




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

Senate Bill 522 (as reported without amendment)
Sponsor: Senator Michelle A. McManus
Committee: Transportation

CONTENT

The bill would amend Public Act 368 of 1925, which governs highway obstructions and encroachments, as well as the use of highways by public utilities, to allow a utility to enter upon, construct, and maintain utility lines and structures under any public road, street, or other subsurface that intersected any limited access highway at a different grade, without the approval of the governing body of the local unit. The bill also would include pipe lines among the permitted utility lines and structures.

MCL 247.183

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill could result in increased State revenue and administrative costs associated with the construction and maintenance of utility lines and structures under any public road, street, or subsurface that intersects any limited access highway. A one-time installation permit fee is required before the longitudinal use of limited access highway rights-of-way. The fee is \$1,000 per mile of longitudinal use of highway rights-of-way, with a minimum permit fee of \$5,000 (five miles). The fee is paid to the Michigan Department of Transportation and credited to the State Trunkline Fund for capital and maintenance expenses of limited access highways.

The bill could result in decreased local government revenue if the bill resulted in the construction of more utility lines and structures along limited access highway rights-of-way instead of along easements to local government property (e.g., a road, bridge, or street). There are no data available to suggest what the actual fiscal impact on local government would be.

Date Completed: 6-8-05

Fiscal Analyst: Craig Thiel