represent a transformative broadband alternative that can be deployed quickly and with superior economics and network efficiencies. Consumers have demonstrated a clear preference for fixed wireless. FWA subscriptions outpaced cable broadband subscriptions in 2022, accounting for nearly 80% of all net broadband subscription additions in the U.S. in the past year.⁷ And CTIA has shown that speeds offered via FWA are more than adequate for America's

³ See, e.g., <u>https://www.fiercewireless.com/tech/uscellular-launches-mmwave-based-fwa-10-cities</u> (Apr. 28, 2022) ("According to the operator, its Home Internet+ solution delivers speeds of up to 300 Mbps"); https://www.rcrwireless.com/20220428/carriers/how-is-verizon-evolving-its-5g-network-a-qa (Apr. 28, 2022)

^{(&}quot;when we aggregate existing bands of LTE, our customers are seeing well over one gigabit per second in many cases [...].") (last accessed Jan. 30, 2023).

 ⁴ See CTIA, "5G for Home Broadband—the Next 5G Breakthrough" (May 27, 2021), available at https://api.ctia.org/wp-content/uploads/2021/05/5G-Home-One-pager-x.pdf at 1-2 (last accessed Jan. 30, 2023).
⁵ See id. at 2.

⁶ See Accenture (commissioned by CTIA), "5G Fixed Wireless Broadband: Helping Close the Digital Divide in Rural America" (Nov. 15, 2021), available at <u>https://api.ctia.org/wp-content/uploads/2021/11/CTIA-Rural-HHs-mini-POV-V2-20211115.pdf</u> at 5 (last accessed Jan. 30, 2023).

⁷ See, e.g., Butts, Tom, "U.S. Broadband Subscription Growth Flattens, But Fixed Wireless Heats Up," TV Tech (Nov. 15, 2022), *available at* <u>https://www.tvtechnology.com/news/us-broadband-subscription-growth-flattens-but-fixed-wireless-heats-up</u> (last accessed Jan. 30, 2023).

families.⁸ Moreover, fixed wireless buildouts will benefit surrounding areas by expanding voice coverage and providing higher speeds for mobile users.

As the Department and affiliated entities, such as the Connect New Mexico Council, create rules for grant programs, they should keep the following principles in mind.

First, funding should be distributed in a manner that is technologically and competitively neutral and does not unnecessarily limit technological solutions used for broadband service. There are a variety of ways to effectively provide broadband service and a "one-size fits all" approach limits the benefits of both varied technology solutions and effective competition. The Draft Rules' clauses that grant programs be merit-based by default and "not use eligibility and program specifications that favor a particular applicant" without good cause help to reinforce these principles.

Additionally, grant programs should employ a reasonable, inclusive set of minimum criteria designed to ensure that applicants will timely, promptly, and efficiently deliver broadband service that meets consumers' needs. Those minimum criteria should identify the minimum speeds necessary to meet consumers' needs, but should avoid regulatory requirements that could dissuade applications from otherwise qualified providers. CTIA supports the Draft Rules' provision that allows matching fund requirements to be waived for good cause, which will help ensure otherwise-qualified providers are not left out for lack of available capital. Allowing grant applicants flexibility, such as whether to offer to match funding, will encourage more applications and more creative, varied deployment approaches. And grant programs with

⁸ See CTIA, "5G for Home Broadband Speeds Easily Support the Typical American Household's Needs," *available at* <u>https://api.ctia.org/wp-content/uploads/2022/03/The-Millers-One-pager_030122.pdf</u> (last accessed Jan. 30, 2023).

reasonable speed standards that encourage wireless participation will increase the odds of success and benefit all New Mexicans.

CTIA looks forward to continued engagement with the Department as it develops the Draft Rules and takes further steps towards distributing funding for broadband deployment in New Mexico.

Respectfully submitted,

By: ____/s/___

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