



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 118 (as reported without amendment)
Sponsor: Senator Goeff Hansen
Committee: Outdoor Recreation and Tourism

CONTENT

The bill would amend Part 721 (Michigan Trailways) of the Natural Resources and Environmental Protection Act to specify that if the Department of Natural Resources (DNR) entered into negotiations with a railroad for the Department to become a trail sponsor under 16 USC 1247(d), the DNR would have to comply with a Federal regulation requiring it to assume full responsibility for any liability arising out of the transfer. In exchange for the assumption of liability, the railroad would have to provide the Department with the fair value of the DNR's assumption of liability. "Fair value" would mean the value that the Department and the railroad mutually agreed accurately reflected the risk of liability assumed by the DNR. (Section 1247(d) of Title 16 of the U.S. Code provides for the interim use of railroad rights-of-ways as trails.)

The bill also would amend Part 733 (Liability of Landowners) of the Act to specify that a cause of action would not arise against a railroad that owned or formerly owned or operated a right-of-way of a rail line that had been dedicated or set apart for interim trail use and rail banking for injuries to a person who was on the right-of-way that occurred after the Surface Transportation Board approved the dedication of the right-of-way, or after the dedication of the right-of-way under the State Transportation Preservation Act, and before the right-of-way was reactivated for return to rail service.

In addition, a cause of action would not arise for injuries to a person against a person with whom the owner, tenant, or lessee of land contracted to construct, maintain, or operate a trail or other land improvement used by the injured party, unless the injuries were caused by the gross negligence or willful and wanton misconduct of the contractor.

MCL 324.72108 et al.

Legislative Analyst: Jeff Mann

FISCAL IMPACT

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

Date Completed: 2-23-17

Fiscal Analyst: Josh Sefton