The 5 Buckets of Michigan Road Funding

Inspired by Lew Kidder, a passionate supporter of Washtenaw County roads

Michigan road construction is funded by a patchwork of federal, state and local taxpayer dollars. Funds are distributed through the federal fuel tax, state fuel tax, license and registration fees. In some areas of the state, a small portion of property taxes, collected through millages, helps fund roads.

Once collected, this money is invested in the road system based on the type of road, summarized with the “5 buckets” below. For more information, visit wcroads.org or call (734) 761-1500.

### Interstate Freeways
- **E.g.:** I-94
- **Purpose:** Connect states
- **Responsible Agency:** Michigan Department of Transportation (MDOT)
- **Funding Sources**
  - Federal Highway Trust Fund
  - Michigan Transportation Fund (MTF) - state portion

### State Highways
- **E.g.:** M-52
- **Purpose:** Connect counties
- **Responsible Agency:** Michigan Department of Transportation (MDOT)
- **Funding Source:** Michigan Transportation Fund (MTF) - state portion

### County Primary Roads
- **Purpose:** Connect local communities
- **Responsible Agency:** County road commission
- **Funding Source:** Michigan Transportation Fund (MTF) - county portion
- **Supplemental Funding Options**
  - Federal and state grants
  - County-wide millage

### Local Collector Roads
- **Purpose:** Connect homes and businesses to cities and villages
- **Responsible Agencies:** County road commission and township government
- **Funding Sources**
  - WCRC’s annual local road matching program
  - Township funds
- **Supplemental Funding Options**
  - Township-wide millage
  - Township-wide SAD*

### Subdivision Roads
- **Purpose:** Provide access to people who live or work there
- **Responsible Agencies:** County road commission and township government
- **Funding Sources**
  - WCRC’s annual local road matching program
  - Township funds
- **Supplemental Funding Option**
  - Neighborhood SAD*

*Special Assessment District (SAD)- an area where a majority of property owners agree to tax themselves in exchange for a service, such as road work, over and above routine maintenance. Townships can initiate a township-wide SAD or a neighborhood SAD. Residents may petition for a neighborhood SAD.