

**RECODIFIED TAX INCREMENT FINANCING ACT (EXCERPT)**

**Act 57 of 2018**

**125.4515 Use or consumption of electricity and electric power by street railway and street railway system; relocation and modification of public utility facilities; sound utility practice; costs; agreement; exemption from taxation; enforcement action; definitions.**

Sec. 515. (1) Subject to applicable law and applicable regulations of this state, a city, a township, or a village, a street railway may generate, store, transmit, distribute, dispense, furnish, or use electricity and electric power for use or consumption by the street railway and the street railway system.

(2) For a street railway that constructs, expands, or modifies a street railway system outside of a qualified city, if the street railway requests a public utility to modify or relocate facilities of the public utility that lie within a public street or highway right-of-way, or if, in response to the construction, expansion, or modification of a street railway system a public utility determines that the public utility should modify or relocate the public utility's facilities, consistent with law, regulation, or sound utility practice and unless the street railway and the public utility agree otherwise, the street railway shall pay all costs of the relocation and modification of the facilities to the public utility.

(3) A street railway that constructs, expands, or modifies a street railway system in a qualified city shall protect and keep in place the facilities of a public utility affected by the construction, expansion, or modification of the street railway system in a public highway, street, or right-of-way unless sound utility practice requires modification or relocation of the facilities. If sound utility practice requires modification or relocation of the facilities, the street railway shall pay the cost of the modification or relocation, unless 1 or both of the following apply:

(a) Modification or relocation of the public utility's facilities is required because the facilities are at an unauthorized location in the public highway, street, or right-of-way. If the facilities are located anywhere in a public highway, street, or right-of-way, there is a rebuttable presumption that the public utility's facilities are at an authorized location in the public highway, street, or right-of-way.

(b) The street railway and the public utility agree to an alternative cost allocation.

(4) Notwithstanding subsection (3), a qualified city and a street railway may agree that the street railway pay the cost of modifying or relocating a public utility's facilities in the qualified city if the modification or relocation is required by the modification or relocation of a street railway system by the street railway in a public highway, street, or right-of-way in the qualified city.

(5) The property of a street railway and its income and operations are exempt from all taxation by this state or a political subdivision of this state.

(6) A public utility or a street railway may bring an action in circuit court to enforce the provisions of this section. This remedy is in addition to any other remedy that may exist at law.

(7) As used in this section:

(a) "Public utility" includes a provider of communications, data, cable television, electricity, heat, natural or manufactured gas, steam, sewage, video, water, or other similar services. Public utility also includes a telecommunications provider and a video service provider.

(b) "Qualified city" means a city that has incorporated an authority under the municipal lighting authority act, 2012 PA 392, MCL 123.1261 to 123.1295.

(c) "Telecommunications provider" means that term as defined in section 102 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2102.

(d) "Video service provider" means that term as defined in section 1 of the uniform video services local franchise act, 2006 PA 480, MCL 484.3301.

**History:** 2018, Act 57, Eff. Jan. 1, 2019.