



# History 101 – State Ownership of Rail Lines

Making Connections... Transforming Lives – MAASTO 2018

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# The Early Days



- ◇ 1830 – Railroading began in Michigan with the Pontiac and Detroit Railway
- ◇ 1836 – Michigan Central Railroad began construction west from Detroit, reaching Ypsilanti by 1838, Ann Arbor in 1839, Jackson in 1841, and New Buffalo in 1849
- ◇ 1837 - Michigan gained statehood
- ◇ 1840 – 104 miles of track in Michigan
- ◇ 1852 – 1st train operated by Michigan Central RR from Detroit to Chicago
- ◇ 1855 – Michigan Central RR began using the telegraph to control train operations – the nation’s first RR to make widespread use of this system

# The Growth of Michigan's Railroad System

- ◆ By the 1850s, Michigan had 380 miles of track.
- ◆ From there, Michigan's railroad system increased to a high of more than 9,000 route miles by the early 1900s.
- ◆ As the road system improved and use of automobiles and trucks increased, the number of miles of track decreased.
- ◆ Today, Michigan's railroad system has 3,600 miles of active track.





# State Highway Department Jurisdiction Changes

- ◆ March 1973 – Gov. William G. Milliken issued an executive order reorganizing the State Highway Department
- ◆ New jurisdiction over all state transportation programs
- ◆ The department's responsibility expanded to include aeronautics, railroads, buses, water transportation, and port development





# The Rise & (Almost) Fall of the RR Industry



- ◇ Railroading in the 1950s became more efficient, yet still many losses
- ◇ Financial trouble arose in the 1960s – many RRs merged together
- ◇ Passenger rail services worsened as lines cut back on spending as cars and airplanes became the preferred method of travel
- ◇ Things continued to worsen, culminating with the Penn Central collapse of 1970
- ◇ 1970s were tough – Ripple effect from Penn Central collapse throughout entire Northeast
- ◇ Federal government established Consolidated Rail Corporation (Conrail) in 1976
- ◇ Conrail slowly turned industry around – by 1980s was profitable



# Railroad Deregulation Begins

- ◆ 1976 – Federal legislation known as the Railroad Revitalization and Regulatory Reform Act was enacted
  - ◆ The 1<sup>st</sup> bill in a series of laws commonly referred to as deregulation
- ◆ Provided basis for Michigan's Act 295 of 1976, the State Transportation Preservation Act, to preserve critical rail lines in Michigan
- ◆ 1980 – US Staggers Rail Act passed
- ◆ Allowed RRs to set their own rates and abandon unneeded trackage
- ◆ Reversed the loss of traffic to trucking
- ◆ Effectively saved freight rail industry





# Michigan's 1<sup>st</sup> RR Acquisition

- ◆ 1976 – Conrail began operations in Michigan
- ◆ Penn Central Railroad ceased operations, as 200 miles of Michigan track were abandoned
- ◆ The Michigan Department of State Highways & Transportation (MDSH&T) acquired Ann Arbor Railroad
  - ◆ Including rolling stock and right of way
  - ◆ Toledo to Ann Arbor
  - ◆ Ashley to Cadillac





# Michigan Rail: 1980s



- ◇ By 1980, total rail miles in Michigan = 5,380
  - ◇ 373 miles were state-owned
- ◇ 1984 – MDOT acquired 342 miles from Penn Central Railroad
- ◇ 1987 – MDOT purchased Soo Line between Arnheim and Lake Linden
- ◇ 1988 – Michigan Central Depot in Detroit closed



# Michigan Rail: 1990s

- ◆ By 1990, Michigan railroad mileage totaled 4,143 miles
- ◆ 872 total miles state-owned – Michigan's all-time high
- ◆ 1998 – Michigan Legislature amended Act 295 of 1976, authorizing MDOT to divest itself of four rail lines
  - ◆ Lenawee County
  - ◆ Hillsdale County
  - ◆ Vassar-area
  - ◆ Ann Arbor-Northwest Michigan (Ann Arbor to Traverse City/Petoskey)





# Michigan Rail: 2000s to Present



- ◇ By 2000, railroad mileage in Michigan totaled 3,687 miles
  - ◇ 741 miles were state-owned
- ◇ 2000 – MDOT sold Lenawee County RR system to Adrian & Blissfield RR Co. for \$1.7 million
- ◇ 2012 – MDOT acquired 135 route miles from Kalamazoo to Dearborn from Norfolk Southern Corp
- ◇ Currently, Michigan owns 665 miles of railroad



# The Evolution of Passenger Rail in Michigan



- ◇ 1846 – 1<sup>st</sup> passenger rail service between Kalamazoo and Detroit
- ◇ Until 1971, intercity passenger rail service provided by private RRs
- ◇ 1971 – Amtrak created to operate intercity passenger rail system
- ◇ 1971 – 2 daily round trips between Chicago and Detroit
- ◇ 1974 – Increased to 3 daily round trips, with 1 going to Toledo
- ◇ 1974 – Chicago – Port Huron service (Blue Water) begins
- ◇ 1984 – Chicago – Grand Rapids service (Pere Marquette) begins
- ◇ 1994 – 2 daily round trips ending in Detroit extended to Pontiac
- ◇ 1995 – 3<sup>rd</sup> daily round trip that ended in Toledo rerouted to Pontiac (this is the service configuration today)

# Michigan's Modern-Day Passenger Rail System

## ◆ **Wolverine**

- ◆ Chicago-Detroit-Pontiac
- ◆ 304 miles
- ◆ 3 Round-trips daily

## ◆ **Pere Marquette (PM)**

- ◆ Chicago – Grand Rapids
- ◆ 176 Miles
- ◆ 1 Round-trip daily

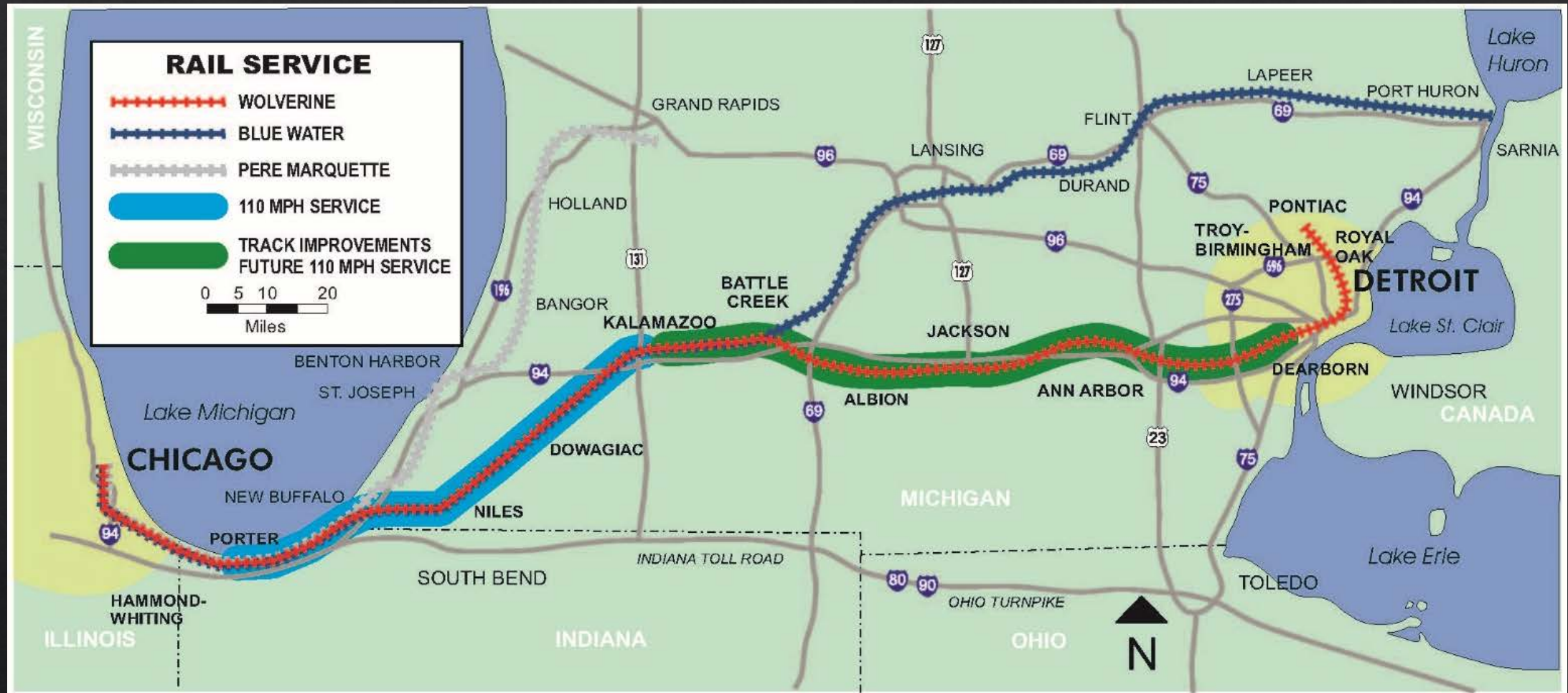
## ◆ **Blue Water (BW)**

- ◆ Chicago – Port Huron
- ◆ 319 Miles
- ◆ 1 Round-trip daily





# Michigan Accelerated Rail Corridor



- ▶ Amtrak owns 97 miles between Kalamazoo & Porter, Indiana
- ▶ MDOT owns 135 miles between Kalamazoo & Dearborn

# Thank You!

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