Privatization of Local Government Services: Understanding Differences Across Michigan’s Urban-Rural Spectrum

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Why Jurisdictional Privatization?

For decades, municipalities have taken on numerous tasks that the private sector would have otherwise preformed.
Across the spectrum, municipalities contract services

Does jurisdiction contract any services or govt. operations?

Source: Michigan Public Policy Survey, Spring 2014
Privatized services differ across the spectrum

Services Likely to Privatize

- Waste/Recycling in Urban Areas
- Streetlights in Mostly Urban and Completely Rural Areas
- Snowplowing in Mostly Rural Areas
- Land-use Planning in Completely Urban Areas
- Engineering Services in Urban Areas
- Inspections
- Legal Services

Services Unlikely to Privatize

- Utilities (Water/Sewage)
- 911 and emergency services
- Parks and Recreation
- Parking
- Tax Collection
- Vehicle Fleet Management

Source: Michigan Public Policy Survey, Spring 2014
Across the spectrum, jurisdictions feel okay with their choices.

What does the majority of the jurisdiction council think of govt. level of privatization?

Source: Michigan Public Policy Survey, Spring 2014
Key Takeaways

- There is no difference in privatization of local government services across the urban-rural spectrum.
- Services that are privatized vary on the spectrum.
- In 2014, jurisdictions were comfortable with their choices while some completely urban jurisdictions having a significant desire to privatize more.