

Whitmer: Budget Won't Be Done Until Roads Are

7/17/25

(DETROIT) – The budget won't be done until a roads plan is done, the Governor told members of the media today, after being asked about legislators missing their July 1 budget-making deadline.

"Here we are in the middle of July – toward the end of July now – and we still have work to do when it comes to getting a budget done," said Gov. <u>Gretchen WHITMER</u>. "And I want to be clear, the budget is not done until the roads are done, as well."

Both the Governor and House Speaker Matt HALL (R-Richland Township) want to restructure Michigan's tax structure to ensure any state taxes paid at the fuel pump go toward road improvements. However, the idea raises concerns regarding the state's other financial obligations, as the sales tax paid at the gas station goes toward the School Aid Fund and local governments.

Hall wants to make the plan financially responsible through downsizing business incentives and economic development grants, and the Governor has proposed subjecting marijuana retailers to the same wholesale taxes as nicotine sales. She's also suggested a new tax on technology companies that transport heavy weights and deploy excessive advertisements.

However, no legislation has progressed in the Senate, as various Senate Democrats have different concerns about establishing a new road funding plan. Some want to ensure more money stays in Southeast Michigan and Metro Detroit, giving motorists the reassurance that their money spent at the pump will remain in their community instead of going up north.

Others are most worried about ensuring money is available for other budget-making expectations for the state, especially as Michigan's Medicaid system will face new administrative mandates from the federal government after next year. Additionally, officials such as Senate Majority Leader Winnie BRINKS (D-Grand Rapids) want confidence that any new plan that's adopted won't result in legislators returning to the subject years later.

Earlier this month, an organization connected to the Democratic Governors Association (DGA), America Works USA, started running media ads calling on online users to contact state senators to support the MI Road Ahead Plan. The plan was announced by Whitmer in February, detailing her road funding vision (See "DGA-Affiliated Group Calls On State Senators To Support Gov's Road Plan," 7/9/2025).

"The DGA?" Whitmer said when asked how comfortable she was with the ads. "I don't know anything about that."

Whitmer also spoke to the press about Wednesday's news that plans to bring a \$55 billion semiconductor development to Genesee County were scrapped. When discussing the news recently, Whitmer cited "national economic turmoil" affiliated with Trump-era tariffs on imports (See "Semiconductor Plant For Mundy Township Scrapped," 7/16/2025).

"I called the President yesterday. I spoke with him to share with him what this development was and how it was very disappointing. He said, 'Tell the press we are going to work together and get an even better deal for the state of Michigan,'" Whitmer said.