



MASSTRANS

TR Transportation Riders United



CV CC CASSOPOLIS/VANDALIA CHAMBER OF COMMERCE



May 14, 2026

Dear Members of the Michigan Legislature and Governor Whitmer:

As organizations representing riders, workers, families, seniors, individuals with disabilities, students, and communities across Michigan, we urge you to strengthen the FY 2027 transportation budget to prevent public transit service cuts and protect affordable mobility statewide.

After last year's bipartisan transportation funding agreement, it is troubling that some budget proposals move Michigan backward on public transit—despite significant new transportation revenues and rising costs facing Michigan families.

Without Increased Funding, Transit Service Cuts Are Likely

Local public transit systems are already operating at historically low levels of state support. Today, the state covers roughly **one-third of operating costs**, down from about half or more in prior decades. As fuel, insurance, labor, and maintenance costs rise, agencies are exhausting reserves and have little remaining flexibility.

Without a meaningful increase in FY 2027, many transit agencies will be forced to make difficult choices, including:

- Cutting bus routes or service hours
- Reducing evening, weekend, or rural service
- Limiting service for seniors, people with disabilities, and workers without cars
- Delaying or canceling planned improvement

These are not abstract outcomes. They mean **missed work shifts, delayed medical appointments, stranded students, and higher household costs** at the worst possible time for Michiganders who can least afford them.

Restore and Strengthen Local Bus Operating (LBO) Funding

Local Bus Operating (LBO) funding is the backbone of transit service across our state. The Governor's FY 2027 proposal increases LBO to \$315 million, reflecting rising costs and last year's funding commitments. The Senate budget proposal affirms this level.

The House proposal, however, **limits LBO to \$290 million**, resulting in a smaller share of state support for local agencies and a reduction in reimbursement rates—even as **new transportation revenues flow into the Comprehensive Transportation Fund (CTF)**.

Rather than using those revenues to stabilize essential transit services, the House budget diverts substantial CTF dollars to unrelated, one-time programs.

We urge the Legislature to **strengthen Local Bus Operating funding to at least \$330 million** to support current services and address growing community needs, which is achievable with existing restricted revenues.

Protect the Core Purpose of the Comprehensive Transportation Fund

The CTF was created first and foremost to support public transportation and passenger mobility. Redirecting tens of millions of dollars toward large, one-time projects while transit agencies face service cuts raises a fundamental question: **Why can the budget fund new programs, but not keep buses on the road?**

Expand Affordable Intercity Bus Service

Intercity bus routes connect Michigan's regions, often providing the **only affordable alternative** to long, costly car trips for many parts of our state, and are especially essential for students, seniors, and others who don't drive. Current funding remains insufficient to meet growing demand and provide reasonably convenient travel. Strengthening support would:

- Provide alternatives to inconvenient overnight bus rides
- Improve reliability and frequency

- Expand affordable options for workers, students, and seniors

A Budget That Reflects Michigan's Needs Today

As gas prices and car ownership costs rise, more Michiganders are turning to transit. It is one of the most effective tools the state has to keep transportation affordable—but only if it is funded adequately.

We urge lawmakers to deliver a final FY 2027 transportation budget that:

- Prevents transit service cuts
- Uses new revenues to strengthen—not weaken—public transit
- Builds on last year's bipartisan progress

Michigan can—and should—do better for the people who rely on transit every day.

Sincerely,

Michigan Public Transit Association

ATU Local 26

ATU Local 836

Benzie Transportation Authority

Cassopolis/Vandalia Chamber of Commerce

Clinton Transit, fondly known as The Blue Bus

County Connection of Midland

Delta Area Transit Authority

Detroit Disability Power

Disability Network Michigan

Disability Rights Michigan

Ecology Center

G.W. Jones Exchange Bank

Gladwin City County Transit

Gogebic County Transit

Greater Lapeer Transportation Authority

IRide

Transportation Riders United

Mass Transportation Authority

Ionia Transit

Marquette County Transit Authority

MI-UCP

Michigan Environmental Council

Our Father's Family Keeper Ministries

Roscommon County Transportation Authority

Schoolcraft County Transit Authority

Social Justice Alliance of Cass County, MI

Strong Towns Detroit

The Arc Michigan

The Lodges at Stone Lake

Transportation Authority of Calhoun County

Village of Cassopolis

Western Oakland Transportation Authority

Western-Washtenaw Area Value Express