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February 14, 2012

The Honorable Kenneth Horn
Chairman, House Energy and Technology Committee
And Honorable Committee Members:
State Capitol Building
Lansing, MI 48909

Dear Mr. Chairman and Committee Members,

Michigan Trails and Greenways Alliance (MTGA) appreciates the opportunity to comment on Senate Bill 499, before today's House Energy and Technology Committee. MTGA supports the concept of the bill which is to facilitate telecommunications easements on our state's rail-trails by making revisions to rate, timeline, and procedure. With the use of trail corridors cutting diagonally across property rather than road right of way bordering around property lines, telecommunications providers would save labor, materials, time and dollars overall. This would enable more comprehensive coverage and deliver today's much needed advances in the industry to even the most remote corners of our state. We sense that this could contribute to increased prosperity and revitalization for Michigan. However, as with many new proposals, "the devil is in the details".

We are registering some concerns today with the price that has been delineated in the bill. The research we have done indicates that most of the states around Michigan (Ohio, Illinois, and Indiana for example) charge for such easements on a case by case basis, in accordance with the fair market value of the land and in all the cases we checked, at a much higher rate. We also recognize that there are other users of the trails, snowmobilers and ORV'ers, which pay an annual license fee so that they can access the trails. So too should telecommunications providers pay an annual fee for their occupation of these corridors. These dollars help with the maintenance of the trails. With a one-time charge of 5 cents per linear foot, the total fee for telecommunications providers for the 478 miles of state-owned railtrails in the Upper Peninsula would be \$126,192. Compare that to an aggregated total of \$478,000 annually that is needed for trail maintenance. If Michigan is to become the #1 trail state as the current Administration proposes, the trails have to be maintained, and it is only right that telecommunications providers in their proposed use of the trail help to pay annually for these costs.

We believe trails are an important asset to our state which can serve multiple purposes in addition to recreation and non-motorized transportation. They can be important economic development corridors as well, and we are anxious to help make that happen. Please adjust the one-time fee in the proposed legislation to an annual fee.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Krupiarz".

Nancy Krupiarz
Executive Director