SEMCOG | SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS

EXECUTIVE COMMITTEE

1001 WOODWARD AVE., SUITE 1400 • DETROIT, MI | LAURA KROPP, CHAIRPERSON

Executive Committee

Friday, July 24, 2026 | 1 p.m.
SEMCOG Office | 1001 Woodward Ave., Ste. 1400 | Detroit, MI 48226

Parking Validation

Bring your vehicle license plate number to SEMCOG. DO NOT PAY using the QR code in the garage
Meeting attendees parking at the 35 State Street Parking Garage (also known as the 1001 Woodward Garage) enter/exit using a pay-by-plate system – without a credit card. If there is a sign saying Badge Holders Only, or Lot Full, and attendant is present, tell them you are there for a SEMCOG meeting and that parking has been reserved. SEMCOG guests should disregard signage posted in the garage with instructions for visitors to scan a QR code. Instead, please bring your vehicle license plate number to the SEMCOG welcome/registration desk, where staff will assist you in entering your plate number for validation.

Transit rides covered for travel to and from SEMCOG meetings

A Dart 24-Hour Regional Pass (or reimbursement) will be issued to SEMCOG meeting attendees using public transit to attend meetings. These passes cover unlimited rides on both SMART and DDOT buses for a 24-hour time span. Customers can ride in any direction to locations in the suburbs and within the city of Detroit. Please see a staff member/meeting host or hostess for transit reimbursement or to acquire a Dart pass for travel to an upcoming meeting.

Please visit SEMCOG's location webpage for a map of alternative parking locations and driving directions.

Committee Attendance

Executive Committee Delegates: To ensure complete representation of the county or voting bloc you represent, be sure to communicate with your alternate and have them attend/vote if you are unavailable. If you need contact information for your alternate, please contact Rebecca Osborne, Supervisor, Member Engagement, at 313-338-4701.

Agenda

12:30 p.m. – Registration and Lunch

1 p.m. – Executive Committee Business Meeting

A. **Call to Order**
   Pledge of Allegiance
   Approval of Agenda

B. **Public Comment**

C. **Approval of Consent Resolution**
   1. Executive Committee minutes – April 24, 2026
   2. Receipt of Financial Statements – May 2026

D. **Report from Chairperson: Laura Kropp, Mayor, City of Mount Clemens**

E. **Featured Presentation: Colin Bird, Consul General of Canada in Detroit**

F. **Report from Transportation Coordinating Council: William Miller, Commissioner, Oakland County**
   3. Amendment to the 2050 Vision Regional Transportation Plan and the FY 2026-2029 Transportation Improvement Program (TIP)
      Action requested
      The Transportation Coordinating Council recommends Executive Committee approval of 2050 RTP and FY 26-29 TIP Amendment 26:3 (Full).

G. **Report from Finance and Budget Committee: Linnie Taylor, Commissioner, Oakland County**
   4. Huron-to-Erie Drinking Water Monitoring Network Update
      Action requested
      The Executive Committee is requested to approve a contract with Environmental Consulting and Technology, Inc (ECT) for the facilitation of the Huron-to Erie real-time drinking water monitoring network update for a total amount not to exceed $1,000,000.00. Funding for this purchase is provided by the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

H. Update from Freight Task Force: Donald Boynton Jr., Trustee, Van Buren Charter Township; and Christopher Girdwood, CEO, Detroit Region Aerotropolis Development

5. A progress update from the Freight Task Force Co-Chairs.
Information

I. Update from Flooding Task Force: Don Brown, Deputy Commissioner, Macomb County Public Works

6. A progress update from the Flooding Task Force Co-Chair.
Information

J. Report from SEMCOG Executive Director Amy O'Leary

7. Legislative Update

K. Upcoming Meetings:

Executive Committee – Friday, September 25, 2026 – SEMCOG Offices (Detroit)

General Assembly – Thursday, October 15, 2026 – Wayne County Community College (Detroit)

SEMCOG offers interpretation services, including language translation and signage for the hearing impaired, at public meetings upon request with seven days advance notice.

SEMCOG ofrece servicios de interpretación, incluyendo servicios de traducción de idiomas y señalización para las personas con discapacidad auditiva, en reuniones públicas si se pide con siete días de anticipación.

يوفر مجلس حكومات جنوب شرق ميشيغان (SEMCOG) خدمات ترجمة شفوية، وذلك يتضمن خدمات ترجمة لغوية ولغة الإشارة للمعوقين سمعياً، في الإجتماعات العامة بناءً على طلب إشعار مسبق مدته 7 أيام.

SEMCOG | SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS

information

Meeting Minutes

Executive Committee

SEMCOG Office, 1001 Woodward Ave., Ste. 1400, Detroit, MI 48226

April 24, 2026

A. Call to Order

Gwen Markham, Commissioner, Oakland County, Executive Committee Chairperson, called the Executive Committee meeting to order at 1:00 p.m.

Pledge of Allegiance

Ms. Markham led the Committee in the Pledge of Allegiance.

Approval of Agenda

Ms. Markham announced SEMCOG's newest member, St. Clair Township, which brings SEMCOG's membership total to 187.

Ms. Markham welcomed those who were attending an Executive Committee for the first time.

Ms. Markham presented the agenda for consideration and approval by the Executive Committee, noting that the agenda is available electronically and that paper copies are also available to those who prefer them .

Motion by Joseph LaRussa, Mayor, City of Farmington, to approve the agenda. The **motion** carried by voice vote.

B. Public Comment

Ms. Markham offered members of the public three minutes to comment on any agenda item. No comments were received.

C. Approval of Consent Resolution

Ms. Markham presented the Consent Resolution for approval: Executive Committee minutes – February 27, 2026; Receipt of Financial Statements – February 2026; and Contract Approval for SEMCOG's Activity-Based Travel Model Improvement Plan and Implementation.

Motion by Mike Sedlak, Clerk, Green Oak Township, to approve the Consent Resolution items, as presented. The **motion** carried by voice vote.

D. Report from Chairperson: Gwen Markham, Commissioner, Oakland County

Ms. Markham provided informational updates on the following topics:

- SEMCOG's recent legislative reception, hosted in Lansing;
- A recap of SEMCOG's 2026 Member Outreach Meetings that were held in each of the region's seven counties, along with the Executive Committee elections;
- The Call for Nominations of SEMCOG Officers;
- A recap of SEMCOG's recent SEMCOG 101 in-person workshop;
- SEMCOG's 2026 Member Meetups schedule; and
- Updates on SEMCOG's spring public education campaigns, including Safe Streets and One Water.

After these updates, Ms. Markham congratulated Joe Larussa, Mayor, City of Farmington, as the city is the 2026 recipient of the National Great American Main Street Award.

Ms. Markham then recognized and thanked Michael Sedlak, Clerk, Green Oak Charter Township, for his service to his community, SEMCOG, and the region during his career with the township. Ms. Markham then presented Mr. Sedlak with a token of appreciation on behalf of SEMCOG and wished him well in retirement.

E. Planning for Data Centers: Considerations for Local Governments

Ms. Markham introduced Dave Struck, Economic Development Coordinator, SEMCOG, who kicked off the meeting's featured presentation with a recap of SEMCOG's recent data center tour in Southfield. Mr. Struck then led committee members in a series of poll questions related to the presentation topic.

Mr. Struck introduced two experts on data centers:

- Sarah Mills, Director of the Center for EmPowering Communities; Graham Sustainability Institute at the University of Michigan; and
- Chris Girdwood, the CEO of the Detroit Region Aerotropolis

Dr. Mills presented on bigger picture considerations for local governments, and Mr. Girdwood highlighted project-specific experiences to provide insights on these types of developments. After their presentations, Mr. Struck facilitated a question and answer session with Executive Committee members.

F. Report from Transportation Coordinating Council: William Miller, Commissioner, Oakland County

Ms. Markham introduced William Miller, Commissioner, Oakland County, who presented an amendment to the 2050 Vision Regional Transportation Plan and the FY 2026-2029 Transportation Improvement Program (TIP).

After presentation, **Motion** by William Miller, Commissioner, Oakland County, to approve an amendment to the 2050 Vision Regional Transportation Plan and the FY 2026-2029 Transportation Improvement Program (TIP). The **motion** carried by electronic vote.

WHEREAS, the Transportation Improvement Program (TIP) supports this vision:

> *All the people of Southeast Michigan benefit from a connected, thriving region of small towns, dynamic urban centers, active waterfronts, diverse neighborhoods, premiere educational institutions, and abundant agricultural, recreational, and natural areas.*

WHEREAS, SEMCOG is responsible for developing a long-range regional transportation plan and a Transportation Improvement Program that funds projects to implement the plan;

WHEREAS, the 2050 RTP was developed pursuant to the transportation planning provisions of Title 23 of United States Code (USC) Section 134 and Title 49 USC Section 5303;

WHEREAS, the 2050 RTP requires periodic updates to include projects not fully developed at the time the 2050 RTP was originally adopted, to take advantage of new funding and reflect changing priorities;

WHEREAS, SEMCOG is required to develop amendments to the FY 2026-2029 TIP pursuant to Title 23 of the United States Code (USC) Section 134;

WHEREAS, the 2050 RTP and FY 2026-2029 TIP were analyzed in accordance with 40 CFR 51 for air quality conformity and found not to exceed present and future emission budgets in all analysis years;

WHEREAS, the amendments to the FY 2026-2029 TIP are consistent with the 2050 RTP policies, were financially constrained to identified funding resources, and the amendment process actively encouraged public and agency review and comment;

WHEREAS, SEMCOG certifies that all projects funded in total or in part with State Transportation Economic Development Fund (TEDF) Category C funds are eligible for funding under PA 231 of 1987, as amended, and meet the goals and objectives of the program;

WHEREAS, General Program Accounts (GPA) are used to group smaller, routine transportation projects together in the TIP;

WHEREAS, when the total cost of projects programmed in a GPA equals or exceeds 115% of the GPA's currently authorized amount, that GPA needs to be amended;

WHEREAS, SEMCOG has determined that the amendment to the 2050 RTP and the FY 2026-2029 TIP conform to the State Implementation Plan for Air Quality as required by provisions of Title 40 Code of Federal Regulations (CFR) 51 and Title 23 CFR 450;

NOW THEREFORE BE IT RESOLVED, this 24th day of April 2026 THAT the Executive Committee of SEMCOG, the Southeast Michigan Council of Governments, approves the amendment of projects to the 2050 RTP and FY 2026-2029 TIP;

AND BE IT FURTHER RESOLVED THAT the Executive Committee of SEMCOG approves the amendment of the GPAs in the FY2026-2029 TIP;

AND BE IT FURTHER RESOLVED THAT the Executive Committee of SEMCOG submits this amendment to the 2050 RTP and the FY 2026-2029 TIP to the Michigan Department of Transportation, as designee for the Governor's Office of the State of Michigan, for review and transmittal to the Michigan Department of Environment, Great Lakes, and Energy; Michigan Department of Natural Resources; Federal Highway Administration; Federal Transit Administration; and U.S. Environmental Protection Agency.

G. Report from SEMCOG Executive Director, Amy O'Leary

Ms. Markham introduced Amy O'Leary, Executive Director, SEMCOG, who provided updates on the following:

- A federal and state legislative update covering SEMCOG's recent engagement on legislative and regulatory issues of importance to communities in Southeast Michigan;
- An overview of recent presentations from SEMCOG staff at national and regional conferences;
- The recent announcement that Kelly Karll, Manager of Environment and Infrastructure, SEMCOG, received the Individual Regional Resiliency Hero Award;
- SEMCOG's recent Infrastructure Resiliency Conference, co-hosted by GLWA;
- An air quality update, focused on the region's Ozone Redesignation status;
- Michigan's update to Part 115 – shifting from solid waste planning to materials management, and a SEMCOG-produced video on the planning process and why it is important to Southeast Michigan communities;
- The announcement that SEMCOG is accepting applications for 2027 Planning Assistance Program funding;
- SEMCOG's Green Infrastructure Grant Program;
- The October 2026 Transportation Alternatives Program (TAP) program and deadlines;
- The kickoff of Regional Infrastructure Coordination through the MIC/SEMCOG Regional Infrastructure Coordination Hub (RICH);
- SEMCOG's new Shared Prosperity application;
- The recent extension of key web accessibility guidelines for ADA compliance;
- Congratulations to Jeff Nutting, Forecast Coordinator, SEMCOG, on his upcoming retirement;
- A welcome to two new SEMCOG staff: Tiffany Sanders, Environment & Infrastructure Planner II; and Noah Bussell, AICP, Economic & Community Vitality Planner II; and
- Information for local government interested in applying for funding to address stormwater, water quality and green infrastructure projects through the federal Great Lakes Community Grant Program;
- A summary of upcoming SEMCOG events and training opportunities.

H. Upcoming Meetings

Ms. Markham reviewed the following upcoming SEMCOG meetings:

General Assembly – Thursday, June 25, 2026 – The Emerald Theatre (Mount Clemens)
Executive Committee – Friday, July 24, 2026 – SEMCOG Office (Detroit)

I. Adjourn

There being no further business, the Executive Committee was adjourned at 2:30 p.m.

Respectfully submitted,

Michael Spence
Committee Clerk

Executive Committee Meeting Attendance – April 24, 2026

Below is a list of Executive Committee Members. Members present at this meeting are indicated by bold typeface:

SEMCOG Officers				
Chairperson:	**Gwen**	**Markham**	**Commissioner, District 15**	**Oakland County**
First Vice-Chairpers	Laura	Kropp	Mayor	City of Mount Clemens
Vice-Chairperson:	**Anne Marie**	**Graham-Hudak**	**Supervisor**	**Charter Township of Canton**
Vice-Chairperson:	**Joe**	**LaRussa**	**Mayor**	**City of Farmington**
Vice-Chairperson:	Diana	McKnight-Morton	Trustee	Washtenaw Community College
Vice-Chairperson:	**Frank**	**Viviano**	**Supervisor**	**Macomb Township**
Executive Committee Delegates				
Chris	Barnett	Supervisor	Charter Township of Orion	
Lisa	Beedon	Commissioner, District 3	St. Clair County	
Mary	**Blackmon**	**Vice President**	**Wayne County RESA**	
Jackie	**Boleware**	**Councilmember**	**City of Farmington Hills**	
Robert	**Clark**	**Mayor**	**City of Monroe**	
Cara	Clemente	Commissioner, District 4	Wayne County	
David	Coulter	County Executive	Oakland County	
David	Domas	Commissioner, District 2	Livingston County	
Donald	**Dudas**	**Trustee**	**Port Huron Charter Township**	
Warren	Evans	County Executive	Wayne County	
Cathy	Garrett	Clerk	Wayne County	
Jay	Gross	Commissioner, District 9	Livingston County	
Sylvia	**Grot**	**Commissioner, District 3**	**Macomb County**	
Mark	Hackel	County Executive	Macomb County	
Kathy	Hayman	Mayor	City of Marysville	
Jonathan	**Kinloch**	**Commissioner, District 2**	**Wayne County**	
Michael	**Lesich**	**Mayor**	**City of Fraser**	
Henry	Lievens	Commissioner, District 9	Monroe County	
Jan	**Lobur**	**Councilmember**	**City of Howell**	
Jason	**Maciejewski**	**Commissioner, District 1**	**Washtenaw County**	
Brian	**Marl**	**Mayor**	**City of Saline**	
David	Massaron	Chair	Regional Transit Authority of Southeast Michigan (RTA)	
William	**Miller, III**	**Commissioner, District 16**	**Oakland County**	
Jenna	**Morse**	**Drain Commissioner**	**Monroe County**	
Alfred	Prieur	Supervisor	Bedford Township	
Trish	**Reilly**	**Supervisor**	**Pittsfield Charter Township**	
Eric	Sabree	Treasurer	Wayne County	
Michael	**Sedlak**	**Clerk**	**Green Oak Charter Township**	
Mary	Sheffield	Mayor	City of Detroit	
Linnie	Taylor	Commissioner, District 18	Oakland County	
Sheila	**Tomkowiak**	**Mayor**	**City of Grosse Pointe**	
Joi	Torello	Commissioner, District 4	St. Clair County	
Brian	Turnbull	Mayor	City of Northville	
Donald	VanSyckel	Commissioner, District 5	Macomb County	
Philip	Weipert	Commissioner, District 13	Oakland County	
Anthony	Wickersham	Sheriff	Macomb County	
Brad	Wieferich	Director	MDOT	
Dave	Woodward	Chairperson, Board of Commissioners, District 1	Oakland County	
Coleman	Young, II	Council Member At Large	City Of Detroit	
Bernard	Youngblood	Register of Deeds	Wayne County	
Executive Committee Alternates				
Rock	**Abboud**	**Councilmember**	**Village of Beverly Hills**	
Scott	**Barb**	**Planning Director**	**Livingston County**	

Bryan	**Barnett**	**Mayor**	**City of Rochester Hills**	
Scott	**Benson**	**Councilmember, District 3**	**City of Detroit**	
Jason	Berry	Community Planning & Engagement	Monroe County	
Quentin	Bishop	City Manager	City of Marysville	
Michael	Bosanac	County Administrator/Chief Financial Officer	Monroe County	
Donald	Boynton, Jr.	Trustee	Charter Township Of Van Buren	
Dillon	**Breen**	**Board Secretary**	**Schoolcraft College**	
Erica	**Briggs**	**Councilmember**	**Ann Arbor**	
Charlie	Cavell	Commissioner, District 19	Oakland County	
Melissa	**Daub**	**Commissioner, District 10**	**Wayne County**	
Dennis	Delor	Parks & Recreation Director	St. Clair County	
Dale	**DeSloover**	**Board President**	**Monroe County ISD**	
Jim	Gardner	Mayor	City of Luna Pier	
Marcia	Gershenson	Commissioner, District 11	Oakland County	
Larry	Gray, Jr.	Supervisor	Charter Township Of Commerce	
Justin	Hodge	Commissioner, District 5	Washtenaw County	
Brendan	Johnson	Commissioner, District 4	Oakland County	
Andrew	Kandrevas	Assistant County Executive	Wayne County	
Brad	Kersten	Supervisor	Charter Township of Chesterfield	
Peter	**Klomparens**	**Planning Director**	**St. Clair County**	
Josh	Kofflin	Councilmember	City of Milan	
Marilyn	Lane	Executive Office - Strategic Policy And Government Relations	Macomb County	
Bob	**Lloyd**	**Trustee**	**Whiteford Township**	
Robert	McCraight	Mayor	City of Romulus	
Craig	**Newell**	**Administrator, Statewide Trans. Planning Division**	**MDOT**	
Diane	O'Connell	Supervisor	Charter Township Of Ann Arbor	
Angela	Powell	Commissioner, District 9	Oakland County	
John Paul	Rea	Deputy County Executive	Macomb County	
Katie	Scott	Chairperson, Board of Commissioners, District 9	Washtenaw County	
Thomas	**Semaan**	**Mayor**	**City of New Baltimore**	
Hassan	Sheikh	Director, Economic Development	Wayne County	
Robert	Smiley	Commissioner, District 14	Oakland County	
Candice	Smith-Parker	Scheduler For Warren Evans	Wayne County	
Robert	**Stanford**	**Principal Planner**	**Livingston County**	
Trisha	**Stein**	**Chief Strategy Officer, Mayor's Office**	**City of Detroit**	
Benjamin	Stupka	Executive Director	Regional Transit Authority of Southeast Michigan (RTA)	
James	Tate	Council President Pro Tem, District 1	City of Detroit	
Kristoffer	Tobbe	Mayor	City of Brighton	
Assad	Turfe	Deputy County Executive	Wayne County	
Mark	**Vanderpool**	**City Manager**	**City of Sterling Heights**	
Alan	VanWashenova	Supervisor	Frenchtown Charter Township	
Todd	**Walker**	**Trustee**	**Genoa Charter Township**	
Lev	**Wood**	**Councilmember**	**City of Grosse Pointe Farms**	
Executive Committee Delegates At-Large				
Colin	Bird	Consul General	Consulate General Of Canada	
Gina	Cavaliere	Chief Community Impact Officer, BIZ Director	Downtown Detroit Partnership	
Maureen	Donohue Kraus	President And CEO	Detroit Regional Partnership	
Michele	Economou Ures	Executive Director	Workforce Intelligence Network	
Daniel	**Mahoney**	**Director, Corp. & Gov't Affairs, Policy & Regional Affairs**	**DTE Energy**	
Claude	Molinari	President and CEO	Visit Detroit	
Hayley	Murphy	Executive Director And Chief Executive Officer	Detroit Zoological Society	
Gregory	Pitoniak	Chief Executive Officer	Southeast Michigan Community Alliance	
Robert	Taubman	Chairman And CEO	Taubman Centers, Inc.	
Ronald	Taylor	President And CEO	Area Agency On Aging 1-A	
Executive Committee Non-Voting Delegates				
Ryan	Buck	Director	Washtenaw Area Transportation Study	

Matt	Carpenter	CEO	Ann Arbor Area Transportation Authority	
Steve	Currie	Executive Director	Michigan Association Of Counties	
Deborah	Dingell	Congresswoman, Dist. 6	U.S. House of Representatives	
Roslyn	Grafstein	Mayor	City of Madison Heights	
Rodrick	**Green**	**Commissioner**	**Washtenaw County Road Commission**	
Tiffany	Gunter	General Manager	Suburban Mobility Authority For Regional Transportation (SMART)	
Tom	Hickson	Executive Director	Michigan Townships Association	
Russell	Jorgenson	Division Administrator	Federal Highway Administration	
Carissa	Markel	Transportation Planning Manager	Road Commission For Oakland County	
Amy	McMillan	Executive Director	Huron-Clinton Metroparks	
Anthony	Minghine	Deputy Executive Director/COO	Michigan Municipal League	
Andy	Pickard	Transportation Planning Group Leader	Federal Highway Administration	
Bryan	Santo	Director, Macomb County Department of Roads	Macomb County	
Neil	Sheridan	Executive Director	Michigan Townships Association	
Sandy	Spang	President	Toledo Metropolitan Area Council of Governments (TMACOG)	
William	Wolfson	Chief Administrative and Compliance Officer	GLWA - Great Lakes Water Authority	
Guest Attendees				
Abigail	**Carrigan**	**Planner**	**Livingston County**	
Mike	**Compagnoni**		**Midwest Strategy Group**	
T.J.	**Connolly**	**Planner**	**Road Commission for Oakland County**	
Frank	**Fogarty**		**South Lyon Board of Review**	
Karen	**Gharbie**	**Assistant Supervisor**	**Chesterfield Twp.**	
Chris	**Girdwood**		**Arerotropolis**	
Stanley	**Grot**	**Clerk**	**Shelby Township**	
Valerie	**Kindle**	**Mayor**	**Harper Woods**	
Nathan	**Mueller**		**Rochester Hills**	
Adam	**Wright**		**Midwest Strategy Group**	
SEMCOG Staff Attendees				
Jon	**Clark**	**Multimedia Specialist II**	**SEMCOG**	
Samantha	**Collins**	**Administrative Assistant**	**SEMCOG**	
Nikki	**Hartley**	**Government Affairs Specialist**	**SEMCOG**	
Misty	Jordan	Administration Director	SEMCOG	
Amy	**O'Leary**	**Executive Director**	**SEMCOG**	
Rebecca	**Osborne**	**Member Engagement Supervisor**	**SEMCOG**	
April	**Scales**	**Web Specialist**	**SEMCOG**	
Susan	Stefanski	Membership Specialist	SEMCOG	

SEMCOG

Southeast Michigan Council of Governments
Income Statement

For Fiscal: JUL 2025-JUN 2026
Period Ending: 05/31/2026

Class	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Revenue					
401 - FEDERAL	3,453,311.00	3,453,311.00	39,104.86	813,240.25	2,640,070.75
402 - STATE ADMIN FEDERAL REVENUE	13,381,757.00	13,381,757.00	650,437.76	9,507,422.57	3,874,334.43
403 - STATE REVENUE	809,484.00	809,484.00	23,990.10	526,892.03	282,591.97
404 - OTHER REVENUE	783,069.00	783,069.00	-6,619.84	260,976.11	522,092.89
405 - LOCAL REVENUE	3,068,736.00	3,068,736.00	34,967.42	3,013,092.82	55,643.18
406 - PASS-THRU MATCH	386,236.00	386,236.00	4,968.88	134,423.83	251,812.17
Revenue Total:	**21,882,593.00**	**21,882,593.00**	**746,849.18**	**14,256,047.61**	**7,626,545.39**
Expense					
501 - SALARIES	6,012,356.00	6,012,356.00	456,432.14	4,943,873.06	1,068,482.94
502 - CONTRACTS	5,296,146.00	5,296,146.00	0.00	1,605,558.27	3,690,587.73
503 - TRAVEL	205,434.00	205,434.00	16,940.35	216,144.96	-10,710.96
505 - SUPPLIES	1,165,972.00	1,165,972.00	37,515.25	902,449.96	263,522.04
506 - OTHER	1,765,400.00	1,765,400.00	28,866.42	1,174,741.60	590,658.40
507 - FRINGE BENEFITS	4,509,267.00	4,509,267.00	309,514.60	3,831,014.28	678,252.72
509 - UNREALIZED GAINS/LOSSES	0.00	0.00	0.00	-29,130.42	29,130.42
900 - PT-FEDERAL	300,000.00	300,000.00	0.00	56,016.24	243,983.76
910 - PT-STATE	0.00	0.00	0.00	11,355.02	-11,355.02
920 - PT-ST ADMIN FEDERAL	2,151,032.00	2,151,032.00	22,407.85	606,203.23	1,544,828.77
970 - PTM-ST ADMIN FEDERAL	476,986.00	476,986.00	4,968.88	134,423.83	342,562.17
Expense Total:	**21,882,593.00**	**21,882,593.00**	**876,645.49**	**13,452,650.03**	**8,429,942.97**
Total Surplus (Deficit):	**0.00**	**0.00**	**-129,796.31**	**803,397.58**	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
101 - Southeast Michigan Co	0.00	0.00	-129,796.31	803,397.58	-803,397.58
Total Surplus (Deficit):	**0.00**	**0.00**	**-129,796.31**	**803,397.58**	

SEMCOG
SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS

Transportation Coordinating Council

William Miller, Chairperson
Commissioner, Oakland County

DATE: July 24, 2026

TO: Executive Committee

SUBJECT: Recommended Approval of an Amendment to the 2050 Vision Regional Transportation Plan and the FY 2026-2029 Transportation Improvement Program (TIP)

ACTION REQUESTED

Summary of action requested

The Transportation Coordinating Council recommends Executive Committee approval of 2050 RTP and FY 26-29 TIP Amendment 26:3 (Full).

Background

The Transportation Improvement Program (TIP) is a list of specific projects which implement the policies of the 2050 Regional Transportation Plan (RTP) a long-range vision and strategy that directs investment in the regional transportation system. TIP projects are recommended by cities, villages, county road agencies, transit providers, and the Michigan Department of Transportation (MDOT) over a four-year period. SEMCOG's Executive Committee makes the final approval of the TIP project list.

The Vision 2050 RTP amendment process allows for updating the adopted plan's project list to address shifting transportation needs while maintaining regional priorities. RTP amendments may include additions, removals, and modifications that impact regional transportation beyond the 2026-2029 TIP. The RTP project list may be amended five times each year, following the same rules and timelines of the TIP amendment schedule.

The TIP is amended five times each year. Two categories of projects may undergo a TIP amendment: Line Item projects and General Program Accounts (GPAs) as detailed below:

- Line Item projects are individual jobs that cost more than $10 million dollars and/or require supplemental review(s).
- GPAs are groupings of similar routine TIP projects.
  - Projects of this nature are programmed within a GPA by jurisdiction and type, such as Local Road, Trunkline Bridge, or Transit Capital.
  - GPAs are permitted in Federal regulation 23 CFR 450.324 (f) under 23 CFR 771.117(c) and (d) and/or 40 CFR part 93.

There are two different TIP Amendment designations as detailed below:

- Amendment periods designated "(Full)" allow:
  - Major changes to be made to Line-Item projects for any reason necessary (cost, scope, etc.) and;
  - Budget adjustments to GPAs, as needed, to increase total funding available for projects programmed within them.

    - When the total cost of all the projects within a GPA equals or exceeds 125% of the GPA's current federally approved limit, an amendment is required to reflect this change in size.
    - GPAs undergoing amendment are programmed to at least 115% of the approved baseline.
- Amendment periods designated "(Cost-Only/GPA)" are limited to:
    - Line-item projects for cost changes of 25% or more, and;
    - Budget adjustments to GPAs, as needed.

FY 26-29 TIP Amendment 26:3 (Full)

Pages 1-4 of the Amendment 26:3 list provides details of 100 TIP phases to be revised:

- 70 Additions
- 3 Length changes
- 12 Cost changes
- 1 Cost and length change
- 1 Cost and schedule change
- 4 Cost and scope change
- 9 Deletions

This amendment, as proposed, primarily pertains to changes in projects related to bridge and pavement preservation and safety enhancements. 6 GPAs require amendment as shown in the attached list. Note that there is one-line item (JN 226619) including a capacity change and this is the preliminary engineering (PE) phase of an RTP project. All TIP revisions will be incorporated in the RTP.

Vision 2050 RTP Amendment 26:3

Page 5 of the Amendment 26:3 list provides details of 8 RTP projects to be revised:

- 4 Additions
- 3 Scope changes
- 1 Cost and scope change

This amendment, as proposed, pertains to pavement projects. Note that there are four line-items in the RTP list that are different portions of the same capacity change project (50-RTP-039, 50-RTP-059, 50-RTP-060, 50-RTP-61). See attached list for more information.

Amendment evaluations

The amendment requires all proposed projects undergo a series of evaluations – identification of financial resources, air quality conformity analysis, assessment for consistency with the regional Intelligent Transportation System (ITS) architecture, and a public comment process. The results of these evaluations are summarized below:

- The fiscal constraint analysis indicates the RTP and TIP remain fiscally constrained.
- An updated air quality conformity analysis was required for this amendment since 6 of the proposed projects were designated as *not exempt* from the requirement to determine conformity by the Michigan Transportation Conformity Interagency Workgroup (MITC-IAWG).

- The projects are consistent with the regional Congestion Management Process.

The public comment period for the amendment officially began on July 8, 2026 and will end with Executive Committee action on July 24, 2026.

Action requested

The Transportation Coordinating Council recommends Executive Committee approval of 2050 RTP and FY 26-29 TIP Amendment 26:3 (Full).

Executive Committee Resolution
to Amend the FY 2026-2029 Transportation Improvement Program and 2050 Regional Transportation Plan for Southeast Michigan

WHEREAS, the Transportation Improvement Program (TIP) supports this vision:

> *All the people of Southeast Michigan benefit from a connected, thriving region of small towns, dynamic urban centers, active waterfronts, diverse neighborhoods, premiere educational institutions, and abundant agricultural, recreational, and natural areas.*

WHEREAS, SEMCOG is responsible for developing a long-range regional transportation plan and a Transportation Improvement Program that funds projects to implement the plan;

WHEREAS, the 2050 RTP was developed pursuant to the transportation planning provisions of Title 23 of United States Code (USC) Section 134 and Title 49 USC Section 5303;

WHEREAS, the 2050 RTP requires periodic updates to include projects not fully developed at the time the 2050 RTP was originally adopted, to take advantage of new funding and reflect changing priorities;

WHEREAS, SEMCOG is required to develop amendments to the FY 2026-2029 TIP pursuant to Title 23 of the United States Code (USC) Section 134;

WHEREAS, the 2050 RTP and FY 2026-2029 TIP were analyzed in accordance with 40 CFR 51 for air quality conformity and found not to exceed present and future emission budgets in all analysis years;

WHEREAS, the amendments to the FY 2026-2029 TIP are consistent with the 2050 RTP policies, were financially constrained to identified funding resources, and the amendment process actively encouraged public and agency review and comment;

WHEREAS, SEMCOG certifies that all projects funded in total or in part with State Transportation Economic Development Fund (TEDF) Category C funds are eligible for funding under PA 231 of 1987, as amended, and meet the goals and objectives of the program;

WHEREAS, General Program Accounts (GPA) are used to group smaller, routine transportation projects together in the TIP;

WHEREAS, when the total cost of projects programmed in a GPA equals or exceeds 115% of the GPA's currently authorized amount, that GPA needs to be amended;

WHEREAS, SEMCOG has determined that the amendment to the 2050 RTP and the FY 2026-2029 TIP conform to the State Implementation Plan for Air Quality as required by provisions of Title 40 Code of Federal Regulations (CFR) 51 and Title 23 CFR 450;

NOW THEREFORE BE IT RESOLVED, this 24th day of July 2026 THAT the Executive

Committee of SEMCOG, the Southeast Michigan Council of Governments, approves the amendment of projects to the 2050 RTP and FY 2026-2029 TIP;

AND BE IT FURTHER RESOLVED THAT the Executive Committee of SEMCOG approves the amendment of the GPAs in the FY2026-2029 TIP;

AND BE IT FURTHER RESOLVED THAT the Executive Committee of SEMCOG submits this amendment to the 2050 RTP and the FY 2026-2029 TIP to the Michigan Department of Transportation, as designee for the Governor's Office of the State of Michigan, for review and transmittal to the Michigan Department of Environment, Great Lakes, and Energy; Michigan Department of Natural Resources; Federal Highway Administration; Federal Transit Administration; and U.S. Environmental Protection Agency.

ATTEST: ____________________________ DATE: ______________________________

Committee Clerk

SEMCOG
SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS

ACTION REQUESTED

Finance and Budget Committee

Linnie Taylor, Chairperson
Commissioner, District 18, Oakland County

DATE: July 24, 2026

TO: Executive Committee

SUBJECT: Huron-to-Erie Drinking Water Monitoring Network Update

Summary of action requested

The Executive Committee is requested to approve a contract with Environmental Consulting and Technology, Inc (ECT) for the facilitation of the Huron-to-Erie real-time drinking water monitoring network update for a total amount not to exceed $1,000,000. Funding for this purchase is provided by the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

Background

SEMCOG received a $1.5 million State of Michigan appropriation in FY 2025 to support the Huron-to-Erie Corridor Drinking Water Monitoring Program. The funding will support the procurement, installation, calibration, and maintenance of monitoring equipment, as well as stakeholder coordination, through 2029. For nearly 20 years, SEMCOG has coordinated this voluntary, collaborative monitoring network, which serves as an early warning system for changes in source water quality caused by spills, discharges, harmful algal blooms, and other upstream incidents within this highly industrialized and heavily traveled international corridor. The network includes 11 water treatment plants: nine operated by local communities and two operated by the Great Lakes Water Authority.

SEMCOG issued a Request for Proposals (RFP) to select a consultant to facilitate updates to the Huron-to-Erie Corridor Drinking Water Monitoring Network. The solicitation was advertised through the Michigan Intergovernmental Trade Network (MITN), and SEMCOG received two proposals, from ECT and LimnoTech. The proposals were evaluated by a six-member Selection Committee consisting of SEMCOG staff, Great Lakes Water Authority representatives, and representatives from participating stakeholder communities, including Wayne County, the City of Monroe, and East China Township.

The Selection Committee evaluated the technical proposals and cost submissions and interviewed both firms. Based on its evaluation, the committee identified ECT as the preferred vendor.

ECT has extensive experience with the Huron-to-Erie Corridor Drinking Water Monitoring Program and has worked with each of the participating water treatment plants. The committee noted ECT's demonstrated familiarity with the network, satisfactory past performance, and responsiveness to program partners. Based on these qualifications, the committee is confident in ECT's ability to successfully complete the proposed scope of work.

Under the proposed agreement, ECT will coordinate with participating water treatment plants to facilitate the purchase, installation, and calibration of monitoring equipment. ECT will also develop and publish an online portal that provides the public with access to real-time drinking water quality information.

Action by other committees
The Finance and Budget Committee recommends the Executive Committee approve a contract with Environmental Consulting and Technology, Inc to facilitate the Huron-to-Erie real-time drinking water monitoring network update, for an amount not to exceed $1,000,000.

Action requested
NOW THEREFORE BE IT RESOLVED this 24th day of July 2026, THAT the Executive Committee of SEMCOG, the Southeast Michigan Council of Governments, authorizes the Executive Director, or her designee, to negotiate a contract with Environmental Consulting and Technology, Inc for the facilitation of the Huron-to-Erie real-time drinking water monitoring network update, for an amount not to exceed $1,000,000.

BE IT FURTHER RESOLVED THAT the Executive Director, or her designee, is authorized to enter into a contract with LimnoTech should negotiations with the above contractor be unsuccessful.

ATTEST: ____________________________ DATE: ______________________________
Committee Clerk

Housing Bill Becomes Law. The 21st Century ROAD (Renewing Opportunity in the American Dream) to Housing Act became law over the weekend after President Donald Trump allowed the measure to become law without his signature, following the 10-day constitutional period after Congress had approved the bipartisan legislation with overwhelming support in both the House and Senate. The new law is considered the most significant federal housing legislation since the 2008 housing crisis. The objectives of the ROAD are to increase housing supply, reduce development costs, and improve housing affordability by streamlining federal environmental and permitting requirements for new housing, modernizing federal housing and community development programs, expanding opportunities for manufactured housing, strengthening disaster recovery and housing rehabilitation programs, improving Housing Choice Voucher administration to encourage greater landlord participation, enhancing homeownership counseling and financial literacy, and placing new restrictions on large institutional investors acquiring single-family homes in an effort to preserve homeownership opportunities for families. The legislation also includes numerous reforms aimed at improving the efficiency of HUD and other federal housing programs while expanding tools available to state and local governments to support housing production and neighborhood revitalization. The law is expected to create new opportunities to leverage federal resources, reduce regulatory barriers to residential development, and accelerate local efforts to address housing shortages across communities throughout the region.

Appropriations Process Stalled. Congress returns from its Fourth of July recess with Fiscal Year (FY) 2027 government funding at the top of a long to-do list with all signs currently pointing to the need for a Continuing Resolution on October 1. The House Appropriations Committee has passed all 12 funding bills, but the full House has approved only two: Military Construction-VA and Agriculture-FDA. The House left earlier than expected before the Independence Day holiday, without considering additional appropriations after disagreements over the election reform legislation. A group of Republicans blocked consideration of all bills due to objections over the the National Defense Authorization Act (NDAA) failing to include several provisions including the SAVE America Act, a controversial voter ID and election reform bill, a proposal to restore the lost pension funds of non-union Delphi-General Motors employees, and a lack of progress in codifying President Trump's immigration and border security policies. With the House returning to session on July 13, the House will attempt to break the logjam on the NDAA and consider additional FY 2027 appropriations bills. However, support for the SAVE Act may continue to complicate the effort. In the Senate Appropriations Committee, Senate Appropriations Chair Susan (R-ME) and Ranking Member Patty Murray (D-WA) failed to reach an agreement on spending levels making the typically bipartisan process a partisan exercise. After Collins postponed the Committee's first markup twice over stalled negotiations, she decided to move forward without Democratic support but with Republicans only having a margin of one vote in the Committee, Chair Collins was forced to postpone it again due to Senator Mitch McConnell's (R-KY) medical emergency-related absence. The recent passing of Senator Lindsey Graham (R-SC), a senior appropriator, will also impact the process in the upper Chamber. With all of these complicating factors, a Continuing Resolution (CR) is all but certain at the end of the fiscal year. A potential CR will require Democratic support in order to pass under Senate rules. The House has two weeks before their scheduled August recess to make progress and four more weeks when they return in September. The Senate is scheduled to be in session for three more weeks before they recess for the summer and will only be in session three weeks in September before the end of the fiscal year.

OMB Rule Faces Opposition. The Office of Management and Budget's (OMB) proposed 'Regulation for Federal Financial Assistance', published on May 29, is facing bipartisan criticism in Congress and broad stakeholder opposition before the public comment portal closes on July 13 at 11:59 p.m. According to President Trump's August executive order (EO) 14332, 'Improving Oversight of Federal Grantmaking', OMB is aiming for the rule to take effect on October 1, 2026. The rule is the largest overhaul of the Code of Federal Regulations (CFR) Part 200, the regulation that governs all federal grants, since its initial publication in 2013. It would shift the CFR from guidance to a manipulable regulation, increase political control over funding awards, and allow agencies to terminate grants that fail to align with the Administration's policies, among numerous other changes. On June 30, OMB Director Russell Vought appeared in front of the House Appropriations Financial Services and General Government Subcommittee where he was questioned on the order. While most Republicans highlighted the rule's positive ability to prevent fraud and improve accountability, Subcommittee Chair Dave Joyce (R-OH-14) stated that "we need to work together to ensure that federal funds are being used as Congress intended, even if the administration doesn't agree with the intent of certain programs." Similarly, on June 7, Republican Appropriations Chair Susan Collins (R-ME) released a letter asking OMB Director Russell Vought to "extend the comment period for the rule by no less than 90 days and withdraw portions of the rule." Collins broadly criticized "new, burdensome requirements on award recipients that would harm small and rural communities," as well as the repeal of agency discretion to include their own termination provisions, and limiting recipients ability to appeal the grant termination decisions. OMB has received nearly 350,000 comments and posted over 50,000 to the docket as of July 12. The comments come from individuals and many stakeholder organizations, including scientific organizations, the U.S. Chamber of Commerce and local governments, with most calling for an extension of the comment period and/or revisions to the rule.

Surface Transportation Hearings Replace Progress. Amid continued congressional gridlock, Congress may ultimately be forced to extend the surface transportation programs authorized under the 2021 Infrastructure Investment and Jobs Act (IIJA), which expire on September 30, 2026, rather than enact a comprehensive reauthorization before the deadline. On the House side, the Committees on Transportation and Infrastructure, Science, Space, and Technology, and Energy and Commerce have approved portions of the proposed Building Unrivaled Infrastructure and Long-term Development (BUILD) for America's 250th Act**,** although the Ways and Means Committee has yet to consider provisions addressing the federal gas tax and other highway-related excise taxes. In the Senate, no committee has released legislative text. The Committee on Commerce, Science, and Transportation is expected to act first, followed by the Committees on Environment and Public Works (EPW) and Finance. Commerce Committee Chair Ted Cruz (R-TX) is developing a national framework for autonomous vehicles (AVs) that mirrors the House proposal, but unlike the House, Senate Republicans will need Democratic support to overcome the filibuster. That bipartisan path remains uncertain. In a June 15 letter, 15 Senate Democrats outlined priorities for any highway bill, including protecting infrastructure grants from political interference, improving transportation safety, addressing affordability, creating good union jobs, and advancing climate and public health goals. The senators also opposed the House proposal to impose a $130 annual fee on electric vehicles and a $35 fee on hybrid vehicles, as well as any federal AV framework that broadly preempts state laws. Although Commerce Committee Ranking Member Maria Cantwell (D-WA) questioned whether AV legislation belongs in a surface transportation bill, the International Brotherhood of Teamsters expressed support for including an AV framework during a June committee hearing. Meanwhile, the EPW Committee's June 3 hearing served as both an oversight and budget hearing with Federal Highway Administrator Sean McMaster, who endorsed the proposed EV and hybrid vehicle fees. Chair Shelley Moore Capito (R-WV) emphasized preserving flexible and predictable formula funding while reducing administrative burdens, eliminating duplicative programs, and limiting federal overreach to avoid grant backlogs, funding interruptions, and project delays. Looking ahead, the Senate Commerce Committee is scheduled to mark up seven technology-related bills on July 15, including Senator Elissa Slotkin's (D-MI) Connected Vehicle Security Act of 2026, which would codify the Commerce Department's rule prohibiting the use of certain foreign software and connected vehicle technologies in vehicle manufacturing.

Water Resources Development Act Markups Begin. On July 14, the House Transportation and Infrastructure Committee will markup the 2026 Water Resources Development Act, which was among the items scheduled for July 1, but canceled when the House left early for the July 4th recess. The legislation seeks to improve the nation's ports and harbors, the inland waterway navigation network, flood and storm protection, and other water resources infrastructure. The 2026 WRDA bill, H.R. 9497, includes various policy changes to improve infrastructure project delivery. These include strengthening and reauthorizing alternative project delivery programs, emphasizing non-federal interests' input for feasibility studies, and helping ensure non-federal interests can find the right Corps resources to get projects off the ground. The bill also sets a normalized wage rate for Corps employees at the Soo Locks in Sault Sainte Marie, Michigan. The Senate EPW Committee has not yet released its version of the legislation, but it is expected in July. WRDA reauthorizations are typically bipartisan efforts. This year's legislation is expected to pass before year's end.

House Announces Education Department Dismantling Bills. House Education and Workforce Committee Chair Tim Walberg (R-MI) announced on July 9 a legislative package titled "Less Bureaucracy, Better Education" aimed at codifying the Trump Administration's efforts to dismantle the Department of Education. The package is separated into ten bills, reflecting ten interagency agreements shifting responsibilities to other Departments. Most notably, the Department of Labor would manage programs within the Offices of Career, Technical, and Adult Education; Elementary and Secondary Education; and Higher Education. The Department of Treasury would manage federal student aid programs, the Department of Interior would manage tribal education programs, the Department of State would manage international education and foreign gifts reporting, and the Department of Health and Human Services (HHS) would manage college student child care, foreign medical school accreditation, and family engagement programs. The legislation does not have a Senate companion, where it would almost certainly run into strong opposition from Senate Democrats. Currently, the Administration's interagency agreements are serving as a transitional model for carrying out Department of Education programs. Under these agreements, many day-to-day administrative responsibilities—including grant management, application review, and recipient selection—are being performed by other federal agencies, while the Department of

Education retains the statutory authority and legal responsibility for administering the programs. Since early 2025, the Department has reduced its workforce by approximately half and now employs roughly 2,000 staff. The remaining employees are expected to relocate to a smaller headquarters office beginning in August, reflecting the Department's significantly reduced operational footprint even as it continues to oversee its legal obligations.

FCC Proposes Local Broadband Preemption. On June 26, the Federal Communications Commission (FCC) approved a Notice of Proposed Rulemaking (NPRM) on a proposal to preempt state and local reviews of wireline deployments if the agency finds that state and local authorities are unfairly delaying or denying permits. First announced as an inquiry in September 2025, the proposal would establish new and codify existing 30-day shot clocks where telecommunications projects are automatically approved if not acted upon by a locality. The proposal also outlines varying local preemption powers to assess fees based on the size and scope of telecommunications projects. In December 2025, the House Energy and Commerce Committee approved a bill, the American Broadband Deployment Act, which would codify these changes, but it is stalled. During the same June hearing, the FCC also voted to propose rules narrowing use of the E-Rate program, which was established in the late 1990s to subsidize high-speed connectivity in schools and libraries. There is a 30 day public comment period on the proposed rule set to expire on July 26.

To: Amy O'Leary, Executive Director, SEMCOG
From: Mike Compagnoni, Adam Wright, and Dusty Fancher, Account Lobbyists, Midwest Strategy Group
Date: 13 July 2026
Subject: Lobbying and Government Relations Activities Summary

Session Schedule

The legislature is now on summer break and will likely remain out of session through the Labor Day holiday. As a reminder, all introduced legislation in Michigan is valid for the full two-year session which will expire at the end of 2026. While the legislature has had a historically slow start to the year thus far, having only around a dozen bills signed into law, we have seen activity pick up with a bipartisan budget deal made before the July 4th holiday.

Important Upcoming Dates

Below is a list of upcoming dates that are relevant to the political and legislative calendar for 2026:

- Aug. 4: Primary election date
- Aug 29: Democratic nominating convention
- Sept 30/Oct 1: End of fiscal year/Start of FY26-27
- Nov. 3: General election date
- Dec. 31: Last possible day of 2026-27 legislative session

FY27 Budget Passage Update

The legislature is statutorily required to pass a state budget by July 1 in order to provide schools with insight on what revenues they can expect in the upcoming year. However, there are no consequences on the legislature for not passing a budget before this deadline. In addition, there is a constitutional requirement that the state pass a budget before October 1. Although the legislature missed the statutory deadline of July 1, we still saw a budget passed before the July 4th holiday in a marathon overnight session on July 2nd and 3rd. In comparison, last fiscal year when the Michigan Legislature did not have a budget signed into law until mid-October. Governor Gretchen Whitmer will likely take some time to review before a final signature occurs.

Besides education, the total top line omnibus budget was around $750 million smaller than last year's budget, dropping the total spend in this area to $75.1 billion and a flat General Fund of $14.1 billion. The education omnibus (K-12, community colleges, and higher education) was significantly less than in past years from $24.1 billion to $22.9 billion. However, the budget has not accounted for federal dollars, which are estimated at $1.4 billion, which would put the budget up approximately $200 million for the year. The budgets accurately reflect a stable and relatively flat revenue picture in the state combined with impactful federal reductions to state funding. Last year's roads deal and larger obligations for things like Medicaid caseloads also put downward pressure on state spending.

House Fiscal Summary of the General Omnibus (SB 878)
House Fiscal Summary of the School Omnibus (HB 5630)

<u>Michigan Department of Health and Human Services (MDHHS)</u>

The Department of Health and Human Services (MDHHS) saw an overall increase of $680 million. Despite that increase, many programs and initiatives were cut to help balance the state's largest departmental budget. Notable highlights include:

- *Medicaid Actuarial Soundness Adjustments*
  The budget includes $658 million for managed care entities that provide Medicaid services to reflect the Federal requirement that capitation rates be actuarially sound.
- *Healthy Michigan Plan Reduction*
  A reduction of $148 million to recognize caseload, utilization, inflation, and special financing adjustments for medical and behavioral health services in the Healthy Michigan Plan
- *No New Revenue*
  As part of the governor's executive recommendation, there were plans to offset federal Medicaid cuts with new revenue stemming from tobacco and vape taxes. These were not included in the final product.
- *One-Time Projects*
  Several one-time projects were included, such as:
  - Nursing facility staffing initiatives – $10.0 million
  - New Southeast Michigan State Psychiatric Hospital – $6.0 million
  - Water affordability grants – $5.0 million
  - Weatherization assistance grants – $5.0 million
  - Crisis stabilization units – $5.0 million
  - Permanent supportive housing – $5.0 million

<u>Michigan Department of Transportation (MDOT)</u>

Spending for MDOT increased by $226M, or about 3% for the year. This was largely driven by an increase in restricted funds from the new 2025 roads deal. Items of note include:

- State Trunkline Road and Bridge Capital Program budget totals $2.0 billion, an increase of $137.6 million. While estimated available federal funds would decrease by $2.5 million, state restricted support would increase by net $140.1 million.
- Includes $1.1 billion for distribution to cities and villages per Act 51 formula, a $122.5 million increase.
- Includes $2.0 billion for distribution to county road commissions per Act 51 formula, a $221.2 million increase.
- Includes $133,800 increase, the estimated increase in Michigan Transportation Fund (MTF) revenue designated for this program per Act 51 formula. In addition to $26.6 million MTF, the budget includes $100.0 million from the Neighborhood Roads Fund (NRF).
- Several one-time funding projects using CTF including $5M for Maritime & Port Facility Assistance Program; $7.5M for Commercial Service Airports; $4.1M for the Great Lakes Tunnel
- Local Bus Operating saw a $305 million total funding level, an increase of $33.4 million over last year.
- The Detroit Wayne County Port Authority continued to receive their annual appropriation of 600k.

- $65M for Infrastructure Projects Authority Fund, which funds transformational transit projects, part of the 2025 roads deal.

Michigan Department of Labor and Economic Opportunity (LEO)
Last year, the Department of Labor and Economic Opportunity (LEO) saw some major cuts in the final budget at 25% overall, with a $690.7 million reduction and $577.4 million in general funds. This year the department saw another reduction over $135 million or another 7.8% year over year.

The LEO budget did see new investments for Registered Apprenticeships ($4 million one-time), and dollars to implement federal work requirements ($10 million ongoing). The executive had recommended $25M for federal work requirements and $5M for apprenticeships, which would provide additional opportunities for individuals to meet new federal work requirements under H.R. 1. There also appears to be an $18 million dollar appropriation in a supplemental for LEO tied to HR-1 that may also be for Medicaid work requirement implementation.

There were significant cuts to longstanding programs, such as Jobs for Michigan's Graduates (now $4M one-time), providing support for at-risk youth. Similarly, Going Pro funding was a topic of discussion throughout the budget process, with the Governor not including any funding in her executive recommendation. The House included $40M and the Senate $10M. The final negotiated amount was $14.5M one-time, which is a significant cut from previous years.

The final budget combined the traditional Business Attraction and Entrepreneurship lines into a single Michigan Small Business, Community Growth, and Entrepreneurship Support line item for a total of $68.6 million GF/GP (one-time) to support various programs including the following:

- $30.0 million for small business development grants, loans, investments, technical assistance, program support, outreach activities, and other economic assistance activities that support small business growth,
- $28.6 million for community revitalization; placemaking; business attraction, retention, and expansion; redevelopment; and other economic development activities related to growing Michigan's economy, and.
- $9.7 million for entrepreneurship and innovation, including activities that strengthen the entrepreneurial ecosystem and accelerate the creation, startup, growth, retention, attraction, and commercialization of high-tech, high-growth businesses.

Conference eliminated all ongoing funding for Pure Michigan and allocated $9.0 million in one-time for the program and $2.0 million in one-time for special events.

Earmarks or "Legislatively Directed Spending Items" (LDSIs) proved to be a major sticking point in the budget which held up negotiations. The final number of LDSIs in the LEO budget was 135 items totaling $125.3M.

Department of Environment, Great Lakes and Energy (EGLE)
The Department of Environment, Great Lakes, and Energy (EGLE) budget saw an overall cut of $296.3M (30.6%) from FY26. There were multiple executive budget-proposed fee increases that were ultimately

not included in conference. The House proposed budget suggested the elimination of 103 FTEs, which also did not make it through conference committee. While most items in the EGLE budget were cuts, Water Resources Programs received a net increase of $600,000 in restricted funds and four new FTEs. The Water Resource Programs administer flood hazard, dam safety, permitting, and regulatory programs while overseeing compliance, protection, and restoration efforts for Michigan's lakes, streams, wetlands, Great Lakes, floodplains, coastal areas, sand dunes, and other sensitive water resources.

General Government - DTMB and Revenue Sharing

The Department of Technology, Management, and Budget (DTMB), saw an overall reduction from $1.84 billion to $1.72 billion, largely driven by reductions in state leasing costs and removal of one-time increases in spending from last year. The overall DTMB budget for the Information Technology Investment Fund (ITIF) was held harmless with no changes from last year despite the House's efforts earlier this year to cut $35M from the fund, effectively zeroing the line item in their budget. Of note for tech projects, the DTMB budget included language that would create new requirements for Independent Verification and Validation (IV&V) for IT projects over $10 million.

State revenue sharing for local governments, housed inside the state's treasury budget, saw no changes this year despite a challenging financial situation. That said, the legislature removed FY 2025-26 one-time funding for Public Safety Revenue Sharing, which included $10.0 million for police academies, $7.5 million for Cities, Villages, and Townships, and $2.5 million for counties. This totals a $20 million reduction in funding.

Higher Education

The final higher education budgets provide $378.2 million for community college operations, a net increase of $3.7 million, or 1.0%, over the current year. For university operations, the final budget provides $1.7 billion, a net increase of $17.6 million, or 1.0%, over the current year. It includes a $66.8 million one-time increase that would provide each university with a 4.0% increase over ongoing operations funding, offset by the removal of $50.1 million in current-year one-time grants. Universities would need to limit resident undergraduate tuition and fee increases to the greater of 4.0% or $651 to receive the one-time funding.

The budget also increases funding for several major financial-aid programs. The Michigan Achievement Scholarship would receive an additional $232 million, bringing total funding to $532 million. Tuition Incentive Program funding would increase by $43.5 million, or 35.6%, to accommodate higher participation and tuition costs, without adopting the Executive's proposed eligibility restrictions. Michigan Reconnect would receive an additional $25 million, a 59.5% increase, to support expansion of the program to adults ages 21 through 24. The conference agreement also continues full funding of the state's obligations to the Michigan Public School Employees' Retirement System.

The legislature passed much-awaited Capital Outlay planning authorizations for six university projects and nine community college projects. Seven university projects and five community college projects garnered construction authorizations to break ground in the coming fiscal year. The total cost for all 28 projects would be approximately $1.4 billion ($543.0 million for new planning authorizations; $901.7 million for construction authorizations).

Education/K-12
Legislators approved the K-12 budget for schools throughout Michigan with a $250 increase in per-pupil funding. That increase puts the foundation allowance at $10,300 per Michigan student.

As part of per-pupil funding, cyber charter schools were equally funded. School safety and mental health remain a top priority in the K-12 budget, investing a total of $310 million that will be distributed to school districts on a per-pupil basis. Universal school breakfast and lunch were also funded with a total appropriation of $202 million. This budget also includes $40 million for a new dual enrollment line item that will reimburse school districts for eligible dual enrollment costs of their pupils.

Policy Bill Updates
A large number of policy bills moved alongside the budget as part of the budget negotiation. It seems the negotiations around which bills would be traded for ultimately stalled the budget vote. Some of the key pieces of legislation that moved late last night include (all passed with wide bipartisan margins):

- SB 52 - allows the Detroit-Wayne County Port Authority to offer pass-through financing
- SB 723 - amends transformational brownfield economic development law
- HB 4415 - requires competitive bidding for Road Commission projects
- HB 5646 - requires literacy related training for teacher prep
- SB 903 - codifies a weighted funding model for schools
- SB 721-722 - extends the sunset on commercial rehabilitation
- SB 966 - creates low-income housing tax credit
- SB 989 - extends sunset for interim teaching certifications
- HB 4309 - enters Michigan into a multi-state physician associate licensure compact

MSC Ruling and Governor's Veto on 9 Bills from 23-24 Session
At the end of the 2023-2024 legislative session nine bills were not presented to Governor Whitmer by the then House Speaker Joe Tate (D-Detroit), which led to the incoming Speaker Matt Hall (R-Richland Township) choosing not to present the bills in the new legislative session. In response, Senate Majority Leader Winnie Brinks (D-Grand Rapids) sued the Michigan House for their lack of action. This has triggered an 18-month saga where the House and Senate have battled in the courts on whether the bills should be sent to the governor.

Earlier today the Michigan Supreme Court declined to take up the case, letting a lower court ruling stand that would require presentation of the bills. The Supreme Court did not provide reasoning for the denial, but Justice Brian Zahra dissented.

A few hours later, Gov. Whitmer issued a veto letter, saying the effective date of the bills would be retroactive to April 2, 2025 and would present a heavy administrative burden if they were signed now including fiscal impacts over the last several years of budgets.

The now vetoed bills include:

- House Bill 6058 of 2024: Requires public employers to pay a larger share of the health insurance premium for public employees (80/20 hard cap);
- House Bill 4177 of 2023, House Bills 5817-18 of 2024: Allow Detroit history museums to seek a property tax millage from Wayne County voters;
- House Bills 4665-67 of 2023: Allows for the inclusion of corrections officers into the State Police pension system; and
- House Bills 4900-01 of 2024: Exempts public assistance, disability and worker's compensation from garnishment to repay debts.

These bills passed the then Democrat-led House and Senate on party-line votes and in some cases, bills were passed after the House Republicans walked off the House floor during the lame duck session. Many contained provisions that would increase healthcare costs for public employers and spike pension funding costs for the state.

Legislature Aligns to Extend Energy Emergency Through Summer

The House voted 103-2 to extend Michigan's energy emergency through the summer, allowing continued sale of lower-cost "winter-blend" gasoline. Both chambers supported the measure as Senate Concurrent Resolution 14, sponsored by Sen. Darrin Camilleri (D-Trenton), was substituted into House Concurrent Resolution 8 from Rep. Donni Steele (R-Orion Township). As a concurrent resolution, it does not require the governor's signature. The action extends Gov. Gretchen Whitmer's April 2 executive order, which would have lapsed July 1, preventing higher-vapor-pressure fuel sales which is cheaper to refine. Winter-blend gas saves motorists an estimated 10 to 20 cents per gallon at the cost of some efficiency and environmental pollution.

Rural Health Transformation (RHT) Program

The Michigan Department of Health and Human Services (MDHHS) has announced approximately $34.2 million in grant funding through the Rural Health Transformation (RHT) Program's Workforce for Wellness Initiative to strengthen Michigan's rural health care workforce. The funding will support recruitment, retention, and training efforts across five grant programs focused on maternal health providers, social workers, and broader rural health workforce development, with awards running from October 1, 2026, through September 30, 2027.

The initiative is part of the state's broader Rural Health Transformation Program, which aims to improve access to high-quality care in rural communities by strengthening partnerships, expanding the health care workforce, improving interoperability, and bringing essential services closer to where residents live. Eligible applicants include nonprofits, public and private organizations, local health departments, tribal entities, and universities, with applications due in early August. You can find more on the RHT Program at their website:https://www.michigan.gov/mdhhs/assistance-programs/medicaid/rural-health-transformation-program.

House Passes Bills on Dynamic Pricing and Housing Ownership

The Michigan House discharged from the Regulatory Reform committee and passed House Bills 6098 and 6099, which prohibits surveillance pricing on the sales of goods in Michigan. The bills, sponsored by Representatives Steve Frisbie (R-Battle Creek) and Rylee Linting (R-Wyandotte), received overwhelming support with a vote of 92-15 on the House floor. Frisbie and Linting both testified to the bills in committee, and are considered two of the House Republicans' more vulnerable members in this upcoming election.

Similarly, House Bill 6074, sponsored by Representative Karl Bohnak (R-Deerton), was discharged from committee and passed with almost unanimous support from the House, with a vote of 102-3. The bill, also sponsored by a legislator considered to be a vulnerable member for the House Republicans, would prohibit large institutional investors from purchasing or entering into a contract to purchase a single-family home in Michigan. The prohibition, however, would not apply to build-to-rent programs.

Because these bills are sponsored by more vulnerable Republican members, it is unlikely that these bills advance in the Democratically-held Senate soon. However, as policy bills are now a part of the budget negotiations, it is possible that changes. All the bills have been transmitted to the Senate but have not yet been referred to a committee.

Hospital Cost-Review Board Bills
A House package seeking to rein in hospital costs saw a hearing in Government Operations. While the House Government Operations Committee did not report the bills, Speaker Matt Hall (R-Richland Township) said they were in play for budget negotiations. The bills, House Bills 6116-6119, sponsored by Speaker Hall and members of his leadership team, would require hospitals to cut costs by 10% to retain nonprofit status and create an oversight board to monitor proposed price increases and mergers.

Proponents argue many hospitals are seeing increasing profits - which is increasing the cost of healthcare for employers and employees, and forcing families to delay care. The Michigan Health and Hospital Association warned the mandates could increase the number of hospitals operating in the red and create additional financial strain on an already struggling sector. Democrats, including Reps. Matt Longjohn (D-Portage) and John Fitzgerald (D-Wyoming), said they welcomed a healthcare-cost debate but objected to the speed of a package introduced only a week earlier, signaling no support at this stage.

House Democrats Introduce Package to Regulate Data Centers
Rep. Joey Andrews (D-St. Joseph) introduced a package of bills to regulate data centers, focusing on electric rates, water use, and local impacts. The package would require developers to cover infrastructure costs, protect groundwater, increase transparency, require community benefit and project labor agreements, mandate engineering and noise studies, establish decommissioning funds, and implement future energy efficiency standards. The bills, House Bills 6135-6142, were referred to the House Committee on Government Operations.

Bill Allowing Transmission in Highway Rights-of-Way Passes Committee
In the House Transportation Committee, the committee unanimously moved a bill, House Bill 5940, that would allow transmission utilities to utilize highway rights-of-way for collocating transmission lines. Currently, the Michigan Department of Transportation (MDOT) can use state highways for transmission line deployment, but not federal highways due to an outdated MDOT prohibition. The bill does not

mandate usage of highway rights of way but instead allows it as an option, potentially cutting down on the need to utilize private property and undisturbed land. There are many states working to pass similar language as more energy infrastructure is needed across the country. The Michigan bill is sponsored by Representative Dave Prestin (R-Cedar River) and received overwhelming support from stakeholders.

Money Transmission Bills Overwhelmingly Pass House
A bipartisan seven bill package updating Michigan's money transmission regulations overwhelmingly passed the Michigan House. The lead bill, House Bill 5544, sponsored by Representative Sarah Lightner (R-Springport), is model legislation crafted by the Conference of State Bank Supervisors (CSBS) to create a nationwide network of state payments regulation for money transmitters and modernize state laws to mitigate a patchwork scheme of laws varying from state to state. Money transmitters are entities that collect funds from businesses, such as taxes, and remit them to local, state and federal agencies. Michigan's statute already mirrored much of the model act's language, so there is not a significant change from current law besides money transmitters being required to have a credit and background check as well as the ability for the state department to coordinate with other state departments. Money transmission companies and payroll service providers that operate as money transmitters coordinated with CSBS on the model language.

Tri-Share Bill Moves Forward in House
The House passed bipartisan legislation (HB 6043) to permanently establish Michigan's Tri-Share Child Care Program, which divides licensed childcare costs among the state, participating employers and eligible employees. Under the program, employees generally pay one-third of the cost, reducing their out-of-pocket expenses by two-thirds. The program is available to households earning between 200% and 400% of the federal poverty level and has expanded to all 83 counties, with 310 employers currently supporting childcare for more than 1,100 children.

The legislation would formally place the program within the Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP), create a dedicated fund that does not lapse at the end of the fiscal year and allow employers to contribute more than their standard one-third share. It would also create a voluntary CareShare option for employers that want to assist employees without receiving a state subsidy, prohibit retaliation against participating workers and require annual public reporting.

Whitmer Announces DHHS Director Hertel Departing; Epkey to Succeed
Gov. Gretchen Whitmer announced that Michigan Department of Health and Human Services (MDHHS) Director Elizabeth Hertel will leave the post at the end of June, with Amy Epkey, currently senior deputy director of the department's Financial Operations Administration, stepping in on July 1.

Hertel, who led the department since 2021, steered it out of the pandemic era and made reshaping the state's behavioral health system a priority, including a contested rebid of pre-paid inpatient health plans that courts have since blocked, leaving the effort's future uncertain. Her exit adds to a string of administration departures ahead of Whitmer's term expiration in January 2027. Hertel told reporters she plans to take the summer off before deciding her next move.

Unemployment Ticks Up As More People Enter the Labor Market
Michigan's non-seasonally adjusted unemployment rates increased in most regions in May, with 57 of 83 counties reporting higher rates and the Detroit metro area recording the largest monthly increase. Regional rates ranged from 4.3% to 6.4%, while employment declined in 10 of the state's 18 labor markets, including decreases of about 1.2% in Kalamazoo and Lansing. Despite the higher unemployment rates, statewide nonfarm payroll employment grew by 56,000 jobs during the month, led by gains across most industries and metro areas; government employment fell by about 7,000 jobs.

Political Update

McMorrow Drops Out of U.S. Senate Race

State Senator Mallory McMorrow (D-Royal Oak) announced her withdrawal from the U.S. Senate race meaning the contentious three-way primary has narrowed to Congresswoman Haley Stevens (D-Birmingham) and public health official Abdul El-Sayed. McMorrow was positioning herself as a middle ground candidate between Stevens and El-Sayed and did not put her support behind either candidate after her announcement. It remains to be seen as to whether her supporters will back Stevens or El-Sayed in the upcoming August primary.

After McMorrow's withdrawal a number of additional endorsements were announced for El-Sayed including current State Senators Stephanie Chang (D-Detroit) and Darrin Camilleri (D-Trenton).

James Takes Fire From Cox, Johnson in Second GOP Governor Debate

U.S. Rep. John James (R-Shelby Township) again took the brunt of attacks from former Michigan Attorney General Mike Cox and businessman Perry Johnson during a statewide televised Republican gubernatorial debate. Johnson labeled James the "DEI candidate" and questioned his data center donor ties, Cox accused him of harboring presidential ambitions, while James mocked the 78-year-old Johnson's age, drawing a post-debate demand for an apology. On policy, all three pledged tax cuts funded by eliminating waste, and James and Cox committed to repealing Gov. Gretchen Whitmer's clean energy laws.

Nesbitt Out, James Gets Trump Endorsement in Republican Primary

President Donald Trump endorsed Congressman John James (R-Shelby Township) in the Republican gubernatorial primary via Truth Social, prompting Senate Minority Leader Aric Nesbitt (R-Lawton) to suspend his campaign and back James in a call for party unity. The remaining contenders, former Attorney General Mike Cox and businessman Perry Johnson, rejected the move, with Cox touting his two statewide wins and Johnson arguing Trump received "bad advice" and pointing to the president's recent gubernatorial-primary losses in Iowa and Georgia.

Peters Said to Have Interest in MSU Presidency

U.S. Sen. Gary Peters (D-Michigan) would have interest in the open Michigan State University (MSU) presidency and would consider it if the Democratic-majority Board of Trustees made an offer, though acceptance is far from certain. Peters has stayed publicly on message amid the speculation, repeatedly saying he is focused on his Senate work. One of Peters' five degrees is from MSU. The MSU Board has been under fire for a high level of dysfunction over the last year, recently drawing the ire of basketball Coach Tom Izzo.

Polling Shows Republican Gov's Race Tightening with Cox Closing on James
A new Mitchell Research and Communications survey shows a tight Republican gubernatorial primary, with U.S. Rep. John James (R-Shelby Township) at 28%, former Attorney General Mike Cox at 27% and businessman Perry Johnson at 23%, while Senate Minority Leader Aric Nesbitt (R-Lawton) trails at 4% and 18% remain undecided. The June 11–13 poll of 404 likely voters lands as the James campaign and its allied SuperPAC have gone largely dark on television since mid-May, while Cox and Johnson have kept up heavy spending. Both the Johnson and James camps disputed Mitchell's findings by releasing their own internals showing their respective candidates in the lead. With only weeks until the primary, the race continues to be close and many absentee ballots are already out.

Nesbitt is the second candidate to exit and endorse James, following former House Speaker Tom Leonard earlier this year. Democratic frontrunner Secretary of State Jocelyn Benson's campaign painted the endorsement as proof James would prioritize an "extreme agenda". The endorsement lands just as absentee ballots begin reaching mailboxes ahead of the Aug. 4 primary.

In a related move, Trump endorsed Army veteran Michael Bouchard for James' open seat in the 10th Congressional District, though he made no endorsement in the races for attorney general or secretary of state. Bouchard is the son of Oakland County Sheriff Mike Bouchard and running to backfill Congressman John James.

Swanson Scores Teamsters Endorsement
Democratic gubernatorial candidate and Genesee County Sheriff Chris Swanson picked up the endorsement of the International Brotherhood of Teamsters, with President Sean O'Brien praising him as a consistent presence on picket lines and a tireless advocate for Michigan workers. The backing gives a lift to Swanson's labor-focused campaign, coming just weeks after the United Auto Workers passed him over and endorsed current Secretary of State and Democratic gubernatorial candidate Jocelyn Benson, the polling frontrunner and biggest union prize of the cycle.