

HF1251 - 0 - "RR Co Assessment"

Chief Author: **Frank Hornstein**
 Committee: **Transportation Policy and Finance**
 Date Completed: **03/16/2015**
 Agency: **Transportation Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Paul Moore Date: 3/16/2015 3:49:31 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Restrict Misc. Special Revenue	-	32,500	32,500	32,500	32,500	32,500
Total	-	32,500	32,500	32,500	32,500	32,500
Biennial Total			65,000			65,000
2 - Revenues, Transfers In*						
Restrict Misc. Special Revenue	-	32,500	32,500	32,500	32,500	32,500
Total	-	32,500	32,500	32,500	32,500	32,500
Biennial Total			65,000			65,000

Bill Description

HF 1251 requires MnDOT to annually assess Class I railroads operating in Minnesota no more than \$32.5 million per year based on MN route miles. This assessment must be deposited in a rail grade crossing safety improvement account in the special revenue fund, and this money is appropriated to MnDOT for the development, administration, and construction of highway-rail grade crossing improvements on rail corridors transporting crude oil and other selected routes.

Assumptions

We will assume the maximum of \$32.5M will be assessed each year. MnDOTs recent Improvements to Highway-Rail Grade Crossings and Rail Safety study recommended a 10-year capital improvement program of \$330 million, or \$33 million per year, to address the full range of grade crossing needs on crude oil and other corridors. Therefore, MnDOT assumes the need for the maximum amount of assessment and expenditure exists

Expenditure and/or Revenue Formula

Special Revenue Fund:	2016	2017	2018	2019
Railroad Assessment Revenue	32.5	32.5	32.5	32.5
Highway-Rail Grade Crossing Improvement Expenditures	32.5	32.5	32.5	32.5

Long-Term Fiscal Considerations

The amount of revenue and expenditures would continue in subsequent years.

Local Fiscal Impact

None

References/Sources

MnDOT Office of Freight & Commercial Vehicle Operations (OFCVO)

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