

**February 27, 2012**

## **Federal Money Flows into Hard-Hit Michigan**

*National Priorities Project examines direct federal support to Michigan residents, and federal money in the state's budget.*

**By Mattea Kramer**

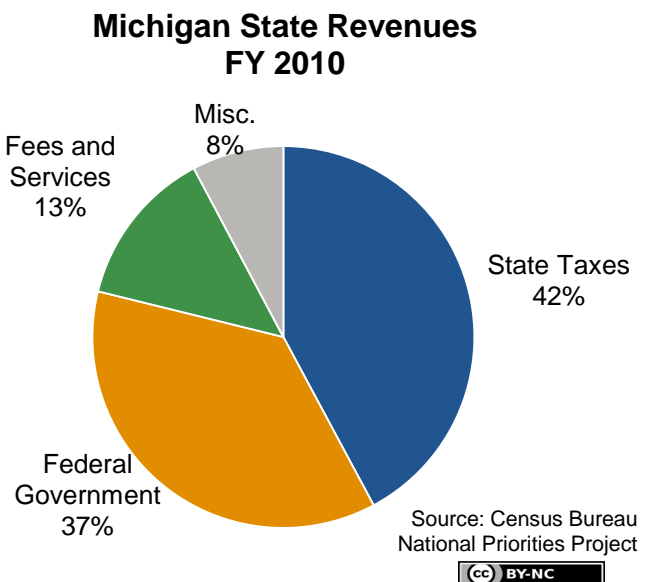
**Research support by Samantha Dana**

Primary voters in Michigan head to the polls on Feb. 28 to weigh in on the Republican nominating contest. Michigan has been hard hit by the Great Recession, and that will affect voters' outlook in choosing their Republican nominee and a president in November. One thing the presidential election is about is voters' vision for how the federal government should serve the American people, so National Priorities Project took a look at how Michigan currently benefits from federal spending.

The average Michigan resident [received \\$5,846 from the federal government in 2010](#)<sup>1</sup>—benefits that largely came through the [Social Security](#), [Medicare](#), and unemployment insurance programs. [Unemployment in the state](#) is well above the national average, and last year more than one in every five workers was [underemployed](#). Michigan residents [paid \\$5,109 in federal taxes on average in 2010](#)<sup>1</sup>, a number that includes income and payroll taxes, estate taxes, as well as federal excise taxes on goods like cigarettes and gasoline. Thus residents received all of their federal taxes back in direct support from federal programs, plus additional assistance on top of that. ([See these numbers for your own state.](#))

### **More Than a Third of Michigan Budget Comes From the Feds**

In addition to Michigan residents receiving considerable aid from federal programs, the state government relied on federal money for more than a third of its revenues in fiscal 2010. For every dollar of revenue in state coffers that year, 37 cents came from Washington. Federal money helps the state pay for building roads and fixing bridges, among other projects, and pays for part of the cost of health care for Michigan residents who qualify for Medicaid, the health insurance program for low-income Americans.



<sup>1</sup> Numbers are from U.S. Census Bureau, [Consolidated Federal Funds Report 2010](#), and the IRS.