

Legislative Analysis



ACTIVE RAIL GRADE CROSSING TRAFFIC CONTROL DEVICE MAINTENANCE COSTS

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House Bill 4252 as introduced
Sponsor: Rep. Tim Sneller
Committee: Transportation
Complete to 9-13-21

SUMMARY:

House Bill 4252 would amend section 315 of the Railroad Code to change the amounts that road agencies are obligated to pay annually to railroads for the maintenance of active traffic control devices, circuitry, and appurtenances at rail grade crossings. The updated payment amounts in the bill reflect the results a cost study of railroad grade crossing maintenance costs conducted in 2019 by the Michigan Department of Transportation (MDOT) as required by amendments to the Railroad Code made by 2001 PA 5.

The current and proposed annual payment amounts are as follows:

Annual Statutory Railroad Grade Crossing Maintenance Payments		
	Current Law	House Bill 4252
Flashing signals on a single track	\$1,271	\$1,455
Flashing signals and gates on a single track	\$1,978	\$3,024
Flashing signals with cantilever arm on a single track	\$1,481	\$2,215
Flashing signals with cantilever arm with gates on a single track	\$2,389	\$3,389
Flashing signals and gates on multiple tracks	\$2,257	\$3,595
Flashing signals with cantilever arms and gates on a multiple tracks	\$2,398	\$4,697
Flashing signals on a multiple tracks	\$1,269	\$1,774
Flashing signals with cantilever arms on a multiple tracks	\$1,375	\$2,307

MCL 462.315

BACKGROUND:

Section 315 of the Railroad Code, in accordance with related section 301, authorizes MDOT to prescribe active traffic control devices at public railroad grade crossings. Section 315 also requires that the cost of installing, altering, and modernizing active traffic control devices at railroad crossings, such as flashing lights and gates, be shared equally by the railroad and the road authority (that is, the governmental agency with jurisdiction over public streets and highways; effectively, MDOT, a county road commission, a city, or a village).

Section 315 further requires that, after initial installation, all active traffic control devices, circuitry, and appurtenances be maintained, enhanced, renewed, and replaced by the railroad at its own expense, except that the road authority must annually contribute certain specified amounts to the railroad for that maintenance. (The specified amounts do not apply if an agreement exists between the railroad and the road authority.)

The amounts that the road authorities must contribute vary according to the kind of traffic control device. The payments required under current law and under provisions of the bill are shown in the table on the first page of this analysis.

When first enacted in 1993, section 315 of the Railroad Code had directed MDOT to conduct a study of active traffic control device maintenance costs by January 1, 1999. The 1999 cost study was the basis of amendments made to section 315 by 2001 PA 5, effective April 12, 2001.

Subsequent amending legislation, 2012 PA 421, updated the schedule of annual traffic control device maintenance payments to reflect the study of active traffic control device maintenance costs made by MDOT in 2009.

House Bill 4252 would update the schedule of annual traffic control device maintenance payments to reflect the study of active traffic control device maintenance costs made by MDOT in 2019.¹

As noted above, section 315 requires that the maintenance costs of active traffic control devices at railroad crossings be shared equally by the railroad and the road authority. The annual payment schedule shown in House Bill 4252 represents one-half of the annual maintenance costs as determined by the study.

FISCAL IMPACT:

House Bill 4252 would increase state and local costs to the extent that it would increase the amount that MDOT and local road agencies would have to pay to railroads for maintenance of traffic control devices at railroad crossings. This impact would be specific

¹ https://www.michigan.gov/documents/mdot/PA_354_of_1993_MCL_462.15_Section_3_Railroad_Active_Traffic_Control_Device_Maintenance_Costs_2020_FINAL_REPORT_674952_7.pdf

to road agencies that had at-grade road/rail crossings controlled by active traffic control devices.

The bill does not affect the actual costs of maintaining traffic control devices at public rail grade crossings. It effectively adjusts the share of those costs between railroad companies and public road agencies. If the bill were not enacted, private railroad companies would effectively bear a higher share of those maintenance costs, and public road agencies would bear a lower share.

Under the current provisions of section 315 of the Railroad Code, MDOT makes annual payments to railroad companies for its share of grade crossing traffic control device maintenance on state trunkline highways. MDOT indicates that it currently pays approximately \$80,000 per year for traffic control device maintenance at approximately 50 trunkline rail grade crossings. We do not have an estimate of the amounts that local road agencies (county road commission, cities, and villages) currently pay in active traffic control device maintenance costs under section 315, and we do not have an estimate of the increased costs to those agencies under the bill.

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