



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 125 (as enacted)
House Bill 4153 (as enacted)
Sponsor: Senator Darrin Camilleri
Representative Jaime Churches
Senate Committee: Transportation and Infrastructure
House Committee: Transportation, Mobility, and Infrastructure

PUBLIC ACT 66 of 2023
PUBLIC ACT 67 of 2023

Date Completed: 7-25-23

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. Previously, Michigan did not have a program focused on grade separation. Accordingly, it was suggested that a grant program for the separation of rail and roadway intersections be created in Michigan.

CONTENT

Senate Bill 125 amended 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.**

House Bill 4153 amended the Michigan Transportation Fund law to develop parameters for prioritizing the approval of funding applications for railroad crossing projects awarded under the local grade separation grant program.

The bills are tie-barred and each bill took effect July 12, 2023.

Senate Bill 125

Local Grade Separation Program

The bill amended the Michigan Transportation Fund law to 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 must provide grants to cities, villages, and county road commissions in the State. ("Grade separation" means an intersection of a railroad and roadway at different levels with the railroad either above or below the roadway.)

The bill requires 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 House Bill 4153 added. A funding application can be made at any time, as determined by MDOT.

Application Review Process; Agreement

The Department must establish a review process for considering funding applications that include the parameters for prioritizing the approval of funding applications as described in Section 11j. Within 180 days of receiving a funding application, MDOT must notify the applicant in writing whether the application has been approved or rejected.

Before releasing grant funds, MDOT must enter into an agreement with the funding recipient. Awarded grant funds may 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 must provide for a description of the grade separation project or a project that improves traffic as described above and a local, private, or Federal match of at least 20% of the cost of the project.

Reporting Requirements

For each year in which MDOT receives funding applications, it must report, by December 1, to the standing committees of the Senate and House of Representatives with primary jurisdiction over issues pertaining to transportation. Additionally, MDOT must report to the Senate and House Appropriations Committees on the Local Grade Separation Funds used for the grant program.

The report must include all the following:

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

Local Grade Separation Fund

The bill created the Local Grade Separation Fund within the State Treasury. The State Treasurer may receive money or other assets from any source for deposit into the Fund. The Treasurer must 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 must remain in the Fund and cannot lapse into the General Fund.

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

House Bill 4153

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

- Are within five miles of a railyard.
- Are within five miles of a manufacturing facility.
- Are within five miles of an adult assisted-living facility; a courthouse; any facility where emergency medical service vehicles are housed for maintenance, operation, and dispatch; a fire station; an international airport; a Level I to Level IV trauma center; or a school.
- Any other condition MDOT considers relevant.

The bill requires MDOT to give higher priority to railroad crossing projects that meet 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 must publish the parameters on its website.

MCL 247.661i (S.B. 125)

MCL 247.661j (H.B. 4153)

PREVIOUS LEGISLATION

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

Senate Bill 125 and House Bill 4153 are similar to Senate Bills 425 and 427 from the 2021-2022 Legislative Session, respectively. The bills passed the Senate but received no further action in the House. House Bill 4153 is a companion bill to Senate Bill 124.

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 grant program will assist in

grade separation efforts at these intersections, benefitting 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 may 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 may 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 will remedy the dangers of railway-roadway crossings, especially in areas with higher volumes of traffic.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

Senate Bill 125 will 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 will 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.

House Bill 4153 will 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 will 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: Bobby 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.