

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7274**

**BILL NUMBER:** HB 1683

**NOTE PREPARED:** Feb 26, 2003

**BILL AMENDED:** Feb 25, 2003

**SUBJECT:** Railroads

**FIRST AUTHOR:** Rep. L. Lawson

**FIRST SPONSOR:** Sen. Harrison

**BILL STATUS:** As Passed - House

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill adds Class II railroads to the requirement that a railroad company establish a counseling or trauma program and make certain services available for employees involved in accidents resulting in death or serious bodily injury. It establishes a monetary penalty for the failure to establish a program or make services available. The bill permits the State Revenue Motor Carrier Services Division to adopt rules concerning the statute that regulates contract carriers who transport railroad employees. The bill makes violations of the statute a Class C infraction. It permits a Board of Public Works to issue a written improvement order requiring a railroad to repair or improve space adjacent to the railroad's rails.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** (Revised) The proposal provides that a suit to recover the penalty as provided may be brought by the Attorney General on behalf of the Department of Transportation. The Attorney General's office would handle this suit as it does other such suits and can be accomplished with the current staff. The fund affected for the Attorney General is the state General Fund.

The Department of Revenue Motor Carrier Services Division will issue rules under existing procedures at no additional cost.

**Explanation of State Revenues:** (Revised) The penalty for failure to establish a counseling or trauma program and make certain services available for employees involved in accidents resulting in death or serious bodily injury is set at not less than \$100 and not more than \$500 for each violation. The specific impact will depend upon the number of violations which occur. The fund into which the penalty would be deposited is not specified, but the Attorney General's office reports that the money is recorded by the Attorney General

and deposited into the state General Fund.

*Background Information:* Class II railroads are defined as railroads with operating revenues between \$20 M and \$250 M per year. The Department of Transportation reports that there are three Class II railroads in the state with 167 miles of mainline track.

*Penalty Provision:* Concerning contract carriers who transport railroad employees, if additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

**Explanation of Local Expenditures:** (Revised) For a Board of Public Works to issue a written improvement order requiring a railroad to repair or improve space adjacent to the railroad's rails, there will be indeterminable additional administrative costs associated with this function.

**Explanation of Local Revenues:** (Revised) *Penalty Provision Concerning Contract Carriers:* Contract carriers who transport railroad employees are subject to a Class C Infraction. If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:** Attorney General; Department of Transportation; Department of Revenue.

**Local Agencies Affected:** Trial courts, local law enforcement agencies; Boards of Public Works.

**Information Sources:** Jennifer Thuma, Legislative Counsel of the Attorney General, 233-6143; Jim Poe, Director of Motor Carrier Services, Department of Revenue, 615-7201.

**Fiscal Analyst:** Jim Sperlik, 317-232-9866.