

<b>LFC Requester:</b>	<b>Joseph Simon</b>
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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** 2.2.24  
**Bill No:** SB226

**Sponsor:** William Soules  
**Short Title:** A High Speed Passenger Railroad Across the State

**Agency Name and Code Number:** Economic Development Department 41900  
**Person Writing:** Tim Hagaman  
**Phone:** 505-862-2322    **Email:** Tim.hagaman@edd.

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

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

(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)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(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 (SB226) appropriates one billion dollars (\$1,000,000,000) from the general fund to the Department of Transportation (DOT) for fiscal years 2025-29 to construct a high-speed rail system from New Mexico's southern border to New Mexico's northern border.

**FISCAL IMPLICATIONS**

Like the New Mexico Rail Runner, this bill will likely require a council of governments, such as the Mid-Region Council of Governments (MRCOG) to operate, maintain, manage and fund through gross receipts tax. South Central Council of Governments located in Elephant Butte would be impacted, as well as North Central Council of Governments located in Santa Fe.

**SIGNIFICANT ISSUES**

Similar high-speed rail projects can be found in South Florida starting in Miami, from Las Vegas, Nevada to Los Angeles, California, and the Yucatan Peninsula of Mexico. All of these examples have completed planning and design while New Mexico has yet to fund a feasibility study, a starting point in economic development strategic planning. This is the third year that this bill has been introduced. For context, the state is six years from paying off the Rail Runner Infrastructure.

Amtrak Service connects Kansas City to Los Angeles with stops in Raton, Las Vegas, Lamy and Gallup but Amtrak Rail Service is not compatible with high rail service. These stations can offer connections from the Amtrak Stations but likely the passengers would require a bus to drive to a high speed passenger train station to connect.

**PERFORMANCE IMPLICATIONS**

**ADMINISTRATIVE IMPLICATIONS**

There would be no administrative costs to EDD. The Economic Impact to MainStreet Communities that EDD serves would be positive in Las Cruces, Truth or Consequences, Belen, Albuquerque, Las Vegas, Mora, Harding County, Clayton and Raton. Spaceport America would benefit from this service in adventure tourism and attracting both employees and new companies seeking to be connected with space travel.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

**TECHNICAL ISSUES**

**OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES.**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

**AMENDMENTS**