

LFC Requester: _____

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

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(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/2/26 *Check all that apply:*
Bill Number: SB 201 Original Correction
 Amendment Substitute

Sponsor: Senator P. Campos **Agency Name and Code Number:** Department of Cultural Affairs--505
Short Title: RURAL LIBRARIES **Person Writing Analysis:** Eli Guinee
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
N/A	1,500.0	Nonrecurring	GF

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Senate Bill 201 appropriates 1.5 million dollars to the Cultural Affairs Department (CAD) in one-time reverting general fund monies to support the operation of rural libraries in FY27.

FISCAL IMPLICATIONS

None identified.

SIGNIFICANT ISSUES

None identified.

PERFORMANCE IMPLICATIONS

None identified.

ADMINISTRATIVE IMPLICATIONS

The CAD will direct the funding appropriated in this bill to the New Mexico State Library (NMSL) division for expenditure. Utilizing the existing administrative infrastructure of NMSL, the department will use the funding to provide both direct grants to rural libraries and specialized services to support rural library operations throughout the state.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill relates to SB 61 titled Rural Libraries, which appropriates \$5 million to CAD for rural library operations in FY27 and FY28. Also relates to SB 62 and SB 99, both titled the Rural Libraries Endowment Fund. Both seek to appropriate \$29.5 million to the Rural Libraries Endowment Fund (RLEF). The RLEF provides necessary funding for operational and capital requirements, in addition to the delivery of specialized services to rural libraries throughout the state.

The Executive Budget Recommendation includes a five-million-dollar special appropriation for the RLEF; however, the Legislative Finance Committee recommendation is zero dollars.

TECHNICAL ISSUES

The bill does not define “rural libraries.” Under RLEF provisions, § [18-18-4](#), a “rural library” is a library that is established through an ordinance or legal resolution adopted by a political subdivision of the state and is located in an unincorporated area of the state or a municipality with a population on or after July 1, 2019 of three thousand or less; by a legal resolution of a tribal government in New Mexico with a tribal population on or after July 1, 2019 of three thousand or less; or as a corporation with tax-exempt status pursuant to Section 501(c)(3) of the United States Internal Revenue Code of 1986 and is located in an unincorporated area of the state, or a municipality with a population on or after July 1, 2019 of three thousand or less.

OTHER SUBSTANTIVE ISSUES

Assuming that the existing statutory definition of “rural libraries” is applied, each of the 59 currently eligible libraries could receive approximately \$25,000 in FY27 under this bill.

Historically, some rural libraries have encountered difficulty expending relatively large one-time funds within a single fiscal year.

ALTERNATIVES

None identified.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

New Mexico’s rural libraries will operate with existing funding resources in FY27.

AMENDMENTS

Amendment 1

Define “rural libraries” by amending Section 1, page 1, line 17 to specify:

“fiscal year 2027 to support ~~the operation of~~ grants to rural libraries as defined in Section 18-18-4 NMSA 1978.”