

Michigan local leaders' perspectives on preparing for the end of ARPA funding

Findings from the Spring 2025
Michigan Public Policy Survey (MPPS)


Presented at
IPPSR Public Policy Forum
October 7, 2025

The Michigan Public Policy Survey

- **A census survey** –
all 1,856 Michigan counties, cities, villages, and townships
- **Local government respondents** –
top elected and appointed officials
- **Administered** –
online and via hardcopy
- **Topics** –
examples include fiscal health, government operations and budget policies, elections, energy, roads, poverty, civic engagement, water infrastructure, employee policies and labor unions, housing, environmental sustainability, and much more.



MPPS is not a typical opinion poll

- 
- **70%+** response rates
 - **Transparency**
 - ~ Questionnaires online
 - ~ Pre-run data tables online
 - ~ Sharing of (anonymized) datasets with other researchers
 - **Research partnership with MAC, MML, MTA and others**



How did the Spring 2025 wave shape up?

Responses from 1,328 Michigan local governments (**72%**)

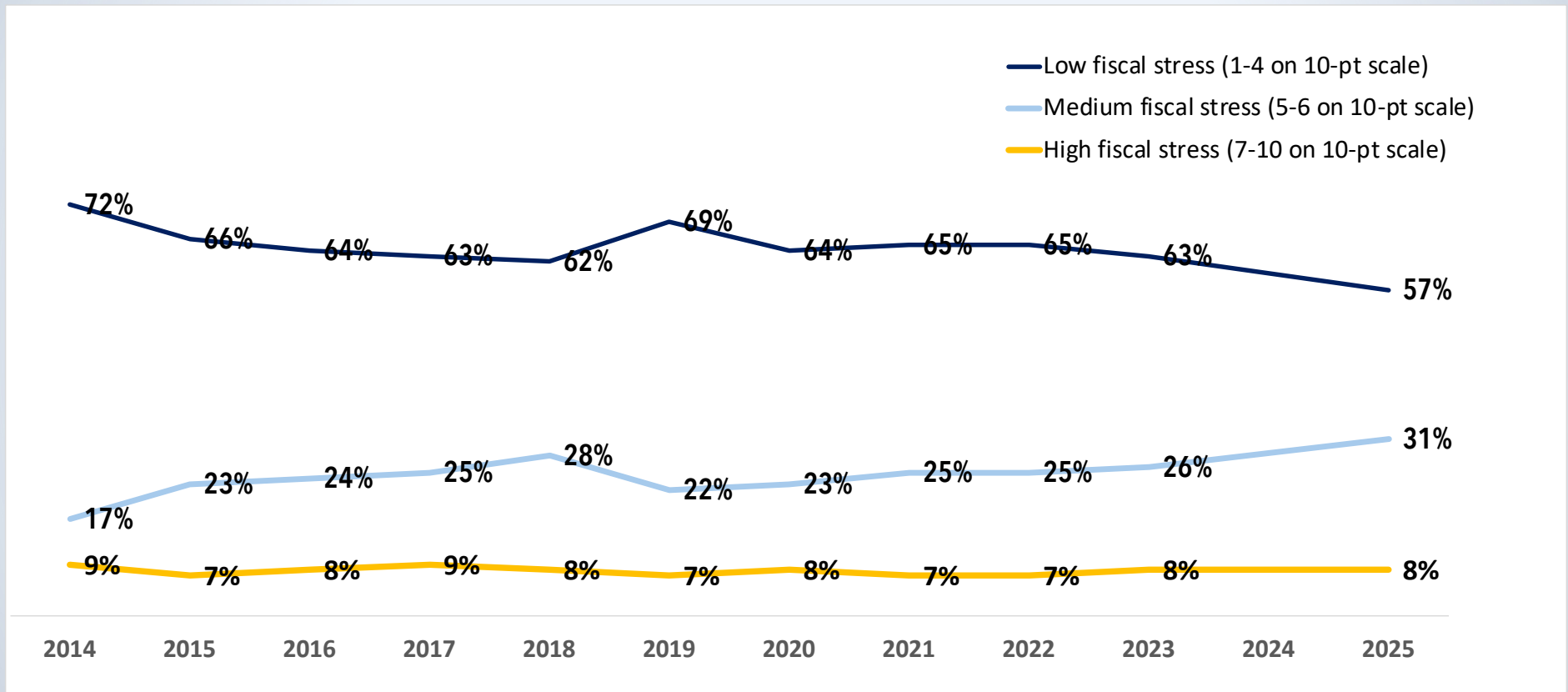
- 72 counties (**87%**)
- 208 cities (**74%**)
- 162 villages (**64%**)
- 886 townships (**71%**)



**How are local leaders feeling
about their overall fiscal health
today?**



Statewide, concerns about local governments' fiscal stress are edging upward

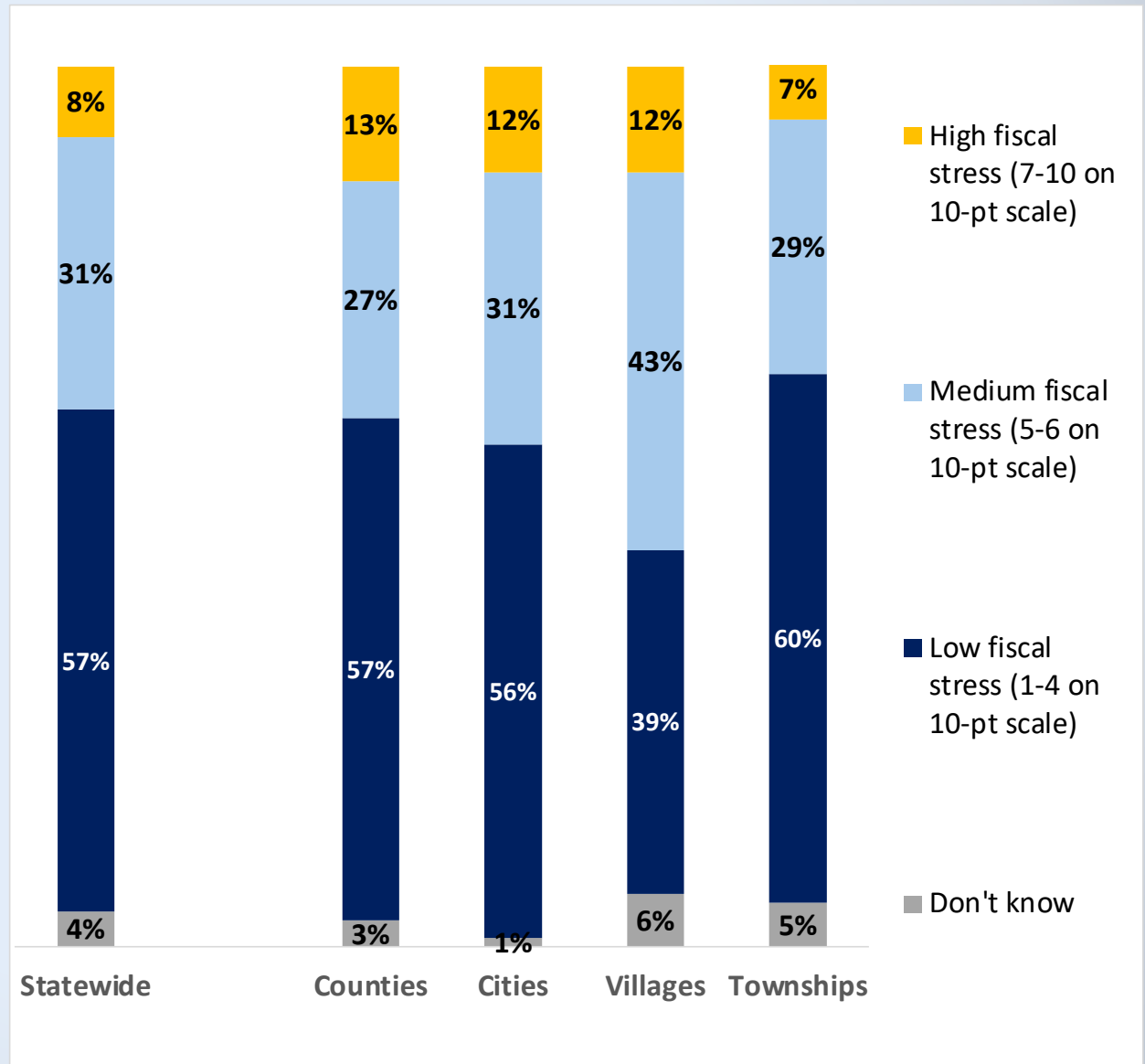


“Think about the overall fiscal stress in your jurisdiction today and what you expect it to be down the road, including any future financial obligations it may have... how would you rate your jurisdiction’s overall fiscal stress today?”



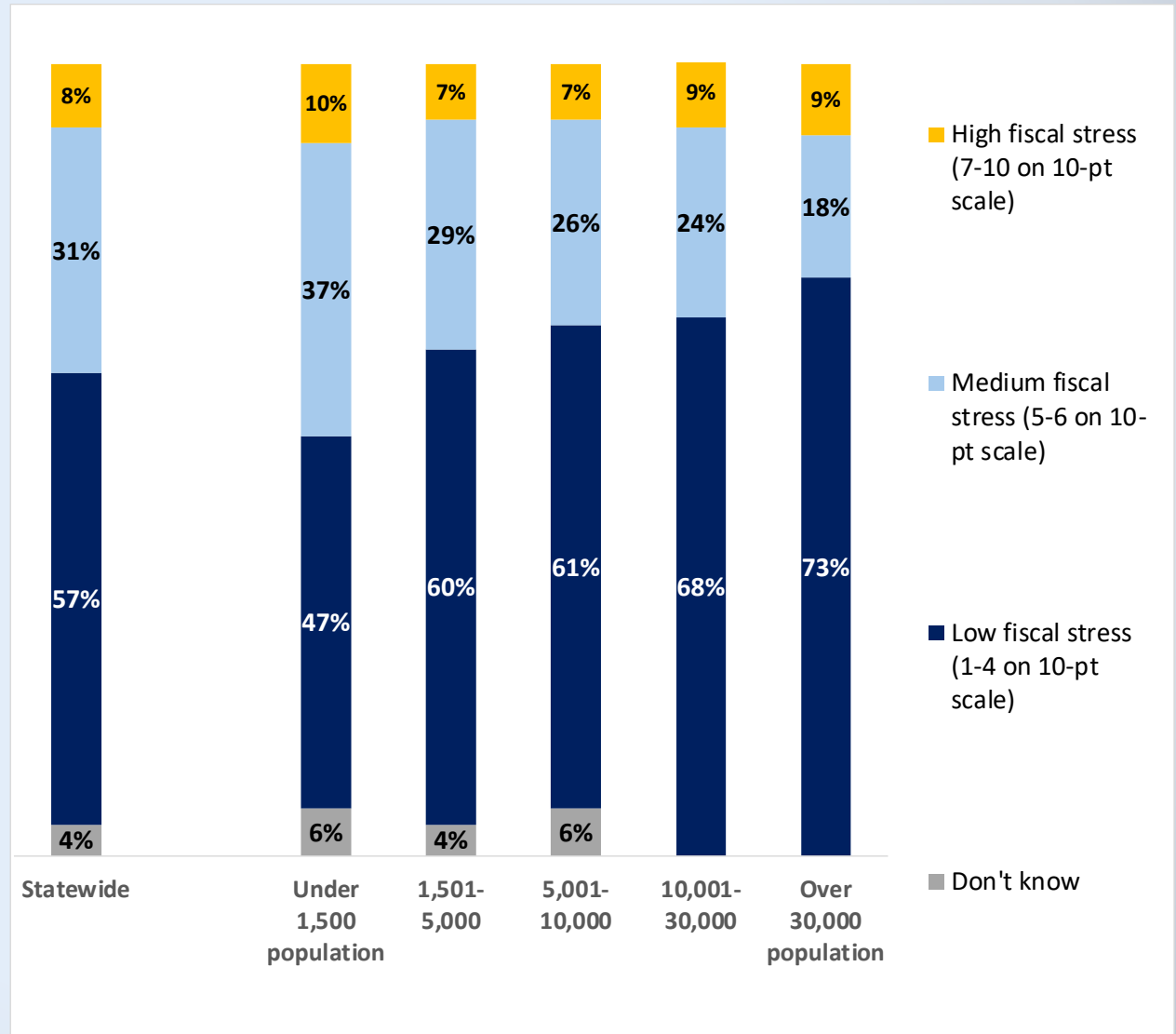
**Growing
concerns
about local
governments'
fiscal stress
found in all
jurisdiction
types,
particularly
among **village
leaders****

"Think about the overall fiscal stress in your jurisdiction today and what you expect it to be down the road, including any future financial obligations it may have... how would you rate your jurisdiction's overall fiscal stress today?"



“Think about the overall fiscal stress in your jurisdiction today and what you expect it to be down the road, including any future financial obligations it may have... how would you rate your jurisdiction’s overall fiscal stress today?”

Small communities in general express the most concern about fiscal stress in 2025.



***Are local leaders concerned
about loss of federal and state
funding?***

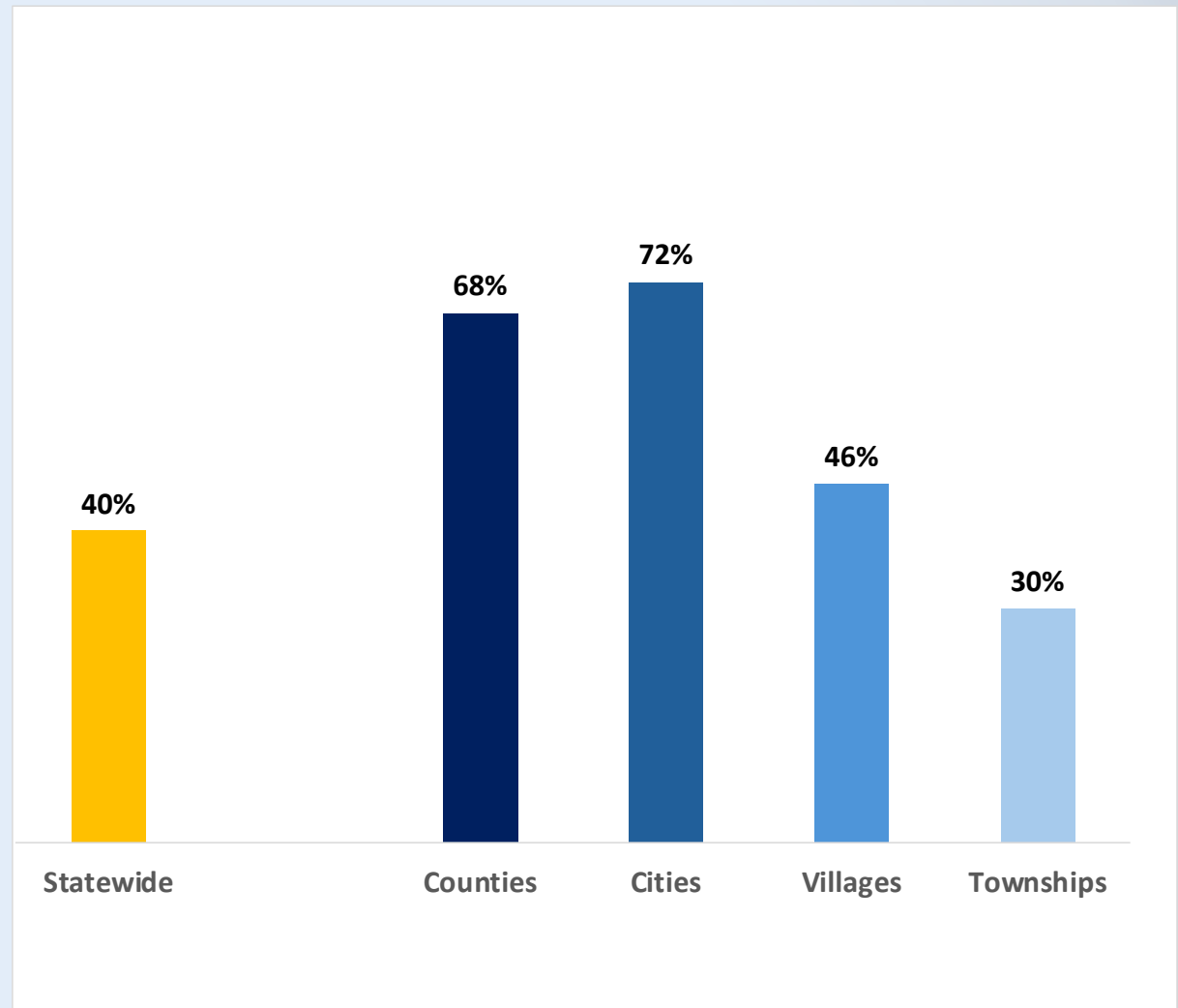


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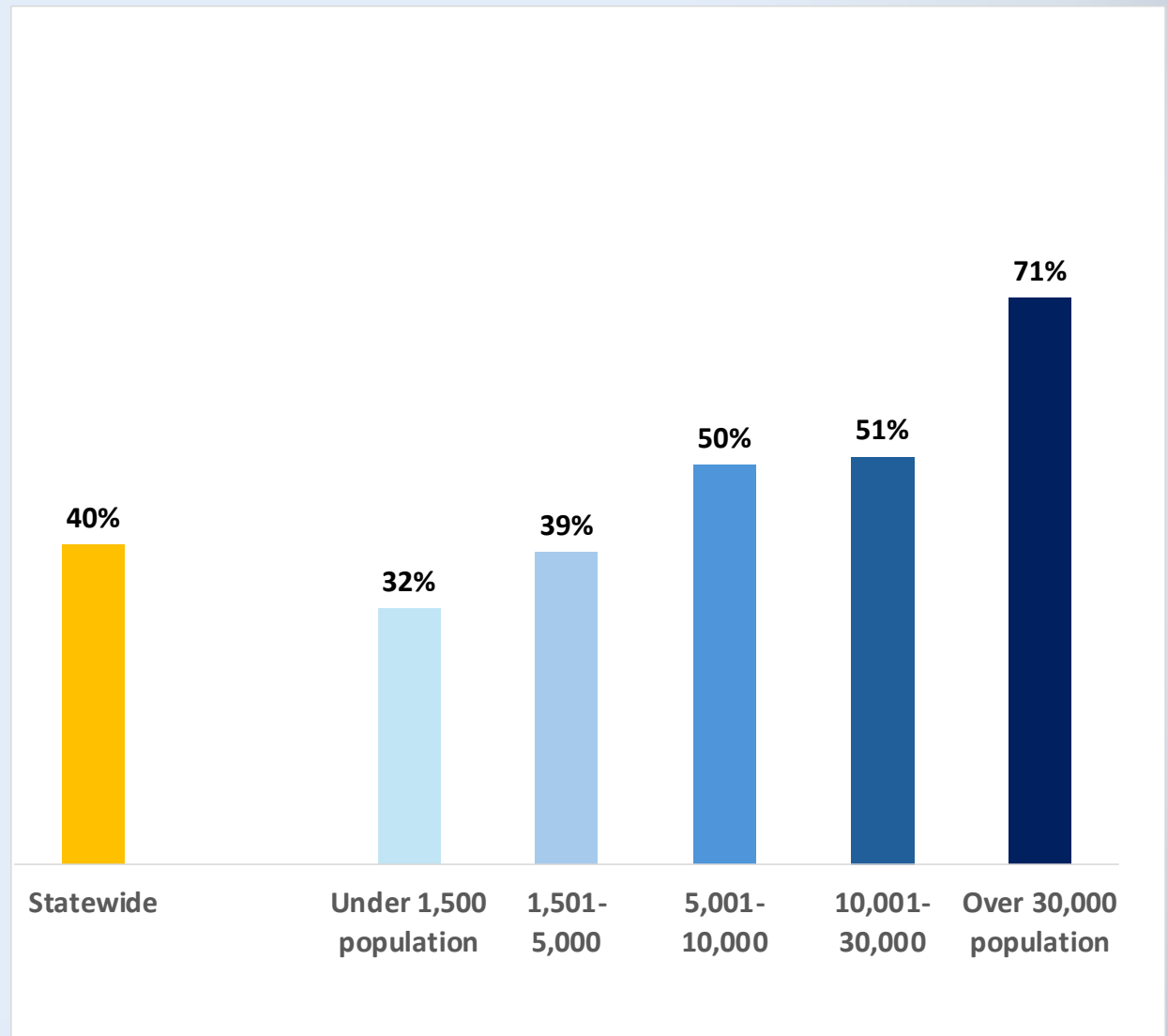
Statewide, 40% believe the loss or pause of at least one type of federal or state funding source will be a problem for their jurisdiction's fiscal health.

"To what extent might the end (or pause) of any large federal or state funding programs pose a problem for your jurisdiction's fiscal health in the next five years?"



**Over 70% of
the state's
largest
jurisdictions
believe loss of
federal or state
funding will be
a problem for
their
jurisdiction's
fiscal health.**

"To what extent might the end (or pause) of any large federal or state funding programs pose a problem for your jurisdiction's fiscal health in the next five years?"

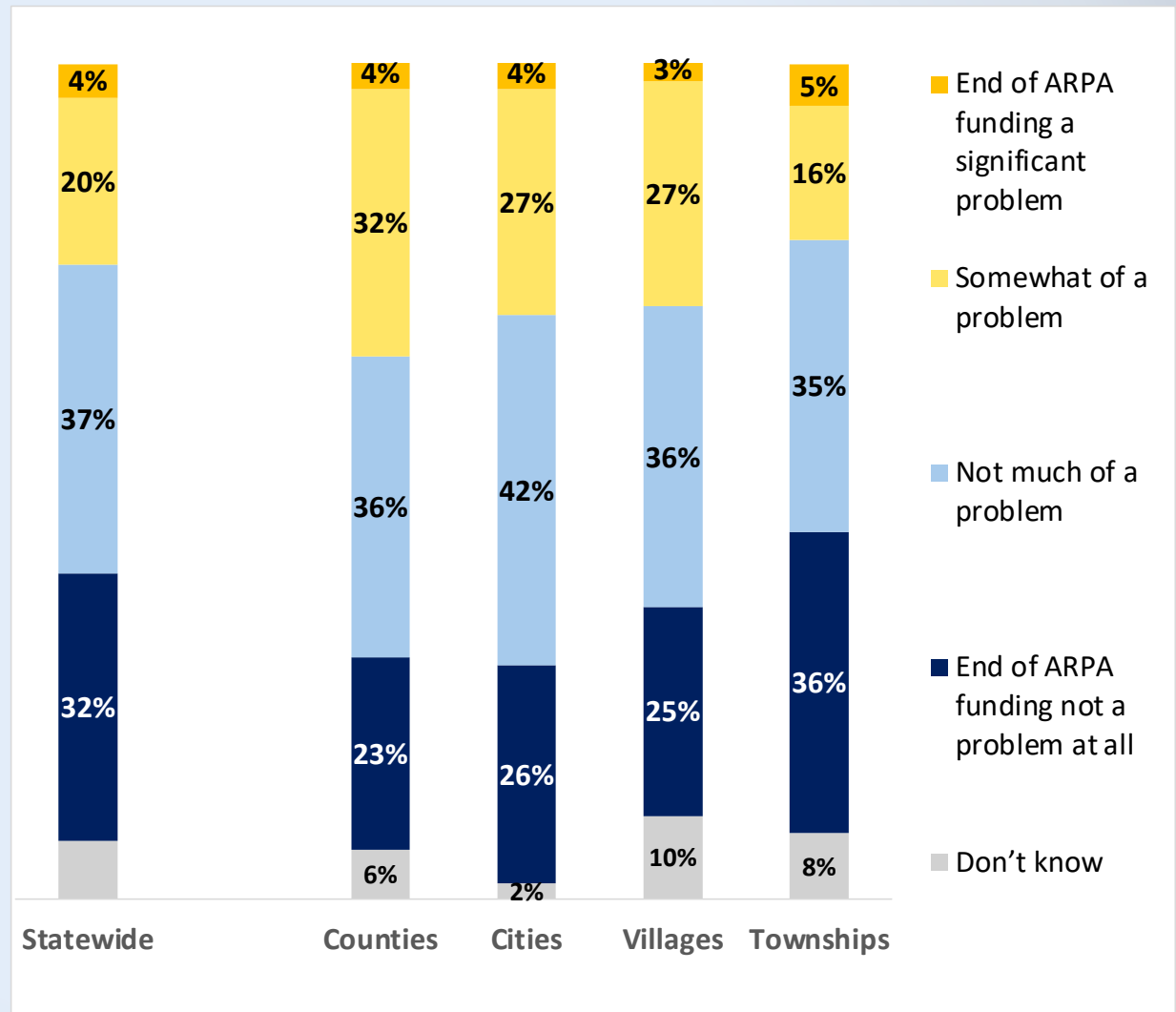


***Are local leaders concerned
about loss of
ARPA funding in particular?***



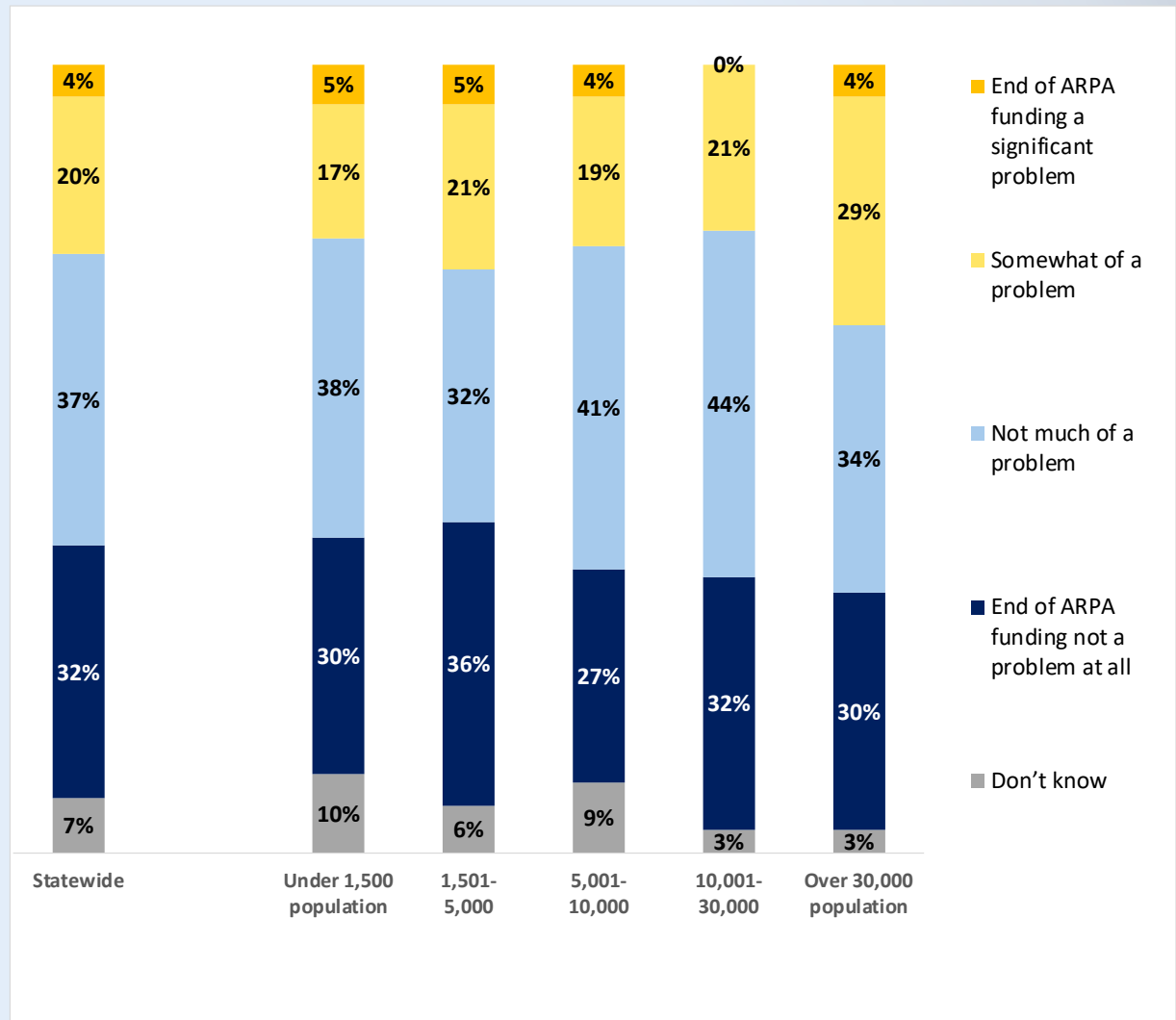
“To what extent might the end of short-term ARPA funding pose a problem for your jurisdiction’s fiscal health in the next five years?”

Statewide, 24% of believe the end of **ARPA funding** will be a problem for their jurisdiction’s fiscal health, including **36% of counties.**



“To what extent might the end of short-term ARPA funding pose a problem for your jurisdiction’s fiscal health in the next five years?”

One-third of Michigan’s largest jurisdictions predict the end of ARPA funding may cause somewhat or significant fiscal problems.



Who is planning ahead for the end of ARPA (and other federal funding)?

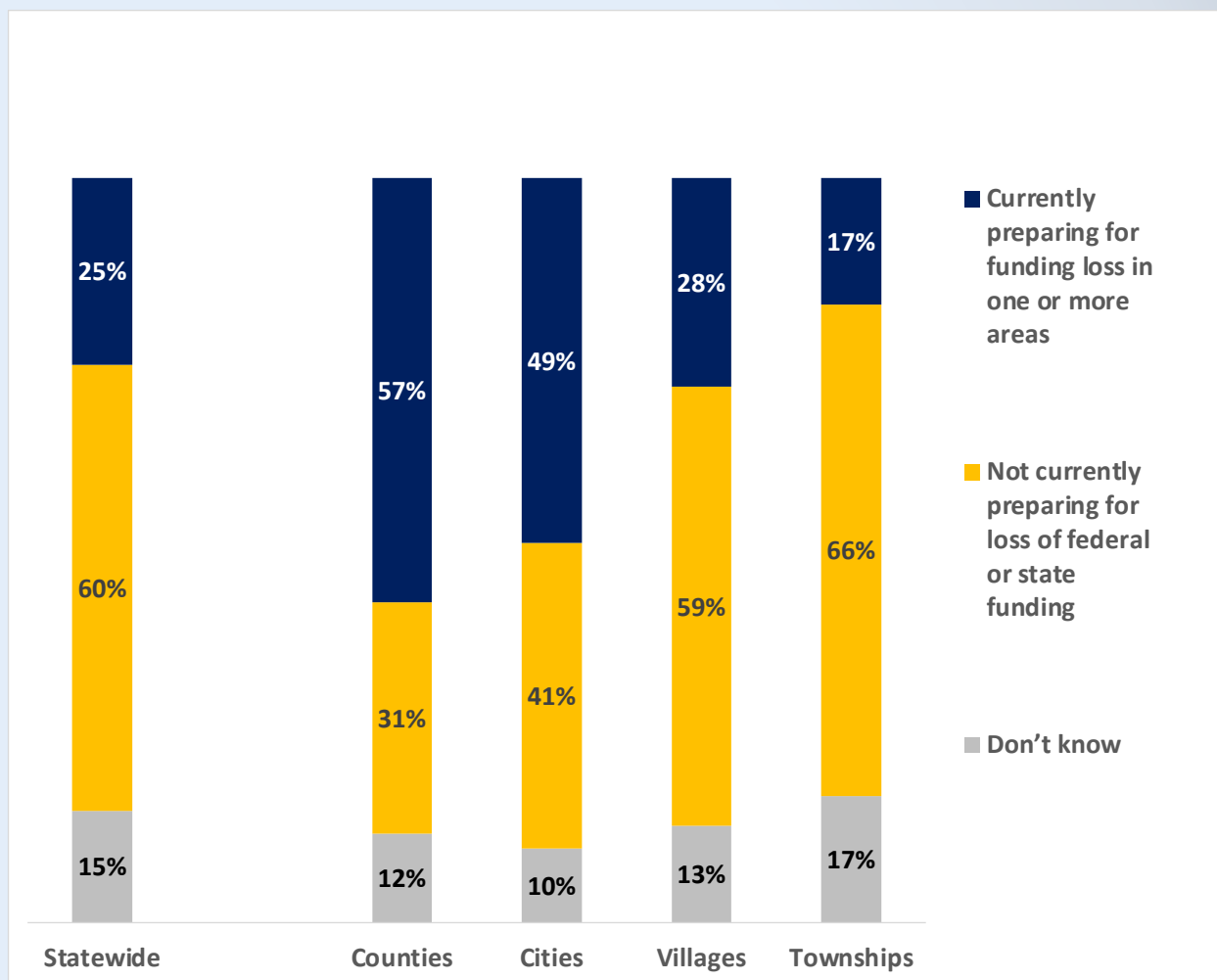


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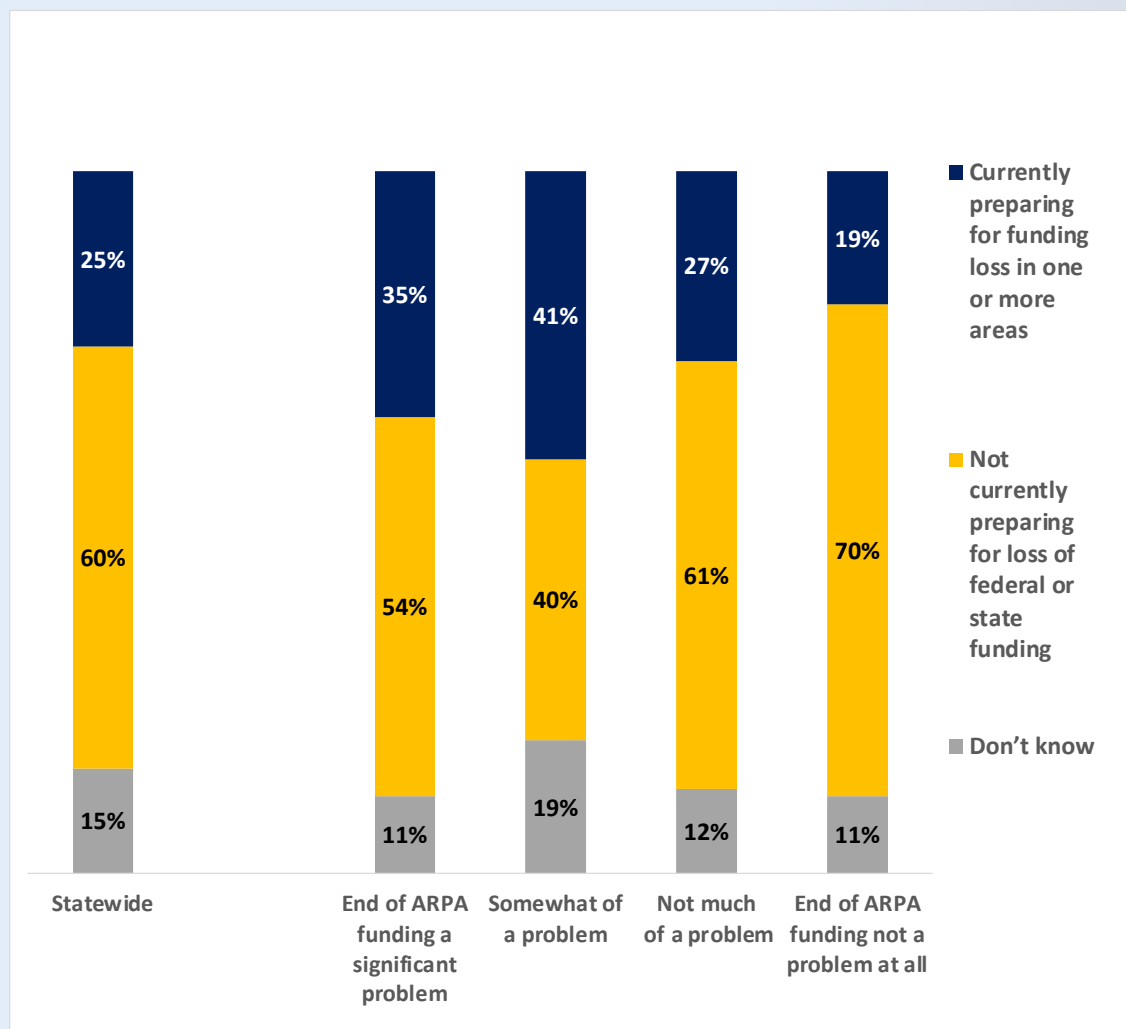
Fewer than half of officials from cities, villages, and townships statewide say they are preparing for the loss of funding. One in six are unsure.

“As far as you know, is your jurisdiction making plans or taking any specific actions to prepare for a potential loss of federal or state funds...?”



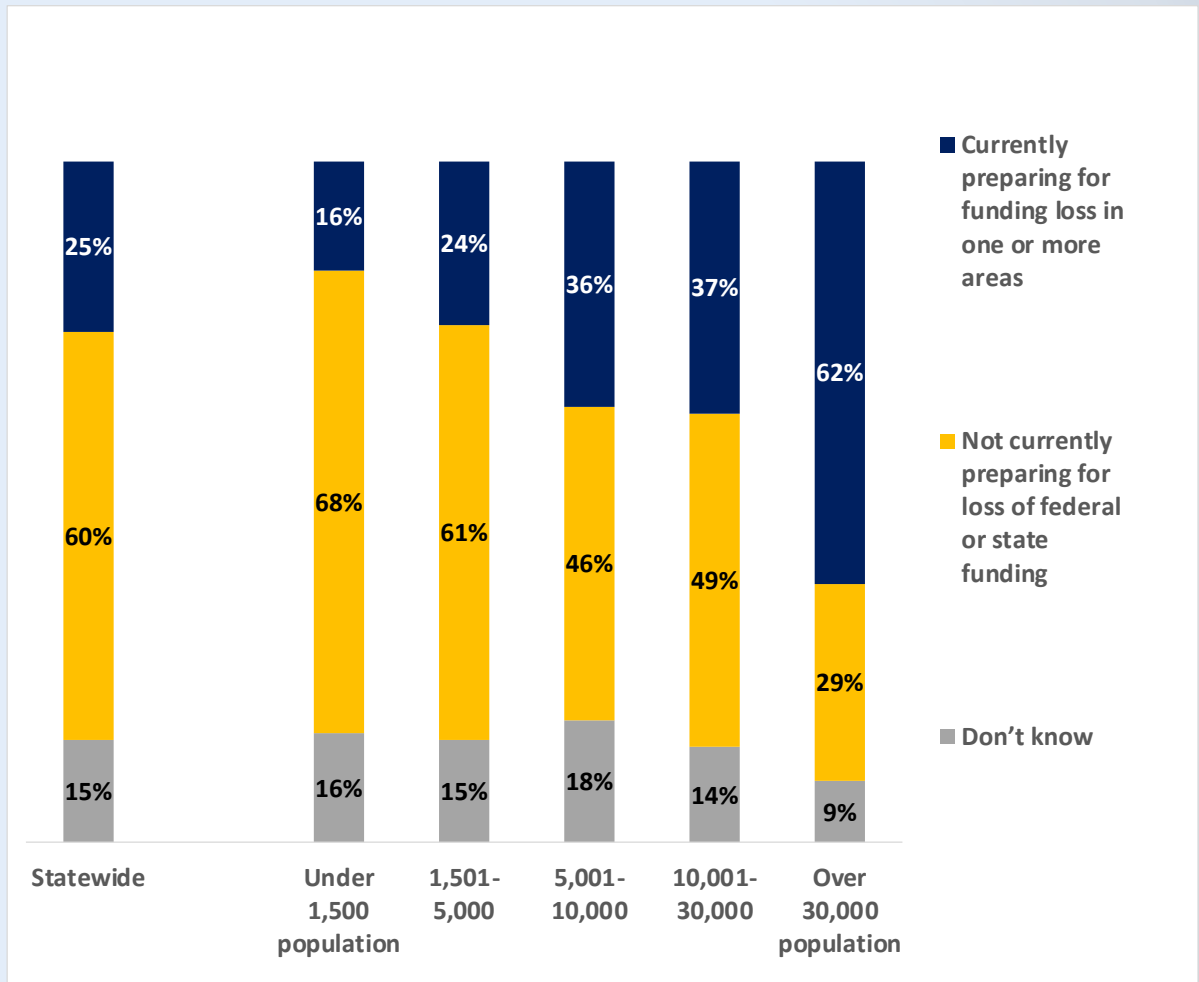
Less than half
of jurisdictions
where officials
say end of
ARPA funding
will be a fiscal
problem say
they are
preparing for
the loss of
funding.

“As far as you know, is your jurisdiction making plans or taking any specific actions to prepare for a potential loss of federal or state funds...?”



“As far as you know, is your jurisdiction making plans or taking any specific actions to prepare for a potential loss of federal or state funds...?”

However,
most of the
largest
jurisdictions
say they are
preparing for
the loss of
funding.



**Among places that are
planning ahead for funding
loss, where are they taking
specific actions?**



Some focused on **water and sewer infrastructure** and **other capital improvements**, two of the most commonly reported uses of ARPA funds

	Statewide	Counties	Cities	Villages	Townships
Other capital improvements	14%	20%	31%	17%	8%
Water & sewer infrastructure	12%	4%	33%	19%	5%
Economic development	11%	25%	25%	9%	7%
Public safety	10%	25%	24%	9%	7%
Other areas	7%	15%	13%	10%	4%
Energy program/infrastructure	5%	13%	12%	6%	3%
Transportation	5%	13%	15%	4%	3%
Health and social services	4%	37%	6%	3%	1%
Housing	4%	16%	15%	3%	1%



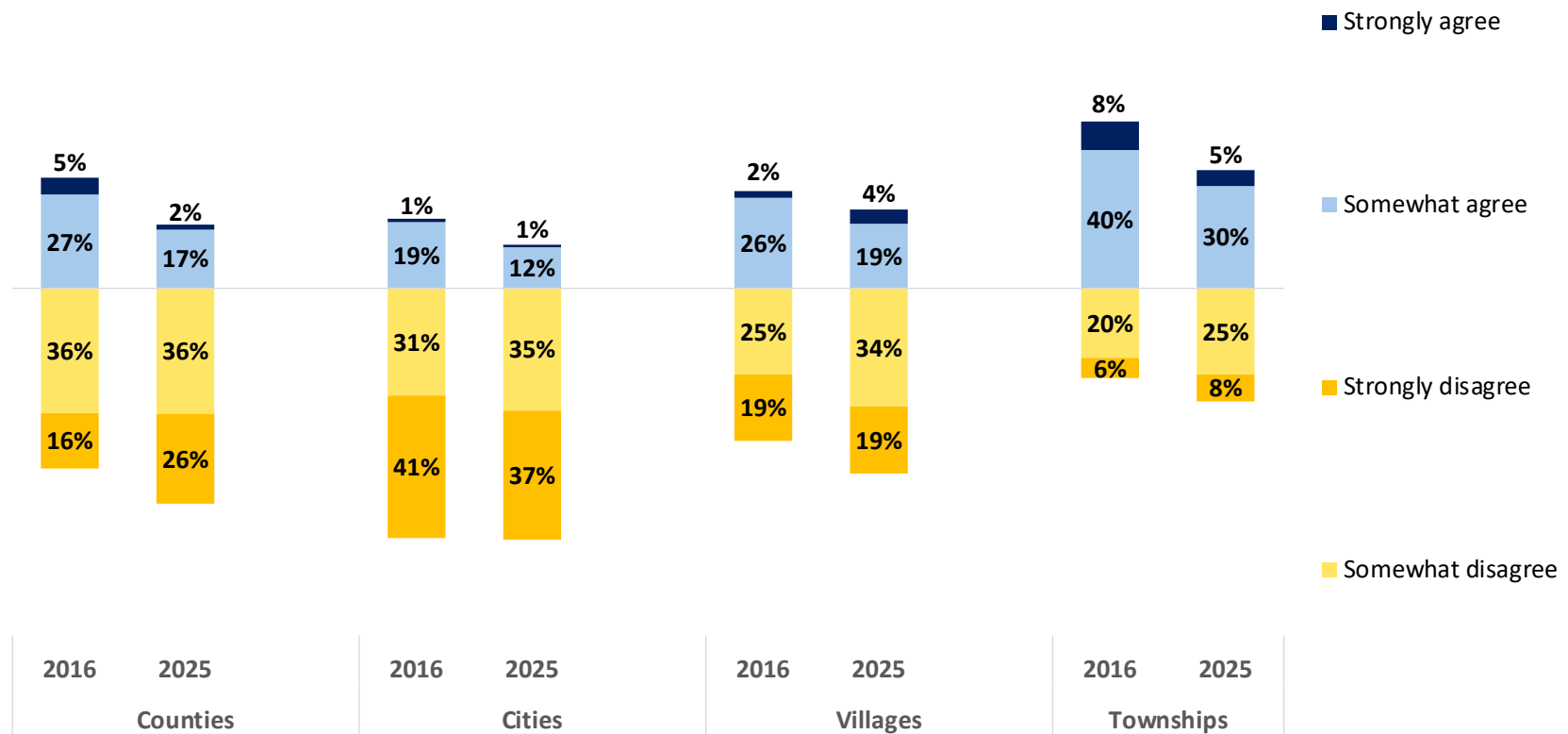
**How are local leaders feeling
about their fiscal health for the
future?**



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Local leaders have become increasingly **pessimistic** about **maintaining service provision** under of Michigan's current system of taxation and revenue sharing.



“Thinking about the revenue caps facing your jurisdiction (for example, the Headlee Amendment, Proposal A, etc.), do you agree or disagree that Michigan’s current system of funding local government will provide adequate funding to maintain the current quantity and quality of services your jurisdiction provides?”

And for additional information on MPPS data

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