



Rural Task Force Program Fiscal Years 2026 - 2029 Call for Projects Information

Introduction

The Michigan Department of Transportation (MDOT) in conjunction with the Rural Task Force Program Advisory Board is issuing a “Call for Projects” in non-metropolitan areas for Fiscal Years (FYs) 2026 - 2029. The purpose of the call is to solicit projects from local rural road and transit agencies wishing to utilize federal and state transportation funding for FYs 2026 - 2029. Projects selected to receive funding will be included in the FYs 2026 - 2029 Statewide Transportation Improvement Program (STIP).

The STIP is a statewide listing of transportation projects covering a period of four years that is consistent with the State Long-Range Transportation Plan. It presents the fiscally constrained, multimodal transportation program for Michigan and includes all federally funded projects scheduled for some phase of implementation over a four-year period.

The current Michigan STIP covers FYs 2023 - 2026. MDOT is developing a new STIP during FY 2024 and 2025 that will cover FYs 2026 - 2029. It is anticipated that the new STIP will be federally approved on or before October 1, 2025. The FYs 2026 - 2029 STIP will cover the four fiscal years between October 1, 2025, and September 30, 2029.

This document provides additional information to Rural Task Force agencies regarding the call process, available funding, project eligibility, and the selection process.

What is the Call for Projects?

The Call for Projects is a process through which funding is allocated to rural road and transit projects that serve the highest priority needs of the region. Through the call, local rural agencies submit projects to be presented, reviewed, and prioritized by their Rural Task Force and if approved, those projects will be programmed as part of the FYs 2026 - 2029 STIP.

How much funding is available?

Funding for the Rural Task Force Program is provided by MDOT through two sources: the federally funded Surface Transportation Block Grant Program (STBG), and the state funded Transportation Economic Development Fund-Category D (TEDF D) Program.

The STBG Program funds projects that preserve and improve the conditions and performance of federal-aid roads and transit capital projects, including terminals and facilities. The TEDF D Program serves economic development by establishing and integrating a local secondary all-season road system with the state trunkline system.

It is anticipated that MDOT will provide approximately \$64 million in FY 2026 to \$68 million in FY 2029 of STBG allocation annually to the Rural Task Force Program for FYs 2026 through 2029 and approximately \$10 million each year in TEDF D funds.

How is funding distributed?

MDOT uses a statewide formula to allocate STBG funds to each Rural Task Force. Allocations are published by county as an aid to selecting projects only, the STBG funds are tracked and managed by MDOT finance at the Rural Task Force (RTF) level. TEDF D funds are allocated at the county level and are tracked by and managed at the county level. Allocations represent the target amounts that each Rural Task Force uses to program projects for the fiscal year. Task forces are required to select projects in accordance with the targets established by MDOT, which are based on projected amounts of federal and state funds to be received. Due to current uncertainties with federal and state funding, funding targets may be adjusted in the future to reflect updated state and/or federal legislation or unanticipated factors.

In FY 2018 the Rural Task Force Program Advisory Board set the policy to program projects to 100 percent of the allocation targets. In recent years the federal obligation authority averages 85-86 percent of the allocation targets, this has been offset by the obligation authority received through August redistribution. Programming above the obligation authority allows full utilization of the obligation authority and of any available August redistribution.

The attached spreadsheet, *RTF Estimates 2026 - 2029_08_19_2024*, shows anticipated STBG and TEDF D allocation target amounts for each Rural Task Force from FYs 2026 through 2029. Please note the following that have affected or will potentially affect the estimates as we move forward.

- The allocation target estimates include the repeat drunk driving penalty. Details on the repeat drunk driving penalty can be found in the attachment, *Repeat Drunk-driving Sentencing Minimums in Federal Law Federal-aid Transfer Penalty*. This might be removed in the future if legislation changes.
- The county area used in the formula has been updated to the 2020 Decennial Census values, previously this had not been updated since 1980 Census values. This had a minor effect on the allocation targets as the Census methodology changed between 1980 and 1990 census, please see attached "RTF County Area". This value will be updated at each decennial census moving forward.
- The current authorization bill will expire on September 30, 2026. A new authorization bill will affect the estimates.

The STBG federal funds require a non-federal or "local" match. In Michigan, the standard local match is 20 percent, or the sliding scale of 18.15 percent can be used as defined under 23 U.S.C. 120(a) and (b). TEDF D funds require a non-state or "local" match of 20 percent. For road projects, the local match must be provided by the project sponsor as a monetary cash match. For transit projects, the local match is provided by MDOT through the Comprehensive Transportation Fund (CTF)

What is Financial Constraint?

Financial constraint is a comparison of total estimated *revenues* (federal/state funds) with total estimated *commitments* (project costs). Each Rural Task Force must demonstrate financial constraint by including sufficient financial information to confirm that projects can be implemented using committed available, or reasonably expected to be available, revenue sources, with reasonable assurance that the federally supported transportation system is being adequately operated and maintained. Financial constraint applies to each fiscal year of the STIP.

MDOT requires each Rural Task Force to be **financially constrained to their total annual STBG target amounts**, TEDF D target amounts are financially constrained by County. That is, the total amount of STBG and TEDF D funds programmed for projects for the four-year STIP period must not exceed the anticipated total amount of funds available (i.e., target amounts) to the Rural Task Force for that period. There are several reasons for this requirement:

- To maintain the Rural Task Force Program within anticipated available revenues.
- To be consistent with all applicable laws and regulations.
- To be simple and easy to understand.
- To be consistent with MDOT business practices.
- To represent agreement reached by the Rural Task Force Program Advisory Board

A Rural Task Force may elect to transfer (i.e., borrow and lend) STBG and/or TEDF D funds to another task force in order to complete larger projects, etc. It will be up to each task force to cooperatively work with MDOT and their Regional Planning Agency to track any transfers and agreements made for repayment of borrowed funds. See the RTF Guidelines (Section II, d and Appendix E) for more information and a sample agreement. The current RTF Guidelines can be found at [RTF Guidelines 2020 approved February 2021 \(michigan.gov\)](#). Only similar type funds can be borrowed and repaid between task forces. For example, if Rural Task Force A borrows \$100,000 of STBG funds from Rural Task Force B, Rural Task Force A will be required to pay back \$100,000 of STBG funds – not TEDF D or local funds – to Rural Task Force B, based on the terms of the agreement.

What projects are eligible?

All eligible road projects must be in the rural area, outside of any Adjusted Urban Census Area (ACUB). Road projects are eligible for STBG and TEDF D funding. Eligible uses include construction, reconstruction, rehabilitation, resurfacing, restoration, enhancement, and operational improvements. Projects must be located on federal-aid eligible roads that have been functionally classified as a major collector or higher according to the National Functional Classification (NFC) System approved by the Federal Highway Administration (FHWA). See the following web address for the NFC classification map. [NFC, NHS & ACUB \(arccgis.com\)](#) The FAST Act specified that minor collectors must have been designated as federal aid eligible prior to 1991, when the NFC designation system started. Here is the link to the archived maps prior to 1991. [Federal-Aid Highways \(michigan.gov\)](#). Additionally, up to 15 percent of the program's total STBG funds May be spent on minor collectors as stated in [23 U.S. Code § 133 \(g\)](#).

The goal of the TEDF D fund program is to serve economic development by establishing and integrating a local secondary all-season road system with the state trunkline system. Roads eligible for TEDF D funds must be designated as a “Proposed All-Season Network” route or an “All-Season Network” route. Information on the TEDF D program can be found at: [Category D - Secondary All-Season Roads \(michigan.gov\)](#)

To be designated as Proposed All-Season or All-Season Network the route must be classified as county primary or city/village major roads. If a road does not fall into one of these categories, application must be made to MDOT and the classification changed before TEDF D funds can be used to improve the road. The road must be built to all-season standards, connect other all-season routes, and cannot have local restrictions for legally loaded commercial vehicles. A map of the currently designated All-Season routes can be found at: [ArcGIS Web Application](#)

Funds can only be spent on construction costs and contingencies for road projects and transit capital projects. Right-of-way, construction engineering, and preliminary engineering costs are not eligible.

Transit capital projects are eligible for STBG funding only (not TEDF-D funding). They must also be capital projects that are eligible under Federal Transit Administration (FTA) requirements. Eligible transit capital projects may include replacement buses and rehabilitation of existing buses, communication equipment, maintenance equipment, operational support equipment and services, items related to services under the Americans with Disabilities Act, and facility renovations. Transit agencies may contact their Office of Passenger Transportation Project Manager if they have questions related to eligibility: [Public Transportation \(michigan.gov\)](#)

How will projects be selected?

Projects in rural counties must be evaluated and selected by the Rural Task Force and based on either established project selection criteria developed through the Task Force, or on the greatest needs of the region. Each Rural Task Force selects projects cooperatively with all cities and villages under 5,000 population, county road commissions, rural transit providers, and MDOT (for TEDF D funded projects) in accordance with funding targets established by MDOT. Projects will also be reviewed for eligibility and consistency with the criteria established for the state’s Transportation Economic Development Fund Program and the Federal Surface Transportation Program.

How will Selected Projects be included in the STIP?

The Rural Task Force FYs 2026 - 2029 STIP Development Process consists of the steps listed below. The schedule of the steps can be found in Appendix A.

1. August 2024 - MDOT Distributes the Call for Projects for Rural Task Force Program Projects.

MDOT develops a Call for Projects letter and instructions document for FYs 2026 - 2029. The department distributes the call letter, instructions document, and other supporting documents through the RTF Gov delivery listserv. The Regional Planning Agency shares the letter, instructions document, and supporting documents with each Rural Task Force member in their geographic area.

2. **September 2024 through January 14, 2025 - Rural Task Forces hold meetings to Select Proposed Projects**

Rural Task Forces hold a meeting(s) between September 2024 and January 14, 2025, to select their FYs 2026 - 2029 projects using STBG and/or TEDF D funds. This time frame also includes county-level task force meetings to identify potential projects. The Rural Task Force is charged with reviewing the projects and approving them as part of their annual program.

Regional Planning Agencies are responsible for notifying or ensuring notification of member agencies, the public, and all other interested parties of the opportunity to participate in all Rural Task Force meetings. Notification must be sent out at least one week prior to the meeting(s) or in accordance with established procedures written in bylaws or in approved public participation plans. Every effort must be made to solicit input from the public and all interested parties on the proposed program of projects.

3. **No later than January 14, 2025 - Rural Task Force members must submit the data sheets (1799 and 1797 forms) for projects that have been approved to the Regional Planning Agency (RPA).**

The Rural Task Force members are responsible for sending the approved data sheets and fiscal constraint spreadsheet (if the RPA does not maintain it) for the four-year-STIP cycle to the RPA for programming into the MDOT JobNet database. This should be done by **no later than January 14, 2025**.

4. **No later than February 11, 2025 - The RPA reviews the approved projects for eligibility and fiscal constraint. Then programs approved projects into the MDOT JobNet database.**

The RPA will review the fiscal constraint spreadsheet and input project information into the MDOT JobNet database. Upon completion of programming the four-years approved projects into MDOT's JobNet database, the RPA will notify the RTF coordinator that they have completed the programming and submit the fiscal constraint spreadsheet. The RPA will complete this by February 11, 2025.

5. **No later than March 16, 2025 - MDOT will review the projects in JobNet.**

MDOT will review each Rural Task Force's four-year listing of projects, reconcile any issues and approve the projects by March 16, 2025, when the snapshot will be taken for the 2026 - 2029 STIP.

6. **March 17, 2025 - JobNet Database Snapshot**

An automatic JobNet database “snapshot” or query will be done on March 17, 2025, that includes all Rural Task Force projects programmed in JobNet. The snapshot of projects will be included in the official FYs 2026 - 2029 STIP document for federal review and approval. Any STBG or TEDF D funded projects that do not make it into the JobNet database by March 16, 2025, will likely need to wait and be amended into the STIP after its approval.

7. **August 15, 2025 - MDOT submits FYs 2026 - 2029 STIP for Federal Approval**

MDOT prepares a draft FYs 2026 - 2029 STIP for review and comment during Spring/Summer of 2025. The draft document and project listing will be released to the public for 30 days for review and comment. Taking into consideration all comments received, MDOT will finalize the FYs 2026 - 2029 STIP document and submit it to FHWA and FTA by **August 15, 2025**, for review and approval.

8. **October 1, 2025 - FHWA and FTA Approve the FYs 2026 - 2029 STIP.**

By October 1, 2025, FHWA and FTA formally approve the FYs 2026 - 2029 STIP as the official transportation program of Michigan. MDOT will notify the RPAs of STIP approval, who will in turn notify all Rural Task Force members.

Appendix A - Rural Task Force FYs 2026 - 2029 STIP Development Schedule

June/July 2024	Develop the federal and state revenue estimates.
August 2024	MDOT distributes the Call for Projects for the Rural Task Force Program.
September 2024/ January 14, 2025	RPAs will work with RTF members to set up the local meetings with road commissions, transit agencies, and small cities/villages. Proposed project lists from the local RTF committee will be brought to the regional RTF committee for project selection.
By January 14, 2025	Rural Task Force members must submit the data sheets (1799 and 1797 forms) for projects that have been approved at the regional RTF committees to the RPA.
By February 11, 2025	RPAs will enter the selected projects for FY 2026 – 2029 into JobNet after ensuring that they match the fiscal constraint sheets that were updated with the regional RTF committee decisions.
By March 16, 2025	MDOT RTF Program Manager will approve all Change Requests and Draft Jobs in JobNet for FY 2026 – 2029.
March 17, 2025	Snapshot of all FY 2026 – 2029 jobs programmed in JobNet will be taken on March 17, 2025.
August 15, 2025	MDOT submits the STIP, including the rural and MPO TIPs, to FHWA and FTA for review and approval.
October 1, 2025	FHWA and FTA approves the FY 2026 – 2029 STIP.