

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	270,026		251,962	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS		See Below		See Below
TOTAL FUNDS	270,026	See Below	251,962	See Below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 486 creates the Local Community Rail Security and Employee Education Act.

Section 4(1) requires a railroad carrier to provide adequate, trained personnel to secure a train within fifteen minutes after the expiration of the allowable hours if the carrier stops a train or issues instructions to store a train at an unsecured location with locomotive power attached and the employees have worked all their allowable hours at such time.

Fines for violations of section 4(1) are provided for in section 4(2). Section 4(3) requires the Public Service Commission (PSC) to enforce the provisions of section 4.

Section 8 requires every railroad carrier to provide a risk assessment to the PSC and the Nebraska Emergency Management Agency (NEMA) for each railroad and related facility in the state that is under its ownership, operation or control. Such risk assessment shall be filed by July 1, 2008. Section 8 goes on to specify elements to be included in the risk assessment.

Section 10 requires every railroad carrier to develop and implement an infrastructure protection program to protect rail infrastructure in the state from acts of sabotage, terrorism, or other crimes. Such program shall be developed by January 1, 2009. Section 10 goes on to specify elements of the infrastructure protection program and provide the PSC with rule and regulation powers to implement the provisions. The PSC and NEMA shall review the program and may conduct inspections to facilitate the review. They may order a railroad carrier to improve, modify, or change its program to comply with the Act's provisions.

Section 11 addresses railroad carriers that handle hazardous cargo and requires certain provisions of such carriers. The PSC may adopt and promulgate rules and regulations to carry out this section.

The PSC estimates the need for one FTE Inspector to address the bill's provisions. Since the inspector would have state-wide authority, the PSC has included the purchase of a vehicle and related travel costs. This portion of the agency's estimates are included at a level similar to the costs incurred with other inspectors with similar authority. The PSC expenditure estimates appear to be reasonable.

NEMA estimates the need for three FTE. Two Planning Specialists and one Program Supervisor. Also included in NEMA's estimates are associated benefits and operations costs. While the bill's provisions clearly would require some additional effort on the part of NEMA, the need to hire three additional FTE appears to over-address the agency's needs as they relate to the bill's provisions. A more moderated approach would be to phase-in these positions as the program matures and greater work effort is required.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	1/29/07	PHONE 471-2526
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COMMENTS

MILITARY DEPARTMENT – Section 9 of the bill does identify that NEMA may provide risk assessment to other law enforcement or emergency personnel. Section 10 requires every railroad carrier to develop and implement an infrastructure protection program to protect rail infrastructures in the state. It is unlikely the agency would require all 3 FTE positions throughout FY 2008, as the protection programs do not have to be developed by carriers until 1/1/09.