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**SFA****BILL ANALYSIS**

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Senate Bill 480 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Senator Joel D. Gougeon

Committee: Economic Development, International Trade and Regulatory Affairs

### **CONTENT**

The bill would amend Public Act 16 of 1929, which regulates the transportation and sale of natural gas through pipelines, to establish certain requirements for persons constructing a natural gas pipeline. The bill would not apply to a pipeline authorized to be built, constructed, repaired, or modified by the Federal Energy Regulatory Commission. The bill would take effect on September 1, 1997.

A person who conducted survey work for a proposed natural gas pipeline would have to notify all affected property owners, in writing, before a survey crew entered the owners' property.

Any offer to a landowner for an easement for the purpose of locating, constructing, maintaining, operating, and transporting natural gas pipelines on agricultural property in Michigan would have to contain specific information, including the physical impact on the landowner's property, assurance that damaged agricultural drainage tile would be replaced or repaired, assurance that topsoil that was disturbed would be replaced, and an estimate of the value of lost crop productivity.

A pipeline company would have to make a good-faith effort to minimize the physical impact and economic damage that resulted from the construction and repair of a pipeline.

Proposed MCL 483.101a & 483.101b

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 5-14-97

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.