Michigan State House District 1

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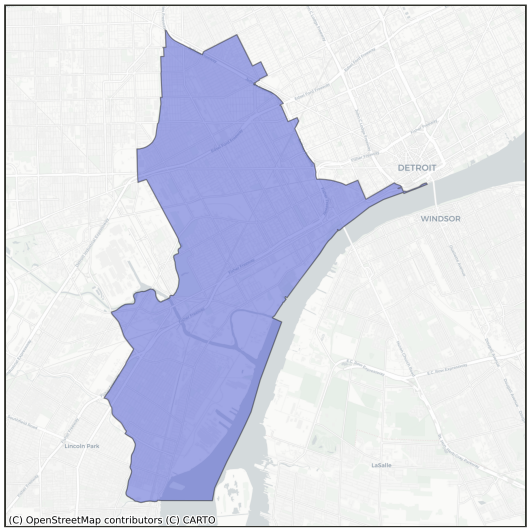
CLIMATE CABINET EDUCATION

Overview: Transit at a Crossroads

In 2025, Michigan faces a crossroads for transportation and state growth. While a long term road funding plan is needed, **Michigan's public transportation system is facing another fiscal cliff.**

Michigan needs a funding plan to **stabilize transit services that families count on while improving reliability and frequency.**

Studies show that investing in transit is one of the most effective ways to boost local economies and lower constituents' costs with viable transportation options.



Many families in District 1 need reliable public transit...

24,337 Student-age population

10,444 Population over 65 years

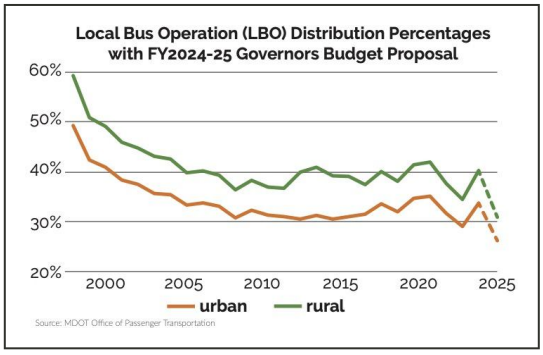
17,550 Population living with a disability

6,472 Households without vehicle access

Source: U.S. Census Bureau, American Community Survey 2022 (5-year)

Transit systems in Michigan are approaching a crisis point. Again.

Michigan's local bus systems are currently nearing their lowest-ever level of state support.



Above: Since 2000, state support for local bus operations in Michigan has plummeted and it's expected to fall even further with devastating results. (Source: TRU Detroit)

- A full transit funding model would have a **state reimbursement rate of at least 50% for urban systems and 60% for rural systems.**
- But current reimbursement rates are just **30% for urban systems and 35% for rural systems.**
- If state support shrinks more, some systems may have to close entirely and the remaining ones may have to cut services.

While there are many ways to cost-effectively address our state's transportation needs, forward looking funding proposals should **invest in the full transportation system,** including transit and rail, **focus on fixing roads instead of widening them, and protect important priorities such as building more housing and funding schools.**

Transit ROI

Every dollar invested in transit produces significant returns by increasing access to jobs, reducing healthcare costs from pollution, and by saving people money on gas and parking. The American Public Transportation Association has found that **investing in transit yields a 5-to-1 return on investment.**

- **Jobs** - Every $1 billion invested in public transportation supports and can create more than 50,000 jobs.
- **Business Boost** - Every $10 million in operating investment yields $32 million in increased sales for surrounding business.

Midwest Case Study: Twin Cities Metro

Cities and states nationwide are increasing investment in transit. Since 2004, Minneapolis-St. Paul has developed the transformative Twin Cities Metro light-rail transit system. Although Twin Cities Metro is smaller than similar systems, it has some of the highest ridership of any light rail in the U.S. **This example shows that investing in public transit helps to create jobs.**

Workers could directly reach an additional 2,000 jobs from initial light-rail build out. It's also spurred massive business investments in the area with permits approved for projects estimated at $49.9 billion between 2009-2023.

Twin Cities Metro Green Line trains pass each other as they run through the University of Minnesota campus in Minneapolis. The Metro's light rail network is driving economic development, improved job access, and increased bus ridership throughout the Twin Cities region.

Reliable transit can lower household costs

Giving Michiganders more transportation options can save families over **$12,000 per year** by avoiding the need for an additional vehicle.

Transportation Costs

22%

Annual average transportation costs as percentage of household income

Health Care Cost Savings

31-41%

High Public Transit Use can correlate with 31-41% lower health care costs

Source: Center for Neighborhood Technology Transportation + Housing Index

Whether it's rural bus networks or urban light rail systems, transit is a key driver of success for communities of all sizes. It is critical for Michigan to support local, regional, and statewide transit networks. **Transit supports businesses, attracts and retains residents, reduces the cost-of-living, and achieves climate goals.**

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