



\$3.14B road funding plan without tax hike formally introduced by House GOP

By Michael Kransz, 3/6/25

Michigan Republicans have formally introduced their plan to fix the state's roads.

House Republicans on Thursday, March 6, introduced an eight-bill package that aims to shift \$3.14 billion in annual revenue toward roads without raising taxes.

“Michigan families are already struggling with higher costs, yet the governor’s answer is more taxes – but there’s a better way to get it done,” said state Rep. Pat Outman, R-Six Lakes. “All the money we need is already at our disposal. We just need to stop spending it on corporate handouts and pork projects and start investing in what the people of Michigan really need: better and safer roads – especially the local ones people travel on each day.”

The bills were referred to the House Committee on Transportation and Infrastructure, which Outman chairs, for a hearing and a vote to move forward.

The revenues for the road funding plan would be generated by:

- Increased revenue from higher tax returns (\$600 million)
- Dedicating all taxes paid at the pump to roads (\$945 million)
- Cutting \$500 million in pork barrel spending
- Eliminating \$500 million worth of industrial expansion credits
- Using \$500 million in expiring earmarks for a corporate incentive fund
- Using \$100 million that had been set aside for corporate placemaking and community development funds set to expire

House Speaker Matt Hall, R-Richland Township, [unveiled the revamped road funding plan](#) in January, saying it’s a top priority for his caucus.

A month later, [Gov. Gretchen Whitmer unveiled a competing plan](#) to add about \$3 billion in additional infrastructure funding each year by increasing corporate income taxes and [creating a new marijuana tax](#).

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Whitmer's plan would also dedicate all taxes paid at the pump to roads and cut about \$500 million in government spending, although the governor's office has not said what programs or funding areas might be cut.

[In her State of the State speech last week](#), the governor called for getting back to the negotiating table in the coming days and weeks to find a bipartisan solution to fix the state's roads.

Whitmer said some "hard truths" of a bipartisan plan include some government cuts, but not to public safety, health or schools. She also said the middle class shouldn't shoulder the burden of funding the roads plan.

By shifting all taxes at the pump to roads, Whitmer and Hall's plans would both redirect about \$650 million, or about \$480 per student, away from public schools.

Whitmer's plan would generate about \$3.77 billion in revenue, with \$650 million of that to be used on backfilling the School Aid Fund.

While Hall has repeatedly said any money taken from schools would be replaced, House Republicans have yet to specify how they'll backfill the School Aid Fund, [leaving school officials concerned about potential funding gaps](#).

The status of negotiations between Whitmer and lawmakers isn't clear.

A spokesperson for Hall did not immediately return comment, while a spokesperson for Whitmer declined to provide any insight into the ongoing negotiations.

Related: [With billions spent, is Whitmer's pledge to 'fix the damn roads' a broken promise?](#)

"Gov. Whitmer has been calling for a sustainable, long-term road funding solution and will work with Republicans and Democrats to get it done," said Whitmer spokesperson Stacey LaRouche. "The governor often meets with members of the legislature on priorities, and she's also been in touch with Republican leadership on roads. The governor will continue to work with anyone who is serious about solving problems."