Council on Future Mobility & Electrification

ANNUAL REPORT

2025

Executive Summary

The Michigan Council on Future Mobility and Electrification (CFME) is an advisory council established by Gov. Whitmer to develop and recommend policies and actions that ensure Michigan continues to be an epicenter of future mobility solutions. CFME is a collaborative platform that brings together government, industry stakeholders and research institutions to catalyze innovation, foster economic growth, and harness opportunities in the rapidly evolving mobility landscape.

This report outlines CFME's accomplishments, analysis and recommendations to help position Michigan as the national leader in future mobility — the movement of people and goods by land, air and water using advanced technologies and energy sources. It emphasizes public policy, planning, workforce development and investment strategies needed to support the implementation of the MI Future Mobility Plan (originally developed in 2022 and updated in 2025), the Michigan Mobility 2045 Plan and the MI Healthy Climate Plan.

In 2025, the Council issued four sets of recommendations:

01 Mobility Management Network

The Council identified inefficiencies in the current "transportation request" process and proposed four targeted recommendations to establish a statewide Mobility Management Network. This network aims to streamline resource coordination across multiple state and local agencies to improve access and service quality for both riders and transportation providers.

02 Michigan Hydrogen Collaborative

The hydrogen economy is at an inflection point, presenting both significant opportunities and complex challenges. Michigan is firmly positioned to capitalize on this opportunity due to our existing natural, industrial and academic assets. To harness this potential, the CFME has proposed the creation of the Michigan Hydrogen Collaborative — a public-private initiative designed to act as a centralized industry accelerator and a convener for the hydrogen economy.

03 Local Supply Chain to Produce Critical Energy Equipment

The growing demand for critical energy grid related equipment presents a significant opportunity to expand domestic manufacturing and attract energy supply chain companies to Michigan. The CFME has recommended a set of policy actions to expand the local supplier network that can produce critical energy equipment in Michigan.

04 Statewide Transit Plan

Michigan currently lacks a unified, statewide strategy to coordinate and prioritize transit services across its diverse communities with wide-ranging needs. To address this gap, the CFME has put forward a set of targeted recommendations for the development and adoption of a Statewide Transit Plan. This plan would integrate existing state, regional and local transit and passenger rail priorities into a cohesive capital investment framework, enabling more efficient planning, funding and service delivery across the state.

The Council also organized extensive panel discussions, expert presentations and roundtable discussions on key mobility topics in 2025:

- **January:** Post-election changes in the federal mobility and transportation policy landscape
- **March and May:** CFME strategy roundtables
- **July:** Advanced Aerial Mobility opportunities for Michigan
- **September:** Michigan's Roads: Today's Needs and Our Future
- **November:** Opportunities in Advanced Aerial Mobility (EVOL/Drone) manufacturing in Michigan

The Council's Action Teams are made up of council members, advisors and other subject matter experts focused on specific policy areas. They lead the Council's research, policy discussions, help identify best practices and develop recommendations to guide the Council's work. These efforts help build a strong knowledge base that supports the informed policymaking that keeps Michigan at the forefront of mobility innovation.

Message from the Chair

As we continue propelling Michigan forward as a global leader in the next generation of mobility and transportation technologies, the Michigan Council on Future Mobility and Electrification is providing annual recommendations to address some of Michigan's most critical mobility challenges and advance the state's mobility ecosystem through improving infrastructure and supporting our workforce.

Susan R. Corbin

Director, Michigan Department of Labor and Economic Opportunity;

Chair, Michigan Council on Future Mobility and Electrification

The Council's success is a result of working with government bodies, industry stakeholders, academic institutions and local communities to fulfill the vision for economic prosperity and mobility for all. In the past year, council recommendations led to stronger engagement with policymakers; the organization of panels and roundtables to address current and future mobility needs; participation in EV infrastructure studies; funding support for startups to bridge the gap between proof of concept and manufacturing readiness; and much more.

This year, the council continued their innovative approach, providing a set of visionary recommendations to bolster Michigan's position as a hub for mobility and technological advancements. The Council's action teams comprised of advisors and technical experts focused on areas within each pillar of Michigan's Future Mobility Plan. Out of these teams came four impactful resolutions that aim to support the infrastructure and transition to electric vehicles while creating safer, more equitable and environmentally conscious transportation options for Michiganders.

The Council remains committed to providing innovative transportation solutions, addressing challenges through collaboration and making Michigan a place where residents and businesses can thrive.

Justine Johnson

Chief Mobility Officer, Michigan Council on Future Mobility and Electrification

Message from the Chief Mobility Officer

2025 marked significant progress in advancing Michigan's mobility future across land, water and air. The year was anchored by the launch of Michigan's Advanced Air Mobility (AAM) Initiative. The Office of Future Mobility and Electrification (OFME) has worked closely with partners across state government to implement the strategy, strengthening Michigan's mobility ecosystem and supporting national security, economic growth, manufacturing competitiveness and technological leadership.

The Council on Future Mobility and Electrification continues to demonstrate Michigan's commitment to strategic, cross-sector collaboration. The Council identifies policy-aligned strategies that accelerate technology adoption, address infrastructure and workforce needs and promote long-term economic development and sustainability across the state.

Michigan's industrial legacy and innovation ecosystem provide a strong platform for continued transformation. By aligning government, industry and academic efforts, the state is positioning itself to lead in the next era of technology, ensuring mobility remains a core driver of competitiveness and economic growth.

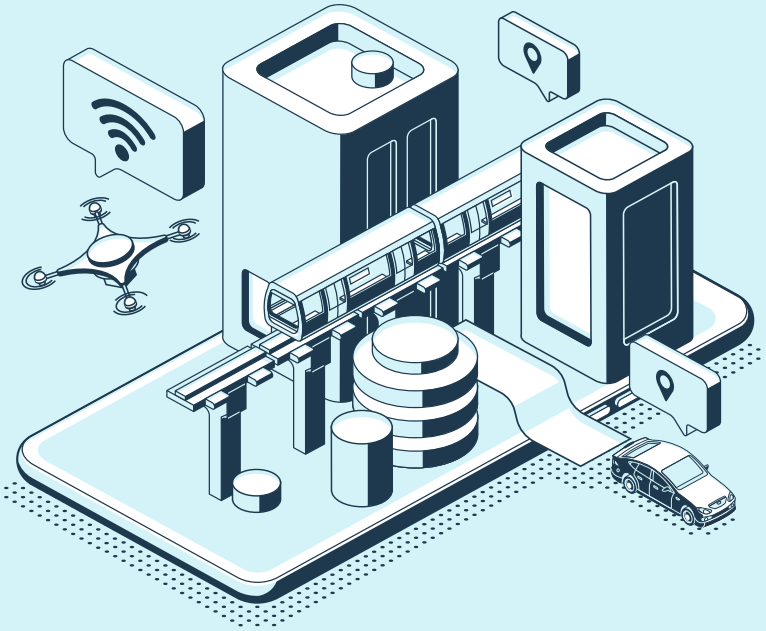
I invite you to review the 2025 Annual Council Report, which outlines this year's progress and the policy priorities guiding Michigan's mobility leadership.

Contents

Michigan's Goals for Mobility and Electrification

In 2022, Gov. Gretchen Whitmer announced the MI Future Mobility Plan 1.0 as the statewide strategy on the future of mobility and electrification. In 2025, the Office of Future Mobility and Electrification (OFME) in consultation with the CFME and other state departments, developed an updated version of the plan, MI Future Mobility Plan 2.0. This plan maps out a comprehensive strategy that addresses future mobility challenges by growing the mobility workforce, providing more accessible transportation infrastructure and developing innovative mobility policies.

Mobility Plan Vision: Michigan will produce the mobility future that unleashes human potential.



MI Future Mobility Plan 2.0 is divided into three main pillars.

PILLAR 01

CREATE
solutions that drive the future

Expand Research and Development

- Leverage Michigan's ecosystem to expand R&D partnerships.
- Facilitate prototyping and proof-of-concept validation.
- Expand real-world testbeds throughout the state.

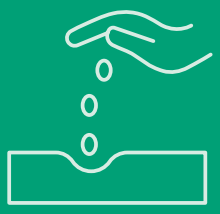
Catalyze Purpose-Driven Solutions

- Drive development of new forms of mobility.
- Expand mobility for underserved Michiganders.
- Promote adoption of new solutions by public agencies.

Enhance Infrastructure and Safety

- Integrate multimodal systems across air, land and water.
- Modernize mobility infrastructure with new digital and physical solutions.

PILLAR 02



CULTIVATE
thriving mobility enterprises

Expand Funding and Investment

- Create consistent pools of state funding.
- Grow private investment pools.

Support Company Scaling

- Facilitate public-private and industry-startup partnerships.
- Leverage the buying power of the state.
- Help growth-stage companies navigate state programs.

Increase Company Expansion & Relocation

- Lead on policy innovation to support future mobility adoption.
- Build regional manufacturing hubs and resilient supply chains.
- Promote Michigan's live, work and play amenities.

PILLAR 03

PROPEL
Michigan's workers and industry

Upskill Michigan's Workforce

- Strengthen systems to connect job seekers to job opportunities.
- Identify and deliver the workforce training needed for future mobility.
- Use digital technology and new mobility to reduce workforce barriers.

Retain and Attract Top Mobility Talent

- Create strong professional career pathways and networks.
- Expand youth engagement in future mobility careers.

Modernize Michigan's Mobility Manufacturing

- Accelerate advanced manufacturing and high-mix/low-volume capabilities.
- Expand white-box industrial production and regional manufacturing hubs.

Overview of the Council on Future Mobility and Electrification

Gov. Whitmer created the Michigan Council on Future Mobility and Electrification under the Department of Labor and Economic Opportunity (LEO) in 2020. The Council serves in an advisory capacity to LEO, OFME, other state agencies, the Governor, and the Legislature, providing recommendations on mobility policy. To ensure Michigan continues to be a world leader in future mobility and electrification, the Council acts as a key enabler of the MI Future Mobility Plan and a resource for state policy makers by bringing together government, industry, and academic stakeholders.

2025 Accomplishments

The Council issued four sets of recommendations.

01 Establish a Statewide Mobility Management Network

02 Create a Michigan Hydrogen Collaborative

03 Grow Local Supply Chain to Produce Critical Energy Equipment

04 Develop a Statewide Transit Plan

The “Transportation Infrastructure Funding” action team organized a panel discussion titled **“Michigan Roads: Today’s Need and Our Future”** for legislators during the 2026 budget process, to explore the state’s current road system, the limitations of the existing funding model and emerging approaches that better align with evolving vehicle technology and usage.

The Council organized in-depth panel discussions and roundtables at its bi-monthly meetings:

- **January:** Post-election changes in the mobility and transportation policy landscape
- **March and May:** CFME strategy roundtables
- **July:** Advanced Areial Mobility opportunities for Michigan
- **November:** Opportunities in Advanced Aerial Mobility (EVOL/Drone) manufacturing in Michigan

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Through targeted panel discussions, letters to policy makers and other education and awareness efforts, the Council and its action teams provided strategic guidance and expertise in the 2026 budget process which passed a historic transportation funding package, replacing the sales tax on gasoline and diesel with an equivalent motor fuels tax — projected to direct nearly $2 billion annually to fixing roads. In addition, the budget includes the following mobility-related items that the Council worked on:

$100M annually (through FY31; $70M thereafter) for transformational transit investments

$7.6M for road user charge study and pilot program

$5.3M maritime and port fund

The Council's EV Charging Infrastructure and Grid Resiliency Action Team actively participated with the OFME in expanding the "EV Infrastructure Need Assessment Study" to include two additional phases.

- **Phase 1** developed a statewide framework to identify optimal charging locations for light-duty vehicles (LDVs) along intercity, urban, and tourism routes under a single EV adoption scenario.
- **Phase 2** will expand the analysis to include multiple EV adoption scenarios.
- **Phase 3** will broaden the scope to include medium- and heavy-duty vehicles (M/HDVs). This study is being conducted by Michigan State University's (MSU) College of Engineering.

In collaboration with CFME's Hydrogen Infrastructure Action Team, Third Way — a national think tank — hosted a two-day workshop titled, **"The Michigan Convening: Prospects of Geologic Hydrogen."** The event brought together national and state experts to assess the potential for developing a geologic hydrogen-based economy and to develop durable strategies to ensure that Michigan becomes a leader in this space.

Based on Council recommendations, the OFME created the Prototype Grant program which provides funding for startups to bridge the gap between proof of concept and manufacturing readiness.

The Council's Action Teams analyzed many drafts of mobility-related legislation and provided comments for consideration by the state's Legislature and Governor.

Action Teams

In 2025, the Council convened two strategic roundtable sessions with participation from Council members, including state agency and legislative representatives, along with senior advisors, non-member state agencies (Michigan Infrastructure Office, OFME, Michigan Economic Development Corporation, Michigan Department of Natural Resources, and the Michigan Department of Technology, Management and Budget), the Executive Office of the Governor and other key stakeholders. The purpose of these sessions was to identify priority areas for policy action, recommendations and research in response to the major shifts in technology, market dynamics and the political landscape. Based on the insights gathered, the Council agreed to launch three new action teams, continue three existing teams with revised names and scopes and pause three teams by integrating their responsibilities and membership into other groups.

In 2025, the Council operated six action teams. Each team brought together Council members who collaborated with a group of senior advisors and technical experts to focus on specific areas aligned with the pillars of Michigan's Future Mobility Plan. These teams met bi-weekly, engaged subject matter experts and conducted interviews, benchmarking and research to develop high-impact recommendations for the Council's approval.

EV Charging Infrastructure and Grid Resiliency

The EV Charging Infrastructure and Grid Resiliency team focuses on EV charging infrastructure deployment, electric grid capacity and resiliency and the consumer charging experience.

The team identified two goals in 2025:

Goal 01

Conduct a review of Michigan's EV charging strategy, considering changes in federal law, policy and funding, and recommend a coordinated strategy that combines infrastructure deployment with economic development — ensuring that Michigan's charging policies contribute to attracting mobility companies.

Goal 02

Provide guidance to policymakers and state agencies on the EV registration fee impact of the road funding proposal in the 2026 state budget, Michigan's EV adoption target, and how to prioritize existing EV infrastructure funds.

- The team conducted extensive research and benchmarking analysis to gain insight into the growing demand for energy grid equipment critical to EV charging networks. Based on these findings, the Council approved the "Grow local supply chain to produce critical energy equipment" recommendation.
- The team actively reviewed and evaluated the, "EV Infrastructure Need Assessment Study," conducted by MSU College of Engineering and recommended to expand the study to include two additional phases.

→ **Phase 1** developed a statewide framework to assess EV charging needs using geospatial data, trip simulations, energy demand and grid capacity. It identified optimal charging locations for light-duty vehicles (LDVs) along intercity, urban and tourism routes under a single EV adoption scenario.

→ **Phase 2** will expand the analysis to evaluate optimal locations and prioritize investment needs across multiple EV adoption scenarios.

→ **Phase 3** will broaden the scope to include medium- and heavy-duty vehicles (M/HDVs).

The EV Charging action team includes members from the following organizations:

American Center for Mobility • City of Detroit • City of Grand Rapids • Clean Fuels Michigan • Connected Vehicle Trade Association • Consumers Energy • DTE Energy • Ecology Center • Electrification Coalition • Ford Motor Company • General Motors Company • ITC Holdings • Michigan Department of Environment, Great Lakes and Energy • Michigan Department of Labor and Economic Opportunity • Michigan Department of Natural Resources • Michigan Department of Technology, Management and Budget • Michigan Department of Transportation • Michigan Economic Development Corporation • Michigan Energy Innovation Business Council • Michigan Infrastructure Office • Michigan Public Service Commission • Michigan State Police • Michigan State University • NextEnergy • Office of Future Mobility and Electrification • Southeast Michigan Council of Governments • Stellantis • Rivian Automotive • Toyota Motor North America • University of Michigan

Transportation Affordability and Access (Public Transit)

The Transportation Affordability and Access team focuses on improving affordability and access to public transportation across the state.

In 2025, the team identified two goals:

Goal 01: Develop a Statewide Transit Plan

Inventory of what's available in statewide public mobility services, identify the gaps and recommend a comprehensive statewide plan to fill the gap.

Goal 02: Identify and Support a Regional Pilot

Identify a local community and provide support to conduct a regional pilot that brings a wide range of stakeholders (industry, labor, nonprofit and government) together to test out innovative transportation solutions in a single county. This pilot can potentially create a playbook to scale to other communities.

2025 HIGHLIGHTS

- Through research, benchmarking and need assessment conducted by this team, the Council approved two recommendations – "Establish a Statewide Mobility Management Network" and "Develop a Statewide Transit Plan" recommendation.
- The team identified Berrien County as a potential candidate for the regional pilot and had preliminary discussions with county stakeholders and legislative representatives.

This Public Transit action team includes members from the following organizations:

Central Michigan University • City of Ionia • COMTO Michigan • Ecology Center • Feonix Mobility Rising • Michigan Department of Environment, Great Lakes and Energy • Michigan Department of Health & Human Services • Michigan Department of Insurance and Financial Services • Michigan Department of Labor and Economic Opportunity • Michigan Department of Military and Veterans Affairs • Michigan Department of Natural Resources • Michigan Department of Transportation • Michigan Infrastructure Office • Michigan State University • Oakland County • Office of Future Mobility and Electrification • Office of Rep. Sharon MacDonell • Peracchio & Company • RTA of Southeast Michigan • University of Michigan

Made in Michigan — Innovation Driven Economic Development

The Made in Michigan — Innovation Driven Economic Development Team is dedicated to fostering innovation and economic growth across the entire land, water and air mobility ecosystem in Michigan.

The team is working for three goals:

Goal 01

Conduct an upstream analysis to understand where the growing markets are in the land, water and air mobility sectors.

Goal 02

Develop a visual map of regional innovation assets in all modalities.

Goal 03

Combine these two analyses into an actionable, coordinated economic development strategy and a toolbox designed to attract mobility startups and fully established companies and organizations to the state.

2025 HIGHLIGHTS

Since its start in July 2025, they put together a strong team of subject matter experts, conducted an initial assessment of economic opportunities in Advanced Aerial Mobility (AAM) sector and identified AAM manufacturing and supply chain as the potential focus area for this action team to work on. As the first step of this process, the team organized a panel discussion at CFME's Nov. 7 meeting to explore how Michigan can adapt and develop capabilities and policies to effectively leverage opportunities in Advanced Aerial Mobility manufacturing.

The Made in Michigan — Innovation Driven Economic Development team includes members from the following organizations:

American Center for Mobility • Centrepolis Accelerator at Lawrence Tech. University • MichAuto • Michigan Department of Labor and Economic Opportunity • Michigan Department of Natural Resources • Michigan Department of Transportation • Michigan Economic Development Corporation • Michigan Infrastructure Office • Michigan State University • Middle Third • Office of Future Mobility and Electrification • Rivian Automotive • TechTown • Traverse Connect • University of Michigan • Waymo • Western Michigan University

Transportation Infrastructure Funding

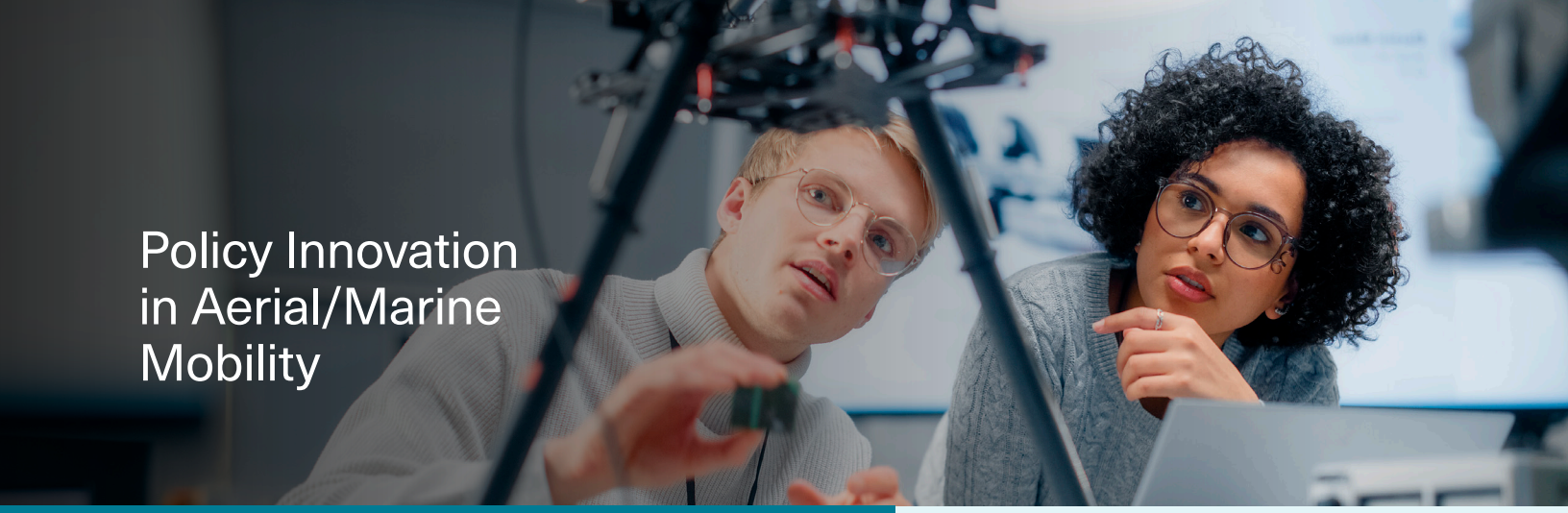
The Transportation Infrastructure Funding Team is committed to supporting the Michigan Department of Transportation (MDOT) in identifying innovative mobility solutions that can be funded through state transportation dollars, while also helping to future-proof Michigan's infrastructure.

2025 HIGHLIGHTS

The team organized a panel discussion titled **"Michigan Roads: Today's Need and Our Future"** for legislators during the 2026 budget process. The panel explored the current condition of Michigan's road system, the limitations of the existing funding model and emerging approaches that align with evolving vehicle technologies and usage patterns. This effort successfully raised awareness about the need to conduct a Road User Charge (RUC) pilot in Michigan as a potential long-term funding solution. The 2026 budget eventually passed a historic transportation funding package generating nearly an additional $2 billion annually, including $7.6 million dedicated to a RUC study and pilot program.

The Transportation Infrastructure Funding team includes members from the following organizations:

- Clean Fuels Michigan
- Ecology Center
- General Motors Company
- Michigan Department of Labor and Economic Opportunity
- Michigan Department of Transportation
- Michigan Infrastructure Office
- Michigan State University
- Office of Future Mobility and Electrification
- Peracchio and Company



Policy Innovation in Aerial/Marine Mobility

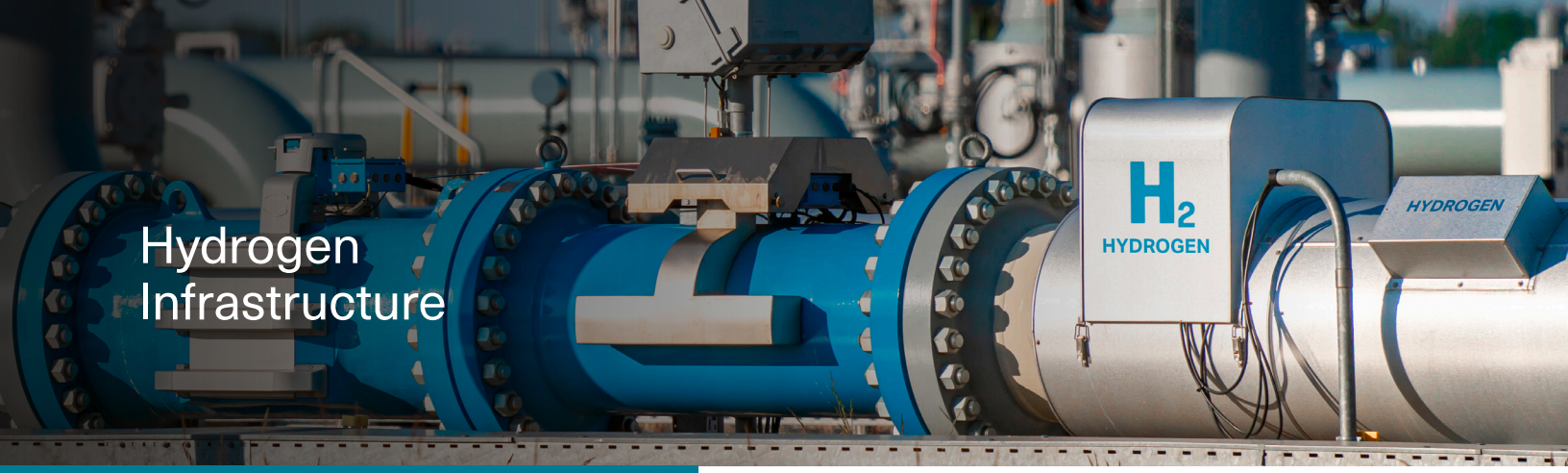
The Policy Innovation in Aerial and Marine Mobility Team is focused on helping Michigan develop innovative policies and regulations to capitalize on opportunities in the aerial and marine mobility sectors. The team adopted a phased approach — beginning with aerial mobility policy in Phase 1 and planning to address maritime policy in Phase 2.

2025 HIGHLIGHTS

In 2025, the team reviewed key reference materials including recommendations from the Michigan Unmanned Aerial Systems (UAS) Task Force, MDOT's work on licensing standards for ground infrastructure and the FAA's Beyond Visual Line of Sight (BVLOS) guidelines released in August 2025. Based on this research, the team identified a preliminary set of economic development-focused policy ideas to explore further, with the goal of developing actionable recommendations in 2026.

The Policy Innovation in Aerial/Marine Mobility team includes members from the following organizations:

- American Center for Mobility
- Connected Vehicle Trade Association
- Ford Motor Company
- Michigan Department of Environment, Great Lakes and Energy
- Michigan Department of Insurance and Financial Services
- Michigan Department of Transportation
- Michigan Infrastructure Office
- Michigan Public Service Commission
- Michigan State University
- NewLab
- Office of Future Mobility and Electrification
- Stellantis
- University of Michigan



Hydrogen Infrastructure

The Hydrogen Infrastructure team focuses on supporting the business model for hydrogen as a transportation fuel in Michigan. This includes analyzing the opportunities across hydrogen production, fueling and transportation infrastructure, as well as fuel cell electric vehicle deployment.

2025 HIGHLIGHTS

- The Council approved the "Create a Michigan Hydrogen Collaborative" recommendation, based on research, benchmarking and need assessment conducted by this team.
- In collaboration with this team, Third Way, a national think tank, hosted a two-day workshop titled, **"The Michigan Convening: Prospects of Geologic Hydrogen."** The event brought together federal and state stakeholders to assess the potential for developing a geologic hydrogen-based economy and to develop durable strategies to ensure that Michigan becomes a leader in this space.

The Hydrogen Infrastructure team includes members from the following organizations:

American Center for Mobility • CALSTART • Clean Fuels Michigan • Cummins • Ecology Center • HNTB • Michigan Department of Environment, Great Lakes and Energy • Michigan Department of Labor and Economic Opportunity • Michigan Economic Development Corporation • Michigan Infrastructure Office • Michigan State University • Next Energy • Oakland County • Office of Future Mobility and Electrification • Peracchio & Company • Stellantis • Toyota Motor North America • United Auto Workers • University of Michigan

Recommendations

The CFME provided four recommendations in 2025. All recommendations, current issues and relevant details are located in the Appendix on page 29.

01 Mobility Management Network

The Council identified inefficiencies in the current "transportation request" process and proposed four targeted recommendations to establish a statewide Mobility Management Network. This network aims to streamline resource coordination across multiple multiple state and local agencies to improve access and service quality for both riders and transportation providers.

02 Michigan Hydrogen Collaborative

The Hydrogen economy is at an inflection point, presenting both significant opportunities and complex challenges. Michigan is firmly positioned to capitalize on this opportunity due to our existing natural, industrial and academic assets. To harness this potential, the CFME has proposed the creation of the Michigan Hydrogen Collaborative — a public-private initiative designed to act as a centralized industry accelerator and a convener for the hydrogen economy.

03 Local Supply Chain to Produce Critical Energy Equipment

The growing demand for critical energy grid related equipment presents a significant opportunity to expand domestic manufacturing and attract energy supply chain companies to Michigan. The CFME has recommended a set of policy actions to develop a robust local supply chain for critical energy equipment to support the transition to an electrified transportation system, enable fast-charging infrastructure, and create a more resilient, diversified statewide economy.

04 Statewide Transit Plan

Michigan currently lacks a unified, statewide strategy to coordinate and prioritize transit services across its diverse communities with wide-ranging needs. To address this gap, the CFME has put forward a set of targeted recommendations for the development and adoption of a Statewide Transit Plan. This plan would integrate existing state, regional and local transit and passenger rail priorities into a cohesive capital investment framework, enabling more efficient planning, funding and service delivery across the state.

Looking Towards the Future

As Michigan continues its journey toward a future defined by mobility innovation, this report arrives at a critical juncture.

The landscape is shifting — public funding priorities are being redefined along with changes in state and federal government composition. Despite this dynamic environment, Michigan remains uniquely positioned to lead. With its strong transportation legacy and expanding innovation ecosystem, the state has a significant opportunity to set global standards in economic development, workforce transformation, energy resiliency and infrastructure modernization.

The MI Future Mobility Plan serves as a guiding framework enabling the CFME to define these emerging opportunities and foster stronger collaboration across government agencies, industry leaders, academic institutions and local communities.

This annual report reflects the dedication, insights and progress achieved throughout 2025. It highlights the collective efforts of individuals, partners and organizations who have contributed to CFME's initiatives and policy recommendations. We extend our deepest gratitude to all who played a role in advancing this work.

This report is presented with great respect to the Governor, the Michigan House of Representatives, the Michigan Senate, all state agencies and regulators, and, above all, the residents of our state, as a valuable resource for informed policymaking and a thriving future.

Appendix

Council Members and Senior Advisors

STATE ENTITIES

- Susan Corbin
  Michigan Department of Labor and Economic Opportunity, CFME Chair
- Brad Wieferich
  Michigan Department of Transportation
- Anita Fox
  Michigan Department of Insurance and Financial Services
- Col. James Grady
  Michigan State Police
- Rachael Eubanks
  Michigan Department of Treasury
- Philip Roos
  Michigan Department of Environment, Great Lakes and Energy
- Dan Scripps
  Michigan Public Service Commission

NON-STATE ENTITIES

- Matt *Rudnick*
  General Motors Company
- *Oliver Gross*
  Stellantis
- *Emily Frascaroli*
  Ford Motor Company
- *Derek Caveney*
  Toyota Motor North America
- *Chris Nevers*
  Rivian Automotive
- *Jane McCurry*
  Clean Fuels Michigan
- *Jeff Dokho*
  United Auto Workers
- Alan Ta*ub*
  University of Michigan
- Judd H*erzer*
  Michigan State University
- Beverly *Watts*
  BME Consulting

LEGISLATORS

- *Sen. Rosemary Bayer, Royal Oak*
- *Sen. Joe Bellino, Monroe*
- *Rep. Ranjeev Puri, Canton*
- *Rep. Sharon MacDonell, Troy/Clawson*

SENIOR ADVISORS

- John Perac*chio,*
  Peracchio & Company, CFME Chairman Emeritus
- *Alisyn Malek*
  Middle Third
- *Reuben Sarkar*
  American Center for Mobility
- *Drew Coleman*
  MichAuto
- *Scott J. McCormick,*
  Connected Vehicle Trade Association

Recommendations

APPENDIX 01 Recommendation 2025-01 / Mobility Management Network

BACKGROUND

Public transportation benefits all Michiganders — whether they use it or not. According to the Growing Michigan Together Council Report, for Michigan to compete for jobs and talent, we need a robust public transit system that functions well within communities and seamlessly connects people to their jobs, their region, and to connection points around the state.

According to the American Public Transportation Association's Economic Impact of Public Transportation Investment report, approximately $5 billion of additional GDP and 49,700 jobs are yielded for every $1 billion invested in public transportation.

Lack of public transportation is a significant barrier to people's health and wellness, food and medical access, workforce participation, and overall quality of life — especially in rural and disadvantaged communities in Michigan.

According to the U.S. Department of Veteran Affairs, there are 4.7 million veterans who live in rural communities, 2.7 million of which are enrolled in the VA healthcare system. Many of these veterans rely on rural transit services to access the healthcare services they need.

Similarly, individuals with disabilities living in rural areas take around 50% more trips on public transit than those without disabilities. Another major issue when there are no reliable transportation options in rural communities is that there are limited employment and educational opportunities for rural citizens. This has a direct effect on the economic competitiveness of a community and its overall livability. However, 80% of rural residents are not aware of public transportation options available for them.

Similarly, lack of public transit has far-reaching impacts on disadvantaged communities who experience limited job opportunities, lower wages, increased transportation costs, social isolation, limited access to healthcare and recreational opportunities, and limited access to education when driving is not an option for them.

CURRENT ISSUES

There is transportation funding available from various state departments in Michigan including the Department of Transportation (MDOT), Department of Health and Human Services (MDHHS – Medicaid, PACE and several others),

Department of Military and Veterans Affairs (DMVA), Department of Corrections (MDOC), and Department of Labor and Economic Opportunity (LEO). However, these programs mostly run independently without adequate coordination or oversight. Each program has its own complex rules and requirements, which may vary across regions, making them difficult to navigate. There is significant opportunity to make these programs more efficient, easier to use, and coordinated utilizing a statewide, coordinated mobility management network.

Mobility management is an innovative approach for managing and delivering coordinated transportation services to customers, including older adults, people with disabilities, and individuals of low income in rural and urban communities. Mobility management involves multiple functions, including taking requests for transportation and referring them to the appropriate public or private provider, advising on transportation options and resources, or supporting data collection and analysis for new or alternative transportation services to meet the needs of the local community.

Transportation providers and funding sources (different state agencies, counties, cities, public transit agencies, or independent brokered service providers) currently have their own mobility managers, who operate mostly in siloes from each other and from service providers such as medical centers and social services, placing the burden largely on individuals to find their own transportation. In many instances, mobility managers are not able to prioritize public transit before utilizing other options that may be more expensive or lacking safety oversight.

There is also lack of awareness about all available transportation solutions provided by different organizations in a region. Some departments do not utilize mobility managers in their processes at all, missing significant opportunities for cost savings and improved service.

All these issues create significant inefficiency and waste in funding and resource utilization across multiple state agencies, which cause significant frustration among riders and providers. There is a significant need for a centralized management of requests for transportation that prioritizes public transit as a transportation provider, identifies all potential funding sources, and cuts across siloes to get individuals in need where they need to go without needing to jump through a multitude of systems, providers, rules, processes, eligibility checks, and paperwork.

RECOMMENDATIONS

Given the current complexities in our state's transportation system and approach to mobility management, CFME recommends the following actions:

- Establish a statewide Mobility Management Network coordinated by MDOT and organized at a regional level. This network will utilize the current mobility managers and care coordinators from various departments and public/private entities, where appropriate, supplement the regional gaps, bring them under a single technology framework, and provide them with the necessary resources to provide comprehensive, coordinated mobility management services.

- Provide adequate funding and resources, in coordination with other state and federal programs, for the design, implementation and ongoing operation of the Mobility Management Network.

- Establish a common and interoperable Mobility Management Portal that allows all mobility managers to coordinate transportation options and referral of services. Additionally, it will facilitate performance metrics tracking and oversight, ensuring that transportation services are monitored and optimized for better service delivery.

- Create educational resources on available transportation benefits across all healthcare, employment, and educational programs so that transportation providers, healthcare providers, employers, schools, social services, and the public can easily understand what benefits are available and how to access them.

APPENDIX 02 Recommendation 2025-02 / Michigan Hydrogen Collaborative

BACKGROUND

In certain use cases, the flexibility of hydrogen as a zero-emission transportation fuel has significant advantages over competing technologies, like battery electric vehicles. In transportation, hydrogen vehicles have a much longer range and a refueling time almost identical to conventional fuels. Also, cold temperatures impact hydrogen vehicles less than battery electric vehicles. Because of these benefits, the hydrogen economy has the potential to support Michigan's long-term decarbonization efforts and grow economic opportunity across the state.

Michigan's strengths concerning the hydrogen economy are primarily based on manufacturing, supply chain, academic research, and end-user demand potential from a diversified set of industries and international freight. This includes the development of the NEL Electrolyzer production plant in Plymouth, which will be one of the biggest such facilities in the world, the OP Mobility project in Grand Blanc Township expected to be the largest hydrogen storage-tank production plant in North America, and additional facilities by companies like Hyzon, Bosch, and BAE. Michigan is also leading on hydrogen collaboratives such as the Midwest Hydrogen Coalition 7-state MOU and partnerships with cross-border institutions such as Ontario, Canada.

Michigan also has unique natural and geographic characteristics, setting our state apart from the rest of the U.S. Specifically, Michigan has extensive underground storage capabilities due to bedded salt deposits, which could support carbon sequestration for clean hydrogen production or, potentially, underground storage of gaseous hydrogen. As illustrated by the convergence of major trucking routes, Michigan's geographical location presents the strong potential to support logistics industry decarbonization and provide connective infrastructure solutions for transporting hydrogen (rail, tanker vessels, international trucking) as well as hydrogen equipment exporting (Port of Detroit, Port of Monroe, The Detroit Intermodal Freight Terminal).

CURRENT ISSUES

Due to unprecedented federal and private investment, the hydrogen sector is at an inflection point. Michigan is firmly positioned to capitalize on this opportunity due to our existing natural, industrial, and academic assets. However, the hydrogen sector faces considerable challenges, including economic uncertainty, lack of resources (testing facilities, cost-effective supply chain, etc.), higher capital costs, competition from other states and more developed alternative technologies, and a lack of policy support/certainty.

The hydrogen sector perfectly represents the chicken-or-the-egg question (infrastructure versus widespread adoption). The state of Michigan has a huge opportunity to take a leadership role in developing the building blocks of a completely new vibrant economy by making strategic investments to address the challenges.

Michigan is already home to and overseeing multiple hydrogen-related projects, investments, and academic efforts. As a result, the economic path forward for hydrogen technologies in the near term is realistic but needs strategic investments in R&D, testing, and close collaboration of all stakeholders.

RECOMMENDATION

Given these circumstances, Michigan must take decisive action to capitalize on the opportunity to build a hydrogen mobility economy in the state. To do this, CFME recommends the following opportunity:

Create a "Michigan Hydrogen Collaborative" — a public-private initiative that will act as a centralized industry accelerator and a convener for the hydrogen economy in Michigan. State funding can catalyze private capital to support these efforts, with goal of making the collaborative self-sustaining.

Leveraging insights from previous accelerators, the MEDC should be funded to establish a nonprofit accelerator with academic, government, and industry partners. This collaborative accelerator would aim to position Michigan as a leader in hydrogen technology by focusing on three core activities:

1. Ecosystem building to assess market and technology readiness and be a platform for relevant stakeholders to gather, share information and resources, and drive other activities across the pillars. Activities to be completed include creating a Michigan asset map, aligning policy recommendations, and building on existing MOUs and coalitions.

2. Funding to support R&D with a focus on accelerating the pace to market for commercial hydrogen applications. There is a need to create a distributed "testing lab" by linking facilities and resources to maximize impact. These funds can also be used as match funds for federal initiatives.

3. Workforce development to ensure successful deployments. The Collaborative would establish a hydrogen workforce center in partnership with industry and academic institutions.

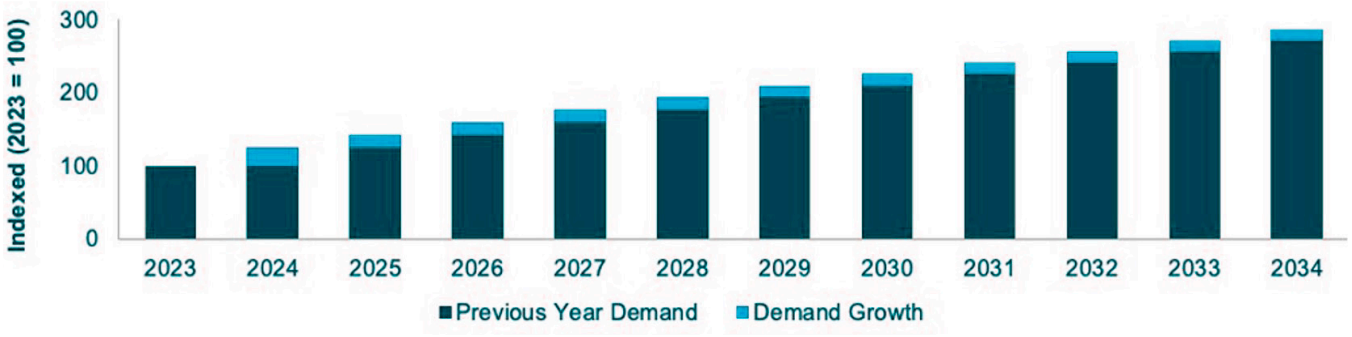
This Collaborative will boost hydrogen's role in decarbonizing hard-to-abate sectors, like freight, medium- and heavy-duty trucking, marine transportation, and aviation, helping Michigan meet climate goals while enhancing economic competitiveness.

APPENDIX 03 Recommendation 2025-03 / Local Supply Chain to Produce Critical Energy Equipment

BACKGROUND

U.S. electricity demand is rising, and supply chains for critical grid infrastructure are struggling to keep up. This is particularly true for components like transformers, which are essential for expanding EV charging capacity. A recent Wood Mackenzie report highlights severe shortages for large transformers (500 kVa and greater) that are needed for fast EV charging sites, with lead times stretching to 18–24 months or longer. With the complexity of the supply chain, its distributed nature, and its slow speed to react, this has the potential to impede modernization and expansion of U.S. electricity networks. These constraints not only delay EV charging deployment but also create obstacles to connecting renewable projects, data centers, and advanced manufacturing facilities to the grid. Without significant improvements in supply chain resilience, these shortages threaten Michigan's goal of deploying 100,000 EV chargers by 2030, including at least 10,000 fast chargers.

FIGURE 01. Transfer demand will continue to surge over the next ten years.



Source: Wood Mackenzie

CURRENT ISSUES

The growing demand for EV fast charging presents a significant opportunity to expand domestic manufacturing and attract energy supply chain companies to Michigan. Many fast-charging sites are now installing 4 to 8 dispensers, requiring utility connections of 1 MW to 2.8 MW or greater. This trend will continue as EV adoption rises, particularly with the megawatt charging standard (MCS) emerging for medium- and heavy-duty EVs at fleets. These developments will drive increased demand for various critical energy components, including transformers, switchgear, power electronics, and grid monitoring systems, creating a significant opportunity for domestic production.

Beyond EV charging, these components are essential for integrating renewable energy projects, modernizing transmission and distribution infrastructure, and ensuring grid reliability. Michigan's investor-owned utilities plan to invest billions of dollars in these types of components to meet the state's clean energy and grid resiliency goals. Connecting this demand to Michigan's existing manufacturing capabilities presents a significant economic development opportunity to strengthen local production of transformers, high-voltage cables, inverters, and other key equipment, while simultaneously reducing Michigan's dependence on a single sector. We can make the state's economy more resilient by shifting suppliers in need of diversification opportunities into the energy sector, alleviating supply chain bottlenecks that impact our deployment timelines and positioning Michigan as the supplier source for other states that will also need this equipment.

RECOMMENDATION

Michigan must develop a robust local supply chain for critical energy equipment to support the transition to an electrified transportation system, enable fast-charging infrastructure, and create a more resilient, diversified statewide economy. To address these challenges and seize upcoming economic development opportunities, CFME recommends the following policy actions to grow the number of local suppliers that can produce critical energy equipment:

- **Supplier Diversification:** Utilize public-private partnerships to support the development of robust supply chains in Michigan capable of producing the technology and equipment needed for the buildout of critical energy infrastructure.
    - Increase and scale access to technical assistance that existing manufacturers need to grow, enter new markets, and create new product lines to meet the demand for critical technologies and components.
    - Enhance access to capital, financing, and grant opportunities, allowing companies to retool facilities and retrain workforces for new supply chains.
    - Leverage insights into current and future demand to attract companies that can meet the growing need for energy components to close the most critical supply gaps that exist today and invest in the critical technologies most likely needed in the future, ensuring the stability and growth of Michigan's manufacturing sector.
- **Business Attraction:** Actively recruit relevant companies to Michigan to strengthen the state's position in the energy sector.
- **Federal Alignment:** Monitor, align, and support federal legislative action such as the Credit Incentives for Resilient Critical Utility Infrastructure and Transformers Act (CIRCUIT Act, US SB 448), which aims to expand the Advanced Manufacturing Production Credit (45X) to include distribution transformers.

These recommendations complement the Community & Worker Economic Transition Office initiatives. In partnership with the MEDC, the Office developed a partnership with the state's largest utilities to grow and diversify the state's energy supply chain. Partners are coordinating on pressing supply chain needs, identifying existing manufacturers with the products and/or capabilities to meet those needs, and facilitating procurement connections. The Office is also partnering with trade organizations to create technical assistance programming to assist suppliers with entering these new supply chains and developing a platform connecting manufacturers with public, private, and nonprofit resources and training to grow and diversify their businesses.

APPENDIX 04 Recommendation 2025-04 / Statewide Transit Plan

TOPLINE

- Michigan requires a unified blueprint for a connected, reliable, and efficient multimodal public transportation system.
- The Growing Michigan Together Council found that Michigan "lacks a coordinated transit network that allows Michiganders and visitors alike to reliably use it to get from downtowns to suburbs and to connection points that will take them anywhere in the world."[1]
- A Statewide Transit Plan will align state, regional, and local priorities; close connectivity gaps; and position Michigan to compete for federal funding to modernize its transit systems.

BACKGROUND

Public transportation is essential to Michigan's economic competitiveness, quality of life, and environmental goals. Michigan has 80 public transit agencies — 23 serving urbanized areas (or a combination of urban and rural) and 57 serving rural areas (including four that operate ferry services) — plus multiple intercity bus providers and passenger rail routes. According to the American Society of Civil Engineers' (ASCE) 2023 Michigan Infrastructure Report Card, "The reliability and availability of transit services in many areas is inadequate to meet demand or attract new riders. Existing fleets and facilities are aging. Over the next 25 years, public transit in Michigan needs $17.3 billion in investment."[2]

The Michigan Department of Transportation's MM2045 Statewide Transit Strategy[3] identified recurring statewide challenges:

- Connectivity gaps within and between regions, including limited first/last-mile connections and lack of direct service to major airports and intercity hubs.
- Inconsistent planning for high-priority transit projects across regions.
- Funding instability, with operating expenses projected to outpace revenues.
- Workforce shortages for operators and mechanics.
- Need for integration of passenger rail into broader multimodal planning.

Other states have addressed similar challenges by developing statewide transit plans. For example, Colorado has drafted its 2050 Statewide Transit Plan,[4] now in the public comment period. According to the Colorado Department of Transportation (CDOT), "the plan will serve as a guide for CDOT and its partners in making decisions on implementing and funding transit

projects, minimize duplication of services, leverage limited funds, and improve coordination of services." Illinois created its first statewide transit plan in 2018 and is now developing a successor.[5] Other states with statewide transit plans include Texas, California, and Georgia.

In Michigan, the Regional Transit Authority of Southeast Michigan (RTA) has developed a Regional Transit Master Plan that is updated annually to reflect transit goals, priorities, trends, accomplishments, and regional opportunities for growth.[6] Many local transit agencies also produce urbanized area long-range planning or strategic documents to guide their communities' long-term visions.

CURRENT NEED

Michigan lacks a comprehensive statewide plan to prioritize and coordinate transit across all its communities with wide-ranging needs. While MDOT produces long-range capital plans for road and bridge infrastructure, no equivalent plan exists to guide transit planning at the scale needed to:

- Integrate state, regional, and local priorities into a unified investment framework
- Connect travelers to major infrastructure assets such as airports (DTW, GRR) and intercity passenger rail, as well as other key transportation hubs (jobs, health care, education, housing, etc.).
- Enable frequent, safe, and reliable public transit service both within and between Michigan's major cities.
- Ensure that citizens in rural areas of the state have access to essential goods and services including jobs, education and healthcare.
- Identify state and federal funding opportunities

Without such a plan, Michigan risks not maximizing its federal funding opportunities, duplicating efforts across regions, and falling short of the Growing Michigan Together Council's vision for thriving, resilient communities that attract and retain talent.

RECOMMENDATIONS

Given the current fragmentation in transit planning, CFME recommends developing and adopting a Statewide Transit Plan coordinated by MDOT that integrates existing state, regional, and local transit and passenger rail plans. The plan should:

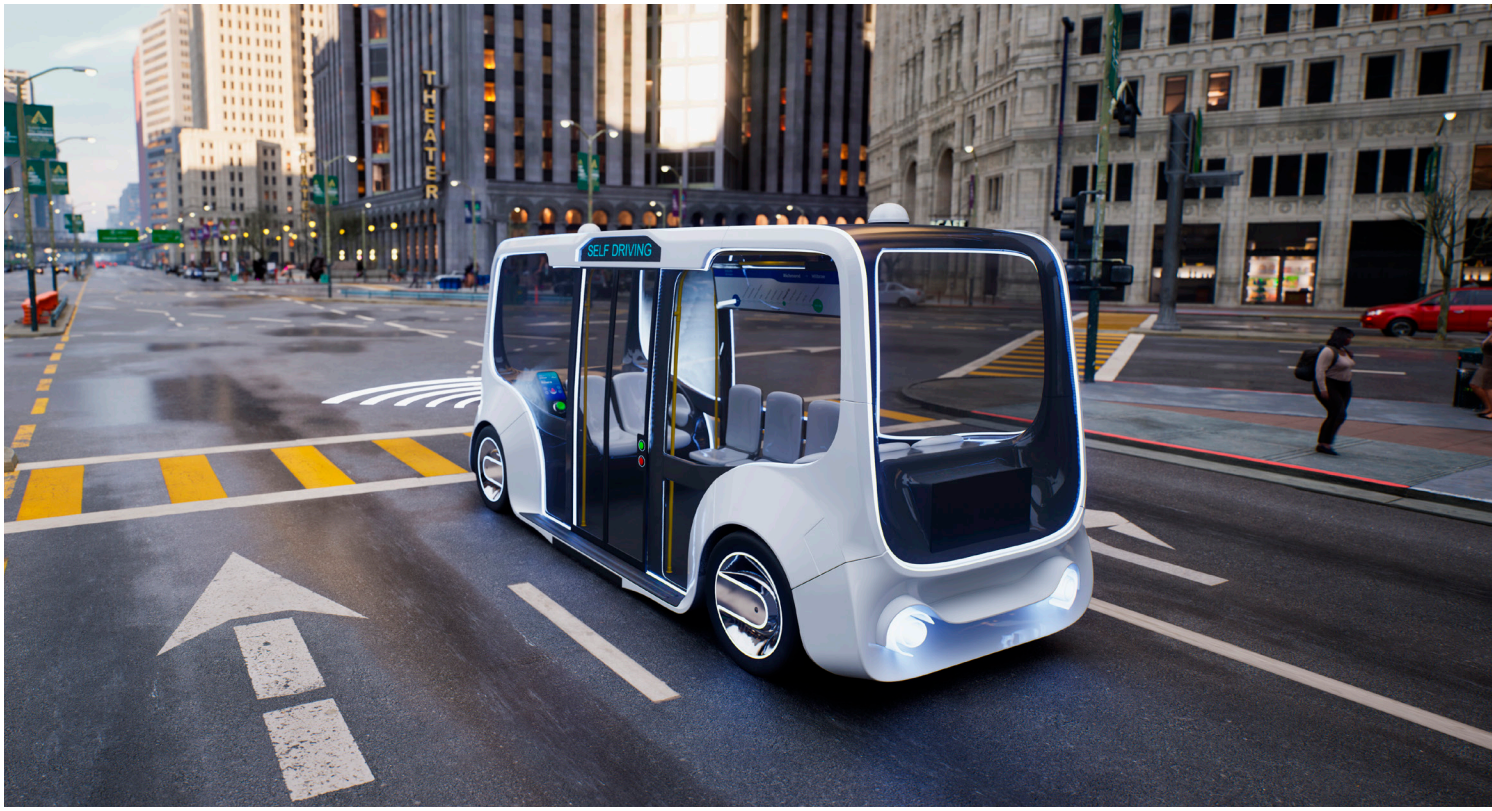
- **Develop a unified capital investment framework by integrating state, regional, and local priorities.** Define priority corridors, service improvements, and capital projects for the next 10–25 years; establish statewide goals and program areas; and outline clear, actionable steps for implementation. Also, benchmark statewide transit plans from

states such as Colorado, Illinois, and others, focusing on governance, funding, priority-setting, and integration of services to adapt proven strategies to Michigan's context in alignment with the ongoing work of our transit agencies.

- **Conduct a comprehensive statewide needs and funding assessment** to quantify current and projected service gaps, capital and operating requirements, and potential revenue sources. This analysis should include Title VI review, evaluate impacts on underserved communities, model multiple investment scenarios to guide decision-making, and leverage existing assessment programs like Community Health Improvement Plans (CHIP) and Community Health Needs Assessments (CHNA).

- **Establish a performance measurement framework** with defined outcome categories, metrics, and targets to track progress toward mobility, access, and environmental goals. The framework should be tied to the plan's recommendations and support transparent reporting to policymakers and the public.

- **Implement a robust stakeholder and public engagement process** to ensure meaningful participation from transit providers, metropolitan planning organizations, local governments, community organizations, and residents — particularly underserved and rural populations — and use the plan to position Michigan competitively for state and federal transit and rail funding.



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