

LFC Requester:	Joseph Simon
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment** _____
Correction _____ **Substitute** _____

Date 01/28/2024
Bill No: SB 226

Sponsor: Senator Soules
Short Title: HIGH-SPEED RAILROAD
ACROSS THE STATE

Agency Name and Code Tourism - 418
Number: _____
Person Writing Victoria Gregg
Phone: 505-795-2176 **Email** Victoria.Gregg@td.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
	\$1,000,000	Nonrecurring	GF

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

Senate bill 226 appropriates \$1 billion from the general fund to NMDOT to construct a highspeed passenger railroad that runs from New Mexico’s southern border to its northern border. The appropriation is to be expended from 2025 through 2029 with all unexpended or unencumbered funds reverting to the general fund at the end of FY 2029.

FISCAL IMPLICATIONS

The bill carries a \$1 billion appropriation to the New Mexico Department of Transportation. There is no fiscal impact for the Tourism Department.

SIGNIFICANT ISSUES

Senate bill 226 does not provide details on the route which the proposed high-speed rail will take from the southern to northern state border, nor does it provide details on the potential stops, frequency or capacity. It also does not provide a plan for linking current transportation options to the proposed rail. Given this, it is difficult to determine what the potential impacts would be on visitation and the tourism industry.

Train travel does not currently represent a significant portion of transportation among visitors in New Mexico. In fiscal year 2022, there were a total of 66,129 boardings and alightings through Amtrak stations in New Mexico—a figure which includes both residents and visitors. Presumably, an increase in ridership options would lead to increases in train transportation among visitors, however this is unknown.