



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
DIRECTOR

December 12, 2024

To: Act 51 Transit Agencies and Michigan Tribal Governments

Subject: FY 2026 Application Instructions for Public Transit Programs Administered by the Office of Passenger Transportation (OPT)

The [FY 2026 Application Instructions for Public Transit Programs](#) is now available on our website at: [Public Transportation \(michigan.gov\)](#), [Annual Application for Funding \(michigan.gov\)](#).

As applicable, major changes between the FY 2026 application instructions and the FY 2025 instructions include:

Application Due Date has been changed to Feb. 1, 2025.
Application Due Date Mar. 1, 2025, for Mobility Management has been added.

Part II. Requirements for a Complete Application

B. Updating Vehicle, Facility, and Equipment Inventories

- 1) This [wording](#) has been added: "Verify that all current revenue vehicles are listed and that all disposed vehicles have been removed from the list [by submitting vehicle disposal request forms and a photocopy of the title to your project manager](#). Update number of spare vehicles and vehicles required for peak service. [Justification for revising peak number must be submitted to your project manager](#). The vehicle spare ratio rate will be automatically updated accordingly."
- 4) These statements have been added: "If it is the first time that you are requesting funding for replacement for a vehicle in this FY 2026 application year, fill out the VRR field for this year. Do not fill out the VRR for your FY 2027, and FY 2028, and FY2029 vehicle replacement requests."

Notes for Urban Agencies:

- At the 2nd bullet, the first statement has been changed to "Send vehicle disposal request form, a photocopy of the title, and proof of FTA approval for disposal (for vehicles with federal funding provided by FTA)." This has replaced the previous statement "Send Vehicle Replacement and Disposal documents along with the approved TrAMS application to your project manager."

- At the last bullet, this wording has been added “all vehicles funded with federal funding from OPT must be updated” and reflected in this revised statement “Updating vehicle mileage in PTMS is optional. However, all vehicles funded with federal funding from OPT must be updated.” The statement “Send Vehicle Replacement and Disposal documents along with the approved TrAMS application to your project manager.” has been removed.

Part III. Application Submittal by Program

A-I. Regular Services Program (Not Including JARC Activities)

Operating Assistance Program

FY 2026 Formula Percentages are stated below:

“FY 2026 Formula Percentage: When preparing your FY 2026 application, use **30.5895 percent** of total eligible expenses for rural areas and UAs with a population less than 100,000 and **26.0423 percent** of total eligible expenses for UAs with a population more than 100,000.

The percentages have been adjusted to reflect current FY2026 estimates for expenses and estimated LBO funding level. The FY 2026 percentages will change once all the budgets have been submitted.”

Capital Assistance Program

“SEC 5311-JARC” or “SEC 5310-NF” have been added to replace “OTHERS” in this statement: “Agencies applying for general mobility management projects should select “SEC 5311-JARC” or “SEC 5310-NF” as the funding option from the Program drop-down list in the Capital Request screen in PTMS.”

Note #1: These statements have been removed: “You may copy the previous year’s capital requests into the current year’s application” and “However, you will need to edit your capital requests to reflect any updated information.”

a. Federal Capital Assistance Programs

“Section 5311-JARC” and “Section 5310-NF” have been added on the funding programs list and “Urban Area Program” has been removed from the list as this program is referred to any programs that an urban agency is eligible to receive funding for, such as 5339 and 5307, which are already included on the list.

b. State Capital Assistance Programs

“Urban” has been added prior to “TAs” and “...has been published by March 1st” has been changed to “between January and April each year at the USDOT’s discretion” so the statement has been changed to “Urban TAs are required to submit a capital match plan once the Federal Register showing apportionments and allocations has been published which should occur between January and April each year at the USDOT’s discretion.”

Urban agencies: “replacement projects” has been replaced with “TrAMS grant” in this statement: “if FTA approves the TrAMS grant, MDOT will provide match. While you are still required to enter all your capital requests for four years, OPT will no longer review these requests for eligibility during the annual application process. Urban agencies must follow FTA’s guidelines when requesting federal funds for these projects.”

1. Application Requirements

c. Other Requirements

- At the 3rd bullet, this statement has been added in “Please reference the website for the published public notice requirements: [Michigan Legislature - Section 691.1051](#).”

*The same statement has been added in all the “Other Requirements” sections in the entire application instruction document regarding **Published Public Notice**.*

- At the 4th bullet, “[Small Urban](#) and [CMAQ](#)” have been added to this statement and URL for each program has been added: “Include in PTMS any flex capital projects and the projects must be consistent with the [RTF](#), [Small Urban](#), and [CMAQ](#) lists.”

2. Review Criteria

- c. These statements in the 2nd paragraph have been removed: “Spare ratio might not be considered by MDOT for the FY 2026 application in determining vehicle replacement due to the current shortage of vehicles in production” and “Underutilized vehicles still count against the spare ratio.” Some wording has been added. The entire paragraph has been changed to read:

“One-to-one replacement, regardless of size of the vehicle, is acceptable. Replacing one vehicle with multiple smaller ones is allowed if revenue vehicle

count during peak hours must increase by one vehicle and justification is provided based on capacity. This is determined at the time of the verification form submittal. If requesting vehicles, MDOT will review revenue vehicles to ensure proper utilization. Rural agencies vehicles are expected to be driven at least 10,000 miles per year to be considered properly utilized. Non-profit agency vehicles are expected to have an average of 520 trips per year. Vehicles not meeting these thresholds per year may not be eligible for replacement. Reasonable justification will be accepted by your project manager for underutilized vehicles. Underutilized vehicles still count against the number of eligible vehicles.”

- d. This statement has been removed: “Portions of the project not related to public transit services cannot be funded with state or federal funds applied through this application.” The existing statement “Facility requests must be commensurate with the current level of service plus a reasonable factor for future expansion” remains unchanged.
- f. The wording “up to \$3,000” at the end of the sentence has been moved to be after “decals” so the statement has been updated to “Revenue vehicles will allow funding for communication equipment, decals up to \$3,000, camera, or bike rack necessary to operate the vehicle.”

The same change has been reflected in the footnote for vehicles in this section: “C. Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310), 3. Review Criteria, I, the vehicles¹ shall be funded in the FTA Section 5310 program in the following order of priority:”

A-II. Operating and Capital for JARC Activities

Rural Continuation:

This statement has been added: “Please refer to [FY 2026 Section 5310 and Section 5311 Mobility Management Application Guidelines](#) for details.”

2. Matching Requirements

In the first paragraph, the word “JARC” has been added prior to “projects” so that the entire paragraph is read as below:

“For JARC projects funded with federal Section 5307, MDOT will continue to provide 50 percent match for operating and 20 percent for mobility management projects, subject to availability of funds.”

B. Specialized Services Operating Assistance Program

The last paragraph has been updated to read:

“The funding between the current and new sub-applicants can be adjusted by the local coordination committee. **The amount of funding requested should match the current budget approved, however the awarded funding amount can be increased or decreased by OPT based on the funding that is used in the prior fiscal year.**”

1. Application Requirements

a. Required Actions in PTMS

The note below has been changed to read:

***Note:** Not applicable if you are not requesting vehicles, equipment, or facilities funded with federal and/or state funds.

d. Other Requirement

This bullet has been added:

- Proof of facility insurance (attach in PTMS).

C. Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310)

C-I. Section 5310 Program (Not Including New Freedom Activities)

c. Other Requirements

- At the 4th bullet, “Small Urban” and “CMAQ” have been added/reflected in this statement: “Include in PTMS any flex capital projects and the projects must be consistent with the [RTF, Small Urban](#), and [CMAQ](#) list.”

2. Eligible/Ineligible Use of Vehicles

The wording “**and be accessible**” has been added at the end of this statement: “**Eligible** - Vehicles acquired under the Section 5310 program must be used primarily for seniors and individuals with disabilities **and be accessible**.”

4. Matching Requirements

The wording “for four years” has been added at the end of this statement:

“Federal, state or local funding are not committed during this annual application process. Therefore, you should include all your capital needs for four years.”

C-II. New Freedom (NF) Program

This [wording](#) has been added in this paragraph below:

“Section 5310 funds [existing](#) NF activities. Please refer to [FY 2026 Section 5310 and Section 5311 Mobility Management Application Guidelines](#) for [funding for new/expansion projects](#). NF activities are intended to reduce barriers to transportation services and expand the transportation mobility options available to individuals with disabilities beyond the requirements of the ADA of 1990, as amended.”

4. Project Selection

This paragraph below has been removed:

“Priority of the continuation projects meeting all of the criteria is as follows:

- a. NF operating for continuation of existing Section 5310 NF-funded service.

- b. NF replacement capital to support continuation of existing transportation services funded with Section 5310 NF funds.
- c. Mobility management (capital expense) – continuation projects
- d. NF marketing of existing NF services (capital expense).

Funding levels may not always continue to support expansion services.”

This statement has been added: “Please refer to [FY 2026 Section 5310 and Section 5311 Mobility Management Application Guidelines](#) for details.”

D. Metropolitan & Statewide Planning and NonMetropolitan Transportation Planning Program (Section 5304)

c. Other Requirements

- At the 2nd bullet, this wording “**provided to your OPT project manager**” at the end of this statement has been removed to read:

“A copy of the UPWP page(s) in which the requested projects are listed must be attached in PTMS.”

- At the last bullet, this statement has been added:

“You may also have the final, ADA compliant report posted at your agency’s website and send the link to your OPT project manager to be posted at MDOT’s website.”

The same statement has also been added in “F. Service Initiatives Program” under “c. Other Requirements”.

Part IV. Instructions for TA Forms and Related Requirements

a. Section 5333(b) Labor Warranty Form 3093:

The **“Note”** has been changed from “Do not include school bus transportation providers, private transportation providers such as taxi, Uber, Lyft, etc. and their unions on the Section 5333(b) Labor Warranty form.” to “Only include public transportation providers receiving FTA funds.”

b. ADA Complaint Information Form 3175

The last sentence has been added:

“Action Requested: Complete and save the form in PTMS. Ensure that compliance reviews by either MDOT or FTA are shown on the submitted form.”

e. Capital Request(s)

The wording “four years” and the [last statements](#) have been added in the paragraph below:

“Description: Submit capital requests for [four years](#) from all funding sources in PTMS when applying for federal and state capital assistance, **even if you are applying directly to the FTA for the federal portion of funds.** A complete capital request requires information for all the applicable fields on the Capital Request Detail screen in PTMS. For detailed instructions on how to create a capital request, refer to the Annual Application section of the PTMS Help Guide within PTMS or on the OPT website. Matching requirements for each program can be found under Part III, Application Submittal by Program. [Use the local button when completing capital requests for projects that have been allocated a designated amount of funding by areas outside of OPT.](#)”

h. Coordinated Public Transit-Human Services Transportation Plan and Updates

This paragraph has been changed to read:

“Action Requested: Submit to MDOT the Coordinated Public Transit-Human Services Transportation Plan that was created by KFH Group, Inc. (KFH) after community/agency meetings.”

I. General Information Form 3069

This [statement](#) has been added in the Note below:

“Note: Under the “Estimated Percentage of Ridership (%)” section, you should identify the percentage for senior passengers in the Elderly line, identify the percentage for passengers with disabilities in the Disabled line, and list the percentage for other passengers that do not belong to the above two categories in the Other line. [The total of all three sections should equal 100 percent.](#)”

m. Project Summary Form 3029 and 3042

The statement “You may also attach additional page(s) to your application.” has been replaced with the [updated statement](#) below:

“Note: If extra space is required, please use the “Additional Information” section at the bottom of the form. [You may also attach additional page\(s\) to your application.](#)”

n. Public Notice:

Description: This statement has been changed from “The public notice must be published in major newspapers of the applicant’s nearest service area and must invite comment.” to “The public notice must be published in a major newspaper of the applicant’s nearest service area and must invite comment.”

[This statement](#) has been added: “It is recommended for agencies to send the proof of public notice to their OPT project manager for review before publication - [this will help avoid the cost and time to republish if OPT finds issues with your public notice.](#)”

This statement has been added: “Please reference the website for the published public notice requirements: [Michigan Legislature - Section 691.1051.](#)”

p. Section 5310 Coordinated Plan Information Form 3027

[This wording](#) has been added in “Description: This form requires information on the individual project that the applicant is requesting funds and **the project’s relationship to the Coordinated Public Transit-Human Services Transportation Plan** [produced by KFH after community/agency meetings.](#)”

v. **Unified Planning Work Program (UPWP) Requirements (for both urban and rural agencies in UAs only)**

The wording “or provided to your OPT project manager” has been removed from the last statement:

“All federally funded planning projects under this application must be included in both an UPWP and PTMS. For agencies in an UA, **a copy of the UPWP page(s) in which the requested projects are listed must be attached in PTMS.**”

w. **Vehicle Accessibility Plan Update Form 3059**

[This wording](#) has been added in the Note below:

“**Note:** The Coordination Committee serves as an advisory body for the [creation/update of the Coordinated Public Transit-Human Services Transportation Plan](#) and coordination and improvement of transportation services and should include all the interested stakeholders.”

The bolded statements have been changed to below to improve clarity:

“Action Requested: Each eligible entity jointly with the AAA shall approve at least one or the equivalent of 12 percent of the membership of the LAC. The LAC must have an opportunity to review and comment on the plan or amendment/update before its submission to the department. When the plan updates are reviewed by the LAC, **make sure at least three of the following members are at the meeting: one is or a representative of individuals who have disabilities, one is or a representative of individuals who or are 65 years of age or older, and one is jointly appointed by an AAA. It is also required that a member is a user of public transportation.**”

Other Updates:

Appendix B Metropolitan Planning Organizations (MPO) and Contacts
Appendix C Replacement Schedule for Capital Items
Appendix D Estimated Vehicle Prices

Reminders:

LAC Meeting Minutes Signed by LAC Chairperson or Authorized Substitute

As specified in subsection w. of [Part IV. Instructions for TA Forms and Related Requirements](#) of the instructions document, “Ensure adequate time to schedule your LAC meeting before the application due date. A copy of the minutes from the meeting where the plan or amendment/update was reviewed and discussed by the LAC **should be signed by the LAC chairperson or an authorized substitute and attached in PTMS.**”

Published Public Notice

As specified in subsection n. of [Part IV. Instructions for TA Forms and Related Requirements](#) of the instructions document the public notice must be published in major newspapers of the applicant’s nearest service area and must invite comment. A minimum of 30 days response time must be provided relative to the actual date of publication. All operating and capital funding requested in the current annual application including funding from Rural Task Force, Small Urban, and CMAQ needs to be included the public notice. It is recommended that you send the public notice proof to your MDOT OPT project manager for review before publication. **If the budget and programs for which you are applying have increased by more than 15 percent of the currently approved budget when MDOT OPT allows budget revisions in late summer, you will need to publish an updated public notice. If a project in a prior year’s public notice was not funded and is being requested again in the current application, it should be included with the current public notice.**

Agencies with access to PTMS must submit their Annual Application using PTMS on the website. Both PTMS and PTMS Help Guide can be accessed on OPT’s website, at [Public Transportation \(michigan.gov\)](#), under “PTMS.” The PTMS Help Guide is also available within PTMS. All application forms are accessible in PTMS.

To view the transit agency (TA) forms prior to FY 2019 applications in PTMS, Adobe Reader software is recommended. To download the Adobe Reader software, go to <https://helpx.adobe.com/reader/get-started.html>.

For applicants without access to PTMS applying for Section 5310, Section 5304, and/or Service Initiatives funds, the required application forms are available on OPT’s website, at [Public Transportation \(michigan.gov\)](#), [Annual Application for Funding \(michigan.gov\)](#).

The complete FY 2026 Annual Application Module has been available in PTMS since October 22. We will inform you of the Mobility Management Application form upon being available.

Act 51 Transit Agencies and Michigan Tribal Governments
Page 12
December 12, 2024

The FY 2026 Local Public Transit Revenue and Expense Manual (R&E Manual) is available to help you prepare your FY 2026 budgeted Operating Assistance Report(s). To view the R&E Manual, go to [Public Transportation \(michigan.gov\)](https://www.michigan.gov/public-transportation), "Resources," "Audit and Accounting Information."

We encourage you to read through the FY 2026 Application Instructions to help you understand the application requirements and process. If you have any questions or comments regarding the application instructions and process, please contact your [OPT project manager](#).

Sincerely,

Jean Ruestman, Administrator
Office of Passenger Transportation