

November 8, 2021

Subject: 2020 Decennial Census Impact on Michigan Transportation Fund Distributions

The purpose of this notice is to provide information on the potential impact on state transportation funding to your community due to the 2020 Decennial Census. State motor fuel taxes and registration fees are deposited into Michigan Transportation Fund (MTF) and Michigan Highway Law, Public Act 51 of 1951, statutorily directs the amount distributed to each local unit. This distribution formula is, in part, based on population.

A comparison table of population changes from 2010 to 2020 was generated utilizing new 2020 census data. This comparison is available for viewing at the links below.

Counties:

[https://www.michigan.gov/documents/mdot/Counties\\_Census\\_2020\\_vs\\_2010\\_740317\\_7.pdf](https://www.michigan.gov/documents/mdot/Counties_Census_2020_vs_2010_740317_7.pdf)

Cities/Villages:

[https://www.michigan.gov/documents/mdot/Cities\\_Villages\\_Census\\_2020\\_vs\\_2010\\_740318\\_7.pdf](https://www.michigan.gov/documents/mdot/Cities_Villages_Census_2020_vs_2010_740318_7.pdf)

According to Public Act 51 of 1951, as amended, “population means the population according to the most recent statewide federal census as certified at the beginning of the state fiscal year.” Therefore, these MTF distribution changes will occur with the payments scheduled for December 3, 2021.

Population is one of the factors in the Act 51 formula by which MTF is distributed to local units of government. Population impacts the MTF distribution in several ways:

1. The MTF formula utilizes population as a direct factor in calculating distribution for Counties. **MCL Section 247.662 of P.A. 51 of 1951, as amended, also known as Section 12(7)(b) states:** “(7)(b) Thirty-five percent of the amount in the same proportion that the total population outside of incorporated municipalities in each county bears to the total population outside of incorporated municipalities in all of the counties of the state, according to the most recent statewide federal census as certified at the beginning of the state fiscal year.”

2. The MTF formula utilizes population as a direct factor in calculating distribution for Cities/Villages. **MCL Section 247.663 of P.A. 51 of 1951, as amended, also known as Section 13(4) states:** “(4) The amount returned under this subsection shall be returned to the cities and villages 60% in the same proportion that the population of each bears to the total population of all incorporated cities and villages in the state, and 40% in the same proportion that the total mileage of the local street system of each bears to the total mileage in the local street systems of all cities and villages of the state.”

3. For Cities/Villages, the MTF formula also uses population to weight the mileage of their major roads and trunklines (increases their mileage). The larger the population, the greater value of their major and trunkline roads. **MCL Section 247.663 of P.A. 51 of 1951, as amended, also known as Section 13(3) states:** “(3) Seventy-five percent of the remaining amount to be returned to the cities and villages, after deducting the amounts withheld pursuant to subsection (2), shall be returned 60% in the same proportion that the population of each bears to the total population of all cities and villages, and 40% in the same proportion that the equivalent major mileage in each bears to the total equivalent major mileage in all cities and villages. As used in this section, "equivalent major mileage" means the sum of 2 times the state trunk line mileage certified by the state transportation department as of March 31 of each year, as being within the boundaries of each city and village having a population of 25,000 or more, plus the major street mileage in each city and village, multiplied by the following factor:

- 1.0 for cities and villages of 2,000 or less population;
- 1.1 for cities and villages from 2,001 to 10,000 population;
- 1.2 for cities and villages from 10,001 to 20,000 population;
- 1.3 for cities and villages from 20,001 to 30,000 population;
- 1.4 for cities and villages from 30,001 to 40,000 population;
- 1.5 for cities and villages from 40,001 to 50,000 population;
- 1.6 for cities and villages from 50,001 to 65,000 population;
- 1.7 for cities and villages from 65,001 to 80,000 population;
- 1.8 for cities and villages from 80,001 to 95,000 population;
- 1.9 for cities and villages from 95,001 to 160,000 population;
- 2.0 for cities and villages from 160,001 to 320,000 population;
- for cities over 320,000 population, by a factor of 2.1 increased successively by 0.1 for each 160,000 population increment over 320,000.”

If you need additional information or have any questions, please contact:

Adam Feldpausch, Administrator  
Financial Operations Division, Bureau of Finance and Administration  
425 West Ottawa Street Lansing, Michigan 48933  
Feldpauscha10@michigan.gov