

Oakland, Macomb Counties Differ On Optimism Over Road Funding's Future

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(MACKINAC ISLAND) – When it comes to road funding and Southeast Michigan, Oakland County Executive Dave **COULTER** is way less optimistic than his Macomb County counterpart, Mark **HACKEL**, about the Legislature's ability to finalize a new funding plan.

"Mark Hackel and I share a desire to get a road (funding plan) done that makes sense so we can move past this issue. Where I don't think we're on the same page is that he's way more optimistic than I am," Coulter said. "He's convinced that this Legislature is going to come up with a road funding plan this summer and in this budget, and man, I don't know. Maybe I'm just getting too cynical in my old age."

MIRS spoke with both Hackel and Coulter during this year's Mackinac Policy Conference, the yearly gathering of political, business and nonprofit leaders hosted by the Detroit Regional Chamber.

Macomb County is home to more than 876,800 residents, and more than 1.26 million Michiganders reside in Oakland County.

For the <u>Road Commission of Oakland County (RCOC)</u> specifically, the commission noted how, between 2016 and 2023, asphalt costs jumped by 35 percent, road stripping by 30 percent and snow plows for trucks by 119 percent.

Last year, the RCOC reported that of paved county local roads – not including the county's primary road network – 6 percent were in good condition, 27 percent in fair condition and 67 percent were in poor condition. The county has a three-year goal to bring local roads in poor condition down to 45 percent.

"We're not like other parts of the region that have a high percentage of our roads that need work, and we get our funding the same way that Wayne and Macomb and Detroit get theirs ... the needs aren't dissimilar to theirs," Coulter said. "The formula has not favored Southeast Michigan for decades, and we've all known that ... I don't know if the political winds have shifted enough to really significantly affect that."

Coulter was referring to Michigan's Public Act 51, which bases 16.41 percent of Michigan's transportation funding distributions on the share of county local road mileage. The formula has been criticized by Metro Detroit stakeholders for not zooming in more on multiple lanes

and wide lane features, giving rural communities more money per resident than some of the state's most populated areas.

For example, according to the <u>Citizens Research Council (CRC) of Michigan</u>, Oakland County in Fiscal Year 2023 received \$177 per resident and Macomb County received \$156 per resident. On the other hand, up north, counties like Presque Isle were allocated \$456 per resident, and Luce County in the Upper Peninsula saw \$621 per resident.

House Republicans in Lansing have been calling on the Democratic-led Senate to swiftly adopt their chamber's \$3.1 billion road funding plan, directing all state taxes paid at the gas pump to go toward roads. Currently, drivers in the state pay a 6 percent sales tax on fuel, which goes toward the School Aid Fund for education and local government revenue sharing.

The plan does not change P.A. 51's formula. Coulter does not see a change in the formula as realistic, and Hackel thinks reforming it would be too heavy of a lift in today's road funding debate (See "<u>Hackel: PA 51 Reform Would Be Too Heavy Of A Lift In Road Funding Plan," 5/12/2025</u>).

Both the Governor and Senate Majority Leader <u>Winnie BRINKS (D-Grand Rapids)</u> admit that new forms of state revenues – like taxes and fees – need to be created to backfill other state spending obligations. Meanwhile, House Speaker <u>Matt HALL (R-Richland Township)</u> wants to substantially cut Michigan's economic development budget, from dismantling tax credits used to retain automakers during the 2000s economic turmoil to neighborhood arts and culture grants.

"If there's a plan that could get us more road and infrastructure funding, sure, I'd take a look at that. But it's always at what price? At the expense of what?" Coulter said. "Right now, it does feel like it's at the expense of transit, or it might be at the expense of business incentives that I still think that the state needs."

Coulter said he does a lot of business attraction trips, and thinks eliminating the attraction grants managed by the Michigan Economic Development Corporation (MEDC) would cede a lot of ground to other states.

"I worry that we could go too far in rolling back some of those incentives," Coulter said.

In Macomb County, the state oversees merely 6.9 percent of the more than 4,400 road miles within it. More than 43 percent of the miles are under the county government's management, and 35.2 percent are city roads.

Hackel said Hall and Senate Minority Leader <u>Aric NESBITT (R-Lawton)</u> came to Macomb County to talk about "how we would fit into this movement to try to get this thing to pass." He confirmed that so far, he's being courted more by Republican lawmakers than Democrats on the issue, and "I have not talked to too many of the Democrats about it."

But he does believe that some new tax or fee for extra state revenue is "probably going to be part of the solution in the end."

"I think there's going to be a mixture of both ... you're going to see some cuts, you're going to see some redirecting of funds, and you're going to see some new funding mechanisms come into play," Hackel said. "I'll be supportive of whatever the Legislature and the Governor come up with, so whatever they decide (what's) the right plan, I will fully support that with whatever that needs."

In May, multiple transit, disability and union groups submitted a letter requesting that any road funding deal includes dedicating 10 percent of transportation spending to Michigan's Comprehensive Transportation Fund (CTF) for non-road components like ferries, buses and rail (See <u>"Unions, Disability Groups, Others Want 10% Of Roads Money For Transit,"</u> 5/22/2025).

However, Hackel warned that the more things added to a road funding plan, the public could start developing a lesser interest in supporting it.

"I'm very cautious about – if we're going to talk about road funding, let's find a solution for road funding and finally get somewhere where we can actually start fixing our roads and bridges," Hackel said. "Then, if there's something that transit needs, we start looking at what are those options and what possibilities are there."