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Union Pacific: Expansion will pump up economy

El Paso Times Editorial Board

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Rumors have been making the rounds for some time about Union Pacific possibly making a move to Santa Teresa. Now those rumors have taken on substance with the railroad's announcement of plans to build a \$400 million railroad hub in Santa Teresa.

It's planned that the hub will include a new fueling facility, crew-change buildings and a switch yard.

There's one contingency that should be a mere formality: The New Mexico Legislature first must approve a locomotive fuel tax exemption for Union Pacific. Considering the positive economic impact of this deal, that should be a no-brainer.

And Gov. Susana Martinez is behind the move, hoping lawmakers will approve the tax exemption allowing "Union Pacific to start building and New Mexicans to start working."

El Pasoans might be experiencing a bit of distress about this because they're wondering what will happen to the Union Pacific presence in El Paso. But what we've heard thus far sounds reassuring.

Aaron Hunt, a spokesman for Union Pacific, said, "We are not leaving El Paso. To be able to expand, we need to do it here. Everything you see in El Paso will remain. And everyone who has a job in El Paso right now will have one in 2015."

There's a slight caveat to that. Some railroad employees now working in El Paso might have to work in Santa Teresa. That doesn't seem such a big deal because Santa Teresa isn't that far away.

And who knows, some workers might move to New Mexico to take advantage of more favorable tax

structures.

This move is another example of New Mexico -- particularly Southern New Mexico -- making some important economic strides. And El Paso will be a secondary beneficiary for the project.

The new railroad hub is going to cost about \$400 million, but officials said it should mean an economic boost of about \$500 million for Southern New Mexico. That's welcome news as the Land of Enchantment struggles with financial problems.

There's already a port of entry at Santa Teresa, along with a sizable industrial complex. Having the Union Pacific rail hub in the area will only help business and industry grow, and increase the importance and usage of the Santa Teresa port.

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