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HOUSE MEMORIAL 127

**52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

INTRODUCED BY

William "Bill" R. Rehm

A MEMORIAL

REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONDUCT A STUDY OF THE LONG-TERM OPERATIONAL AND MAINTENANCE COSTS OF THE RAIL RUNNER TO STATE AND LOCAL GOVERNMENTS AND THE BENEFITS AND FEASIBILITY OF SELLING THE STATE'S OWNERSHIP OF RAIL RUNNER INFRASTRUCTURE.

WHEREAS, the rail runner replaced a portion of the "purple line", a component of the department of transportation's "Park and Ride" commuter bus system that provided a similar service between Albuquerque and Santa Fe; and

WHEREAS, a one-way ticket from Albuquerque to Santa Fe on the park and ride bus cost three dollars (\$3.00) and took about one hour, while a similar trip on the rail runner now costs nine dollars (\$9.00) and takes about one and one-half hours; and

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1           WHEREAS, from fiscal year 2006 through the end of fiscal  
2 year 2015, the state of New Mexico will have spent over two  
3 hundred twenty-five million dollars (\$225,000,000) to purchase  
4 the track, the train cars and other equipment and facilities  
5 for the rail runner; and

6           WHEREAS, the debt service payments for the remaining bond  
7 debt for the rail runner are currently costing between twenty-  
8 eight million dollars (\$28,000,000) and twenty-nine million  
9 dollars (\$29,000,000) annually and equal approximately fifty-  
10 five percent of the department of transportation's construction  
11 budget; and

12           WHEREAS, the current rail runner bond debt is structured  
13 to require balloon payments of over one hundred ten million  
14 (\$110,000,000) dollars in fiscal year 2025 and in fiscal year  
15 2026; and

16           WHEREAS, when the state of New Mexico completes payment on  
17 the rail runner bond debt in fiscal year 2027, it will have  
18 paid well over seven hundred million dollars (\$700,000,000) for  
19 the equipment and infrastructure for this commuter train; and

20           WHEREAS, the fiscal year 2015 operating budget for the  
21 rail runner is nearly twenty-seven million dollars  
22 (\$27,000,000), of which just under five million dollars  
23 (\$5,000,000) comes from ticket revenue and contributions from  
24 the Burlington Northern Santa Fe railway and Amtrak for use of  
25 the track; and

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1           WHEREAS, the nearly twenty-two million dollars  
2           (\$22,000,000) in remaining annual operating costs are  
3           government subsidies, including over thirteen million five  
4           hundred thousand dollars (\$13,500,000) in local gross receipts  
5           taxes and over eight million two hundred fifty thousand dollars  
6           (\$8,250,000) in federal grant funds; and

7           WHEREAS, overall federal spending on transportation has  
8           been stagnant in recent years; the United States congress is  
9           debating whether to turn more responsibility for transportation  
10          systems over to the states; and the federal subsidy for the  
11          rail runner, which amounts to over thirty percent of the  
12          operating budget, may go away; and

13          WHEREAS, neither the projection for the bond debt nor the  
14          annual operating budget for the rail runner includes the costs  
15          incurred by the department of transportation for the periodic  
16          replacement of rolling stock and other equipment; and

17          WHEREAS, the department of transportation has been  
18          challenged in recent years by a large gap between its budget  
19          and road construction and maintenance needs around New Mexico;  
20          and

21          WHEREAS, the department of transportation reported a  
22          fiscal year 2014 funding gap between available funding and  
23          maintenance and construction needs of over six hundred million  
24          dollars (\$600,000,000); and

25          WHEREAS, the department of transportation is anticipating

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1 a gap for fiscal year 2015 of nearly four hundred sixty million  
2 dollars (\$460,000,000); and

3 WHEREAS, the trend in the department of transportation's  
4 funding shortfalls can be expected to continue as the economic  
5 and population growth around the state place increasing demands  
6 on transportation infrastructure; and

7 WHEREAS, in recent years, the department of transportation  
8 emphasized staffing its construction maintenance crews, has  
9 reduced its administrative and planning staff and is unlikely  
10 to find significant new budgetary methods to improve  
11 efficiency;

12 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
13 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the department  
14 of transportation be requested to study the costs to the state  
15 and to local governments of maintaining and operating the rail  
16 runner over the next twenty years; the feasibility of selling  
17 the track, rolling stock and other rail runner assets currently  
18 owned by the state; and the potential benefits of replacing the  
19 rail runner with a reestablished commuter bus service; and

20 BE IT FURTHER RESOLVED that the department of  
21 transportation be requested to provide a report on the study  
22 results to the appropriate interim legislative committee prior  
23 to November 15, 2015; and

24 BE IT FURTHER RESOLVED that copies of this memorial be  
25 transmitted to the secretary of transportation and the

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