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HOUSE FISCAL AGENCY

124 N. Capitol Avenue
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HB4234 AS REPORTED WITHOUT AMENDMENT

Sponsor
Committee

Rep. Jason Allen
TRANSPORTATION

Analyst(s) Hamilton, William

Completed 3/7/01

State Fiscal Impact

Cost	Indeterminate/Increase
Revenues	None

Local Fiscal Impact

Cost	Indeterminate/Increase
Revenues	None

Section 315 of the Railroad code of 1993 currently requires that road agencies pay railroads annually for the maintenance costs of traffic control devices, circuitry, and appurtenances at railroad crossings - for crossing not otherwise covered by existing or future railroad-road authority agreements. The section provides a schedule for determining the amount of the payment based on the kind of signals and arms used at the crossing, and on the number of tracks at the crossing.

House Bill 4234 would amend Section 315 to increase the amounts payable to railroads annually for crossing maintenance. The Michigan Department of Transportation has indicated that it paid \$36,850 in 1998, and \$28,142 in 1999 for the maintenance of traffic control devices at highway/railroad crossings. The department estimates that it would see an average increase of 23% in the amount paid to railroads under the terms of HB 4234. We do not have an estimate of the amounts currently paid to railroads by local road agencies (county road commissions, cities, and villages) under the current cost schedule of the Railroad code, and we do not have an estimate of how much local costs would increase under HB 4234. The bill would also require the department to perform a study of the cost of maintaining railroad crossing devices by January 1, 2010, and every ten years thereafter. The department indicates that a cost study performed in 1998 cost approximately \$120,000 to complete.

The bill would increase state and local costs related to annual payments to railroads for maintenance of traffic control devices at railroad crossings. We have not independently estimated the amount of the increase. The bill would also increase state costs related to preparation of a cost study by January 1, 2010 and every ten years thereafter. We have not independently estimated the amount of the increase.