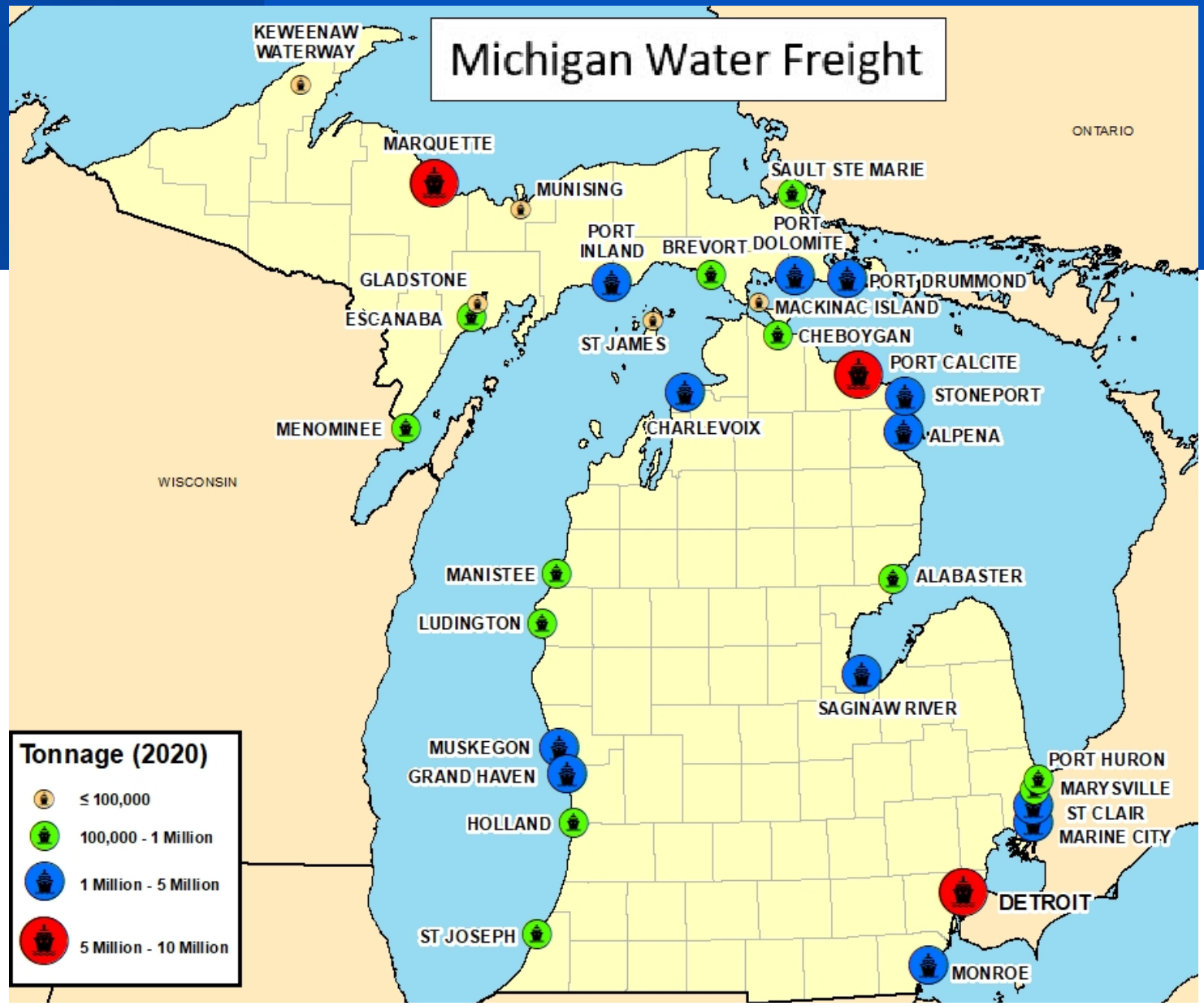
Ports & Freight Rail Overview

House Appropriations Subcommittee on State and Local Transportation

4/23/2025

Michigan's Maritime System

- Michigan's 3,200 miles of shoreline along four of the five Great Lakes contain 33 active cargo ports that ship or receive cargo
- Michigan's ports handle 46.1 million tons of cargo valued at nearly $9 billion annually
- Carries 9% of state's freight tonnage & 1% of state's freight value



Michigan Water Cargo 2022

	Tons	Value $
Inbound	17,094,646	4,196,361,986
Outbound	17,797,952	2,999,196,245
Within	11,230,329	1,704,082,078
TOTAL	**46,122,927**	**8,899,640,310**
(projected 2050)	*47,165,502*	*10,608,706,291*

INBOUND

Top Commodities	Tons	Top Commodities	Value $
Coal	9,510,677	Primary Metal Products	2,202,013,140
Nonmetallic Minerals	3,974,643	Chemical Products	1,007,975,033
Primary Metal Products	1,578,054	Petroleum Products	479,496,332

OUTBOUND

Top Commodities	Tons	Top Commodities	Value $
Nonmetallic Minerals	10,797,444	Chemical Products	1,415,460,568
Metallic Ores	2,984,872	Cement, Glass, Stone Products	443,941,667
Cement, Glass, Stone Products	2,566,229	Petroleum Products	366,131,241

WITHIN MICHIGAN

Top Commodities	Tons	Top Commodities	Value $
Nonmetallic Minerals	7,228,669	Machinery	374,852,356
Metallic Ores	2,899,301	Mixed Shipments	316,384,386
Cement, Glass, Stone Products	684,837	Metallic Ores	299,781,969

Maritime Needs & Opportunities

- Increased/Dedicated Port Funding
  - State & federal grants
  - Complete the Soo Locks Project
- Michigan Maritime Strategy Development
  - Raising awareness of maritime needs
  - Aligning state efforts around maritime planning

Michigan Maritime & Port Facility Assistance Program

- Competitive grant program created from SB 744 in 2022
- Funded with one-time appropriation in FY2024 of $5M
- MDOT awarded 5 maritime projects to help strengthen economic competitiveness, reduce cost of freight transportation, improve reliability & mitigate impact of freight movement on environment

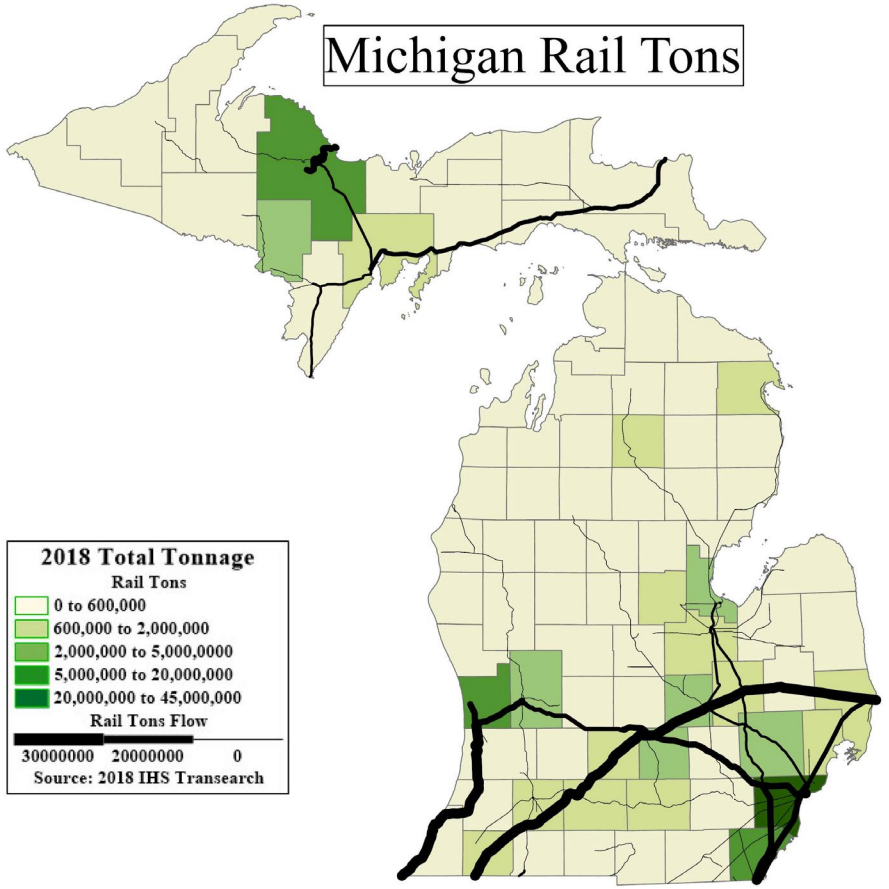
Michigan's Rail System

- 3600 miles of corridor
  - Most corridors privately owned & maintained
  - 665 miles of state-owned corridor
- Operated by 29 railroads
  - 4 of 7 Class I Railroads
  - 24 Shortline Railroads
  - Amtrak
- Freight system hosts 3 intercity passenger-rail routes
- 4800 public at-grade railroad crossings
- 3 international border crossings

Michigan's Freight Rail Network

- Carries 17% of state's freight tonnage
- Carries 22% of state's freight value

	Tons	Value $
Inbound	28.6 million	60,916,870,400
Outbound	21.6 million	69,571,417,600
Within	5.3 million	7,004,665,900
Through	27.5 million	69,731,466,300
TOTAL	**83.0 million**	**207,224,420,200**
(projected 2050)	*116.9 million*	*399,668,574,600*



Michigan Rail 2022

INBOUND

Top Commodities by Tons	Top Commodities by Value
Coal	Transportation Equipment
Primary Metal Products	Mixed Shipments
Chemical Products	Primary Metal Products
Transportation Equipment	Chemical Products
Mixed Shipments	Paper and Pulp Products

OUTBOUND

Top Commodities by Tons	Top Commodities by Value
Transportation Equipment	Transportation Equipment
Agriculture Products	Mixed Shipments
Primary Metal Products	Primary Metal Products
Waste and Scrap Material	Chemical Products
Metallic Ores	Paper and Pulp Products

MICHIGAN TO CANADA

Top Commodities by Tons	Top Commodities by Value
Metallic Ores	Transportation Equipment
Mixed Shipments	Mixed Shipments
Agriculture Products	Metallic Ores

CANADA TO MICHIGAN

Top Commodities by Tons	Top Commodities by Value
Mixed Shipments	Mixed Shipments
Lumber and Wood Products	Transportation Equipment
Transportation Equipment	Chemical Products

MDOT's Freight Economic Development Program (FEDP)

- Application-based program for rail customers for up to 50% of costs for infrastructure necessary to access the system or expand use of rail
- Adding volume to help enhance the viability of Michigan's rail system and ensure it is a modal option for freight movements in the state
- Assisted over 40 projects since FY20 to generate over 25,000 new carloads per year supporting industries including agriculture, propane, forest products, steel, aggregates, plastics and automotive

FEDP Project Highlight

- Project to support rehabilitation and extension of a rail spur at growing box manufacturer in Holland
- $1 million grant towards a +$2 million project
- 58 new jobs associated with the facility expansion
- Projecting 450 new rail carloads per year
- Reporting actual carloads realized over 5 years

Michigan Rail Enhancement Grant Program (M-REP)

- Competitive program open to railroads and multi-user transload facilities
- Up to 70% of project costs
- Improving rail safety, operational efficiency, accessibility, capacity, and condition
- Almost $62 million awarded to 34 projects since the program's inception in FY23
- Leveraging almost $87 million in private investment
- Projects will increase track speeds, reduce time that trains occupy crossings, reduce risk for derailments, and maintain access to critical industries

M-REP Project Highlight

- Project to install new wayside detection and automatic safety equipment
- Saginaw, Oakland, Genessee, Alpena counties
- $194,000 grant towards $277,000 project
- Safety performance reported annually for 5 years

Leveraging Federal Funds for Freight Rail

- With the exception of grade crossing safety, all federal funds for rail are through competitive programs
- MDOT offers match support to help freight railroads leverage competitive federal funds for projects in Michigan

Project	Federal Funding Program	Total Project Cost	Grant Amount	MDOT Match
Mackinaw Subdivision Infrastructure Improvements	CRISI (FY18)	$17,300,000	$8,650,000	$4,800,000
Huron Subdivision Improvement	CRISI (FY19)	$16,073,000	$8,660,000	$3,000,000
Huron Subdivision	CRISI (FY23-24)	$55,000,000	$27,100,000	$4,000,000
Leveraging Ludington	CRISI (FY23-24)	$25,200,000	$16,400,000	$2,000,000
MDOT- Rail Improvements to Enhance Michigan's Rural Economy	CRISI (FY21)	$45,500,000	$25,000,000	$20,500,000
MDOT-Manistee River Bridge Replacement	CRISI (FY22)	$34,600,000	$20,400,000	$14,200,000
MDOT-Livernois Yard Enhancement	CRISI (FY23-24)	$112,400,000	$67,400,000	$16,980,000

Questions & Discussion