

FISCAL IMPLICATIONS

The bill does not change the allocation of revenues from Cumbres & Toltec operations. It alters statute to conform to current practice.

Continuing Appropriations

This bill creates a new fund and provides for continuing appropriations. The LFC generally objects to including continuing appropriation language in the statutory provisions for newly created funds. Earmarking reduces the ability of the legislature to establish spending priorities.

OTHER SUBSTANTIVE ISSUES

The Commission requested a general fund appropriation of \$120.0 for operating costs in FY06, down from \$800.0 in general fund in FY05. The railroad may become self-sustaining once more in FY07, after a decline in ridership in the aftermath of the September 11 attacks and a temporary closure in 2002 due to extreme fire danger. In the 2004 season, the railroad was able to operate the entire season, although not at full capacity due to lack of four operating engines. For the 2004 season (lasting May - October and including the Christmas run) there were 30,216 riders for a total ticket revenue of \$1,746.8 which was over the \$1,500.0 that was projected.

DH/lg:yr