

# MIDWEST

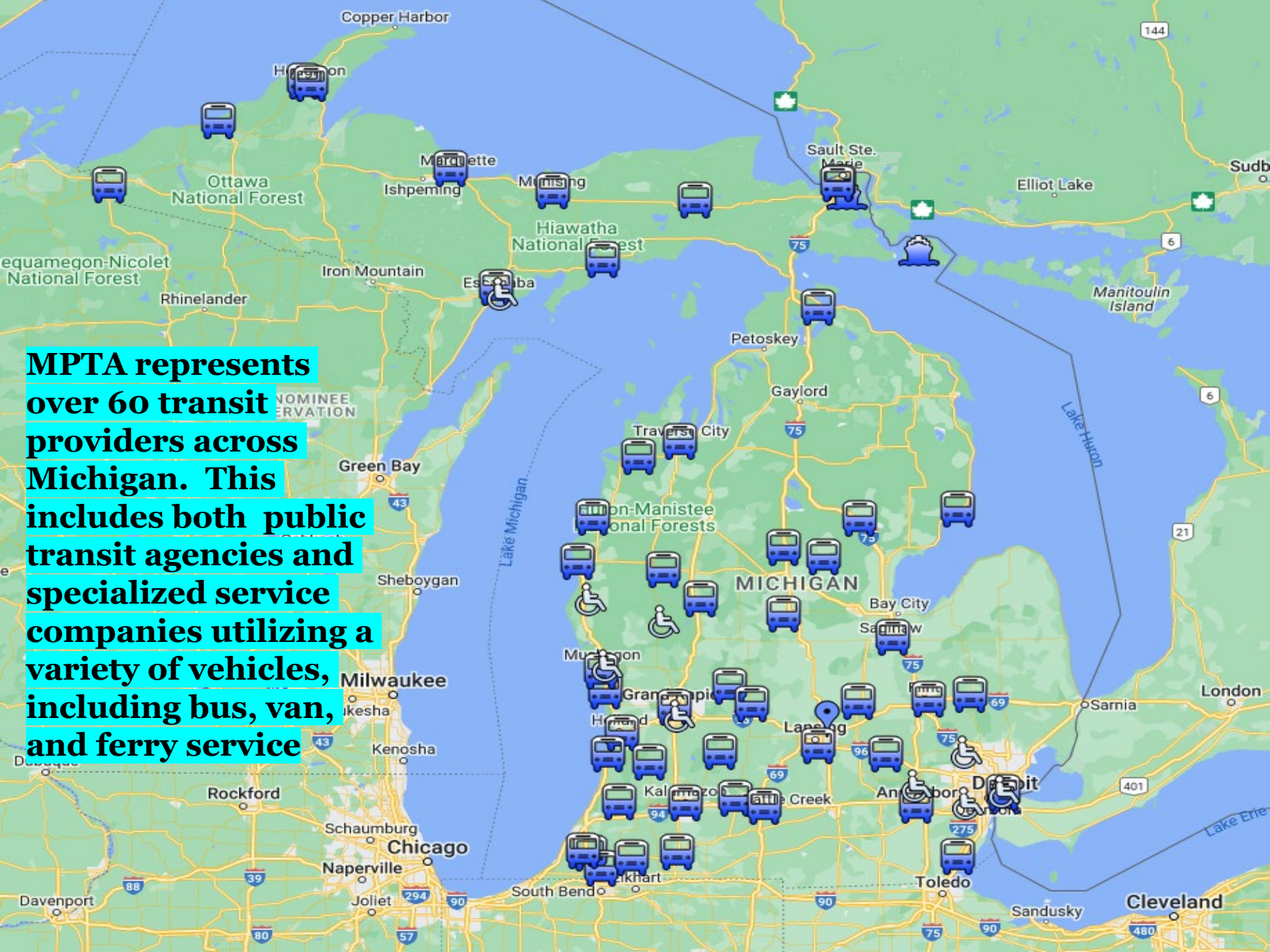
STRATEGY GROUP



## MPTA

Michigan Public Transportation Association  
Legislative Presentation

**MPTA represents over 60 transit providers across Michigan. This includes both public transit agencies and specialized service companies utilizing a variety of vehicles, including bus, van, and ferry service**



# Michigan Public Transit Facts 2021

- Michigan provides some level of public transportation in all 83 counties
- 78 public transit agencies transported 30 million passengers statewide
  - Examples are SMART, AAATA, The Rapid, Otsego Express
- 89 specialized services recipients and their subrecipients transported 608,825 passengers statewide.
  - Examples include your local area agency on aging, local Goodwill provider groups, NOTA, WOTA
- The marine program supports
  - Three ferry services in the Eastern Upper Peninsula which carried 533,664 vehicles and 838,664 passengers.
  - The Charlevoix-to-Beaver Island service carried 7,493 vehicles and 33,925 passengers,
  - Mackinac Island-to-mainland carried 29,449 passengers in the offseason.
  - The Ironton Ferry Service carried 72,171 vehicles and 138,808 passengers.



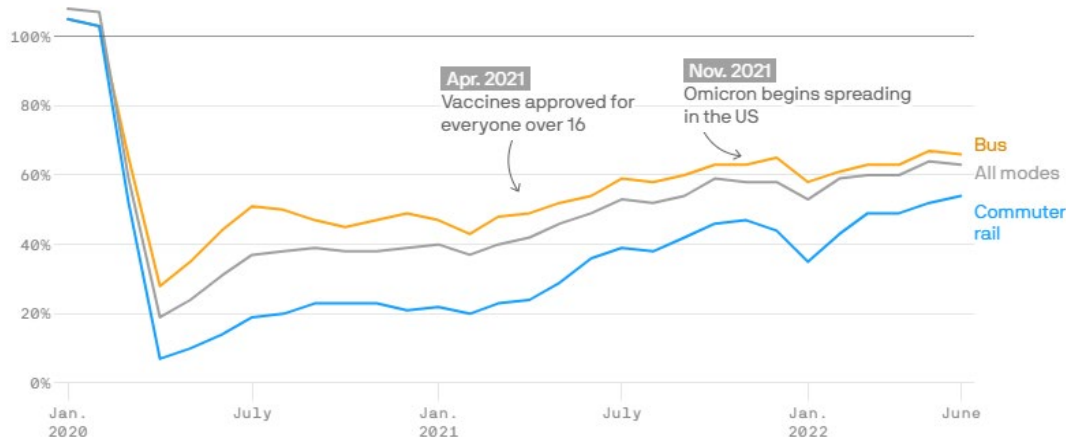
# The Pandemic & Public Transit

- Public transit was deemed an essential service in the pandemic, but nearly all adjusted services
  - Special focus on curb-to-curb/dial-a-ride service and guaranteed ride home
  - Policies protecting public transit employees (barriers, masks, vaccines, sanitizers, are examples)
  - Suspending fares

# Ridership is Recovering

## National U.S. public transit use by mode

As a percentage of the equivalent month in 2019; Monthly, January 2020 to June 2022



Data: American Public Transportation Association; Chart: Madison Dong/Axios Visuals

- Ridership recovery reflects the socioeconomic inequities of public transportation and the vagaries of hybrid work.
- Many essential workers & lower-income people, groups that tend to be less able to work remotely, rely on the bus for basic transportation, which helps explain why bus ridership has bounced back faster.
- In contrast, office workers, many of whom used to commute by rail from the suburbs, now have more flexibility to work from home at least some of the time.

# Transit in a Post Pandemic Society

- Society returned to the idea successful transit is not only about building ridership, but about providing equity in the community
  - Looking at re-designing routes to assure underserved areas get appropriate service
  - Looking at issues such as housing and daycare and the role transit can play moving forward
- Access and flexibility are key
  - Solutions could include ride-on-demand, microtransit, transit app, and increased paratransit services.

# Funding Overview

- Federal Funding
  - Restricted to capital needs
  - Requires a \$1 match for every \$4 of federal money
- State Funding
  - Portions of the fuel tax, vehicle registrations fees, and auto related sales tax fund the CTF. Can also dedicate general fund
  - ACT 51 provide guidance
- Local Funding
  - Millages
  - General fund
  - Contracts
  - Fare box

# The Importance of Local Funding

- The state funding formula incentivizes locals who put “skin in the game” with local funding.
- Local funding is a show of community support for transit.
  - The goal of local funding is to reduce the burden on the backs of those who need it most, thus allowing a lower fare.
  - Generally, the higher the local support, the lower the fare.



# Local Bus Operating History

## Eligible Operating Reimbursement

Year	Appropriation	Urban Systems	Rural Systems
2013 -no RTA	\$167,774,632	31.41%	40.97%
2014 -RTA Begins	\$167,774,632	30.65%	39.30%
2015	\$167,400,000	31.14%	39.15%
2016	\$167,400,000	31.62%	37.52%
2017 -gas tax increase	\$186,250,000	34.51%	41.14%
2018	\$188,250,000	33.73%	40.01%
2019	\$190,750,000	32.09%	38.17%
#2020-COVID	\$196,750,000	35.13%	41.92%
#2021-COVID	\$196,750,000	35.23%	42.01%
*2022-	\$196,750,000	29.51%	34.95%
*2023	\$201,750,000	29.20%	34.52%

\* Budgeted number

# Reconciled number

All the rest have been audited

# MPTA Budget Requests

- MPTA supports raising Local Bus Operating (LBO) in FY 2023-2024 by \$20M over 2022-23 levels - with a long-term goal of reaching the full statutory ceiling of 50%/60% (urban/rural state funding) by the fiscal year 2027.
- MPTA supports the Bus Capital investment line item, as proposed by the Governor, to assure the state can match all available federal capital funds.
- MPTA supports the Governor's recommended increase in specialized services.
- MPTA supports boilerplate moving toward Low Emission Propulsion fuels, recognizing all alternative fuels that are available to Michigan transit agencies.