

March 3, 2023

The Honorable Mike Petersen, Chairperson
Senate Committee on Transportation
300 SW 10th Avenue, Room 546-S
Topeka, Kansas 66612

Dear Senator Petersen:

SUBJECT: Fiscal Note for SB 271 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 271 is respectfully submitted to your committee.

SB 271 would prohibit a railroad operating in Kansas from running any train that exceeds 8,500 feet in length on any main line or branch line. The bill would also require railroads to maintain certain minimum distances from the near-edge railroad crossings to the railroad rolling stock stored on sidings. To carry out the bill's provisions, a law enforcement officer or designee of the Secretary of Transportation could enter railroad property and inspect railroad equipment, facilities, rolling stock, operations, and relevant records.

The bill would establish violations and fines to be administered regarding railroads operating trains that exceed the maximum length and the distance from the near-edge railroad crossings to rolling stock stored on a siding. A violation would be punishable by a fine of not less than \$500, but not more than \$25,000. If a railroad is found to have committed a grossly negligent violation, or a pattern of repeated violations, the violation would be punishable by a fine of not more than \$100,000. The bill outlines what would be required to be contained in a notice of violation. Any fine or civil penalty would be credited to the State Highway Fund.

The Kansas Department of Transportation (KDOT) states enactment of SB 271 would require the agency to conduct inspections of railroad premises, which could require KDOT to participate in potential court proceedings if a railroad that is in violation of the bill's provisions seeks legal recourse. According to KDOT, a fiscal effect cannot be estimated because the agency does not currently have the staff to perform railroad investigatory functions. The agency also states staff time would be needed for any court proceedings; however, the agency is unable to estimate the number of positions and staff time that would be needed. KDOT states the agency is

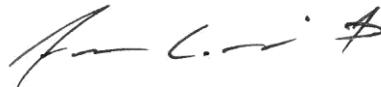
unable to estimate the amount of revenue that would be credited to the State Highway Fund from fines and civil penalties.

The Office of Judicial Administration states enactment of the bill could increase the number of cases filed in district courts because the bill's provisions would create a new violation regarding the length of trains, which could increase the time spent by judges and court employees processing and hearing cases. The Office also states enactment of the bill could result in the collection of docket fees and fines in those cases filed under the bill's provisions. According to the Office, a fiscal effect cannot be estimated until the Judicial Branch has had an opportunity to operate under the bill's provisions.

The Office of the Attorney General notes there has been litigation at the state and federal level regarding the authority of states to regulate railroad safety and railroad traffic. The Office indicates it is possible that enactment of the bill could result in additional legal challenges; however, the Office is unable to estimate a fiscal effect. Any fiscal effect associated with SB 271 is not reflected in *The FY 2024 Governor's Budget Report*.

The League of Kansas Municipalities states the bill's enactment would not have a fiscal effect on cities.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Vicki Jacobsen, Judiciary
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties
John Milburn, Office of the Attorney General
Brendan Yorkey, Department of Transportation