



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4609 (Substitute H-2 as reported with amendment)
Sponsor: Representative Wayne Schmidt
House Committee: Transportation
Senate Committee: Transportation

CONTENT

The bill would amend the Railroad Code to increase the amount that a road authority must pay to a railroad for annual maintenance of active traffic control devices; and require the Michigan Department of Transportation (MDOT) to consult with a railroad and local road authority representatives when completing a required 10-year study of the maintenance cost of such devices.

Except as otherwise provided, the cost of any installation, alteration, or modernization of active traffic control devices must be at equal expense of the railroad and the road authority. After initial installation, all active traffic control devices, circuitry, and appurtenances must be maintained, enhanced, renewed, and replaced by the railroad at its own expense. For each crossing with active devices not covered by existing or future railroad-road authority agreements, however, the road authority must pay the railroad for maintenance. The bill would increase the amounts that a road authority must pay annually. Both the current and proposed amounts are show in Table 1.

Table 1

| Type of Device | Current Amount | Proposed Amount |
|---|-----------------------|------------------------|
| Flashing signals on single track | \$760 | \$1,271 |
| Flashing signals and gates on single track | \$830 | \$1,978 |
| Flashing signals with cantilever arm on single track | \$895 | \$1,481 |
| Flashing signals with cantilever arm with gates on single track | \$1,215 | \$2,389 |
| Flashing signals and gates on multiple track | \$1,230 | \$2,257 |
| Flashing signals with cantilever arms and gates on multiple track | \$1,630 | \$2,398 |
| Flashing signals on multiple track | \$725 | \$1,269 |
| Flashing signals with cantilever arms on multiple track | \$1,005 | \$1,375 |

(The Code defines "road authority" as a governmental agency having jurisdiction over public streets and highways, including MDOT, any other State agency, and county, city, and village governmental agencies responsible for the construction, repair, and maintenance of streets and highways.)

MCL 462.315

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would increase State and local costs to the extent that it would increase the amount the Michigan Department of Transportation and local road agencies must pay to railroads for maintenance of traffic control devices at railroad crossings. The increased share of the costs is based on a 2009 cost study of railroad grade crossing maintenance costs conducted by MDOT as required by the Railroad Code.

Under the current provisions of Section 315 of the Railroad Code, the Michigan Department of Transportation makes annual payments to railroad companies for its share of grade crossing traffic control device maintenance on State trunkline highways. The actual increased costs, however, are indeterminate and depend on the number of maintenance and repairs required annually. No data are available at this time regarding the amounts paid annually by local road agencies (county road commissions, cities, and villages) to railroad companies under the provisions of Section 315; thus, no estimate is available regarding the increased costs to those agencies under the bill.

Date Completed: 12-5-12

Fiscal Analyst: Joe Carrasco

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