

Oct. 3, 2025

## Constitutional revenue sharing funds to decrease, statutory revenue sharing flat as result of budget and road funding

The state budget was finalized in the legislative session that began Thursday and ended in the morning hours on Friday. The budget **retains statutory revenue sharing** to be funded for all townships at the fiscal year 2025 level, but **constitutional revenue sharing is reduced** by approximately 6.3% for the new state fiscal year. This reduction comes as part of the budget/road funding deal adopted early Friday morning that will remove the state's sales tax, effective Jan. 1, 2026, from the sale of fuel at the pump, negatively impacting constitutional revenue sharing. This decreases the originally anticipated sales tax revenues available for distribution under constitutional revenue sharing by \$63 million in FY 2026 for townships, cities and villages, as no backfill was provided for the loss to local units of government.

Under the budget, statutory revenue sharing, which was returned to hundreds of townships in FY 2025 after nearly two decades of state funding, will remain flat for the state's new FY 2026. You can view your township's [City, Village and Township and constitutional revenue sharing estimates for FY 2026](#). *Please note these are preliminary estimates and subject to change.*

Funding for a new **public safety revenue sharing grant** was included in the budget with \$35 million annually available for three years to townships, cities and villages and an additional \$7.5 million one-time funding. You can view your township's [preliminary FY 2026 public safety estimates](#) note the local unit calculation is based on the average of the two highest annual violence crime counts over the last three years in the crime report submitted by your township to the Michigan State Police. The funds must be used only for the operational and capital expenditures for public safety purposes. Of the amount, 75% must be used to fund directly or indirectly law enforcement agencies or officers. Up to 25% may be used to fund other non-law enforcement-related public safety initiatives, such as improving recruitment or retention efforts, training programs, equipment purchases, programs designed to reduce identified risks to public safety, crime diversion programs, operational emergency medical or firefighter services, and capital improvements to public safety buildings/structures. MTA will share additional details when available on reporting timelines and requirements.

The budget includes one-time funding of \$8 million to assist with the purchase of **fire equipment or fire gear** for firefighters. From this amount, \$4 million must be distributed to local units of government with predominately on-call, part-time or volunteer fire departments. MTA will share additional details on applying for these funds when available.

Additionally, an increase of \$13.4 million was included in the

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## Upcoming MTA Training

### [2025 Professional Development Retreats](#)

Oct. 14-15: [Supervisors](#)

Oct. 27-28: [Trustees](#)

Oct. 29-30: [Planning & Zoning](#)

Oct. 22: *Now You Know*  
Lunchtime Webinar: [Wait, I Can Get in Trouble for That?!](#)

## MTA QUICK LINKS

[Answer Center](#)  
[Training](#)  
[Advocacy](#)  
[Classifieds](#)  
[Community Connection](#)  
[Webcasts](#)  
[Store](#)  
[Township Governance Academy](#)  
[Allied Service Providers](#)  
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## ALLIED SERVICE PROVIDERS



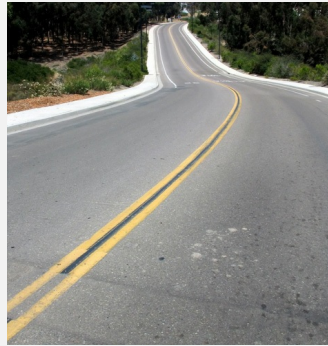
[www.Acrisure.com/GreatLakes](http://www.Acrisure.com/GreatLakes)

budget for lead service line removal and replacement, as well as \$34 million in one-time funding for grants and loans to support local government water infrastructure projects.

MTA thanks all members who contacted their legislators during the last two weeks to preserve constitutional revenue sharing revenues.

## Road funding deal approved

The long-awaited, long-term road funding plan cleared the Legislature early today after gaining support for the new revenue and will be signed by the governor. Under the plan, \$1.5-\$1.8 billion in new revenue over the next five years will become available for roads, with a significant portion directed to local roads. Approved new funding includes a new 24% wholesale tax on marijuana (estimated \$420 million), \$1.1 billion from redirecting the sales tax at the pump to the fuel tax and the redirection of a portion of the Corporate Income Tax. The removal of the sales tax at the pump **reduces constitutional revenue sharing for townships**, cities and villages by \$63 million in FY 2026, as no backfill for constitutional revenue sharing was included. Effective Jan. 1, 2026, the sale of fuel at the pump will not be subject to the sales tax but rather a gas tax increase of 20 cents, making it revenue neutral and directing all taxes collected at the pump to roads.



The plan secures significantly more resources for local roads and creates a new Neighborhood Road Fund directing money for counties, cities and villages. While language in the bill states no match is required for local roads, county road agencies may ask for a match.

The plan also includes \$500 million over the next five years for local roads, as well as \$200 million for local rail grade separation.



[\\* Bauckham, Thall, Seeber Kaufman & Koches PC](#)

[\\* Consumers Energy](#)

[\\* Fahey Schultz Burzych Rhodes PLC](#)

[\\* Foster Swift Collins & Smith, PC](#)

[\\* Hartleb Agency](#)

[\\* ITC Holdings Corp.](#)

[\\* Rosati, Schultz, Joppich & Amtsbuechler, P.C.](#)

[\\* Mika Meyers, PLC](#)



**STG**

## Ensure Your Website Meets ADA Compliance

VISIT US TO LEARN MORE AT MTA'S RETREATS

SEPT 30 Clerks    OCT 1 Treasurers    OCT 15 Supervisors  
OCT 28 Trustees    OCT 29 Planning & Zoning

## Natural Resources Trust Fund grants receive final approval

Funding for 20 township projects, included in 85 projects recommended by the Michigan Natural Resources Trust Fund Board, received final approval this week. [House Bill 4392](#), sponsored by Rep. Ken Borton (R-Hayes Twp.), provides \$41.8 million in matching funds for 17 land acquisition projects and 68 land development projects. One change added by the House in May prohibits trust fund monies from being expended on

properties for large-scale renewable energy. The bill now will be sent to the governor for signature.

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## Applications accepted for upcoming MCAT course, MCAO program

The State Tax Commission (STC) is accepting applications for a December [Michigan certified assessing technician](#) (MCAT) course and for the nine-month [Michigan certified assessing officer \(MCAO\)](#) program. The two-day MCAT course will be held Dec. 4-5 at the St. Clair County Auditorium in Port Huron, with the exam held Dec. 11 at the same location. The MCAO program, beginning in January 2026, covers 10 chapters with weekly virtual classroom sessions held on Monday or Tuesday evenings. Specific classroom dates will be given after acceptance to the program. MCAO program participation is limited to 70 students for this session. Applications are due to the STC by Nov. 14 for the [MCAT program](#) and Dec. 5 for the [MCAO program](#). Contact [gastw@michigan.gov](mailto:gastw@michigan.gov) with questions.

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## Webinar for groundwater discharge permitholders

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) will host a [webinar](#) on Oct. 28 at 11 a.m. sharing [updated data collection guidance](#) for groundwater discharge permitholders. Facilities that collect samples under a Part 22 Groundwater Discharge permit must have an EGLE-approved sampling and analysis plan (SAP). This webinar will review required SAP components, walk through how to use EGLE guidance when preparing or revising an SAP, and clarify common sampling and analysis issues that should be addressed in a SAP.

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## BOE reminders for clerks

- **November election pre-processing deadline:** Jurisdictions with an established absent voter (AV) counting board intending to process or tabulate AV ballots before Election Day must submit written notice via the [Early Tabulation Declaration form in Bureau of Elections' \(BOE\) eLearning Center](#) to the Secretary of State by Oct. 7.
  - **Tabletop exercise opportunity:** A BOE tabletop exercise on Oct. 13 in Muskegon will train election officials in emergency response plan development and assessment. Township colleagues from other departments are also invited to provide a different perspective. Register [online](#) for the final exercise of the year.
  - **Continuing education reminder:** The [2024-2025 Continuing Education Curriculum](#) is available in the eLearning Center. Michigan Election Law requires continuing education for clerks to renew their accreditation status every two years. Clerks who became accredited after Jan. 1, 2024, are not required to complete the curriculum, but it is open to all clerks, deputy clerks, and county or local election administrators.
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## MDOT public hearing on roadside parks, rest areas

The Michigan Department of Transportation (MDOT) is hosting two virtual public hearings to discuss [proposed rules](#) for MDOT rights-of-way across the state, including the department's highway rest areas, roadside parks, carpool lots, scenic turnouts and Welcome Centers. The hearings, scheduled for Oct. 22 at noon and 6 p.m., will cover the same material and can be accessed via the [Teams link](#). Comments on the new rules can be submitted in an MDOT-owned rest area, online via an [online comment form](#), emailed to [MDOT-PublicComments@Michigan.gov](mailto:MDOT-PublicComments@Michigan.gov) or via mail to Monica Monsma, Michigan Department of Transportation, B245 P.O. Box 30050 Lansing, MI 48909 by Thursday, Nov. 20.

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## Upgraded E. coli mapping tool

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) has launched an updated [E. coli pollution and solution mapping tool](#). E. coli contamination can enter Michigan rivers, lakes and beaches from several sources and has complex implications. The upgraded tool allows users to explore water quality monitoring locations and evaluate potential point and nonpoint sources of fecal pollution in their local areas. A [user guide](#) is available to help users navigate the new features.

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## MTA retreats: Space is still available, but time is running out

Connection and camaraderie are in full swing at MTA's *Professional Development Retreats* in Frankenmuth. These two-day events offer hand-picked classes for each office—and one for your planning and zoning team. Clerks and treasurers already gathered, but there are more retreats ahead:

- [Supervisors on Oct. 14 & 15](#)
- [Trustees on Oct. 27 & 28](#)
- [Planning & Zoning Team on Oct. 29 & 30](#)

Each event is packed with education, networking and fun! If you haven't already registered, there's still time, but seats are filling up fast. Use the links above for details or [click here](#).

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## Read the October issue of *Township Focus*—online now!

[Your October issue of \*Township Focus\* is here](#) and in mailboxes soon! In this month's cover story, *Inside fire service in Michigan*, hear from Michigan's

new state fire marshal and his thoughts on Bureau of Fire Services initiatives, challenges and how townships can partner with the state to strengthen public safety. We also share local efforts to recruit more women into fire service and how one department is offering a different type of valuable service to their community. Our feature story details 2025 MTA Robinson Scholarship recipients as they work to be our next local leaders. “Financial Forum” explores petty cash funds, including how to terminate the fund, and MTA legal counsel explains governmental immunity in the “Hello, MTA ... ?” column.



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## Member input sought for MTA’s 2026 legislative issues

Township officials can review and provide input on the MTA legislative policy platform. The legislative policy objectives—reviewed, updated and approved annually—guide the Association’s government relations efforts and reflect emerging issues and goals. MTA members are encouraged to review the current [2025-2026 Policy Platform](#) and share any proposed additions and revisions by Monday, Nov. 24. Member-proposed policy changes will be reviewed by MTA policy committees and will be presented at the 2026 MTA Annual Meeting, held in conjunction with our 2026 Annual Conference & Expo in April. Contact [legislation@michigantownships.org](mailto:legislation@michigantownships.org) with questions, comments or suggestions.

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## NATaT issues federal government shutdown special report

Beginning at 12:01 a.m. on Wednesday, the federal government shut down after both chambers of Congress failed to pass a stopgap spending bill to temporarily fund the government before the first day of fiscal year 2026, which began on Oct. 1. A [National Association of Towns and Townships \(NATaT\) Special Report](#) covers essential items of how the government shutdown could impact your local community. NATaT will continue to provide updates as we learn more from Capitol Hill.

You can also check out the NATaT [Weekly Legislative Update](#) for the latest on federal actions impact townships.

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