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## FISCAL IMPACT REPORT

**BILL NUMBER:** Senate Bill 201

**SHORT TITLE:** Rural Libraries

**SPONSOR:** Campos

**LAST UPDATE:** 2/02/2026      **ORIGINAL DATE:** 2/02/2026      **ANALYST:** Rodriguez

### APPROPRIATION\* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$1,500.0	Nonrecurring	General Fund

\*Amounts reflect most recent analysis of this legislation.

Relates to Senate Bill(s) 61, 62, and 99

### Sources of Information

LFC Files

### Agency or Agencies Providing Analysis

Cultural Affairs Department

## SUMMARY

### Synopsis of Senate Bill 201

Senate Bill 201 (SB201) appropriates \$1.5 million from the general fund to the Cultural Affairs Department (DCA) for expenditure in fiscal year 2027 to support the operation of rural libraries. Any expended balances at the end of FY27 will revert to the general fund.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

## FISCAL IMPLICATIONS

The appropriation of \$1.5 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY27 shall revert to the general fund.

## SIGNIFICANT ISSUES

During the 2025 legislative session, the Legislature appropriated \$2.5 million to DCA for grants

to rural libraries. The state librarian has fully expended these funds, awarding approximately \$43.9 thousand to each of 57 libraries.

If the number of eligible rural libraries remains the same, the appropriation in SB201 would allow DCA to award approximately \$26.3 thousand per library.

DCA notes that some rural libraries have encountered difficulty expending relatively large onetime funds within a single fiscal year.

## **ADMINISTRATIVE IMPLICATIONS**

DCA already administers and awards grant funding to rural libraries through the rural library endowment fund. As such, the agency already has the administrative infrastructure to grant the awards funded by SB201.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB201 relates to Senate Bills 62 and 99, which both appropriate \$29.5 million to the rural libraries endowment fund, and Senate Bill 61, which appropriates \$5 million for the same purposes as SB201.

## **TECHNICAL ISSUES**

As noted by DCA for similar legislation, SB201 does not define “rural libraries.” However, statute for the rural libraries endowment program, administered by DCA, defines rural libraries as those that have been established by a political subdivision, by a tribal government, or as a tax-exempt corporation. DCA suggests defining “rural libraries” by amending Section 1, page 1, line 17 to: “to support the operation of grants to rural libraries as defined in Section 18-18-4 NMSA 1978;”.

JR/dw