

SENATE FLOOR SUBSTITUTE FOR  
SENATE BILL 264

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

AN ACT

RELATING TO LIBRARIES; SUPPORTING THE PRESERVATION, DEVELOPMENT  
AND ESTABLISHMENT OF RURAL LIBRARIES THROUGHOUT THE STATE;  
CREATING THE RURAL LIBRARIES ENDOWMENT FUND AND THE RURAL  
LIBRARIES PROGRAM FUND; CREATING THE RURAL LIBRARIES GRANT  
PROGRAM; REPEALING THE RURAL LIBRARIES DEVELOPMENT ACT; MAKING  
APPROPRIATIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of Chapter 18 NMSA 1978 is  
enacted to read:

"[NEW MATERIAL] RURAL LIBRARIES ENDOWMENT FUND--  
DISTRIBUTIONS.--

A. The "rural libraries endowment fund" is created  
in the state treasury to support the preservation, development  
and establishment of rural libraries throughout the state by

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1 providing funding for rural libraries' operational and capital  
2 needs and funding for the delivery of specialized services to  
3 rural libraries.

4 B. The rural libraries endowment fund consists of  
5 appropriations and donations to the fund and all income from  
6 investment of the fund. The state investment officer shall  
7 invest money in the fund as money in the fund described in  
8 Article 12, Section 7 of the constitution of New Mexico is  
9 invested.

10 C. Distributions of money from the rural libraries  
11 endowment fund shall be:

12 (1) in the following gross amounts:

13 (a) for fiscal year 2022 and each of the  
14 following five fiscal years, the difference, if positive,  
15 between all fund investment income yielded through the  
16 immediately preceding calendar year and all fund distributions,  
17 up to five percent of the year-end market value of the fund for  
18 the immediately preceding calendar year; and

19 (b) for fiscal year 2028 and each  
20 subsequent fiscal year, the average of fund investment income  
21 yielded in the immediately preceding five calendar years, up to  
22 five percent of the year-end market value of the fund for the  
23 immediately preceding calendar year; and

24 (2) in the following proportions:

25 (a) ninety-five percent of the gross

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1 distribution to the rural libraries program fund for grants  
2 through the rural libraries grant program; and

3 (b) five percent of the gross  
4 distribution to the cultural affairs department for the state's  
5 delivery of specialized services to rural libraries."

6 SECTION 2. A new section of Chapter 18 NMSA 1978 is  
7 enacted to read:

8 "[NEW MATERIAL] RURAL LIBRARIES GRANT PROGRAM--SPECIALIZED  
9 SERVICES.--

10 A. The "rural libraries grant program" is created.  
11 Through that program, the state librarian shall annually  
12 disburse, in the form of grants directly benefiting developing  
13 rural libraries and established rural libraries and grants for  
14 the establishment of developing rural libraries in cities,  
15 towns and villages without libraries, money from the rural  
16 libraries program fund. The state librarian shall endeavor  
17 each year to disburse the full amount available for rural  
18 libraries grants. The portion, if any, of that amount not  
19 disbursed shall be made available for the next award of grants.

20 B. The state librarian shall use money allocated  
21 for specialized services to rural libraries from the rural  
22 libraries endowment fund distribution to provide specialized  
23 services to rural libraries."

24 SECTION 3. A new section of Chapter 18 NMSA 1978 is  
25 enacted to read:

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1            "[NEW MATERIAL] RURAL LIBRARIES PROGRAM FUND CREATED.--The  
2 "rural libraries program fund" is created in the state  
3 treasury. The fund consists of distributions from the rural  
4 libraries endowment fund that are designated for the rural  
5 libraries grant program and appropriations, gifts, interest and  
6 other money attributed to the fund. Money in the fund shall  
7 not revert at the end of a fiscal year. Money in the fund may  
8 be appropriated by the legislature to carry out the provisions  
9 of Sections 1 through 4 of this 2019 act. Expenditures from  
10 the fund shall be made upon warrant of the secretary of finance  
11 and administration pursuant to vouchers signed by the state  
12 librarian or the state librarian's authorized representative."

13            SECTION 4. A new section of Chapter 18 NMSA 1978 is  
14 enacted to read:

15            "[NEW MATERIAL] DEFINITIONS.--As used in Sections 1  
16 through 4 of this 2019 act, and to the extent allowed by law:

17            A. "developing rural library" means a rural library  
18 whose library staff, whether salaried or volunteer, is  
19 dedicated to delivering library services to the public for at  
20 least fifteen hours per week and on at least two days each  
21 week;

22            B. "established rural library" means a rural  
23 library:

- 24                    (1) with permanent, salaried staff; and  
25                    (2) that offers library services to the public

1 for at least twenty-five hours per week;

2 C. "rural library" means a library that is  
3 established:

4 (1) through an ordinance or legal resolution  
5 adopted by a political subdivision of the state and is located  
6 in a municipality with a population at the time of the  
7 library's establishment of three thousand or less or is located  
8 in an unincorporated area of the state;

9 (2) by a legal resolution of a tribal  
10 government in New Mexico and is located in a census designated  
11 place with a population at the time of the library's  
12 establishment of three thousand or less; or

13 (3) as a corporation with tax-exempt status  
14 pursuant to Section 501(c)(3) of the United States Internal  
15 Revenue Code of 1986 and is located in a municipality with a  
16 population at the time of the library's establishment of three  
17 thousand or less or is located in an unincorporated area of the  
18 state; and

19 D. "specialized services" means professional  
20 development opportunities, program support, information  
21 technology support and other capacity-building services, as  
22 defined by the state librarian."

23 SECTION 5. Section 6-8-1 NMSA 1978 (being Laws 1957,  
24 Chapter 179, Section 1, as amended) is amended to read:

25 "6-8-1. DEFINITIONS.--As used in Chapter 6, Article 8

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1 NMSA 1978:

2 A. "council" means the state investment council;

3 B. "department" means the department of finance and  
4 administration;

5 C. "land grant permanent funds" means the permanent  
6 school fund established [~~pursuant to the provisions of~~] by  
7 Article 12, Section 2 of the constitution of New Mexico and all  
8 other permanent funds derived from lands granted or confirmed  
9 to the state by the act of congress of June 20, 1910, entitled  
10 "An Act To enable the people of New Mexico to form a  
11 constitution and state government and be admitted into the  
12 Union on an equal footing with the original States...";

13 D. "permanent funds" means the land grant permanent  
14 funds, rural libraries endowment fund, severance tax permanent  
15 fund, tobacco settlement permanent fund and water trust fund;

16 E. "secretary" means the secretary of finance and  
17 administration;

18 F. "severance tax permanent fund" means the fund  
19 established [~~pursuant to the provisions of~~] by Article 8,  
20 Section 10 of the constitution of New Mexico;

21 G. "tobacco settlement permanent fund" means the  
22 fund established [~~pursuant to the provisions of~~] by Section  
23 6-4-9 NMSA 1978; and

24 H. "water trust fund" means the fund established  
25 [~~pursuant to the provisions of~~] by Article 16, Section 6 of the

1 constitution of New Mexico."

2 SECTION 6. TEMPORARY PROVISION--FUND TRANSFER.--On July  
3 1, 2019, the balance in the rural library development fund is  
4 transferred to the rural libraries endowment fund.

5 SECTION 7. REPEAL.--Sections 18-15-1 through 18-15-4 NMSA  
6 1978 (being Laws 2007, Chapter 83, Sections 1 through 4) are  
7 repealed.

8 SECTION 8. EFFECTIVE DATE.--The effective date of the  
9 provisions of this act is July 1, 2019.

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