

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5313-01
Bill No.: SB 1096
Subject: Railroads; Department of Transportation; Law Enforcement Officers and
Agencies
Type: Original
Date: March 27, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(\$420,676)	(\$375,788)	(\$385,393)
Total Estimated Net Effect on General Revenue Fund	(\$420,676)	(\$375,788)	(\$385,393)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety – Missouri State Highway Patrol, Office of State Courts Administrator,** and the **Office of Prosecution Services** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Department of Transportation (MoDOT)** assume that this legislation would require MoDOT’s Multimodal Division to review all state rail security plans to verify that they are updated each year, perform ongoing monitoring of all rail facilities to ensure compliance with the law, verify that hazardous materials passing by a community facility by rail are secured and have adequate safeguards for that material, and monitoring compliance with requirements prohibiting unlocked locomotives and the limited use of and security of remote control devices.

These new requirements would result in the need for five additional staff members; however, there are no funds available in the Rail Expense Fund to fund these employees. Therefore, MoDOT assumes that these employees would be funded out of the General Revenue Fund or through a Homeland Security Grant. An additional three Rail Inspectors, Grade 13 (each at \$38,616 plus fringe benefits) and two Railroad and Light Transit Safety Specialist, Grade 15 (each at \$44,136 plus fringe benefits) would be required. There will be one-time costs of \$115,325 for office equipment, standard safety gear and 1/4 ton pick-up trucks for the five

ASSUMPTION (continued)

employees. The annual costs associated with the additional requirement for the Multimodal Division are estimated to be \$420,676 in FY07, \$375,788 in FY08, and \$385,393 in FY09.

Officials from the **Kansas City Area Transit Authority** did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
GENERAL REVENUE FUND			
<u>Costs – Department of Transportation</u>			
Personal Services (5 FTE)	(\$174,353)	(\$214,815)	(\$219,815)
Fringe Benefits	(\$96,748)	(\$119,001)	(\$121,975)
Equipment and Expense	<u>(\$149,575)</u>	<u>(\$42,333)</u>	<u>(\$43,603)</u>
<u>Total Costs – Department of Transportation</u>	<u>(\$420,676)</u>	<u>(\$375,788)</u>	<u>(\$385,393)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$420,676)</u>	<u>(\$375,788)</u>	<u>(\$385,393)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal creates the "Local Community Rail Security Act of 2006" and requires every operator of rail facilities in Missouri to provide a risk assessment of all rail facilities to state and local law enforcement personnel, emergency personnel, transportation officials, and other first

DESCRIPTION (continued)

responders by July 1, 2007. By September 1, 2007, all rail operators must have an infrastructure protection program in place to protect all rail infrastructure in Missouri from acts of sabotage, terrorism, and other crimes. The program must provide security for critical infrastructure including bridges, tunnels, and signal systems. The bill specifies what the rail operator must provide regarding critical infrastructure and what the program must include. The program must be updated annually.

The Department of Transportation must review the program and may order a rail operator to improve or change it. Any rail operator that fails to comply with an order will be subject to a fine of \$50,000 for each day the operator is in violation.

Rail operators shall comply with several specified requirements for facilities that handle cargo passing within 15 miles of a community facility. Any operator who fails to comply with these requirements will be subject to a fine of \$50,000 for each day the operator is in violation. Rail operators must provide communications capabilities as set forth in the bill.

All contractors, subcontractors, or any other person working on rail facilities will receive training similar to the type received by rail operators and will undergo the same background, skills, and fitness-for-duty checks as the rail operators.

Punitive actions cannot be taken against any employee who reports a violation of these provisions. An employee subject to punitive actions may seek damages of \$1 million from the employer, in addition to any other remedies available such as back pay or reinstatement.

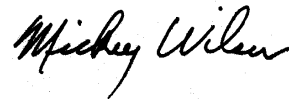
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Public Safety – Missouri State Highway Patrol
Office of State Courts Administrator
Office of Prosecution Services

NOT RESPONDING

Kansas City Area Transit Authority



Mickey Wilson, CPA
Director
March 27, 2006