

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2-2-06

SPONSOR Rodella LAST UPDATED _____ HB 585

SHORT TITLE HOUSE DISTRICT 41 LIBRARIES SB _____

ANALYST Hadwiger

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$75.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Cultural Affairs Department (CAD)

SUMMARY

Synopsis of Bill

House Bill 585 appropriates \$75 thousand from the general fund to the Local Government Division (LGD) of the Department of Finance and Administration (DFA) in FY07 for libraries in House District 41, including those in Abiquiu, El Rito, and Dixon.

FISCAL IMPLICATIONS

The appropriation of \$75 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 would revert to the general fund.

SIGNIFICANT ISSUES

DFA indicated HB585 appropriates funds through LGD to public libraries in Rio Arriba County. No method of distribution of funds is addressed in the legislation. The libraries belong to the Rio Arriba Independent Libraries (RAIL) organization, which is a non-profit. To avoid violations of the anti-donation clause, the appropriation should go directly to Rio Arriba County. The County

can administer the funds to the libraries based on their own criteria. Rio Arriba Independent Libraries (RAIL) is a non-profit organization consisting of four public libraries in Rio Arriba County. Libraries belonging to the RAIL organization are in Abiquiu, El Rito, Dixon and Truchas. RAIL receives funding through various grants, foundations and donations from the communities. The public libraries offer free services including books, internet access, big screen public movies and document notarization. This appropriation will be used to fund operations of these four public libraries.

ADMINISTRATIVE IMPLICATIONS

LGD has the capacity to fund and monitor the project, if a specific recipient is identified.

TECHNICAL ISSUES

LGD typically administers appropriations such as this efficiently; however, this will be facilitated if the bill clearly designates the government that will be the recipient of appropriation.

DH/nt