



## Board of Directors 2025 Legislative Policy Priorities

RTA's mission is to create new and better ways to move and connect people. Our vision is a Southeast Michigan where advances in transit create greater prosperity for all.

Transit directly contributes to economic growth and keeps Michigan competitive. Regional transit is an essential public service that connects people to jobs, businesses to talent, and communities to opportunity.

Nearly 90% of people in Southeast Michigan believe transit is a significant benefit. We are looking for opportunities to partner with the state to achieve our citizens' goals for transit.

Our Board of Directors' legislative priorities reflect policies that are centered on the following guiding principles:

- Reshape state funding pathways to increase transit investment.
- Investment in road infrastructure is an investment in transit infrastructure.
- Help people lead independent lives through accessible transit.
- Strengthen alignment across intersecting policies: land use, housing, workforce, economic development, and healthcare.

### Increase Statewide Transit Funding to Stabilize All Transit Agencies

The state is leaving transit agencies on the side of the road. **Local Bus Operating (LBO) is not keeping pace with the 45% increase in operating expenses over the past five years for RTA's largest transit agencies—QLINE, SMART, DDOT, TheRide, and People Mover.** Transit providers depend on LBO reimbursement, the only state funding pathway to cover a portion of operating expenses.

More funding supports the state's economic growth goals by stabilizing transit agencies' position for longer-term strategic investments to expand service, modernize technology, and upgrade facilities and infrastructure.

#### Key Actions:

- At the bare minimum, appropriate LBO funding at a level that matches the reimbursement percentage from FY2025, approximately \$23M in additional funding.

- For a middle ground, appropriate LBO funding at a level that matches the highest reimbursement percentage from the last five years (34%), approximately \$65M in additional funding
- Ideally, appropriate LBO funding at a level that matches the highest reimbursement percentage statutorily available (50% for urban providers), approximately \$200M in additional funding
- Reshape and innovate long-term funding solutions at the state level.

## Connect More People to Jobs, Education, and Healthcare

People love reliable, safe, and easy-to-use express buses. The RTA received \$4.5M in one-time state and federal grants to pilot two new express pilot bus services. Launched in 2022, the Downtown Detroit to Ann Arbor (D2A2) has a **loyal following with over 7000+ monthly riders, a 53% increase from 2024**. The Detroit to Airport Express, or Detroit Air Xpress (DAX), bus pilot wrapped up its first year after launching in March 2024 **with 45,000 riders**. Both express buses cost \$8 per ride, bringing in \$1M in expected revenue. These service models take advantage of highways for fast speeds and efficient connections.

### Key Actions:

- Explore new funding solutions that sustain express buses on highway and road infrastructure.

## Increase Funding for Seniors, People with Disabilities, and Veterans

The RTA four-county region is home to dozens of community-level providers. These providers provide medical and quality-of-life rides for these residents—seniors, people with disabilities, and veterans. Under the current funding model, community transit providers cannot keep up with the incredible increase in service demand from the growing senior population. **Nearly 50% of community transit funding comes from competitive federal programs that have not grown and are unsteady in the current environment. Eliminated or reduced federal funds will devastate individual and household mobility**, decreasing the public's ability to support themselves and be self-sufficient, impacting their ability to live independently.

### Key Actions:

- Support working with various state departments to explore finding an alternative funding source for community transit providers.

## Allocate Funding and Adjust Road Project Expectations to Maximize the Economic Development Potential of Transit Projects

RTA's and MDOT's four biggest transit corridors are economic engines for the region and state. Woodward, Michigan, Gratiot, and Washtenaw are business and job centers, serving 34% of the region's jobs and 18.5% of the region's 4M residents.

MDOT is looking at each corridor for future investment. Communities desire the state to build better, safer corridors with improved transit. Successful peer regions are doubling down on building transit infrastructure on major corridors to drive economic value and deliver positive community outcomes. **The state's economic development strategy must include funding for roads and transit across these four major corridors.** RTA needs more resources and tools to fund these strategic projects, including road funding flexibility, economic development program funding, and state match to leverage federal infrastructure programs.

### Key Actions:

- Develop a specific program within the new road funding package or future economic development package to fund regionally significant corridors and other major transit projects.
- Work with MDOT to include transit amenities as reasonable enhancements for road resurfacing and reconstruction projects.
- Develop a statewide transit plan program that identifies transit projects as key economic drivers that should be considered capital investments like road projects.

## Sustain the RTA's Value

The RTA has been a unique success in its first ten years. From rationalizing funding for services for seniors to creating new express routes to providing a secure base for the future growth of the QLINE streetcar, the agency is just getting started delivering the business value it brings to the region and the state. However, this is **only RTA in the country's top 25 major metropolitan areas that lacks dedicated state funding.** The agency budget relies on a series of one-time grants that have allowed for a strategic team expansion for the next few years. The RTA needs a dedicated funding stream from the state to continue to grow and achieve its mission.

### Key Actions:

- Establish a sustainable operating funding stream for the RTA (ex: Amend Act 51, Labor Economic Opportunity, MEDC).