

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-0640 • RFA.SC.GOV/IMPACTS

| Bill Number: | S. 0970 Introduced on February 7, 2018 | | |
|-----------------|---|--|--|
| Author: | Kimpson | | |
| Subject: | Railroad Crossings | | |
| Requestor: | Senate Transportation | | |
| RFA Analyst(s): | Wren | | |
| Impact Date: | March 20, 2018 - Updated for Additional Agency Response | | |

| Estimate of Fiscal Impact | | | |
|----------------------------------|------------|--------------|--|
| | FY 2018-19 | FY 2019-20 | |
| State Expenditure | | | |
| General Fund | \$0 | \$0 | |
| Other and Federal | See Below | See Below | |
| Full-Time Equivalent Position(s) | 1.00 | 0.00 | |
| State Revenue | | | |
| General Fund | \$0 | \$0 | |
| Other and Federal | \$0 | Undetermined | |
| Local Expenditure | \$0 | \$0 | |
| Local Revenue | \$0 | \$0 | |

Estimate of Fiscal Impact

Fiscal Impact Summary

This bill will increase Other Funds expenses of the Public Service Commission (PSC) by \$71,000. Of this amount, \$61,000 is recurring and is needed for 1 FTE, IT equipment rentals, office renovations, and furniture. Nonrecurring expenses are expected to total \$10,000 for IT equipment purchases, training, and professional development. Since the bill's effective date is July 1, 2019, we anticipate that expenses will begin in FY 2018-19. Additionally, since PSC operates solely on Other Funds, this bill will have no expenditure impact on the General Fund or Federal Funds. The revenue impact on Other Funds of PSC for FY 2019-20 is undetermined since data is not available to estimate the number of violations that may occur as a result of the operation of locomotives without positive train control technology. This impact statement has been updated to include a response from PSC.

Explanation of Fiscal Impact

Updated for Additional Agency Response Introduced on February 7, 2018 State Expenditure

This bill deems a locomotive owned by a passenger railroad company or Class I freight railroad company that operates without positive train control technology as being not conducive to the public safety of this state. This provision also applies to railroad tracks that are not equipped with positive train control technology. This bill takes effect July 1, 2019.

PSC indicates that this bill will increase Other Funds expenses by approximately \$71,000. Of this amount, recurring expenses are estimated to total \$61,000 for 1 FTE to perform inspections

and investigations and for IT equipment rentals, office renovations, and furniture. Nonrecurring funds of approximately \$10,000 are needed for IT equipment purchases, training, and professional development. Since the bill's effective date is July 1, 2019, we anticipate that expenses will begin in FY 2018-19. Additionally, since PSC is operated solely on Other Funds, the bill will have no expenditure impact on the General Fund or Federal Funds. This section of the impact statement has been updated to include a response from PSC.

State Revenue

This bill requires PSC to fine each passenger railroad company and Class I freight railroad company \$2,500 per locomotive per month that the railroad company operates without the use of positive train control technology in this state. Revenue generated from the fines must be used for railroad safety inspections and programs. The bill takes effect July 1, 2019.

Since this is a new fine and data is not available to estimate the number of violations, the revenue impact on Other Funds of PSC is undetermined for FY 2019-20.

Local Expenditure N/A

Local Revenue N/A

Introduced on February 7, 2018 State Expenditure

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The expenditure impact of this bill on Other Funds of PSC is pending, contingent upon a response from the agency. Since the bill's effective date is July 1, 2019, we anticipate that any expenses associated with the bill will begin in FY 2018-19. Additionally, since PSC is operated solely on Other Funds, the bill will have no expenditure impact on the General Fund or Federal Funds.

State Revenue

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Since this is a new fine and data is not available to estimate the number of violations, the revenue impact on Other Funds of PSC is undetermined for FY 2019-20.

Local Expenditure and Revenue

N/A

Frank A. Rainwater, Executive Director