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Gov. Whitmer Signs Balanced, Bipartisan FY26 Budget to Fix the Damn Roads, Cut Taxes, Lower Costs, Protect Public Health & Safety

Balanced budget delivers on the kitchen-table issues including roads, taxes, health care, public safety, government efficiency, and protections for Michigan's air, land, and water

LANSING, Mich. — Today, Governor Gretchen Whitmer signed her seventh balanced, bipartisan budget into law. The fiscal year 2026 (FY26) budget secures sustainable, long-term funding to fix Michigan's state and local roads, tax cuts for seniors and working families, protections for core health care services, funding for public safety, investments in Michigan's air, land, and water, and commonsense changes to improve government efficiency. The FY26 budget totals \$81 billion, including a general fund total of \$14.1 billion.

Additionally, as a part of the budget deal, Speaker Hall and Majority Leader Brinks agreed to pass bipartisan legislation before the end of the calendar year that will make it easier to create and retain good-paying, high-skill jobs in Michigan. Governor Whitmer called for commonsense, job creating legislation in the Mackinac Policy Conference keynote and several of her series of Road Ahead speeches this year. The legislation will help Michigan continue to lead the future of advanced manufacturing, regardless of the economic uncertainty at the federal level.

“This balanced budget delivers on the kitchen table issues that make a real difference in people's lives,” said **Governor Whitmer**. “Our budget fixes the damn roads, cuts taxes for seniors and working families, funds first responders, secures core health care services that millions of Michiganders rely on, protects our air, lakes, and land, and increases government efficiency to saves taxpayers time and money. I'm so grateful to legislators on both sides of the aisle for coming together to get this done. Amidst so much uncertainty caused by a chaotic tariff strategy and a national government shutdown,

Michigan is showing everyone how to get things done. In the weeks and months ahead, we will build on this momentum and come together on commonsense tools to create and retain good-paying jobs.”



Click here to view the governor's budget [video](#).

“Our number one priority is helping more people afford to stay and succeed in Michigan, by providing access to health, jobs, and safety for their families,” said **Lt. Governor Garlin Gilchrist II**. “This budget does just that. It positions mothers and babies to be healthier and escape poverty. It helps seniors keep what they’ve earned by completing the rollback of the retirement tax. It tackles higher prices for working families by expanding the working families tax cut. It protects access to Medicaid for the millions of Michiganders who use it. With this budget, we are Standing Tall for a Michigan where everyone can afford to live a good life and raise their family. Let’s keep getting it done.”

“While this budget cycle featured unprecedented challenges, it also provided us the opportunity to show the rest of the country what leadership can look like in divisive political times,” said **Senate Majority Leader Winnie Brinks**. “The result: a bipartisan budget that fixes our roads, strengthens public schools, protects health care access, and insulates us from some of the toughest federal cuts. Michiganders and their communities stand to benefit both immediately and into the future because of groundwork we are laying today.”

“People are frustrated when they struggle to pay their bills while the government burns through billions of dollars of their money like it’s nothing,” said **Speaker of the House Matt Hall**. “Our state government spending has grown way beyond its means, and it’s time to rein it in. This budget makes a significant difference in eliminating waste, fraud and abuse to lower state spending and give the taxpayers better value for their dollars. That’s how we were finally able to get our local roads fixed and

pass the public safety trust fund, all while eliminating taxes on tips, overtime and social security. You can do a lot when you take the time to evaluate state spending and set better priorities.”

“In Michigan, we're proving that both sides can come together to do hard things, and I'm proud of the budget. It fixes the damn roads, protects Medicaid coverage for more than 2 million Michiganders, and invests in our kids from pre-k through college,” said **State Budget Director Jen Flood**. “At a time when families are dealing with higher costs, this budget builds on our record of fiscal responsibility by paying down debt and cutting taxes for seniors and working families.”

Legislator Quotes

"House Democrats came to the negotiating table months ago ready to work and get a budget done-- but we were also clear that Michigan schools, healthcare, and public safety were not going to be on the chopping block," said **House Democratic Leader Ranjeev Puri (D-Canton)**. "Michigan Democrats worked together to protect those key areas of the budget, and as a result we protected universal free meals and Medicaid, raised state trooper pay and increased Public Safety Revenue Sharing, and did so while developing a long-term road funding plan. This bipartisan, balanced budget was the result of months of work, but the fight continues now to ensure every person in this state has access to the resources and opportunities they need to thrive.”

“This budget represents our joint priorities with record investments in education; support for our law enforcement; putting Michigan families first; and fixing the damn roads,” said **state Representative Ann Bollin (R- Brighton Township)**, Chair of the House Appropriations Committee. “I am grateful for the collaboration and bipartisan effort to deliver a budget that is fiscally responsible and responsive to the needs of people and businesses across Michigan.”

“The people of Michigan deserve a budget that prioritizes their well-being and economic prosperity, especially in the midst of political chaos we too often see coming from Washington DC.” said **state Senator Sarah Anthony (D- Lansing)**, Chair of the Senate Appropriations Committee. “This budget shows we can come together across party lines to fix today’s real problems – from fixing local roads and bridges, to protecting the social safety net, this budget keeps our state moving forward while keeping our people front and center.

Stakeholder Quotes

“Together with our partners in the legislature and Governor Whitmer, we are investing in the infrastructure and assets that will move the State of Michigan forward,” said **Mark Hackel, Macomb County Executive**. “With a new, sustained pool of funding, we will enhance our efforts to fix local roads. At Selfridge, the state continues to invest in the critical resources that will bolster operations to ensure that our hometown airbase will support a new fighter and tanker mission.”

"This historic, long-term road funding agreement is a game-changer for Michigan,” said **Rob Coppersmith, executive vice president of the Michigan Infrastructure & Transportation Association**. "After decades of short-term fixes and inaction, this budget delivers real, sustainable investment that will repair and rebuild our roads, save good-paying jobs, and strengthen Michigan’s economy. We’re grateful for the leadership of Governor Whitmer, Senate Majority Leader Winnie

Brinks, and House Speaker Matt Hall in getting this done. This is a major step forward, but our work isn't over. We must continue building on this momentum to ensure Michigan's roads remain safe, reliable, and well-maintained for decades to come."

"The bipartisan, forward looking, state budget that the legislature passed and the Governor has signed delivers real results for Michiganders," said **Brent Pilarski, Business Manager, Michigan Laborers District Council (LiUNA MI)**. "Investing an additional nearly \$2 billion annually in sustainable long-term road funding creates economic security for business expansion and careers in the construction industry. This budget demonstrates commitment to funding Michigan's infrastructure and keeping skilled building tradesman employed in Michigan for decades to come."

"We are grateful for Gov. Whitmer, Senate Majority Leader Brinks and Speaker of the House Hall for their leadership in creating a budget that will continue to advance the health of individuals and communities throughout Michigan," said **Brian Peters, CEO of the Michigan Health & Hospital Association**. "This budget provides important state funding that patients, healthcare workers and hospitals rely on to maintain access to care and protect important healthcare services."

"We're relieved that state lawmakers were finally able to come to the table and reach a budget agreement, and that they and the governor were committed to doing what they could to protect Medicaid and SNAP for Michiganders," said **Monique Stanton, President and CEO of the Michigan League for Public Policy**. "Over 2.6 million Michiganders rely on Medicaid for health care, and 1.4 million count on SNAP to put food on the table, and in these uncertain times, it was crucial for our leaders to prioritize their well-being,"

"Thanks to strong bipartisan leadership, thousands of Michigan babies will now have access to the resources they need to grow up healthy, secure, and supported from the very beginning," said **Dr. Mona Hanna, director of Rx Kids and associate dean of public health at Michigan State University College of Human Medicine**. "This is a cutting-edge program that will propel the next generation and is a pillar of Governor Whitmer's legacy."

"On behalf of moms, babies and families in Michigan we are relieved to have a FY 26 budget in place," said **Amy Zaagman, Executive Director of the Michigan Council for Maternal & Child Health**. "We continue to be grateful to Governor Whitmer for her leadership and to the Legislature for their dedication to key investments that are making a difference. The lowest infant mortality rate on record is a testament to what sustaining meaningful funding can do to save lives."

Lowering Costs, Fixing Roads, Creating Jobs, Growing Michigan's Economy

Lowering Costs & Cutting Taxes

- Continuing to roll back the retirement tax on seniors, saving 500,000 households an average of \$1,000 a year.
- Continuing to deliver the Working Families Tax Credit, Michigan's match of the federal Earned Income Tax Credit (EITC), putting an average combined refund of \$3,500 in the pockets of 650,000 families.

- Eliminating state taxes on tips, overtime pay, and Social Security income, saving hundreds of thousands of seniors and working families money on their taxes every year.

Fixing the Damn Roads (and more)

- Nearly \$2 billion in ongoing resources for improving state and local roads when fully implemented over the next four years, with significant new ongoing investments in bridges and public transit.
- \$417 million for water infrastructure initiatives to strengthen local systems and replace lead service lines.
- \$322.4 million for airport safety and improvement projects, ensuring safe and modern aviation infrastructure across Michigan.
- \$53.2 million for transportation economic development, promoting road and infrastructure projects that support job growth and business investment.
- \$50 million for the Michigan Housing and Community Development Fund to support affordable housing needs and to revitalize downtown areas and adjacent neighborhoods in Michigan.
- \$40 million for rail grade separation projects to improve safety and reduce traffic congestion.

Growing Our Economy

- \$59.4 million to support Michigan's business attraction and community revitalization programs to incentivize job creation, investment, and the revitalization of blighted properties.
- \$56.5 million to support job creation services, entrepreneurship, and defense and aerospace innovation to support new and emerging business growth in key industries.
- \$13.4 million in support of arts and cultural institutions that bring inspiration, creativity and vibrancy to communities across the state, making them unique and desirable places to work, live and raise a family.
- \$17 million to continue the iconic Pure Michigan campaign to fuel tourism, support local businesses, and strengthen Michigan's economy.
- \$2.3 million for the Office of Rural Prosperity to support economic growth and infrastructure projects in rural communities across Michigan.
- \$1.4 million for the rural development fund grant program, sustaining land-based industries and rural infrastructure.

Workers and Small Businesses

- \$439.1 million for workforce development programs and grants, including training opportunities for youth, dislocated workers, and underserved populations, to build pathways into good-paying jobs.
- \$188.8 million for Michigan Rehabilitation Services, helping individuals with disabilities prepare for, obtain, and maintain employment.
- \$31.8 million for Going Pro to help Michigan employers train and retain workers, offering on-the-job experience, apprenticeships, and classroom instruction that lead to industry-recognized credentials.
- \$25.2 million for the Community and Worker Economic Transition program, assisting workers and businesses affected by industry shifts to connect with retraining, job placement, and economic transition resources.
- \$5 million to address workforce needs across the state by filling talent gaps in key industries, expanding pre-apprenticeships and registered apprenticeships, and supporting employer-led collaboratives and other innovative job creation strategies.

Leveling the Playing Field

- \$236 million for Michigan Indigent Defense Commission grants, which supports local trial courts and expands access to counsel for low-income defendants and improves fairness in Michigan's justice system.
- \$30.3 million for specialized services grants, which provide transit support for seniors and people with disabilities.
- \$3 million for financial literacy program supported with philanthropic funds to empower residents with the financial knowledge they need to manage and secure their future.

Safe, Healthy Communities

The FY26 budget strengthens the foundations of Michigan's communities by investing in public safety, making health care more affordable and accessible, and protecting natural resources. These investments keep neighborhoods safe, ensure families can get the care they need, and preserve Michigan's land and water for future generations:

Protecting Public Safety

- \$1.6 billion in revenue sharing to continue support for all cities, villages, townships, and counties across the state, helping them provide services, including first responders, transportation, and water infrastructure, as well as placemaking and recreation.
- \$95 million for new local public safety focused programs to provide cities, villages, townships, and counties with additional resources for law enforcement, prosecution, and other public safety related recruitment, retention, training, and firefighting equipment needs, as well as to support community violence intervention efforts.
- Funding to sustain 2,000 uniformed personnel in the Michigan State Police, ensuring strong law enforcement and patrol services that provide highway safety, traffic enforcement, and emergency response services across Michigan.
- \$51.7 million for forensic science operations, supporting crime lab services like DNA testing, toxicology, firearms, and trace evidence analysis that help solve cases across the state.
- \$45 million for regulation of insurance companies and financial institutions to ensure fair practices, protect consumers, and maintain stability in Michigan's insurance and banking system.
- \$44 million for statewide judicial information systems, including a \$2 million increase to support the continued migration of trial courts to the statewide case management system, supporting improved data collection and reliability, streamlined trial court operations, and reduced local government costs.
- \$32.1 million for additional negotiated wage increase, above standard cost-of-living increases, for corrections officers and supervisory ranks, increasing their quality of life and financial stability and recognizing them for the difficult jobs they do.
- \$31.1 million to raise wages for non-supervisory enlisted positions (troopers and sergeants) in the Michigan State Police.
- \$29.9 million for the Criminal Justice Information Center, which manages criminal history records and background checks used by courts, employers, and law enforcement agencies.
- \$26 million for capital improvements and infrastructure projects at Selfridge Air National Guard Base, bringing the total investments for base improvements since FY23 to over \$60 million, which has been crucial in the state's efforts to secure new aircraft at the base.

- \$20.1 million for drug treatment, mental health, and veterans' courts, providing alternatives to incarceration that connect people with treatment and reduce recidivism.
- \$19.6 million for complaint investigation and enforcement, supporting staff to investigate and resolve civil rights violations.
- \$17.9 million for consumer protection and services staff who investigate complaints, assist residents in disputes with insurers or lenders, and improve financial literacy.
- \$13.3 million for in-service training, administered through the Michigan Commission on Law Enforcement Standards, to support training for law enforcement officers statewide.
- \$10.5 million, including a \$400,000 increase, to support access for low-income litigants in civil court matters, including assistance via local Self-Help Centers, legal aid organizations, and the online Michigan Legal Help website.
- \$9.9 million for liquor law enforcement grants to help local police and the Liquor Control Commission ensure safety and compliance with state liquor laws.
- \$2.3 million for firefighter training grants, helping local fire departments improve safety and emergency response through professional training.
- \$1.9 million to support victims' needs early in their interactions with the criminal justice system while also building partnerships with community organizations in support of victim advocacy.

Ensuring Health Care is Affordable and Accessible

- \$29.8 billion to continue core Medicaid services, including:
 - \$14.5 billion for physical health managed care.
 - \$5.5 billion for mental and behavioral health.
 - \$4.5 billion in continued Medicaid funding for programs that help seniors and people with disabilities remain in their homes and communities for as long as possible and ensure that nursing home care is available when necessary.
 - \$1.8 billion to continue support for community and behavioral health programs, including autism services, community supports, and Certified Community Behavioral Health Clinics.
 - \$430.3 million in continued funding for Children's Special Health Care Services, providing treatment and advocacy for children with chronic or complex conditions.
 - \$428.2 million in continued support for family health services including dental care, immunizations, pregnancy prevention, and prenatal outreach to ensure children and families have access to care.
 - \$193.4 million in continued support for epidemiology, EMS, and laboratory services, including healthy homes programs and lead prevention to protect families from environmental and health threats.
 - \$162.3 million, including new one-time funding of \$6.8 million, for crime victim services, domestic violence prevention, and human trafficking intervention, supporting survivors and ensuring safe recovery.
 - \$124.6 million in continued support for aging services like community programs, senior nutrition, and respite care, helping Michigan's seniors live independently.
 - \$107.6 million for the operation of Michigan veteran homes that provide long-term skilled nursing care for veterans.
 - \$11.2 million for the Michigan National Guard Member Benefit Fund, which reallocates existing resources to provide funding for the existing tuition benefits program and support new childcare and health care programs for National Guard members.

- \$8.5 million for counties and veterans service organizations to connect Michigan veterans with federal and state benefits. Additionally, veterans organizations are supported with \$5 million in new dollars for facility upgrades and improvements.

Protecting Michigan's Air, Land, and Water

- More than \$150 million to support communities recovering from the northern Michigan ice storm, including \$14 million for reforestation, a \$10 million deposit to the Disaster and Emergency Contingency Fund, and \$137 million in federal FEMA resources.
- \$129 million for local infrastructure projects supported by a federal grant.
- \$83.3 million for water quality programs that protect Michigan's rivers, lakes, and groundwater.
- \$77.6 million for the Renew Michigan program, supporting contaminated site remediation and cleanup, brownfield redevelopment, solid waste management, recycling, and sustainability projects.
- \$66.8 million for forest resource management, including reporting on acres harvested, timber sales, and revenue generated from state forestlands.
- \$40.2 million for drinking water and environmental health programs to safeguard public health.
- \$25.2 million for wildfire and hazard response, with authority to use federal funds for prevention and suppression through national compacts.
- \$25.1 million for materials management programs, including recycling and waste reduction.
- \$5.9 million for invasive species prevention and control, supporting grants for detection, eradication, and rapid response to protect Michigan's forests, lakes, and wildlife.
- \$5 million one-time investment to advance water affordability.
- \$4.1 million for environmental stewardship through the Michigan Agriculture Environmental Assurance Program to promote sustainable farming practices.
- \$3 million for local conservation districts, supporting technical assistance and conservation programs in communities.
- \$1.4 million for the qualified forest program to encourage private forestland stewardship and keep land in active use.

Making Government Work Better

The FY26 budget ensures state government is efficient, effective, and accountable. By modernizing technology, maintaining facilities, and building long-term fiscal stability, Michigan is delivering better services, saving taxpayer dollars, and preparing for the future:

- \$157 million for customer delivery services, ensuring residents can access Department of State branch office services, driver's licenses, state IDs, and vehicle registrations efficiently.
- \$111 million for building operations and property management, maintaining state-owned facilities across Michigan.
- \$50 million for the Information Technology Investment Fund, financing large-scale modernization projects across state agencies.
- \$49.5 million for the Michigan Public Safety Communications System, the statewide radio network that connects first responders.
- \$29 million for cybersecurity and homeland security IT initiatives, protecting state networks and ensuring secure delivery of public services.
- \$28.6 million for election administration and services, funding staff and systems that support Michigan's statewide elections and voter access.

- \$9.6 million for the Help America Vote Act program, strengthening election security through voting equipment upgrades, cybersecurity testing, and development of public information materials.
- \$7 million for the Michigan Center for Data and Analytics, enhancing state capacity to use data for policymaking and performance management.
- \$5 million to streamline EGLE's permitting process and increase transparency by digitizing and indexing department documents.
- \$2.1 million for state archives, preserving government records and Michigan history.