

BREAKING NEWS

Hall: Redirect \$2.7B To Roads

09:57 AM

House [Minority Leader Matt Hall](#) unveiled a proposal today to increase road funding by \$2.7 billion through earmarking nearly all revenues generated by the Corporate Income Tax and directing all revenues generated at fuel pumps to roads.

Hall (R-Richland) is the first of the four legislative leaders and the governor to publicly offer a major road funding plan this term. It comes days after [Governor Gretchen Whitmer's](#) office nudged majority House Democrats to move forward with one of any number of options to increase road funding, Whitmer's signature campaign issue from her first campaign in 2018 (See [Gongwer Michigan Report, November 19, 2024](#)).

Hall called for immediately reallocating \$1.2 billion in revenue from the 6 percent tax on C-corporations, with another \$600 million reallocated in 2026 for a total of \$1.8 billion, nearly all of the revenues that tax generates. Further, he called for removing the 6 percent sales tax on fuel, which now mostly goes to the School Aid Fund, and increasing the fuel tax by a corresponding revenue neutral amount (about 18 cents per gallon at current prices) to generate what Hall said would be about another \$945 million for roads.

"Everyone says they want to fix the roads when the cameras are on, but nobody has taken any real steps to do it these past two years," Hall said in a statement. "The people are sick and tired of inaction and empty words. That's why House Republicans are taking over in the state House. We are ready to get to work and actually get things done, starting with a real roads plan we can pass the first day we get back in December."

The plan would hold school funding harmless, Hall said, though it was not immediately clear how that would be achieved. The proposal would largely redirect monies out of the General Fund, but Hall said with the General Fund having grown by 40 percent since 2018, the resources are available.

Hall noted his proposal would provide local roads with their first real funding increase in years. Whitmer pumped hundreds of millions into state-owned roads with her 2020 bonding plan, but none of those funds were for local roads and those funds are nearly exhausted, setting up a funding cliff without an infusion of new money for transportation.

"This administration's focus on roads the past couple of years has been just on state highways," Hall said. "We have been listening to our neighbors and local officials who know things aren't getting fixed and that our local communities haven't been a priority. And now things will get even worse with all of the easy money coming to an end. Tough decisions need to be made, and strong leaders need to step up and make them. If we don't want our roads to get even worse, we either need to raise taxes or actually make road funding a priority in the budget. We all saw how Gov. Whitmer's 45-cent tax plan went over. With state revenues up tens of billions of dollars since then, it is even more obvious that politicians should be able to find this funding without going back to the people to ask for more."

Gongwer News Service will have more on this story in today's *Michigan Report*.

Gongwer Archives



November

2024



S	M	T	W	T	F	S
					1	2
3	4 R	5	6 H R	7 S H R	8 S R	9
10	11	12 S H	13 S H R	14 S H	15	16

17	18	19 R	20	21 R	22 R	23
24	25	26	27	28	29	30

Copyright 2024, Gongwer News Service, Inc. All rights reserved.

[Terms of Service](#) [Privacy Policy](#)

