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BILL



ANALYSIS

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House Bill 5097 (Substitute H-4 as reported without amendment)

Sponsor: Representative Beth Griffin

House Committee: Communications and Technology

Senate Committee: Energy and Technology

### **CONTENT**

The bill would amend Public Act 283 of 1909, the county road law, to do the following:

- Limit the amount of per-project fees a county road commission could charge a provider (a telecommunications provider or a video service provider) for a permit to perform work within the right-of-way (ROW) of a county road.
- Prohibit a county road commission from requiring a provider to obtain a permit for performing routine maintenance or repair work in an ROW more than once a year, and limit the annual fee that a county road commission could charge.
- Prohibit a county road commission from requiring a provider to have more than one security bond or ROW bond to secure the performance of the conditions of a permit to work within an ROW.
- Allow a provider to provide an irrevocable letter of credit, instead of a security bond or ROW bond.
- Require a provider to maintain general liability insurance with certain minimum policy limits.
- Permit a county road commission and a local unit of government to adopt a schedule of civil fines that could be imposed on a provider that performed work in an ROW without a permit, or that failed to maintain a security bond, ROW bond, or irrevocable letter of credit.

MCL 224.19b

Legislative Analyst: Stephen Jackson

### **FISCAL IMPACT**

The bill would not have a fiscal impact on State government. The bill could have a potential negative impact on local units of government.

The bill would set limits on the amounts of fees a county road commission could charge to providers for work within the public right-of-way. The bill also would limit county bonding requirements for work within the ROW. The limits would be staggered at two levels based upon population. The limits for counties with a population of more than 250,000 would be double the limits set for smaller counties. Despite the staggering of amounts and a civil fine provision for providers that did not properly acquire a permit before working in the ROW, instances in which the permitting process created expenses for counties in excess of the fees allowed under the bill would require those counties to absorb the additional costs. This most likely would occur in situations in which ROW permit oversight and review involved complicated and detailed technical work.

Date Completed: 3-9-18

Fiscal Analyst: Michael Siracuse

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Bill Analysis @ [www.senate.michigan.gov/sfa](http://www.senate.michigan.gov/sfa)

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