



Senate Fiscal Agency  
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## BILL ANALYSIS

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Senate Bill 1536 (Substitute S-1 as reported by the Committee of the Whole)  
Sponsor: Senator Jud Gilbert, II  
Committee: Transportation

**CONTENT**

The bill would amend the State Transportation Preservation Act to do the following:

- Exclude a portion of a segment located in Petoskey from the Ann Arbor and Northwest Michigan system.
- Permit the Michigan Department of Transportation (MDOT) to require the purchaser of a portion of a State-owned rail line to ensure that the portion remained viable and available for future rail use.

The Act permits MDOT to sell or lease segments of State-owned rail lines specified in the Act. If the MDOT does so, it may not partition a segment or portion of a segment. The specified rail lines include the Ann Arbor and Northwest Michigan system, which means the rail lines owned by the State between Durand and Ann Arbor, between Owosso and Thompsonville, between Cadillac and Petoskey, between Walton Junction and Traverse City, between Grawn and Williamsburg, and between Owosso and St. Charles.

The bill would revise that description by excluding the portion of the segment between Cadillac and Petoskey that is located in Petoskey north of Emmet Street.

Under the bill, as a term of conveyance, MDOT could require restrictions on the use of the property that assured that it remained viable for future rail use and that the rail line was made available by the purchaser for future freight or passenger rail uses, and that the property would revert to MDOT if the purchaser failed to maintain the property so that it remained viable for future rail use.

MCL 474.60

Legislative Analyst: Curtis Walker

**FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 11-5-08

Fiscal Analyst: Debra Hollon