

Michigan government braces for shutdown

By Reid Wilson



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Michigan officials are taking steps to prepare for a government shutdown in just a few days as the Democratic governor and the Republican-controlled Legislature stand at an impasse over proposals to spend hundreds of millions of dollars on road funding.

The Legislature on Tuesday passed a \$59.9 billion state budget, a week ahead of the end of the fiscal year. That budget included about \$400 million in one-time funding for infrastructure projects around the state.

But Gov. Gretchen Whitmer (D) had proposed longer-term funding to pay for infrastructure fixes. The cornerstone of her proposal was a 45-cent increase in the per-gallon gas tax.

Whitmer has not formally said she will veto the budgets, but she has strongly hinted she plans to send them back to the Legislature, and state offices are preparing for the threat of a shutdown if no deal is reached in time.

“These budgets are a mess,” Whitmer said in a statement after the Legislature voted. “Republicans are playing more shell games with the state budget so they can buy a phony talking point that they’re spending ‘record money’ on roads.”

Republicans, who hold 22 of 38 seats in the state Senate and 58 of 110 seats in the state House, say Whitmer’s administration walked away from negotiations earlier this month.

“Over the past couple of weeks, the administration has walked out of the room and refused to negotiate with us,” state House Speaker Lee Chatfield (R) told The Hill.

Whitmer’s office declined to comment on the budget negotiations or whether Whitmer would sign or veto any of the 16 individual budget bills the legislature has sent to her desk.

Chatfield, in his first session as speaker, said Republicans had decided to negotiate a longer-term fix outside of the constraints of the budget process. Republicans are loathe to vote for any increase in the state’s gas tax, which at 42.48 cents per gallon is already the eighth-highest in the nation, according to the nonpartisan Tax Foundation.

“We decided to separate the long term structural fix for roads from budget negotiations. At that point we needed to figure out what we had on the budget sheet for roads,” Chatfield said. “We’ll continue having an ongoing conversation about a long-term structural fix.”

Chatfield has said he wants to see all of the gas taxes that Michiganders pay at the pump go to road funding. Currently, a part of the gas tax is diverted to public schools and city governments.

“I will not have any new conversation on new taxes until we first can ensure that every penny in taxes that’s paid at the pump is a penny that goes towards roads,” he said.

Infrastructure funding was central to Whitmer’s campaign in 2018, when [she pledged](#) to “fix the damn roads.” Whitmer wants to spend \$2.5 billion annually — more than six times what the Legislature approved — on infrastructure projects, the level of spending state transportation officials say it will take to get Michigan’s roads up to par.

Almost half the state’s roads are in poor or mediocre condition, according to the transportation research group TRIP. Driving on rough roads can cost the average Michigan driver between \$500 and \$800 a year in repair costs or vehicle depreciation, the group said [in a study](#) in March.

But Whitmer has not yet made the sale. An [April poll](#) conducted by the Republican firm Marketing Resource Group found 75 percent of likely Michigan voters opposed Whitmer’s proposal to hike the gas tax, including 58 percent of Democrats.

In the absence of negotiations, state agencies are preparing to shut down operations beginning Tuesday morning. Tens of thousands of state employees will be temporarily furloughed if no agreement is reached. The state budget office says about 18,000 employees will be required to work during the shutdown; those who are not deemed essential employees will not be paid during the shutdown.

Michigan Secretary of State Jocelyn Benson (D) said her office will shut down completely in the event that no deal has been reached. The Department of State will ask state and local police to go easy on drivers whose licenses may expire during the shutdown, in case they are pulled over.

The Michigan Legislature is one of three in the nation that are full-time. The legislature is in session this week, though no votes are planned, Chatfield said, opening the door to last-minute negotiations.

“Sometimes divided government can be bumpy,” he said. “In divided government, it takes real leadership to get things done.”