

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4234 (as reported without amendment)

Sponsor: Representative Jason Allen

House Committee: Transportation

Senate Committee: Transportation and Tourism

CONTENT

The bill would amend the Railroad Code to increase the amounts that a road authority must pay annually to a railroad for maintenance for each crossing with active traffic control devices not covered by existing or future railroad-road authority agreements, as shown below. The bill also would require a road authority to pay annually to a railroad \$725 for flashing signals on a multiple track, and \$1,005 for flashing signals with cantilever arms on a multiple track.

Current	Proposed	For
\$580	\$760	Flashing signals on a single track
\$520	\$895	Flashing signals with cantilever arm on a single track
\$1,040	\$1,215	Flashing signals with cantilever arm with gates on a single track
\$940	\$1,230	Flashing signals and gates on multiple tracks
\$1,150	\$1,630	Flashing signals with cantilever arms and gates on a multiple track
\$750	\$830	Flashing signals and gates on a single track

By January 1, 2010, and every 10 years thereafter, the Michigan Department of Transportation would have to complete a study to determine the cost of maintaining active traffic control devices and forward a copy of the study to the members of Senate and House committees that consider railroad legislation. (The Code had required the Department to complete such a study by January 1, 1999.)

("Active traffic control device" means traffic control devices located at or in advance of grade crossings, activated by the approach or presence of a train, such as flashing light signals, automatic gates and similar devices, manually operated devices, and a crossing watchperson, which warn operators of approaching vehicles of the approach or presence of a train.)

MCL 462.315

Legislative Analyst: L. Arasim

FISCAL IMPACT

The Michigan Department of Transportation would experience increased costs associated with the increase in contributions from road agencies to the railroads for maintenance of equipment at each crossing with active traffic control devices. The Department reports costs under the current provision at \$36,850 in 1998 and \$28,192 in 1999 and anticipates an increase of around 23% as a result of the bill. The State also would experience increased costs as a result of the required study. The recently completed study cost \$120,000, according to the Department.

Local road agencies also would experience similar cost increases resulting from the change in the amount of contributions required. It is unknown at this time how much local agencies pay to railroads to maintain active traffic control equipment.

Date Completed: 3-21-01

Fiscal Analyst: C. Thiel