



House Subcommittee on State & Local Transportation

April 23, 2025

Moving Goods By Rail Is The Safest Way To Move Freight On Land



Railroads Operating in Michigan

- 29 freight railroads operate in Michigan
- 4 Class 1 (large) carriers
- 25 shortline or regional carriers

- The average Class 1 railroad employee earns \$135,000 to nearly \$190,000 annually in pay and benefits.

A Strong Rail Network For Michigan

- Michigan has about 3,400 miles of track stretching across most of the state, including the U.P.
- Goods moved by rail avoid our highway and local road system. This reduces congestion and wear and tear.
- On average, one rail car takes 4 trucks off the road.

What Moves By Rail?

- Autos & Auto Parts
- Agriculture Products
- Aggregate
- Building Supplies
- Chemical
- Intermodal
- Raw Materials
- Steel Products
- Wood Product



Programs

- **Freight Economic Development Program (FEDP)**
 - For rail shippers
- **Michigan Rail Enhancement Program (MREP)**
 - Spurs, sidings, tie & rail upgrades, transload projects
- **Local Surface Program**
 - Local road authorities partner with railroads to improve the surface condition at rail crossings.

Success Story: Arauco, Lake State Railway and the FEDDP



arauco



Surface Project: Thumb Region



Grade Separation Project: A project that includes an Overhead or Underpass Structure that crosses the Railroad right-of-way or other Railroad operating location.



Grade Separation Program

- Grade Separation earmarks have been included in recent budgets for projects in Woodhaven and New Boston.
- Around \$15 million has been deposited into the new Grade Separation Program since the Legislature passed this legislation.
- Wixom, Plymouth, Romulus, Taylor, Monroe County are other potential projects that have been mentioned.





Thank You

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