



Road Lobby Says Another Study Isn't Necessary

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Shortly after the 2015 road funding package, a 27-member expert committee came together to craft a 188-page report. It found that despite the Legislature hiking the state's gas tax to 26.3 cents a gallon, raising \$1.2 billion a year, the system needed another \$2.2 billion a year to get 90% of Michigan's roads to good or fair condition.

Lance **BINONIEMI**, the legislative liaison for the Michigan Infrastructure and Transportation Association (MITA), estimated today during a House committee that “maybe five people read it.”

His basic point in speaking with lawmakers today was "It's not necessary to have another blue-ribbon commission or another study to show that we should put more money into our local roads.'

As lawmakers look at how to come up with the estimated \$3 to \$4 billion that's estimated to get Michigan roads to 90% good or fair, the road lobby has been more than bold with ideas.

Members of the committee seemed particularly interested in a proposal from Michigan Municipal League Legislative Liaison John **LaMACCHIA** surrounding a 50-cent fee for deliveries that would go to help local roads across the state (See [“MML Suggests Delivery Tax To Help Fund Local Roads,”](#) 2/10/25).

“Now there’s different thoughts and ideology on whether we should raise new revenue or not, but from a stakeholders standpoint, I know one of the worst things I can do is sit at the table and say we want to take somebody else's revenue,” LaMacchia said.

He said the number attached to be given to local roads would end up being somewhere in the ballpark of \$275 million.

“What we found was that about \$250 million was the threshold to not get the peanut-butter-spread effect across the 600-plus road agencies,” he said.

He said there were only two examples of the delivery fee being used and the model they looked at came out of Colorado, which had the least exemptions.

However, the “smallest of the small” businesses would be exempt and pointed to those making less than \$500,000 would not be included. Any brand-new business would get a pass, too, because the revenue stream wouldn’t be established yet.

“Above and beyond that, you would have to pay the retail delivery fee,” he said.

He said it would also be limited to the goods that have sales taxes attached and ordering groceries wouldn’t fall under the delivery fee.

He said a Shipt order with something like toothpaste, however, would end up falling into that fee pocket.

LaMacchia, Binoniemi and CRA CEO Denise **DONOHUE** all cited about \$3 billion as the number they wanted to hit for the local roads to help get them on track toward getting the roads and bridges that couldn’t get federal aid to be repaired.

“The time to increase funding for transportation is now,” LaMacchia said.