



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 124 and 125 (Substitute S-1 as passed by the Senate)
Sponsor: Senator Darrin Camilleri
Committee: Transportation and Infrastructure

Date Completed: 8-21-23

RATIONALE

According to the Michigan Department of Transportation (MDOT), Michigan has over 4,000 highway-rail grade crossings throughout the State. These crossings, where a roadway and a railway intersect, can create traffic congestion and safety concerns, especially as the average freight train length exceeds one mile and continues to increase each year. Moreover, serious injury or death can result if a train blocks first responders from reaching the scene of an accident or medical emergency.

Grade separation, in which highway-rail grade crossings are placed at different heights by constructing a roadway overpass or underpass, is a method used to decrease the danger of these crossings. Some states, such as Indiana and Illinois, have separated highway-rail grade crossings by using grant funds. Michigan currently does not have a program focused on grade separation. Accordingly, it has been suggested that a grant program for the separation of rail and roadway intersections be created in Michigan.

CONTENT

Senate Bill 125 (S-1) would amend the Michigan Transportation Fund law to do the following:

- **Require MDOT to establish a local grade separation grant program and to provide grants to cities, villages, and county road commissions.**
- **Require MDOT to establish a review process for considering funding applications and to notify applicants within 120 days of the application's approval or denial.**
- **Require MDOT, before releasing local grade separation funds, to enter into an agreement with the recipient, and specify the provisions that would have to be included in the agreement.**
- **Require MDOT to issue a report to the Legislature pertaining to the use of funds from the grant program.**
- **Create the Local Grade Separation Fund to provide funding under the bill.**

Senate Bill 124 (S-1) would amend the Michigan Transportation Fund law to develop parameters for prioritizing the approval of funding applications for railroad crossing projects awarded under the proposed grant program.

The bills are tie-barred.

Senate Bill 125 (S-1)

Local Grade Separation Program

Specifically, the bill would require MDOT to create and operate a local grade separation grant program for the separation of motor vehicle traffic and railroad traffic in the State. The

Department would have to provide grants to cities, villages, and county road commissions in the State. ("Grade separation" would mean an intersection of a railroad and roadway at different levels with the railroad either above or below the roadway.)

The bill would require a funding application for the grant program to be made on a form approved by MDOT and to contain the information required under Section 11j of the law, which Senate Bill 124 (S-1) would add. A funding application could be made at any time as determined by MDOT.

Application Review Process; Agreement

Under the bill, MDOT would have to establish a review process for considering funding applications that included the parameters for prioritizing the approval of funding applications as described in Section 11j. Within 180 days of receiving a funding application, MDOT would have to notify the applicant in writing whether the application was approved or rejected.

Before releasing grant funds, MDOT would have to enter into an agreement with the funding recipient. Awarded grant funds could be used by the recipient for any stage of design and construction related to the grade separation project or a project that improved traffic at a rail crossing without a full grade separation, including construction of a rail siding or spur. The written agreement between MDOT and the recipient would have to provide for a description of the grade separation project or a project that improved traffic as described above and a local, private, or Federal match of at least 20% of the cost of the project.

Reporting Requirements

Under the bill, for each year in which MDOT received funding applications, it would have to report by December 1 to the standing committees of the Senate and House of Representatives with primary jurisdiction over issues pertaining to transportation and to the Senate and House Appropriations Committees on the Local Grade Separation Funds' utilization from the grant program. The report would have to include all the following:

- The number of funding application received.
- The name of each city, village, or county road commission that submitted a funding application, and whether each funding application was approved or denied.
- The amount of local match for each approved funding application.

Local Grade Separation Fund

The bill would create the Local Grade Separation Fund within the State Treasury. The State Treasurer could receive money or other assets from any source for deposit into the Fund. The Treasurer would have to direct the investment of the Fund and credit to the Fund interest and earnings from Fund investments. Money in the Fund at the close of the fiscal year would remain in the Fund and would not lapse into the General Fund.

The Michigan Department of Transportation would have to spend money from the Local Grade Separation Fund, on appropriation, only to fund the grant program.

Senate Bill 124 (S-1)

Under the bill, MDOT would have to develop parameters for prioritizing the approval of funding applications for railroad crossing projects awarded under the proposed grant program. The parameters would have to give priority to projects for railroad crossing that met one or more of the following conditions:

- Were within five miles of a railyard.
- Were within five miles of a manufacturing facility.
- Were within five miles of a level I to level IV trauma center, adult assisted-living facility, school, or courthouse.
- Any other condition that MDOT considered relevant.

The bill specifies that MDOT would have to give higher priority to railroad crossing projects that met a higher number of the conditions described above than competing projects.

(According to the American Trauma Society, there are five levels of trauma centers. Level I trauma centers are comprehensive trauma centers capable of providing total care of all aspects of an injury. Level IV centers can provide advanced trauma life support prior to transfer of patients. Level V centers generally provide initial evaluation and diagnostic tests before transfer to a higher level of care.)

Before awarding grants, MDOT would have to establish the parameters on its website.

Proposed MCL 247.661i (S.B. 125)

Proposed MCL 247.661j (S.B. 124)

PREVIOUS LEGISLATION

(Please note: This section does not provide a comprehensive account of all previous legislative efforts on the relevant subject matter.)

Senate Bills 124 and 125 are similar to Senate Bills 427 and 425 from the 2021-2022 Legislative Session, respectively. Senate Bills 427 and 425 passed the Senate but received no further action in the House.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

In emergency situations, firefighters, police officers, and emergency medical services are expected to arrive on the scene as soon as possible, ready to handle the situation and render aid to victims. A quick response from emergency medical services can mean the difference between life or death for someone in need of medical attention; however, the average train stop is 9 minutes, according to testimony before the Senate Committee on Transportation and Infrastructure. Additionally, train delays may prevent an ambulance from reaching a hospital in a timely manner, leading to death and injury. Any delay in response times and ambulance arrival should be considered a public safety issue.

Testimony also indicates that railway-roadway grade crossings are a common cause of delays for first responders when they are in route to emergency situations. For example, cities such as Trenton may be divided by rail lines that block multiple roads at once, cutting one portion of the city off from emergency services. A local grade separation program could assist in grade separation efforts at these intersections, which would benefit first responder response and ambulance arrival times, as well as the community.

Supporting Argument

Even with safety measures such as warning signs, flashing lights, and gates, highway-rail grade crossings are inherently dangerous. Motorists sometimes do not abide by these safety measures and proceed onto the tracks, or cars can stall at the crossing. These circumstances can result in collisions between cars and trains as trains always assume the right-of-way at crossings and can take over a mile to stop, depending on their weight. According to Operation Lifesaver, a nonprofit organization focused on education related to highway-rail crossings, in 2022, Michigan ranked 11th worst in the nation for the number of collisions, injuries, and fatalities at highway-rail grade crossings. Using Federal Railroad Administration data, Operation Lifesaver found that Michigan experienced 55 collisions, resulting in four fatalities and 21 injuries. While collisions put motorists at risk, they also endanger train operators and passengers. Collisions, injuries, and fatalities are avoidable. Grade separations remove the inherent danger of highway-rail grade crossings. The creation of a grant program for grade separation projects in the State could reduce the number of collisions, injuries, and fatalities that occur in Michigan each year at highway-rail grade crossings.

Supporting Argument

The State's rail infrastructure may discourage economic development, particularly in urban areas. Southeast Michigan serves as a rail hub. According to testimony before the Senate Committee on Transportation and Infrastructure, companies and businesses may choose other sites or states to settle for a smoother operation because of issues such as train delays and crashes, which are more pervasive in urban areas. Creating a local grade separation program could remove this potential hindrance by reducing rail-related problems.

Supporting Argument

Michigan law requires school buses to stop for all railroad crossings regardless of whether a train is approaching or not. According to testimony before the Senate Committee on Transportation and Infrastructure, while this requirement ensures passenger safety, a majority of all rear-end crashes to school buses happen at railroad crossings because of this requirement. Railway-roadway grade crossings present dangers to bus drivers and passengers. Accordingly, highway-rail grade separation would remedy the dangers of railway-roadway crossings, especially in areas with higher volumes of traffic.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

Senate Bill 124 (S-1) would have a minimal negative fiscal impact on the State in the amount equal to the cost of creating the parameters for approval of funding applications and no fiscal impact on local units of government.

Senate Bill 125 (S-1) would have a minimal negative fiscal impact on the State in the amount equal to the cost of creating the application form and the additional work needed to operate the form and reporting requirements. The bill would have a minimal negative fiscal impact on local units of government equal to the cost of applying for these grants. Costs to the State and revenue to the local units of government will depend on appropriations.

Fiscal Analyst: Robert Canell

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.