



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

BRADLEY C. WIEFERICH, P.E.
DIRECTOR

December 2, 2025

To: Michigan Local Road Agencies

Subject: Fiscal Year 2027 Federal Aid Buyout Program Call for Exchanges

The Michigan Department of Transportation (MDOT) is issuing a Call for Exchanges as part of the Federal Aid Buyout Program based on Public Act (PA) 49 of 2022.

The Federal Aid Buyout Program is a voluntary program that allows local agencies eligible to receive federal aid transportation funds under the Surface Transportation Block Grant Program (STBG) to exchange those federal funds with MDOT for state transportation dollars. The purpose of the Federal Aid Buyout Program is to allow flexibility and enable the most efficient use of federal highway aid and other transportation dollars.

State money will be exchanged at a rate of 90 cents per dollar of qualifying federal funding as programmed for the project being exchanged in the federally approved State Transportation Improvement Program at the point in time when the exchange is awarded. The maximum amount of an exchange is \$2.5 million per project. Exchanges will be honored in the order they are received until the minimum program amount is reached, which is \$50 million for Fiscal Year 2027. Please see details of the program in the Federal Aid Buyout Program Guidelines for FY 2027.

Exchange requests must be emailed to MDOT-FederalAidBuyout@Michigan.gov. The attached form (2926-27) must be completed, signed and attached to the exchange request email. A separate form and email must be submitted for each project that a local agency wishes to exchange. The call for exchanges will start on Jan. 6, 2026, at 10 a.m. EST. Exchange requests submitted before that time will not be considered. The call will close on Jan. 23, 2026, at 5 p.m. EST. The received timestamp on the email will identify the order received. There will be an email sent to the submitter to confirm receipt of the exchange request.

MDOT will publish an exchange request received list on the [Federal Aid Buyout Program](#) website for review to allow an agency to dispute the list. Local agencies will have seven calendar days from the date that the received list is posted to submit proof that they sent an email that was not received by MDOT. MDOT will require seven calendar days to review the discrepancy. Once any disputes are settled, a final list will be published.

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If you have any questions, please send them via email to MDOT-FederalAidBuyout@Michigan.gov, or call Don Mayle at 517-243-8589.

Sincerely,

A handwritten signature in cursive script, appearing to read "Don Mayle".

Don Mayle
Manager
Statewide Planning Section

Enclosures

cc: C. Newell, MDOT
D. Donohue, CRA
J. LaMacchia III, MML
J. Franklin, MTPA