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to start the 2003 Season. Upgrades are also necessary to comply with Federal Railroad Administration regulations. The Commission needs approximately \$1.3 million to upgrade three locomotives for the upcoming season. This appropriation in this bill also covers maintenance costs of \$100.0 and \$180.0 for an assessment study.

### **OTHER SUBSTANTIVE ISSUES**

The Cumbres and Toltec Scenic Railroad (C&TSR) generates \$45 million annually in economic activity for two of the poorest counties in the nation. The railroad attracts 55,000 to 70,000 tourists annually and employs 20 full-time and 50 part-time employees with a payroll of more than \$1.5 million. The C&TSR is a prime source of tourism revenue to northern New Mexicans, particularly in the community of Chama. However, compounding financial, operational and unforeseen problems and a backlog of deferred maintenance and serious infrastructure needs are threatening the successful operation of the C&TSR.

### **TECHNICAL ISSUES**

Recent information provided to the LFC as it relates to the new commission may require language changes to this legislation.

### **POSSIBLE QUESTIONS**

1. Why does this duplicate a standing capital request?
2. Will Colorado have the resources to for the contingent matching funds?

MM/prr;yr;ls