

HF3499 - 0 - Maximum Train Length

Chief Author: **Jeff Brand**
 Committee: **Transportation Finance**
 Date Completed: **2/23/2024 1:49:30 PM**
 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	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	5	5	5	5
Total	-	-	5	5	5	5
Biennial Total			5			10

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	.05	.05	.05
Total	-	-	.05	.05	.05

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 2/23/2024 1:49:29 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 Dollars in Thousands	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	5	5	5
Total	-	-	5	5	5
Biennial Total			5		10
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Restrict Misc. Special Revenue	-	-	5	5	5
Total	-	-	5	5	5
Biennial Total			5		10
2 - Revenues, Transfers In*					
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Bill Description

The bill would limit to 8,500 feet the length of a train that a railroad could operate. The bill would impose a penalty between \$1,000 and \$5,000 for first-time offenders, which would increase to \$5,000 to \$10,000 for a second offense committed within three years of the first offense. A third or subsequent offense within this timeframe would warrant a \$25,000 minimum penalty. Collected fines would be deposited into the state rail safety inspection account in the special revenue fund. This bill would be effective August 1, 2024.

Assumptions

The ability to enforce this bill and collect fines may be difficult. There is a potential for gains to the state rail safety inspection account in the Special Revenue fund. It is very difficult, if not impossible, to estimate the number of violations. MnDOT assumes approximately two hours of weekly staff time for the operating practices inspector to monitor and assess fines, at \$33 per hour plus an additional 50% to account for related overhead costs including fringe benefits. MnDOT anticipates costs would be funded from state rail safety inspection account in the special revenue fund.

Expenditure and/or Revenue Formula

Expenditures:

2 Hours per week x 52 week = 104 hours per year

104 hours x \$33 per hour + 50% to account for related overhead costs = \$5,148 (rounded to \$5,000)

Long-Term Fiscal Considerations

None

Local Fiscal Impact

None

References/Sources

MnDOT Office of Freight and Commercial Vehicle Operations

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