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## FISCAL IMPACT REPORT

**SPONSOR** Campos **ORIGINAL DATE** 03/02/21  
**LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_  
**SHORT TITLE** Continuation of Northern NM Amtrak Svc. **SB** 306  
**ANALYST** Jorgensen

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
	\$5,000.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Transportation (DOT)

### SUMMARY

#### Synopsis of Bill

Senate Bill 306 (SB306) appropriates \$5 million from the general fund to the DOT to provide financial support for the continuation by Amtrak of passenger rail service in northern New Mexico.

### FISCAL IMPLICATIONS

The appropriation of \$5 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2022 shall not revert to the general fund.

### SIGNIFICANT ISSUES

DOT notes:

As recognized in the New Mexico State Rail Plan, the Anti-Donation Clause poses the most significant constraint in achieving the stated goal to promote efficient passenger rail service that is provided by a private railroad. The Anti-Donation Clause of the New Mexico Constitution (Article IX, Section 14) prohibits the state and any county, school district or municipality, from directly or indirectly lending or pledging its credit or making any

donation to or in aid of any person, association or public or private corporation or in aid of any private enterprise for the construction of any railroad, except as otherwise provided in the constitution. BNSF Railway Company, which owns most of the railroad line over which the Southwest Chief operates, is a privately-owned corporation. Amtrak, which operates the Southwest Chief, is a federally-chartered corporation created by Congress in 1970 to take over passenger rail service previously operated by private railroad companies in the interest of public convenience and necessity. Whether that status addresses certain Anti-Donation Clause concerns requires further consideration. Regardless, BNSF's ownership of 182 miles of track over which Amtrak is the only railroad operating and any potential benefit from any agreement does raise legitimate Anti-Donation Clause issues that would have to be addressed during negotiations amongst the parties if SB306 would pass.

CJ/al/sb