Proposal I on the May Ballot
Does More than Fill Potholes

If you are feeling confused about Proposal 1, you’re not alone. When Michigan voters go to the polls on May 5th, they will be asked if they want to raise the state sales tax by a penny — from 6% to 7%. This is the tax that you pay on most goods purchased as you go about your daily activities. Sounds simple enough. What makes this a little more complicated is that several pieces of legislation are tied to the ballot issue and will go into effect upon passage. This package of bills will direct new money to road and bridge repair, support costs of operating passenger trains and local transit systems, give a boost to the School Aid Fund, share additional revenues with local units of government, and reinstate the Earned Income Tax Credit to help low-income workers.

Under Proposal 1, all state gas taxes paid at the pump are guaranteed in the state constitution to go to transportation. The 6% sales tax on motor fuels will be replaced by a tax based on the wholesale price of fuel.

The fiscal impacts of these changes in sales and fuel taxes include:

- $1.3 billion to repair roads and bridges
- $116 million for trains and local transit agencies
- $10 million to the Recreation Improvement Fund for recreational trails and maintenance of harbors, marinas and public boat launches
- $200 million to the School Aid Fund for K-12 education and community colleges
- $111 million for local units of government
- Earned Income Tax Credit will increase from 6% to 20% of credit allowed on federal tax return

Source: House Fiscal Agency Analysis

Information You Can Use

Roads 101: What you need to know about Proposal 1
Ballot Proposal Slide Show
MDOT Defends Actions on MiTrain Commuter Cars

The Office of the Auditor General of the State of Michigan recently completed a performance audit of MDOT’s Office of Rail. One area examined was the leasing and refurbishing of 23 rail cars intended for service on two proposed commuter routes: the WALLY running from Howell to Ann Arbor and another service along the Detroit to Ann Arbor corridor.

The audit found that the Office of Rail “did not effectively and efficiently oversee the lease and refurbishment of cab and coach cars designated for two commuter projects.”

In response, MDOT cited unanticipated delays in the projects, among them a change in federal oversight from FHWA to FTA which necessitated additional work. In addition, there were unforeseen delays having to do with requirements of the FRA-funded infrastructure work currently underway on the Detroit-Ann Arbor corridor.

The leased commuter cars were rebuilt and refurbished by Great Lakes Central Railroad in Owosso MI at a cost of $500,000 per car. A similar project in California saw per car costs of double that amount. MDOT has pointed out that new cars would cost $2B - $3B and require a long lead time to be brought online.

The auditor general’s report was presented to the House Committee on Oversight and Ethics on 25 February. For a copy of Report Number 591-0195-14, call 517-334-8050. Documents presented to the committee, including an MDOT Handout and letters from MARP, Michigan by Rail, Ann Arbor Area Transportation Authority and M-1 Rail, can be accessed by going to the Oversight committee’s website. Select and open the desired document under “Testimony”. The meeting minutes are there as well.

(MARP continued from previous column)

MDOT suggests that MDOT might put this investment to good use now to bolster existing passenger services in the state.

The letter concludes with a response to those who would question the need for commuter rail service in Michigan. “We firmly believe that this type of service is not only good, but essential to our economy. Commuter rail service has the potential to save citizens money on their commute, lower the cost of doing business, and save taxpayer dollars spent by other state institutions.”

(MARP continues in next column)
One-Hundred-Forty-Nine of your fellow MARP members have renewed their memberships for 2015

HAVE YOU?

If you have misplaced your renewal letter, you may download a form {HERE}

MARP Outreach Events

Two of MARP’s biggest outreach efforts are coming up in April and early May. Both are multi-day events and need a larger number of volunteers than many of our events.

The 10th Annual Michigan Earth Day Fest takes place in Rochester MI at the City Center/Paint Creek Park on May 24-26. This is a huge celebration and offers us a chance to meet with a different crowd than we see at train shows.

Although Amtrak will be celebrating trains this summer in a new way, Toledo is reserving the 1st Saturday in May for its usual observance of National Train Day Toledo. Co-leaders Steve Vagnozzi svagnozzi@comcast.net and John Langdon john-langdon@sbcglobal.net would like you to join Ron Leatz, Kathleen Newell, Robert Tischbein, Hugh Gurney, Larry Krieg, Doug Wilson, Robert Tobleck and Jim Hinkins in staffing the MARP table or serving as Car Hosts on the Amtrak Exhibit Train. This could be one of the most fun things you do this year!

In the meantime, there are three events in March. If you would like to help with any of these events, please contact Chuck Merkel cm Merkel@comcast.com 734-522-7329.

Trainorama
15 March • 10 to 4
Costick Community Center,
28600 11 Mile, Farmington Hills MI
Contact: Chuck Merkel cm Merkel@comcast.com 734.522.7329

Elkhart Model RR Show
21 March • 10 to 3
Borkholder Dutch Village, Nappanee IN
Contact: Warren Fritz wrfritz41@gmail.com 269-345-8004

35th Annual Mid-Michigan Train Show
22 March • 11 to 4
CMU Finch Field House, Mount Pleasant MI 48858
Contact: Steve Vagnozzi svagnozzi@comcast.net 517-349-4889

Rail Events on Tap in Illinois

The Midwest High Speed Rail Association has scheduled the Annual Spring Meeting for March 21st. An exciting roster of speakers includes Bob Stewart, who recently took the helm at the National Association of Railroad Passengers; Joe Szabo, who recently stepped down as FRA head and has joined the Chicago Metropolitan Agency for Planning as a senior fellow; and Amtrak’s Ray Lang, Director for National-State Relations. Rick Harnish, Executive Director Midwest High Speed Rail Association, will present the CrossRail Chicago plan to facilitate cross-town transit connecting McCormick Place, Union Station and O’Hare Airport. MHSRA’s Josh Parod will present on the Korean HSR experience and its relevance to the Midwest. Register Here.

Save the date for the Illinois Rail Summit scheduled for April 29 in Springfield IL. Details will be available on the website soon. You may Register Here.

Supreme Court Rules for Amtrak

On March 9, the U.S. Supreme Court ruled unanimously that Amtrak is a government entity — not a private entity as a lower court had ruled. According to Howard Learner of the Environmental Law and Policy Center, which partnered with NARP and others in filing an amicus curiae brief, this affirms Amtrak’s authority to create on-time performance standards.

The case stems from a provision in the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) directing Amtrak and the FRA to develop metrics for on-time performance. The Appeals Court decision had determined that Amtrak was a private entity, and as such could not regulate other railroads’ actions, thus upholding the freight railroads’ challenge.

However, the Supreme Court reversed that Appeals Court ruling, saying that Amtrak is like a government entity. But the court also determined that additional litigation would have to determine whether there are constitutional problems with Amtrak’s regulatory authority in creating standards for an industry in which it participates.

In FY 2013, ridership on the nine Midwestern corridor routes combined was almost 3.26 million; this was more than double the number of riders on those routes in FY 2004.
View from elsewhere . . .

“A decade of progress in rebuilding America’s transportation network is slowly being flushed down the drain by shortsighted politicians. And that’s not a partisan thing. Republicans in North Carolina and Michigan have expanded transit and train funding.”

— comment by Steven Black to news article State Cuts Could Mean Fewer Amtrak Trains. Illinois Governor Rauner’s proposed budget would slash support of the state’s passenger trains by 40%.

“It’s amazing to get so many to come out at 2 p.m. on a Wednesday afternoon to show support for this project.”

— Sen. Steve Stadleman, vice-chair of the Illinois Senate Transportation Committee which hosted a special hearing in Rockford. Over 200 people came in support of the already-funded Chicago-Rockford passenger service which Gov. Rauner has put on hold as he seeks to cut state funding for trains.

Here is a look at The Blackhawk Corridor that those 200 folks at the hearing in Rockford are so enthusiastic about.

Ann Arbor to Traverse City or Bust

On February 16 more than 200 people turned out at the State Theatre in Traverse City to officially kick off the campaign to bring passenger train service back to Traverse City. With a goal of establishing regular passenger train service on state-owned tracks between Traverse and Ann Arbor by 2025, with excursion trips by summer of 2016, the Michigan Land Use Institute is currently seeking to crowdfund the next step of their campaign. CLICK HERE to read more about the project and watch the video of the February 16 gala. Look for the crowdrise button to make your donation. All donations must be received by 2 p.m. ET on March 13.