



There's Still More Tax Increase Idea Left In Steckloff's Road Funding Binder

January 6, 2026

When Rep. [Samantha STECKLOFF \(D-Farmington Hills\)](#) drove up to road-funding negotiations last year, she carried in with her a binder of 13 different revenue-raising proposals. On this week's *MIRS Monday Podcast* episode, she remained secretive about what's in there, believing future lawmakers may need them.

Several of the ideas in that binder "were off the table" from the beginning. Toll roads. When the public caught wind of a possible tax on package deliveries, every organization dealing with deliveries was out with its opposition.

However, the binder got the conversation started and a new wholesale marijuana tax was what was settled on.

Her binder originates from a work group – made up of three Democrats and three Republicans – during Republican House Speaker Jason **WENTWORTH**'s leadership in the 2021-22 term.

During this term, her experience on that panel helped win her a position as a road-funding negotiator on a team that settled on taking the sales tax off gasoline in exchange for a new \$0.524 per-gallon gas tax on motor and alternative fuel (See "[Whitmer, Hall & Construction Workers Do Ceremonial Roads Deal Signing](#)," 10/13/2025).

"For the past years, we kind of knew what needed to be done, but it was always going to include a revenue increase, and so how do you get that revenue increase? That's where the sticky points were. No one wants to put something on the board that's going to increase taxes," Steckloff said, "And I think that was one of the driving forces why this took so long to get done."

Once a bill was drafted, she explained that the lobbying groups came with guns blazing.

She described that if Michigan had a delivery fee ranging from 25 cents to \$1, it could have secured anything from \$300 million to a \$1 billion increase in state tax revenue, "a huge chunk of change that was pretty much taken off the table."

"I'm not trying to throw anyone under the bus or anything, but anytime you drop one of those, it definitely hurts the final negotiations," Steckloff said, "Heavy trucks (are) another great example. That bill was dropped, it notified some of our stakeholders, and they came in hard."

In July of last year, Rep. [Phil SKAGGS \(D-Grand Rapids\)](#) introduced legislation establishing a weight-distance fee for heavy trucks traveling through the state, which is projected to generate more than \$100 million annually for road maintenance and infrastructure updates (See ["Heavy Truck Fee Suggested To Bring In \\$100M+,"](#) 7/16/2025).

Steckloff added on the podcast that there was a proposal to place a tax on parking spaces, which could have offered about \$200 million to \$300 million. For example, in October, Rhode Island started subjecting off-street parking facilities to its 7% sales tax. Additionally, the city of New Orleans in Louisiana has a 3% "Orleans Parish Parking Tax."

As the bill sponsor of the tax increase that did make it into the final road funding product – the 24% wholesale tax on marijuana – Steckloff said, "I will tell you I have not visited a dispensary since then."

"I have been expecting to see my portrait on the wall, (reading) 'not allowed.' So I have not been in one yet," Steckloff said. "The cannabis industry was actually one of the industries that came to the table this year, so we were really trying to work with them. I had a different tax increase (from) the wholesale tax, so (I) was really working with them on that specific increase, but that's why you see so much of a focus on the regulatory side, because that was always part of the negotiation."

Right now, the cannabis industry is interested in legislation to slow down the dispensing of recreational cannabis licenses, aimed at drawing back the saturation the market has experienced. There's additionally an interest in regulating intoxicating hemp products that are being sold outside of Michigan's marijuana statutes (See ["Senate Puff, Pass Hemp-Derived THC Regulation, Ban,"](#) 12/16/2025), (See ["Cutting Off Future Weed Licenses Considered By Senate Panel,"](#) 10/15/2025).

Weed stakeholders attempted to have the 24% wholesale tax blocked by a preliminary injunction, arguing it was unconstitutional because voters did not agree to such a charge when they supported legalization of recreational marijuana in the 2018 elections (See ["Judge Denies Injunction In Suits Challenging Marijuana Tax,"](#) 12/8/2025), (See ["Court Of Claims Judge Needs More Time To Decide Whether 24% Weed Tax Should Be Blocked,"](#) 11/25/2025).

On Monday, Michigan Court of Claims Judge Simal **PATEL** denied the state's request to block a lawsuit filed by the Michigan Cannabis Industry Association (MCIA), deciding to hold a scheduling conference Jan. 13 to move the suit closer to trial (See ["Suit Challenging Marijuana Tax Allowed To Proceed,"](#) 1/5/2026).

Steckloff said it's sad the industry that came to the table "was kind of the one that got on the chopping block," and the courts' future decisions around the tax is "obviously something that's been in the back of my head ever since we got this done in October."

She said it's one of the reasons she's being a little bit quiet about some of the other tax increases talked about last year.

"We will see as this continues to move forward. I am prepared with the other tax increases if we need to move towards that route," she said. "We'll need to pull it out . . . the problem is, even with where we are with this road funding – we're at about a \$1.8 to \$2 billion increase – it's still not where we need to be . . . I still think there's more work that needs to be done, so if that has to be opened up, we do have other options on the table."

She projects seeing more states bring vehicle-miles-traveled fees online, with local governments in Michigan moving from special assessment districts to local road millages.

"You're constantly going to see more and more communities come online with a tax increase, so at some point, it's just not sustainable. We have to come up with something," Steckloff said.