

# HOUSE BILL No. 5254

January 23, 2014, Introduced by Reps. Outman and Nesbitt and referred to the Committee on Energy and Technology.

A bill to amend 1929 PA 16, entitled

"An act to regulate the business of carrying or transporting, buying, selling or dealing in crude oil or petroleum or its products, through pipe lines; to authorize the use of public highways and the condemnation of private property; to regulate the purchase and storage of crude oil or petroleum; to provide for the control and regulation of all corporations, associations and persons engaged in such business, by the Michigan public utilities commission; to define the powers and duties of the commission in relation thereto; and to prescribe penalties for violations of the provisions hereof,"

by amending section 2a (MCL 483.2a), as added by 1997 PA 125.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2a. (1) As used in this section and section 2b:

2       (a) "Person" means an individual, partnership, corporation,  
3       association, governmental entity, or other legal entity.

4       (b) "Pipeline" means a pipeline used or to be used to

1 transport crude oil or petroleum **OR TO TRANSPORT GASEOUS OR LIQUID**  
2 **SUBSTANCES, CONSISTING PRIMARILY OF CARBON DIOXIDE, THAT WILL BE**  
3 **PUT IN STORAGE OR THAT HAVE BEEN OR WILL BE USED TO PRODUCE**  
4 **HYDROCARBONS IN SECONDARY OR ENHANCED RECOVERY OPERATIONS.**

5 (2) A person who is conducting survey work for a proposed  
6 pipeline under this act shall notify all affected property owners  
7 in writing before a survey crew enters the owner's property.

8 (3) Any offer to ~~a landowner~~ **AN OWNER OF AGRICULTURAL PROPERTY**  
9 for an easement for the purpose of locating, **LAYING**, constructing,  
10 maintaining, **AND** operating ~~, and transporting crude oil or~~  
11 ~~petroleum pipelines on~~ **THE** agricultural property ~~in this state~~  
12 shall include all of the following information:

13 (a) The anticipated physical impact of pipeline construction  
14 on the landowner's property.

15 (b) Written assurance that any agricultural drainage tile that  
16 is damaged or removed during the construction or repair of a  
17 pipeline will be repaired or replaced to preconstruction working  
18 condition. As used in this subdivision, "drainage tile" includes  
19 any surface or subsurface system by which the movement of water is  
20 redirected.

21 (c) Written assurance that topsoil that is disturbed ~~due to~~ **BY**  
22 construction or repair of a pipeline is properly separated and  
23 replaced. As used in this subdivision, "topsoil" means surface soil  
24 that is presumed to be fertile as distinguished from subsoil.

25 (d) The method by which property will be appraised.

26 (e) For property used to produce crops prior to construction  
27 of a pipeline, an estimate of the value of the loss of the

1 productivity based on the historic yield of the site before  
2 construction of a pipeline. The agricultural property owner shall  
3 provide historic crop yield values upon request.

4 (f) That payment will be made for all damages incurred after  
5 construction of the pipeline ~~due to~~ **BECAUSE OF** the pipeline owner's  
6 or operator's entry upon the **AGRICULTURAL** property to exercise  
7 easement rights, except that the owner or operator of the pipeline  
8 is allowed to maintain a clear right-of-way without further  
9 ~~compensation being due to~~ **COMPENSATING** the landowner.

10 (g) That the landowner has rights under the uniform  
11 condemnation procedures act, 1980 PA 87, MCL 213.51 to ~~213.77,~~  
12 **213.75**, and a copy of ~~the act to the landowner.~~ **THAT ACT.**

13 Enacting section 1. This amendatory act does not take effect  
14 unless all of the following bills of the 97th Legislature are  
15 enacted into law:

16 (a) House Bill No. 4885.

17 (b) Senate Bill No. \_\_\_\_ or House Bill No. 5255 (request no.  
18 04520'13).