



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4754 (Substitute S-1 as reported)
Sponsor: Representative Frank Foster
House Committee: Transportation
Senate Committee: Transportation

CONTENT

The bill would amend the State Transportation Preservation Act to exclude a rail line segment in Petoskey from a provision that prohibits the Michigan Department of Transportation (MDOT) from partitioning certain rail lines before selling or leasing them.

The Act prescribes procedures by which the State may acquire abandoned rail lines. The Act also authorizes MDOT to engage in divestiture or offer 10-year leases to the current operators of specific properties. The Department must accomplish divestiture or create leases without partitioning a segment or a portion of a segment.

The segments include the Ann Arbor and Northwest Michigan system, which means the rail lines owned by the State between Durand and Ann Arbor, between Owosso and Thompsonville, between Walton Junction and Traverse City, between Grawn and Williamsburg, between Owosso and St. Charles, and between Cadillac and Petoskey excluding the portion of the segment located in Petoskey north of Emmet Street. The bill also would exclude the Jarman spur starting 450 feet from the point of switch on the main rail to US-131.

MCL 474.60

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill could result in additional revenue to the State. The revenue from any sale of State-owned rail property would be credited to the restricted Rail Freight Fund. The amount of potential additional revenue is indeterminate and dependent on the sale price.

Date Completed: 1-31-12

Fiscal Analyst: Joe Carrasco