

Gongwer News Service, Wednesday, February 13, 2008

## PUBLIC TRANSIT SUBCOMMITTEE READIES FINAL REPORT

The House Transportation Public Transit Subcommittee is preparing to complete its recommendations next week dealing with issues such as funding and promotion of public transit, with a draft report by the sub-committee chair stressing the link transit can have to economic development.

Rep. Marie Donigan (D-Royal Oak) said she is circulating the draft prior to final action to gather other input or objections from committee members and interested parties who testified over the course of several hearings dating back to last April.

“Testimony made it clear that public transit is an economic development tool that is underutilized in Michigan in every way, a fact that if not reversed could leave us behind other states forever,” the draft says.

Problems in the current system, which permits up to 10 percent of transportation dollars to be used for public transit, include failure to capitalize on federal funds, a formula that impedes transit system development and does not allow other funding options for larger agencies, and lack of a statewide transit policy and long-term commitment. The draft supports the aims of a new task force to find ways to supplement or replace the current 19-cent per gallon fuel tax.

Some of the recommendations on the table include:

- A constitutional amendment to protect the share of fuel taxes going to public transit;
- Dedicating use taxes on leased vehicles to public transit (worth an estimated \$16 million-\$20 million a year);
- Possible local funding options;
- Public transit commission;
- Create a regional transit authority in Southeastern Michigan;
- Making airports more accessible to public transit systems;
- Greater involvement of the Michigan Economic Development Corporation in transit by directing its programs to firms that work in advanced transit technology and transit projects that boost the economy;
- Incentives to boost transit use, such as tax credits.