

FACTSHEET

Michigan Poverty & Well-being Map: West

The West region includes: Allegan, Barry, Ionia, Kent, Lake, Mason, Mecosta, Montcalm, Musekgon, Newaygo, Oceana, Osceola, and Ottawa counties. Learn more about the map at <u>poverty.umich.edu</u>.

Burdened by Transportation Costs

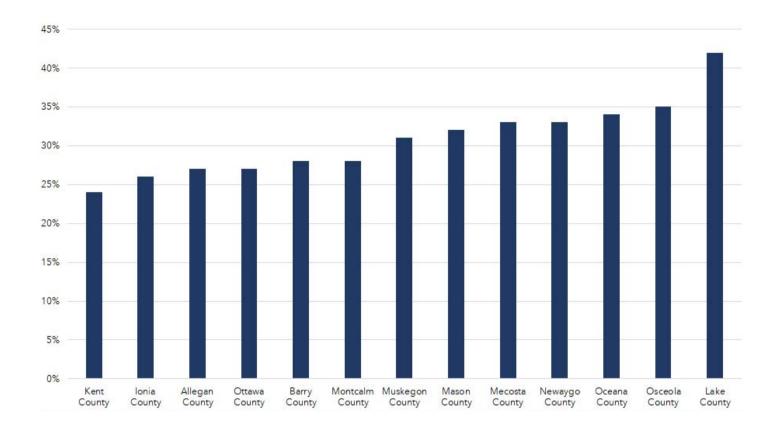
Poverty and prosperity vary from county to county in Michigan's West region. Lake County struggles the most in the region; it has poverty rates that are higher than the state average and a large portion (21%) of residents receiving nutritional assistance. In contrast, Kent County, home to the economic center of Grand Rapids, outperforms state averages across all metrics. The disparity in economic well-being across the region must be addressed.

Ensuring equal access to opportunity throughout the region is a key to eliminating some of these disparities. The rural nature of most of the region means automobile ownership is a must to get to and from work, but transportation costs in the region are very high, making up 42% of the median household income in Lake County,

33% in Mecosta County, and 32% in Mason County.¹ Some of these costs are driven by the high cost of auto insurance in the state, which is the highest in the country even with recent reforms.² The lack of reliable and affordable transportation presents a large obstacle to economic mobility.³ Simple car repair needs can lead to job loss, creating a domino effect of economic hardship for families with low incomes. Improving assistance programs at the state or developing ones at the regional level so that they can quickly provide assistance with the cost of auto repairs could provide more stability for families with low incomes.

Additionally, the federal Bipartisan Infrastructure Bill provides the region with an opportunity to improve its road infrastructure to benefit all drivers and also encourages investment in public transportation. New on-demand micro-transit systems designed for low-density rural areas are being implemented across the United States and should be explored for the region. The Bipartisan Infrastructure Bill also included money for infrastructure to support the use of electric vehicles, something that should also be considered in long-term planning in the region. Charging infrastructure will be important to support the tourism industry along Lake Michigan as well as local residents. Electric vehicles have lower operating costs, and while they are more expensive to purchase, many households are making a switch thanks to purchasing subsidies. In the future, creating programs that subsidize the purchase of used electric vehicles would allow families with low incomes to bridge the initial cost barrier of owning electric vehicles and benefit from the lower ownership costs.⁴

West: Percentage of Income Spent on Transportation⁵



References

¹ Center for Neighborhood Technology. "Housing and Transportation Index." Accessed on March 21, 2022. https://htaindex.cnt.org/map/.

²Nothaft, Amanda and Cooney, Patrick. "Building on Michigan's Auto Insurance Reform Law." (Poverty Solutions at the University of Michigan, December 2021) https://poverty.umich.edu/2021/12/07/despitecost-dip-michigan-auto-insurance-still-high-with-persistent-racial-disparities/. 3 lbid.

⁴Preston, Benjamin. "EVs Offer Big Savings Over Traditional Gas-Powered Cars" Consumer Reports, October 8, 2020. https://www.consumerreports.org/hybrids-evs/evs-offer-big-savings-over-traditionalgas-powered-cars/.

⁵ Center for Neighborhood Technology. "Housing and Transportation Index." Accessed on March 21, 2022. https://htaindex.cnt.org/map/.