



Local News

Monday planning commission meeting offers a lesson in transportation funding

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Forum aims to educate public on how transportation is paid for in Michigan, discuss problems faced, brainstorm how to fix them

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BERRIEN SPRINGS - Getting people to think more creatively about how transportation is funded is the goal of a special workshop scheduled for Monday at Andrews University.

Transportation Funding 101, organized and run by the Southwest Michigan Planning Commission, kicks off at 1:30 p.m. Monday in Chan Shun Hall's Whirlpool Room with a presentation from Bill Hamilton, a senior analyst from the Michigan House Fiscal Agency.

Hamilton is expected to speak for 45 minutes on how the current funding climate affects local transportation, said Kim Gallagher and Anna Rahtz, associate planners for the commission.

Gallagher said Hamilton will "talk about how transportation is funded in Michigan, from the gas tax, to the Michigan Transportation Fund. Our hope is that once people have that basic understanding, it'll be easier to have future conversations about funding. Sometimes, there's a lot of misunderstanding."

One example is how the state's 19-cent-per-gallon gas tax really works, according to Rahtz. "A lot of people don't know that it's a flat tax, so it's not adjusted for inflation," she said.

"The gas tax has not been increased since 1997, but prices have gone up considerably," Gallagher said. "Our other hope is that we start talking about, or hearing about, creative funding strategies that other states have tried."

Decreasing tax revenues means less money for roads, bridges, trails, and public transit. Starting in fiscal year 2012, the state stands to lose about \$500 million per year in federal grants for infrastructure projects, due to a shortfall in state matching funds, according to an overview posted at a special website link on the commission's website, <http://swmpc.org/funding.asp>.

The state issued bonds to cover the gap, but has reached the limit of its bonding authority, the overview states. Raising the gas tax, or levying a new tax, are among the few remaining options left for state lawmakers to consider.

The workshop's second half begins at 3 p.m., when people can talk with state legislators and representatives from legislative and transportation groups, Rahtz said. Confirmed attendees so far include 78th District State Rep. Sharon Tyler, R-Niles, and 79th District state representative-elect Al Pscholka, R-Stevensville.

State Rep. John Proos, R-St. Joseph, who won as 21st District state senator post in November, won't attend, but will send a representative from his office, Gallagher said. A Michigan Municipal League representative is also expected to attend.

Berrien County Road Commission Engineer-Manager Brian Berndt and Berrien County Transportation Coordinator Dennis Schuh are also expected to provide additional insight into how their agencies are impacted, Gallagher said.

For example, the county has no other resources beyond licensing fees, and whatever it collects through the gas tax, according to the overview. This leaves the road commission unable to afford federal matching funds for major projects, such as a 2.5-mile resurfacing of Lincoln Avenue, which required a \$99,898 match, Berndt told The Herald-Palladium last month.

As a result, the county lost out on \$450,000 in federal Surface Transportation Funds that would have covered most of the project's costs. Instead, the county chose to seal coat the area, while waiting for a better funding climate.

Monday's workshop probably won't be the last of its kind, with future sessions hinging on the issues that come up, Gallagher said.

"What we want to do is get people talking about potential solutions" to transportation funding problems, Gallagher said. "We're encouraging local officials, elected officials and, of course, citizens to attend. Having people from the Michigan Municipal League is going to offer a whole different take (on those issues), I think."

Those who want more information about the session may visit <http://swmpc.org/funding.asp>.

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