



May 19, 2014

Dear Chairman Kahn and Members of the Committee,

The recent road funding plan passed by the House is a positive step forward; however it will bypass a significant portion of the Public Act 51 (1951) transportation funding formula. Part of the bypassed portion of the formula is the Comprehensive Transportation Fund (CTF), which funds public transportation and rail services in Michigan.

If the Legislature is going to start to tackle the shortfalls of Michigan's transportation funding, they need to do so through the full Act 51 formula so that our state's full transportation system can benefit from the new revenues that are generated. Regardless of how much new revenue is raised from a new transportation funding proposal, the function of the Act 51 formula is to distribute state transportation revenues through the state's full transportation system, not just one part of it.

If funding doesn't flow through the full formula it not only impacts the CTF, but also grant programs funded by the DNR's Recreation Improvement Fund, which includes motorized trails and recreational harbors. Many small businesses in Michigan rely on the revenues these activities generate, and the economic impact could be felt throughout the State.

As you take up transportation funding we urge you to include all modes of transportation by ensuring any new funds flow through the full Act 51 Formula.

Sincerely,

John Drury, Administrator
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