



## **Trump admin threatens Michigan road funding over immigration enforcement, DEI**

*By Justin Hicks, 6/4/25*

Michigan must cooperate with immigration enforcement and comply with federal diversity, equity and inclusion (DEI) policies, or it risk losing its federal road funding.

This has been the message from the Trump administration this spring -- an effort being fought by more than a dozen attorneys general including Michigan's Dana Nessel.

"The Trump Administration is illegally tying immigration enforcement demands to vital federal funding grants that have absolutely nothing to do with immigration," Nessel said in a prepared statement.

Michigan depends on federal funding for about \$2.3 billion of its transportation budget annually. It's about one-third of the budget.

Federal dollars help repair aging roads and bridges, as well as public transportation maintenance and airport and railway improvement. Funding is directed toward the Michigan Department of Transportation (MDOT) for state trunklines, local road commissions, and the cities and villages.

Michigan roads are already [deteriorating faster than they're being fixed](#). Road agencies have said they're treading water and in need of more funding, while [lawmakers spar](#) over how best to allocate more revenue for roads.

Earlier this spring, Secretary of Transportation Sean Duffy wrote a [letter](#) to state transportation officials noting their legal obligation to follow all federal laws as a condition for receiving funding.

"Adherence to your legal obligations is a prerequisite for receipt of DOT financial assistance," Duffy wrote.

"Noncompliance with applicable federal laws, or failure to cooperate generally with federal authorities in the enforcement of federal law, will jeopardize your continued receipt of federal financial assistance from DOT and could lead to a loss of federal funding from DOT."

State grant applicants have seen similar immigration-enforcement language added to the terms and conditions governing grants administered by the Federal Railroad Administration, the Federal Highway Administration and the Federal Transit Administration, according to the Michigan Attorney General's Office.

Michigan was awarded 17 grants totaling more than \$812 million under the Biden Administration's 2021 Infrastructure Investment and Jobs Act. Of those projects, only three have been approved to move forward, while funds for the other 14 [remain frozen](#), according to MDOT.

"By clawing back this already-allocated funding, Donald Trump's White House is prioritizing political posturing over the safety and well-being of Americans, but I am committed to ensuring that our communities receive the resources they were promised," Nessel said.

Michigan hasn't received any further communication detailing its standing since the April letter from Duffy, according to Jocelyn Garza, an MDOT spokesperson.

More recently, the Trump administration has moved to dismantle the Disadvantaged Business Enterprise (DBE) program, which awards at least 10% of federal contracts to women- and minority-owned businesses.

The 1983-authorized program was designed to ensure firms owned by economically disadvantaged persons have the opportunity to grow and become self-sufficient through participation in federally funded contracts.

Michigan has 711 certified DBEs in the state. Federal funding for DBE totaled more than \$117 million in FY 2024, and the state's goal for FY 2025 is 9.5%.

Last week, the Justice Department filed a motion in the U.S. District Court for the Eastern District of Kentucky. The case stems from a 2023 lawsuit by two Indiana-based companies claiming they lost out on contracts due to the DBE program.

In the Trump Administration's latest filing, it agreed with the finding that the DBE program violated the equal protection clause of the Constitution. Approval of the settlement by a judge will likely mean the end of the program.