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FY '26 Minus 20: Anthony, Dems continue to dig in on budget, roads while knocking House plans

The chair of the [Senate Appropriations Committee](#) on Wednesday said a road funding plan will need to include new revenue and some cuts to other parts of the budget to work, while also expressing frustration with the pace of negotiations ahead of the approaching budget deadline.

Senate Appropriations Committee Chair [Sen. Sarah Anthony](#), D-Lansing, during a Wednesday morning roundtable with reporters, declined to get into specifics on what possible revenue increases might be necessary to make any road funding deal work.

"Many of the concepts that the governor put out early this year we are in agreement with, but not in isolation," Anthony said. "Whether it is looking at industries that disproportionately impact the quality of roads or other creative ways for us to make sure there's shared sacrifice, I think ultimately when we get to the point that we're building a sustainable roads plan, it's going to take a lot of creativity, both revenue as well as reductions in some of our state services."

Earlier this year, [Gov. Gretchen Whitmer](#) released the outline of a \$3 billion proposal calling for a new tax on marijuana, assuring all taxes at the pump go to roads, redirecting \$500 million in existing spending and a mix of to be determined tax and fee hikes (See [Gongwer Michigan Report, February 10, 2025](#)).

House [Speaker Matt Hall](#), R-Richland Township, prior to that, proposed a \$3.1 billion plan that included some similar ideas to the governor's plan, but also would eliminate multiple tax breaks and relies on the redirection of existing revenue instead of raising new revenue (See [Gongwer Michigan Report, January 16, 2025](#)).

Anthony reiterated the Senate Democratic stance that the budget and any road funding plan should be done together.

"We are not in a place that we are ready to put together a glossy piece of paper that is empty when you finally get to the negotiations room," Anthony said. "We are serious about making sure that our roads and bridges and water are addressed in our state, but not in isolation."

The senator's comments came amid speculation this week that the Senate Democrats may be close to unveiling a road funding plan. However, nothing has been announced.

When asked Wednesday about word circulating around the Capitol this week of a possible road funding plan coming from Senate Democrats, a caucus spokesperson said there was "no announcement" and therefore nothing to talk about.

Anthony also said although there are conversations and meetings happening on the budget, they are not progressing quickly enough.

"I've been frustrated because we're not meeting enough to actually get to the heart of these negotiations," Anthony said, adding that major decisions on federal tax changes or any of the major items on the table have not been decided. "Obviously, phone calls and meetings are being had, but decisions are not being made."

Anthony said in speaking with past Appropriations chairs, she has been told that the normal process takes four to six weeks to go line through line of budgets and then allow for negotiations. She said the actions of the House ensure an accelerated timeline will be necessary if the Legislature is to meet the budget deadline.

"Matt Hall has put us in a very dangerous position as it relates to this budget process," Anthony said.

Members of her caucus also took aim at Hall on Wednesday over claims made regarding items in the House budget.

[Sen. Mallory McMorrow](#), D-Royal Oak, called the billions in cuts in the House budget, which they have called an effort to eliminate waste, fraud and abuse, are merely an accounting game.

"What they've actually done is take \$5 billion in Medicaid matching fund dollars, real money that helps real people get health care, and shuffle it into a contingency fund," McMorrow said.

She said their budget artificially lowers the overall spending total while cutting Medicaid.

McMorrow also took exception with the House budget's push for eliminating state employee positions, which Republicans said would save hundreds of millions of dollars by eliminating unfilled positions.

She said full-time equivalent does not mean a full-time employee but is a standard measurement of the hours normally worked by a full-time employee at a place of employment. It consists of a mix of full-time and part-time workers by combining their working hours.

"This reveals either the House Republicans' stunning ignorance of basic budgeting, or it is a deliberate attempt to mislead the public," McMorrow said. "This represents yet another coordinated attack on our hard-working state employees by the Speaker and his caucus. When you underfund staffing while expecting departments to maintain services, you're not being fiscally responsible. You're forcing agencies to cut corners, to compromise the services that our citizens depend on."

[Sen. Sylvia Santana](#), D-Detroit, said Department of Health and Human Services officials testified that they have worked hard to reduce waste, fraud and abuse in Medicaid and other programs and that it is a relatively small amount within the budget.

Santana pointed to programs she said have helped young mothers and children including the Rx Kids program for expecting and new mothers as well as line items for helping people gain access to autism services. Santana said these are not wasteful and such spending helps improve the chances of success for children and families.

[Sen. John Cherry](#), D-Flint, said the Senate budget includes funding for drinking water infrastructure and monitoring as well as water affordability programs, while the House made cuts in those areas.

As to food and agriculture, he said the House budget includes significant cuts to food safety and emergent diseases. For Northern Michigan, he said the House makes cuts to wildfire protection despite forecasts of heightened wildfire risk in the coming years.

"If you care about keeping our water clean, making sure we have safe food, if you care about public safety, the House budget attacks all while the Senate lifts the state up," Cherry said.

– By Nick Smith

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