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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/18
 SPONSOR Padilla LAST UPDATED 2/14/18 HB _____
 SHORT TITLE Review Railroad Safety Oversight SM 15/aSRC
 ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Transportation (NMDOT)
 Public Regulation Commission (PRC)

SUMMARY

Synopsis of SRC Amendment

The Senate Rules committee amendment to Senate Memorial 15 requests BNSF, Amtrak, Union Pacific and other railway service companies to participate in a review of railroad safety oversight in New Mexico.

Synopsis of Memorial

Senate Memorial 15 (SM 15) requests that NMDOT work with the Federal Railroad Administration (FRA), Public Regulation Commission (PRC), and two railroad unions, the Brotherhood of Locomotive Engineers and Trainmen and the International Association of Sheet Metal, Air, Rail and Transportation Workers Transportation Division, to evaluate railroad safety oversight in New Mexico and develop a report with proposals to increase the strength and efficiency of that oversight by inclusion of railroad employees in the safety oversight process. SJM 15 further requests that the report be presented to an appropriate interim legislative committee prior to that committee's last meeting in 2018.

FISCAL IMPLICATIONS

Neither NMDOT nor the PRC noted a fiscal impact associated with SM15.

SIGNIFICANT ISSUES

NMDOT notes:

The Federal Railroad Administration (FRA) is the only entity that has statutory authority for railroad safety oversight. FRA, must make any decisions as to whether to delegate or assign any railroad safety oversight authority to third parties. For instance, FRA has entered into an agreement with PRC under which it funds two PRC positions to act in FRA's stead to ensure compliance with certain FRA safety regulations within New Mexico. This agreement, however, does not empower PRC to ensure compliance with every FRA safety regulation.

As currently written, SM 15 does not include a role for New Mexico's railroads in developing the requested report. Railroads are responsible for compliance with all railroad safety regulations, including violations by unionized railroad employees. New Mexico's railroads would be directly affected by any changes in railroad safety oversight, and in many cases have entered into collective bargaining agreements with the unions named in SM 15. Railroads would understandably be concerned with proposals for increased safety oversight, developed without their formal participation, which would provide union employees with oversight authority not specified in their collective bargaining agreements.

CJ/al