

ACEC/MICHIGAN LEGISLATIVE UPDATE

At-a-Glance Status Chart — September 2026

This chart tracks outstanding legislative and regulatory issues for ACEC/Michigan members. Information current as of September 25, 2026. Bill numbers are hyperlinked to official bill pages.

STATE LEGISLATION — PASSED ONE CHAMBER, AWAITING FINAL ACTION

Bill(s)	Subject	Status	ACEC/Michigan Position	What It Means / Next Step
HB 5485 / SB 947	Dam Safety Modernization	SB 947 PASSED House 96-7 — Nears Final Passage; Senate Concurrence Needed	Monitoring	Major movement: SB 947 (Sen. McMorrow, D-Royal Oak), which passed the Senate on July 2, cleared the House 96-7 as House Substitute H-1; the seven no votes were all House Republicans (Carra, DeSana, Fox, Greene, Paquette, Steele, Wortz). Rep. Mike Hoadley (R-Au Gres) championed the bill on the House floor, citing the Edenville/Sanford failures. Because the House amended the bill, the Senate must concur before it can go to the Governor. HB 5485 (Rep. Schuette, R-Midland), the House companion, is awaiting action in the Senate Appropriations Committee; as introduced it called for 15-year dam registrations, while the House-passed SB 947 provides 10-year registrations phased in over up to 10 years across 5 staggered rounds by hazard classification. Registration requires a detailed asset management plan (condition assessment, life-cycle cost analysis, failure probability/consequence analysis, funding sources) plus current inspection, evaluation, surveillance/monitoring, operation/maintenance, and safety/security plans. Inspection reports prepared by a licensed professional engineer would be required at least annually for high hazard dams and every 2 years for significant hazard dams (up from every 3 and 4 years), and high and significant hazard dams (low hazard at the department's discretion) must submit a comprehensive evaluation report, also prepared by a licensed PE, at least once every 10 years. The bill also allows the department to approve adjusted spillway capacity criteria based on a site-specific, consequence-based, or risk-based inflow design flood study. Detailed follow-up investigations the department orders after an inspection must be conducted under PE supervision at owner expense; if an owner does not comply, the department (or an affected person) may have a report prepared and recover those costs through a civil action. ~2,500 dams statewide; EGLE estimates ~\$1B in needed upgrades. These PE requirements are a direct, ongoing practice opportunity for ACEC/Michigan members in dam inspections, hydrologic and hydraulic analysis, emergency action plans, and rehabilitation design.

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SB 898 / SB 899	Brownfield Grant & Loan Program	PASSED Senate June 17 (29-9) — To House	Monitoring	Passed the Senate on a bipartisan 29-9 vote with an S-1 substitute. Creates a new EGLE-administered Brownfield Redevelopment Grant and Loan Program for local units of government — grants and loans of up to \$2M per project for environmental assessments, remediation, and other response actions to prepare contaminated properties for redevelopment, with added flexibility for projects showing significant economic or environmental benefits. Eliminates the one-project-per-community cap. Now awaits House action.
HB 5710 / HB 5711	Energy Standards Rollback / Integrated Resource Planning	Passed House May 12 — Stalled in Senate	Monitoring	Passed the House on near party-line votes (58-47 and 57-48) and was referred to Senate Government Operations. The package would require utilities to consider all energy sources in integrated resource planning — and would also roll back the 100% clean energy by 2040 standard, the 60% renewable standard by 2035, and energy waste reduction requirements. Senate Majority Leader Brinks has said there is no chance either bill receives a Senate vote, so the package is effectively stalled; the underlying grid capacity debate (data centers, EVs, electrification) continues.
HB 4774	Qualifications-Based Selection (QBS)	In Senate Committee	SUPPORT — Top Priority	ACEC/Michigan's top legislative priority. Passed the House in December 2025; awaiting action in Senate Regulatory Affairs. Would require QBS for state architectural, engineering, and surveying contracts. New international ammunition for the case: FIDIC's September 2026 global report found QBS-procured projects are 50% more likely to meet all construction milestones, achieve 89% owner satisfaction, and are 23% more likely to deliver innovative solutions — noting design fees are just 1-2% of a project's lifetime cost, while operations, maintenance, and rehabilitation account for up to 85%. ACEC/Michigan is actively pushing for a committee hearing given the limited legislative schedule through the election (see Other State Developments). Continue engaging your senators.
HB 5872–5880 ("HELP UP")	Tax Restructuring / Services Tax	In Senate Committee — HB 5880 Pending in House Committee	OPPOSE	HB 5872–5879 passed the House 57-46 and await action in the Senate Government Operations Committee. Would cut property taxes over \$3.1B (School Aid Fund, FY27) with replacement revenue from a new excise tax on services — potentially including engineering, architecture, and consulting. The entire package is tie-barred to the services tax bill, HB 5880, which remains pending in the House Government Operations Committee and has not passed either chamber. ACEC/Michigan strongly opposes any tax on professional design services.
HB 5536 , 5557 , 5501 , 5498	Wetlands, Air Quality & Permitting	Passed House — To Senate	Monitoring	Near party-line votes. Narrows the regulated wetland definition to align with the federal Sackett standard, creates expedited wetland mitigation review, requires longest allowable emissions averaging periods, and requires permit-issuing departments to assign staff by industry subject area.
HB 4079 / HB 4080	Dam Special Assessments	Awaiting Senate	Monitoring	Passed the House with strong bipartisan support. Expands special assessments to dam construction/reconstruction and allows deferred payments for seniors and disabled homeowners.

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HB 5940	Highway ROW for Electric Transmission Lines	Passed House Unanimously — To Senate	Monitoring	Sponsored by Rep. Prestin (R-Cedar River), this bill would allow aboveground high-voltage transmission lines within limited-access highway rights-of-way, provided they meet State Transportation Commission and MPSC standards. MDOT would be required, when requested by a utility or transmission company, to help identify viable highway corridors and jointly prepare a constructability report covering construction terms and an agreed period during which MDOT would avoid requiring relocation. MDOT would also have to share information about planned highway projects that could affect a proposed transmission route. Supporters (including NextGen Highways and the Michigan Conservative Energy Forum) argue the approach can reduce the need for new easements, eminent domain, and private-property or farmland acquisition while helping meet growing electricity demand and speeding project delivery. Relevant to member firms working in transmission siting, utility coordination, and highway design who may see new MDOT joint-planning requirements and opportunities.

STATE LEGISLATION — IN COMMITTEE / PENDING WHEN SESSION RESUMES

Bill(s)	Subject	Status	ACEC/Michigan Position	What It Means / Next Step
SB 771	Statewide Septic Code	Reported from Senate Committee June 2 — Awaiting Floor Vote	Monitoring	Would create Michigan's first statewide sanitary code for ~1.3M septic systems (20-25% estimated failing), a statewide database, EGLE standards within 3 years, and risk-based inspections. Major potential for environmental and municipal engineering work. Sponsored by Sen. Sam Singh (D-East Lansing); the Senate Natural Resources and Agriculture Committee reported it on a party-line vote June 2, and it awaits Senate floor action. The Michigan Association of Counties has opposed the bill as written, citing repair costs for low-income homeowners and local health department capacity.
SB 950 / SB 951	Michigan Water Trust Fund	Pending in Senate Committee	Monitoring	25-cent-per-gallon royalty on bottled water withdrawals, generating an estimated \$300M annually for lead service lines, stormwater/flood resilience, well remediation, and onsite wastewater.
HB 5033 (H-1)	School Construction PE/Architect Threshold	Reported from Committee June 25 — On House Floor (Second Reading)	WATCH	House Regulatory Reform reported the bill with an H-1 substitute that substantially narrows the original proposal: the licensure exemption threshold for school construction, reconstruction, or remodeling rises from \$15,000 to \$500,000 — not the \$5,000,000 as introduced — with annual CPI-U adjustments by the State Treasurer beginning January 1, 2027. Projects under the threshold must still submit plans to the Bureau of Fire Services and the Superintendent of Public Instruction for review and approval. The bill now awaits action on the House floor. Members should evaluate whether an indexed \$500,000 exemption appropriately preserves professional design oversight of school projects.

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Housing/Zoning Package (HB 5584 , 5529 , 5530 , et al.)	Density & Land Use Reform	House Committee — No Vote	Monitoring	Duplexes in single-family zones, 1,500 sq ft minimum parcel limits with public utilities, ADUs. Raises real questions on water/sewer/stormwater capacity; would drive demand for infrastructure adequacy assessments.
PFAS Package (9 bills)	PFAS Exposure & Accountability	Pending House Leadership	Monitoring	Farm remediation aid, PFAS bans in cosmetics, right to sue manufacturers. Separately, EGLE will update drinking water MCLs to at least the federal 4 ppt PFOA/PFOS standard by 2026, enforceable 2029 — significant treatment and remediation demand ahead.
HB 5932–5938 , 5716	State Permitting Reform Package	Advancing — Construction Bills Reported from Committee June 4	Monitoring	The construction-permit bills (HB 5932-5935, LARA) were reported from committee in early June: 7-day completeness checks, 10-15 business-day final decisions, full fee refunds for missed deadlines, denials requiring explicit statutory citations, and a ban on re-reviews or altered requirements during post-issuance modifications. The environmental bills (HB 5936-5938, EGLE) received committee testimony: the completeness review window drops from 30 to 7 days, strict timelines apply to wetland and wastewater hearings, and EGLE is barred from revisiting approved terms during subsequent modifications.
HB 5702–5704	Work Zone Worker Protections	House Judiciary — No Vote	Monitoring	Broadens "work zone" definition to cover debris removal and maintenance crews; 15-year felony for a moving violation killing a road worker; uniform stationary-vehicle passing standard.
HB 6272 / HB 6273	County Speed Limit Setting Authority	Testimony Only — No Committee Vote	WATCH — Engineering Standards Concern	Sponsored by Rep. Josh Schriver (R-Oxford), heard in House Transportation and Infrastructure Committee. HB 6272 would let a county gravel road in a county of 1 million or more residents be reduced to 25 mph at a municipality's request with county road agency approval, regardless of speed study results — per CRA, the bill would not eliminate the study requirement, but the study would no longer control the outcome. HB 6273 would let a school district or superintendent request a permanent 25 mph school zone without a speed study, would remove the current exemption for limited-access highways near schools, and per CRA would not apply to MDOT state highways. The Michigan State Police and the Michigan County Road Association testified in strong opposition, arguing the bills would let speed limits be set “without consideration of the expertise and analysis offered through the speed study process” and raising liability concerns about changing limits without supporting engineering data; the Road Commission for Oakland County also filed an opposition card. MDOT stayed neutral, and the Michigan Townships Association filed a card in support. Directly relevant to ACEC/Michigan's traffic engineering members, since speed studies are core professional practice; a rollback of that standard could set a precedent affecting evidence-based traffic engineering statewide.

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HB 6281	Year-Round E15/Summer Gas Blend Repeal	Testimony Heard in House Committee	Monitoring	Sponsored by Rep. Jerry Neyer (R-Shepherd), this bill would eliminate Michigan's summer low-vapor-pressure gasoline blend requirement (June 1–Sept. 15) in Wayne, Oakland, Macomb, Washtenaw, Livingston, Monroe, St. Clair, and Lenawee counties, aligning state standards with federal requirements and allowing E15 fuel sales year-round. Supporters (including the Michigan Corn Growers Association) argue the summer blend adds 10–20 cents per gallon with minimal remaining environmental benefit, building on Governor Whitmer's 90-day emergency suspension of the requirement in April. EGLE opposes the bill. Tangential to the broader fuel-cost and gas-tax debate already tracked in this update, though this bill addresses blend requirements rather than tax rates.
HB 6146 / HB 6147	Conditional State Gas Tax Holiday	Discharge Attempt Failed — No Floor Vote	Monitoring	Introduced by Rep. Phil Skaggs (D-East Grand Rapids) in July, the tie-barred bills would suspend the state's 52.4-cent gas tax for three months once MDOT determines the average statewide gasoline price has reached \$5.00 per gallon, with the lost revenue replaced by transfers from the Budget Stabilization Fund. House Democrats sought to discharge the bills from committee the week of September 21; the effort was unsuccessful and House leadership did not allow a vote. Speaker Hall has called a holiday unrealistic, arguing it would gut the road funding package negotiated with Governor Whitmer last year, and a past House Fiscal Agency analysis put the revenue loss from a comparable three-month suspension at roughly \$600 million. Unlike the campaign-trail proposals discussed in the Federal Gas Tax Holiday row below, this bill does specify a replacement source, though a one-time rainy day fund transfer does not resolve the broader funding-stability concerns ACEC and the Transportation Construction Coalition have raised about suspension. Statewide average gasoline was about \$4.76 on September 25, still below the bill's \$5.00 trigger. ACEC/Michigan has not adopted a formal position on the state bills.
HB 5767 / HB 5768	Work Zone Safety Driver Education	Reported from Committee June 16 — On House Floor	SUPPORT	Reported from the House Transportation and Infrastructure Committee. Beginning January 1, 2027, HB 5767 requires driver education participants to complete a 30-minute work zone safety course (developed with MDOT, delivered online or in person); HB 5768 extends the requirement to all operator's license applicants, including commercial licenses. The bills are tie-barred. Michigan saw ~6,000 work zone crashes in 2025, including 24 fatal crashes.
HB 5577	State Plane Coordinate System Modernization	Pending	Monitoring	Updates Michigan's geospatial framework — key for surveying, mapping, and design consistency. Of particular interest to MSPE surveying members. ACEC/Michigan is actively pushing for a committee hearing given the limited legislative schedule through the election (see Other State Developments).

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SB 999	Register of Deeds Recording Fees & Earmark	Referred to Committee — No Hearing Held	Monitoring	Introduced by Sen. Sam Singh (D-East Lansing) and referred to the Committee on Local Government. The bill raises the base recording fee under Sec. 2567 from \$30 to \$34 per document. More significant for surveying and mapping members: the separate per-instrument fee under Sec. 2567a, which funds the State Survey and Remonumentation Fund, would double from \$4 to \$8 (before 2043; \$2 to \$6 thereafter) — but a new subsection directs \$4 of that fee to a newly created Aerial Imagery and Mapping Fund (new Sec. 2567b) rather than to the Survey and Remonumentation Fund, which keeps its own share effectively flat. The new fund, administered by the Department of Technology, Management, and Budget, would pay for statewide aerial imagery and LiDAR data through the MiSAIL program for state agencies, counties, cities, townships, and villages, and/or public-private partnerships to keep that imagery regularly updated — a potentially valuable, growing statewide geospatial data resource for engineering, surveying, and civil design work. No hearing has been held.
SB 1023 / SB 1024 / SB 1025	Village Annexation Procedure Standardization	Referred to Committee — Tie-Barred Package, No Hearing Held	Monitoring	Introduced by Sens. Outman, Daley, Bayer, and Wojno and referred to the Committee on Local Government, this tie-barred three-bill package (none takes effect unless all three are enacted) overhauls how territory is annexed into Michigan villages. SB 1023 expands the State Boundary Commission's jurisdiction to cover annexations under the general law village act and home rule village act, not just the home rule city act. SB 1024 and SB 1025 each add a parallel new section creating a single Commission-administered annexation process for their respective village statutes: annexation could be initiated by a landowner petition, a petition from 20% of qualified electors in the area, or a resolution from the receiving village; the Commission must hold a public hearing with defined notice (60 days to property owners in the area, 30 days by certified mail to owners within 300 feet); referenda are available only for territory with more than 100 residents (triggered by 25% of electors within 5 miles); and denied petitions face a 2-year refiling bar. Once effective, this becomes the exclusive method for annexing territory into a village, replacing the varied county-board and local-election procedures used today. Relevant to member firms doing municipal and infrastructure planning: a single, predictable, hearing-based annexation process with defined timelines could affect how quickly service areas expand and how much advance notice firms get for capacity planning in newly annexed territory. No hearing scheduled on any of the three bills.
HB 5899	AI Governance Board & Pilot	House Committee Discussion	Monitoring	Three-member AI board, 180-day state pilot, and oversight fund. Watch for emerging questions on PE responsibility and sealing of AI-assisted work.

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HB 6058	Multistate Occupational Licensure Reciprocity	In House Regulatory Reform — FLAGGED	WATCH — Licensure Standards Concern	Introduced by Reps. Aragona and Tisdell, this bill would add a new Section 216 to the Occupational Code (broadly applicable across licensed professions, not a single-occupation bill) requiring LARA to issue a Michigan license without examination to an out-of-state licensee, based only on that other state's requirements — not Michigan's. Michigan-specific examination is left to the department's discretion ("may," not "must"). Member firms have raised concern that this could allow individuals licensed under a materially weaker out-of-state standard — for example, a state relying on apprenticeship rather than an accredited engineering degree and PE exam — to obtain a Michigan PE license without meeting Michigan's requirements. This differs from established interstate licensure compacts (which set uniform minimum standards) by deferring entirely to the other state's threshold, however low. Sitting in House Regulatory Reform; ACEC/Michigan is reviewing and gathering member feedback.
SB 1095	Emeritus License for Retired Professionals	In Senate Regulatory Affairs — No Hearing Held	Monitoring	Introduced by Sens. Camilleri and Moss and referred to the Committee on Regulatory Affairs, this bill would add an "emeritus license" option to the Occupational Code — applicable across all licensed professions under the code, including engineering. Retired licensees who were in good standing when their license expired could obtain an emeritus license letting them use their professional title (e.g., "PE Emeritus") in writing or displays, provided "emeritus" is added to the term; the license confers no right to actually practice the occupation. Would give retired PE members a way to keep using their professional title without maintaining an active license. No hearing has been held.
Drone Package (HB 5329 , 5331 , et al.)	UAS Regulation	2 of 15 Bills Passed House May 12 — Now in Senate	Monitoring	Only HB 5329 and HB 5331 (procurement restrictions on drones from companies on federal "concern" lists) have advanced out of the 15-bill package, passing the House May 12 and moving to the Senate. Restrictions could affect bridge inspection, survey, and mapping workflows.
HB 6037	Local Federal Aid Buyout Program	Newly Introduced	Monitoring	Would move the Buyout Program up MDOT's MTF priority list to prevent future suspension and increase funding from \$45M to \$50M. A CRA legislative priority.

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Water Affordability Legislation (Sen. Chang)	Statewide Water Assistance Program	Sen. Chang: “Votes Are There” in Senate	Monitoring	Sen. Stephanie Chang (D-Detroit) says the votes exist in the Senate, including some Republicans, to pass her water affordability legislation. A July 2026 EPIC-MRA poll (funded by NRDC) found 87% of Democrats and 77% of Republicans support a \$1.25 monthly charge to fund low-income water assistance, rising a quarter annually until inflation-adjusted after 2028. Local water providers could collect and forward the charge to the state health department, manage their own program, raise money through a non-charge local option, or opt out entirely if serving 6,000 or fewer water meters. An earlier version failed to reach the Senate floor in 2023-24 amid opposition from local governments, including Macomb County's Candice Miller, who argues communities with existing assistance programs (like GLWA's WRAP) shouldn't be forced into a statewide system. Relevant to water/wastewater engineering members given the connection to utility revenue structures, assistance-program administration, and state health department program design.

Data Center Regulation Bills	Data Center Water Use, Ratepayer & Siting Rules	No Hearings Held — Competing Proposals	Monitoring	Three competing approaches remain stalled without a single hearing: a House Democratic package would impose water usage, reporting, decommissioning, and site remediation requirements on data centers; a Senate Democratic package led by Sen. Kevin Hertel (D-St. Clair Shores) aims for ratepayer protection, process transparency, and corporate accountability, drawing on other states' experience; and Sen. Jim Runestad (R-White Lake) has introduced a moratorium bill to pause new approvals while the state works out regulations, arguing the Democratic packages are “for show” and prioritizing NDA transparency and preventing cost-shifts to ratepayers. Hertel wants a full package passed this year and calls a moratorium “kicking the can down the road”; Runestad believes a moratorium would force developers to the table for serious talks. The underlying regulatory benchmark is the PSC's December 2025 approval of DTE's contracts for the Saline Township hyperscale data center — a 19-year minimum term (versus a standard 5), an 80% minimum billing demand (versus the traditional 50-60%), and termination payments of up to 10 years of billing demand if the facility closes early. PSC Chair Dan Scripps has urged the Legislature to codify those stipulations, which he calls among the strongest ratepayer protections of any state. Relevant to member firms doing power systems, civil, and site development work tied to data center projects. New August EPIC-MRA polling (commissioned by Climate Power) shows why the issue carries bipartisan weight: only 20% of likely November voters support data center development statewide versus 62% opposed, with opposition holding above 50% across every party, region, age group, and income bracket polled. Opposition to federal tax incentives for data centers is even more lopsided — 73% opposed, including majorities of Democrats, Republicans, and independents alike. Both gubernatorial candidates have now staked out positions: Benson has pledged a data center moratorium until rules require open community negotiation, payment for power used, and water-use limits, and supports repealing the 2024 tax exemptions (aligning her with Sen. Runestad); James favors similar guardrails (brownfield siting, ratepayer and water protections, developer-funded infrastructure) but resists a firm moratorium pledge, preferring local control over a Lansing mandate, and has not called for repealing the tax exemptions. Both candidates carry data center-related conflicts: Benson's husband is an executive at the firm developing the Saline Township Stargate project, while James has drawn scrutiny over past contributions from a Stargate contractor's donor network. The issue has now reached television: the DeVos-backed Mission Michigan PAC is airing an ad attacking Benson over her husband's former Related Digital role in the Saline project, while Benson's campaign countered with a \$61,000 ad buy repeating her moratorium and tax-repeal pledge and attacking James for owning stock in data center companies. The fight has a federal dimension too, playing out in Michigan's 7th Congressional District: Rep. Tom Barrett (R) has introduced bills barring federal agencies from overriding local zoning/siting authority over data centers and prohibiting members of Congress from signing data center NDAs, while Democratic challenger William Lawrence has proposed a federal moratorium on
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				new data centers and advanced AI development pending national regulation, funded in part by taxing AI companies. Both approaches favor some form of local control and ending current tax incentives, differing mainly in scope and urgency. Two new academic surveys reinforce the political durability of this opposition: MSU's Institute for Public Policy and Social Research (summer 2026 State of the State Survey, ~1,000 adults) found 70% of residents oppose data center construction in their community (52% strongly, 18% somewhat, vs. 11% support), with opposition bipartisan but uneven — 76% of Democrats, 72% of independents, and 58% of Republicans. The same survey found more nuanced views on incentives specifically: 46% opposed state financial incentives outright, but 35% supported incentives conditioned on requirements being met (only 5% backed unconditional incentives). Seventy-seven percent expect data centers to raise their home energy costs (55% “a lot”), 71% think they'd be bad for the environment, 59% bad for the economy, and 83% want local government to have at least some say in permitting. A University of Michigan Ford School poll of local government leaders found only 2% would support development in their community, with 46% saying costs outweigh benefits versus 18% disagreeing, and local leaders cited water supply and utility-bill impacts as top concerns — relevant given data centers seeking the sales/use tax exemption must source at least 90% of their energy from clean sources, which could drive solar farm development.
HB 6247 / HB 6248 / HB 6249	Carbon Capture & Sequestration Framework	Heard in House Energy Committee — No Action	Monitoring	Sponsored by Reps. Fairbairn (HB 6247, regulation of carbon sequestration), Wendzel (HB 6248, Crude Oil and Petroleum Act definitions), and Cavitt (HB 6249, ownership and conveyance of pore space), the package would create a state regulatory framework for carbon capture and sequestration covering site leasing, permitting, ownership, and liability. Per the committee summary, DNR would be responsible for program development and siting, with EGLE overseeing permits. Reporting on the package indicates HB 6247 would begin the process of moving Class VI underground injection well oversight from EPA to EGLE, set a 200-day permit processing period with a public hearing within 60 days of an administratively complete application, and have the state assume long-term liability once a project is certified complete (operators remain liable for uncorrected violations). The House Energy Committee heard testimony and took no action. The Michigan Chamber's MI SUCCESS coalition and the Clean Air Task Force support the package, while some environmental groups argue the proposed 20-cent-per-ton injection fee is too low. Potentially relevant to member firms with geotechnical, subsurface, pipeline, and environmental permitting expertise as a new project market, though prospects this session are limited given the few remaining session days.

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HB 6256	Local Infrastructure Disaster Relief Fund	Newly Introduced — CRA Priority	Monitoring	Introduced by Rep. MacDonell (D-Oakland), this bill would amend the Michigan Transportation Fund to establish a dedicated Local Infrastructure Disaster Relief Fund, helping county and municipal road agencies cover the cost of repairing infrastructure damaged by major disasters when other funding sources are unavailable or insufficient. The County Road Association and Michigan Municipal League have long supported a dedicated disaster relief fund for a more reliable state fiscal response when disasters overwhelm local road budgets; this is the third such introduction, and lame-duck prospects remain uncertain. A CRA legislative priority.

OTHER STATE DEVELOPMENTS

- Michigan Legislature plans a very limited schedule through the election:** Lawmakers are planning minimal session activity between now and November, with considerably more legislative activity expected afterward; the schedule could still change if emerging issues require a return to Lansing. The Senate returned September 9-10 for its first regular session since passing the FY27 budget in the overnight July 2-3 session, with additional weeks of Senate session scheduled before November 3 — though the Legislature historically holds few voting session days after Labor Day in election years. The House met August 25-26, held no-vote session days September 15-17 (including the annual 9/11 remembrance ceremony), and then returned for voting session the week of September 21, where election-season partisan measures dominated the floor and a Democratic effort to discharge the gas tax holiday bills (HB 6146/6147) failed. Committees are being scheduled, but it remains unclear how many will meet before the election. ACEC/Michigan is actively pushing for committee hearings on its two remaining priority bills, HB 4774 (QBS) and HB 5577 (State Plane Coordinate System), given how few session days remain this year.
- New report: Michigan faces an \$85 billion water infrastructure funding gap over 20 years:** The Great Lakes Water Authority, Public Sector Consultants, and the Citizens Research Council released “The Crisis Beneath Us,” the product of a Water Funding Task Force convened this year. The headline \$85 billion figure (drawn from a 2025 U.S. Water Alliance study) is an estimate of total statewide 20-year need, not new state funding the report is proposing — a separate University of Michigan estimate, accounting for planned spending, puts the 20-year gap at a narrower \$19.8 billion. GLWA itself reports more than 40% of its roughly 800 miles of water transmission mains need attention, including 70 miles past their useful life and 86 miles of aging 1970s-era pipe, while supplying drinking water to nearly 40% of Michigan’s population. The report draws a direct parallel to the road funding fight already resolved: the FY27 budget dedicates about \$200 million in non-federal funds to water infrastructure against more than \$5 billion for roads — MITA’s Rob Coppersmith put it as roughly four cents spent on water for every state dollar spent on roads, with less than 1% of water mains replaced annually. The task force is calling for a “sustainable, long-term state revenue source” modeled on how road funding was finally addressed via the October 2025 Transportation Funding Package (see Wholesale marijuana tax bullet below), citing options including bonds, pay-as-you-go appropriations, or new revenue sources. Polling cited in the report shows 85% of Michiganders see the state’s water infrastructure failures as a serious concern and 84% support increased state investment. The report cites two recent breaks as a preview of what more frequent failures could look like without action: a February 2025 rupture that flooded part of southwest Detroit, displaced hundreds of residents, and caused more than \$12 million in property damage, and the May 2026 Auburn Hills break that cut off roughly 200,000 people across five Oakland County communities and prompted a state emergency declaration. Among the funding options discussed, one concrete example: a half-cent increase in the state sales and use tax would raise an estimated \$1 billion annually but would require voter approval. This is a major potential funding stream for member firms doing water/wastewater engineering — and, as with the transportation package, likely a multi-year legislative fight to watch.
- SB 729 signed — more State Building Authority capacity for higher ed capital outlay:** Governor Whitmer signed SB 729, which provides exceptions to the State Building Authority’s outstanding-debt limit, opening room for additional capital outlay project authorizations at Michigan universities and community colleges. A concrete near-term opportunity for member firms working on higher education facility design, renovation, and construction as new projects move through the authorization pipeline.
- Tariff friction with Canada is denting toll-funded bridge traffic and revenue:** Crossings at Michigan’s toll-funded international bridges have declined since 2025, which experts attribute largely to tariffs and Canadian sentiment following President Trump’s remarks about the country. At the Sault Ste. Marie International Bridge (100% toll-funded), total crossings fell from about 576,000 to 566,000 year-over-year (Jan.–Aug.), with passenger vehicle crossings down 23% since 2024 and truck crossings down from 42,365 to 36,716; an MSU supply chain economist estimates the area lost \$82.9 million in visitor spending last year. The Blue Water Bridge (Port Huron/Sarnia) saw truck crossings fall 14%, from 1.4 million to 1.2 million. Both authorities have raised tolls to offset the revenue loss. By contrast, the privately owned Ambassador Bridge saw truck traffic rise 8%, and the new Gordie

Howe Bridge, which opened in July, has no prior-year data for comparison yet. Since these authorities are toll-dependent, sustained traffic declines could affect their capital maintenance and improvement budgets — relevant to member firms doing bridge inspection, maintenance, and rehabilitation work.

- **Whitmer pushes for housing action in her final stretch:** Asked what she expects from the Legislature in her remaining time in office, Governor Whitmer said she'd like to see more done on housing, including determining how to deploy resources potentially available from legal settlements. Housing has been a recurring priority in her final year, including past calls for a state affordable housing tax credit and additional changes to make home construction easier. She acknowledged few session days remain before November and that the Legislature's plans remain fluid.
- **New FHWA Michigan Division Administrator confirmed:** Rachael Tupica has officially accepted the Federal Highway Administration's Michigan Division Administrator position, effective immediately, and will continue coordinating the federal-aid highway program with MDOT. A federal partner worth knowing as surface transportation reauthorization and the advance-appropriations fight continue (see Federal Legislation & Advocacy).
- **MLPP workforce report calls for public transit investment:** The Michigan League for Public Policy's 2026 Labor Day Snapshot, examining the state's labor market challenges (5% unemployment versus a 4.2% national average, and 1.2 job seekers per opening), recommended investing in public transit — alongside childcare, schools, and reduced post-secondary costs — as a way to remove barriers to employment and help more Michiganders get to work. A workforce-policy argument for transit investment worth noting alongside the funding and reauthorization questions already tracked in this update.
- **Wholesale marijuana tax — a transportation funding pillar — becomes a campaign question:** John James has made repeal or a sharp reduction part of his “fair taxes” platform, arguing the tax “drives up prices, gives illegal operators a competitive edge, and has already fallen far short of revenue projections” — the tax was projected to collect \$420 million, a figure that remains debated, and the Cannabis Industry Association has separately argued it functions as an improper multiple sales tax. James has not identified a replacement road funding source. Jocelyn Benson says she wants a “wholesale review of how we're generating revenue to the state” before taking a position, weighing industry impact against any cost increases. The tax matters beyond the marijuana industry: it is one of three revenue sources, alongside the adjusted gas tax and a Corporate Income Tax earmark, funding the October 2025 Transportation Funding Package that drove the FY27 transportation budget increase and the Neighborhood Roads Fund. Early collections raise real questions about durability: Treasury collected only about \$71 million through the first half of the year (\$34M in Q1, \$37M in Q2) against the \$420 million annual target — roughly 16% of goal with half the year gone — and a legal challenge from the Michigan Cannabis Industry Association remains active. County Road Association CEO Denise Donohue cautions the shortfall may partly reflect timing rather than lost revenue, since distributors' payments aren't due until 30 days after year-end and retail sales volume is down only 3%; she also expects October disbursements to run lower given how corporate income tax (part of the same funding package) is collected on differing quarterly and monthly schedules. A related wrinkle: the Senate Fiscal Agency revised its August revenue report, disclosing that General Fund revenue for the fiscal year to date is actually \$150.6 million below consensus estimates (not the \$532.4 million above originally reported), while School Aid Fund revenue is \$818.2 million above estimate (versus \$263.3 million originally reported) — a correction driven partly by required transfers of Corporate Income Tax revenue to transportation funds, the same CIT earmark that helps fund the transportation package discussed above.
- **Copperwood Mine funding now faces a lawsuit, not just Senate uncertainty:** Protect the Porkies filed suit in Ingham County Circuit Court challenging the Michigan Strategic Fund board's \$50 million Copperwood Mine allocation, arguing the funding still required legislative approval regardless of its SOAR-fund origin. The group cites a letter from former MSF board member Cindy Warner alleging Copperwood Resources/Highland Copper never met the specific conditions attached to the 2024 grant and calling for an Attorney General ethics investigation; it also raises tribal opposition, since some SOAR funding derives from tribal gaming revenue, and criticizes how public comment was handled at the MSF meeting. Senate Appropriations Chair Sarah Anthony has still taken no action in response. Members with work tied to Copperwood or the broader SOAR/MSF funding mechanism should watch for a ruling.
- **Line 5: EGLE agrees to reopen tunnel permit review, Whitmer tells Enbridge tunnel isn't guaranteed:** Responding to pressure from environmental groups, tribes, and local businesses following the Michigan Supreme Court's July 31 ruling, Whitmer and EGLE Director Phil Roos announced the department will review the July 15 tunnel permits in light of the Court's finding that the MPSC's own permit review was too narrow. EGLE's permit conditions already bar tunnel-entrance construction from proceeding until the legal questions are resolved. In a letter to Enbridge CEO Gregory Ebel, Whitmer said the company's decade-plus tunnel timeline can no longer justify continued pipeline operation and urged Enbridge to pursue a faster alternative; Enbridge responded that it “already have[s] an agreement with the State of Michigan” and that the Army Corps completed a six-year federal environmental review approving the project. No permits have been withdrawn or revoked to date. The Michigan Supreme Court has since denied Enbridge's motion to rehear its July 31 ruling, in a brief order stating the motion “is considered and it is denied” — making the remand to MPSC for a more rigorous public trust doctrine review final at the state supreme court level, with no state avenue left for Enbridge to challenge that ruling directly.
- **Senate passes reintroduced nine vetoed bills; House prospects remain poor:** The Senate passed new versions of all nine bills Whitmer vetoed in July (SB 1133-1141), covering corrections/public safety pension expansion, public employer health cost-sharing, wage garnishment and bankruptcy protections, and Detroit museum millage authority, with the pension bills drawing bipartisan support (27-8) and the others passing on narrower or party-line votes. Speaker Hall called the vote a “campaign stunt” and said Democrats would need to negotiate on his priorities — eliminating state property taxes, lowering electric rates, and a hospital cost review board — to see movement; Senate Majority Leader Brinks was not optimistic about further negotiation this term. The bills are considered likely dead on arrival in the House.

- **MDOT locks in final \$778.8M in Rebuilding Michigan bond financing:** The State Transportation Commission's resolution combined the \$3.5 billion Rebuilding Michigan bond program's principal with investment premium and interest, bringing total financing to \$4.3 billion and securing the funding needed to complete the program's remaining projects. More than 36 of 47 projects are expected substantially complete by the end of 2026, with the remainder bid out in early 2027; notable corridors include I-275 (Wayne), I-696 (Oakland), I-496 (Eaton/Ingham), US-131 (Kent), and I-475 (Genesee). Concrete near-term project and construction-engineering visibility for member firms.
- **AG Nessel joins lawsuits challenging federal endangered species habitat rules:** Attorney General Dana Nessel joined 20 other state attorneys general in two lawsuits challenging U.S. Fish and Wildlife Service rule changes: one narrows what counts as prohibited "harm" to a species by no longer treating significant habitat damage as harm, and the other ends automatic protections for newly listed threatened species and changes how critical habitat is designated. Michigan has 26 plant and animal species listed as threatened or endangered. Relevant to member firms whose projects require Endangered Species Act review or habitat assessments, since the litigation's outcome could affect permitting scope and timelines.

FEDERAL LEGISLATION & ADVOCACY

Bill(s)/Issue(s)	Subject	Status	ACEC/Michigan Position	What It Means / Next Step
BUILD America 250 Act (H.R. 8870)	Surface Transportation Reauthorization	Committee-Approved — House Floor Vote Now Unlikely Before November	SUPPORT (ACEC National)	Cleared House T&I 62-2 on May 22 after a 14-hour markup (180+ amendments). Five-year, \$580B bill (~\$474B in contract authority; ~4% above IIJA; ~3.4% average state formula increase). ACEC defeated amendments that would have mandated cost-comparison studies on A/E contracts over \$100K and required public employees to perform CE&I work. The House entered its August recess without holding the floor vote, and Senate committees have not yet produced bill text. A short-term CR extending base transportation programs has since passed both chambers while negotiations continue on the long-term bill (see IIJA Expiration row). House leadership has since announced it will not be in session the weeks of September 21 and 28, leaving only a single September week in session before the midterm elections — making it all but certain the House will not take up the bill before November. Floor action, if it happens this year, would most likely come during the post-election lame-duck session. ACEC's grassroots alert remains live — contact your Representative in support of floor action.

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IJA Expiration	Highway & Transit Authorization	CR SIGNED INTO LAW Through Dec. 11 — Supplemental Funding Still at Risk	Support Full Reauthorization	Congress avoided the September 30 shutdown and highway/transit funding cliff via a bipartisan CR (Senate 90-6, House 370-48, signed into law), extending government funding and highway/transit program authority through December 11. What remains unresolved: the CR does not extend the IJA's \$36.8 billion in annual advance supplemental appropriations — a distinct funding stream from the ~\$80 billion in Highway Trust Fund formula programs, split roughly 30% formula and 70% competitive discretionary grants, covering bridges, EV charging, transit capital, rail, ports, and airports. A Senate Appropriations Committee fact sheet shows Michigan alone stands to immediately lose an estimated \$219.5 million in FY27 formula funding across 10 programs if the supplemental funding lapses, on top of cuts to oversubscribed competitive programs like BUILD, CRISI, and INFRA. ACEC joined 60 coalition partners in a July 27 letter urging Congress to preserve these funds, and that advocacy is gaining traction: the bipartisan co-chairs of the Problem Solvers Caucus sent House leaders a letter supporting restoration of the supplemental appropriations. On the long-term reauthorization front, T&I Chairman Sam Graves reaffirmed that passing a multi-year bill remains a top priority, and Speaker Johnson and Majority Whip Emmer have both signaled surface transportation reauthorization remains on the House's priority list for the rest of this Congress. Secretary Duffy's proposal to remove transit from the Trust Fund has already been rejected by committee leaders in both chambers.
IJA Water Authorization	SRF / Water & Wastewater Funding Cliff	Authorization Lapses Sept. 30 — WRDA Reauthorization Pending	Support Full Reauthorization	The IJA's \$50B, five-year water title — spread across the Clean Water and Drinking Water SRFs, dedicated lead service line replacement, and PFAS/emerging contaminants funding — expires September 30 — and unlike the highway and transit programs, this water title was not covered by the CR that extended surface transportation authority, so it is on track to lapse on schedule. Combined with annual appropriations, IJA roughly quadrupled yearly SRF investment nationally, from ~\$2.7B to ~\$11.4B; EPA announced the final \$7.2B round of FY26 SRF allotments in May. Without reauthorization, communities face a steep funding cliff — Michigan's FY27 state budget already reflects it, cutting \$270M in federal SRF authorization for local sewage, stormwater, and drinking water loans. A reauthorization vehicle has now emerged: the Senate's WRDA bill (S. 4949) would reauthorize both SRFs and WIFIA through 2030 at authorization levels above the IJA, with SRF loans usable for lead service line removal and PFAS (see WRDA row below). Water sector coalitions are pressing to hold those levels through conference.

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WRDA 2026 (H.R. 9497 / S. 4949)	Army Corps Projects & Water Infrastructure	PASSED Both Committees Unanimously — Floor Action Next	Monitoring	In a rare display of consensus, both WRDA bills cleared their committees unanimously and await floor votes expected this fall, after which a conference will reconcile differences for final passage later this year. The House bill (H.R. 9497) authorizes 10 new Corps projects and 131 feasibility studies, reauthorizes the High Hazard Potential Dam Rehabilitation Grant program, adjusts the National Dam Safety Program's State Assistance Grant formula so states are not forced to count low-head dams without appropriate data, supports maintenance dredging of ports and inland waterways, and helps address the Corps' project backlog. The Senate bill (S. 4949) authorizes 15 new projects and 61 feasibility studies and goes further on water funding: it reauthorizes the Drinking Water SRF, Clean Water SRF, and WIFIA through 2030 — at authorization levels above the IIJA — allows SRF loans for lead service line removal and emerging contaminants such as PFAS, creates a PFAS drinking-water pilot program, expands nonstructural flood mitigation (home elevations and buyouts), and reauthorizes the National Levee Safety Program through 2031 (a provision not in the House bill). S. 4949 also bars the administration from pausing, terminating, or delaying congressionally authorized Corps projects and requires regular implementation briefings to Congress. Work with Michigan's delegation to advance state priorities as the bills move to conference.
Advanced Wastewater Treatment Assistance Act	PFAS Treatment Grants	Introduced — Michigan-Led	Monitoring	Rep. Stevens (D-MI) / Rep. Fitzpatrick (R-PA). Five-year, \$1B EPA grant program for advanced treatment (GAC, reverse osmosis), covering up to 50% of costs. Michigan faces an estimated \$181M in emerging-contaminant wastewater needs.
H.R. 1267	Water Systems PFAS Liability Protection	Hearings Held — Bipartisan Interest	Monitoring	Would shield passive-receiver water systems from CERCLA liability following EPA's PFOA/PFOS hazardous substance designation, protecting municipal capital budgets that fund engineering work. On the regulatory front, ACEC filed comments in July on EPA's proposed PFAS compliance extension rule.
Dingell / Moolenaar Dam Safety Bill	Federal Hydropower Dam Oversight	Introduced	Monitoring	Responds to the Edenville failure: requires FERC to notify states of safety problems, transfer engineering records when licenses end, and assess licensee financial viability. Moves in parallel with the state dam safety legislation (HB 5485 / SB 947), and with an active PSC proceeding: Consumers Energy voluntarily extended by 60 days its own timeline for the proposed sale of 13 hydroelectric dams to Confluence Hydro, pushing the PSC's decision from September to November to allow further stakeholder talks. Confluence would seek renewed federal operating licenses and a 30-year power purchase agreement with Consumers. Supporters cite local tourism and recreation benefits; opponents point to the 2020 Edenville/Sanford failures and argue a private buyer would gain the upside while the state bears long-term risk.

Bill(s)/Issue(s)	Subject	Status	ACEC/Michigan Position	What It Means / Next Step
OMB Federal Financial Assistance Rule	Federal Grants & Cooperative Agreement Rules	Finalization Blocked Through Dec. 11	Monitoring	OMB's proposed rewrite of the Uniform Guidance (2 CFR 200) as the new "Uniform Grants Regulation" would discourage cost-reimbursement contracts, eliminate fixed amount awards and subawards, expand agencies' discretionary authority to terminate awards for "agency priorities" or the "national interest," and restrict allowable costs for advertising, conferences, and publications. ACEC filed formal comments on July 13 supporting the fixed-price preference but raising concerns about administrative burden, project funding certainty for multi-year infrastructure work, and restrictions on industry knowledge-sharing. The enacted CR includes a provision blocking OMB from finalizing or implementing the rule for the duration of the extension, through December 11; ACEC anticipates additional legislative efforts to curtail the rule after that date.

Bill(s)/Issue(s)	Subject	Status	ACEC/Michigan Position	What It Means / Next Step
SBA Small Business Size Standards	Federal Small Business Contracting Eligibility	ACEC Formally Asks SBA to Withdraw Rule — Final Rule Pending	Monitoring	On August 20, SBA published a proposed rule in the Federal Register that would dramatically increase small business size standards across engineering, architecture, surveying, and environmental consulting NAICS codes, replacing SBA's more modest August 2025 proposal with a revised methodology. Most significant for member firms: Engineering Services (NAICS 541330) would rise from \$25.5M to \$252M in average annual receipts — nearly ten times the current threshold. Other affected codes include Architectural Services (\$12.5M → \$135M), Environmental Consulting (\$19M → \$295M), Surveying & Mapping (\$19M → \$92M), and Geophysical Surveying & Mapping (\$28.5M → \$204M). If finalized, these changes would let far larger firms compete as "small businesses" for federal set-aside contracts, with significant implications for the federal contracting marketplace. ACEC filed formal comments on the September 21, 2026 deadline (final rule not yet issued) requesting SBA withdraw the rule entirely and restart through the traditional process, rather than adopt the increases as proposed. The comments cite a striking data point: under the \$252M Engineering Services threshold, 377 of the ENR Top 500 design firms (75.4%) would newly qualify as "small businesses" for federal set-asides. ACEC argues the calculation is skewed because NAICS 541330 improperly combines real-property/civil design firms with defense and aerospace giants like Lockheed Martin, General Dynamics, Raytheon, and Northrop Grumman, whose scale inflates the threshold for firms that actually compete in different markets. A member survey found 76% generally oppose the proposal, with the remainder split between support-with-modifications and wanting more information — no respondent supported the rule as written. The formal comments rest on four principles: keep aerospace and computer engineering out of the size standards for real-property design professionals; select engineering design professionals using Qualifications-Based Selection; encourage growth and successful project outcomes; and provide clarity and certainty for firms of all engineering disciplines. ACEC says it supports a reasonable, evidence-based increase and acknowledges the "missing middle" of mid-sized firms, but does not support the increases in the proposed rule as written. Firms with federal contracting experience can contact Bradley Saull (bsaull@acec.org) to get involved.

Bill(s)/Issue(s)	Subject	Status	ACEC/Michigan Position	What It Means / Next Step
Section 106 Historic Preservation Rulemaking	Cultural Resources Review on Federal Projects	Proposed Rule Advancing — Comment Period Ahead	Monitoring — Feedback Sought	The Advisory Council on Historic Preservation voted to advance a proposed rule making sweeping changes to Section 106 review under the National Historic Preservation Act: agencies would no longer be required to consult State Historic Preservation Offices, Tribal governments, or local governments; public comment would become optional; agencies would no longer be required to avoid, minimize, or mitigate adverse effects; 'areas of potential effects' would be limited to direct material effects; natural features and landscapes would be excluded from the 'historic property' definition; and exemptions would expand significantly, including for actions with minimal federal funding or involvement. For firms delivering federally assisted projects, this would materially change cultural resources review and permitting workflows. The ACHP approved the draft July 24; it remains under White House review and, once published in the Federal Register, is expected to carry a short 30-day comment period — ACEC is collecting member feedback now.
FY27 NDAA	Defense Authorization	Passed House — Senate Action Pending	OPPOSE Restriction Language	ACEC has opposed language restricting foreign-parent-owned U.S. engineering firms from supporting defense agencies (similar language was defeated last year), and also joined a coalition letter to Senate Armed Services leaders raising concerns about provisions prohibiting capital reallocation without Defense Secretary approval. The House has passed its version (H.R. 8800) and the Senate Armed Services Committee advanced its bill 18-9 in June; the chambers must still reconcile their versions before the NDAA can be enacted, and the final text will determine whether any of these provisions survive.

Bill(s)/Issue(s)	Subject	Status	ACEC/Michigan Position	What It Means / Next Step
Federal Gas Tax Holiday Proposals	Highway Trust Fund Revenue	Gaining Political Momentum — Both MI Senate Candidates Now Support	OPPOSE (ACEC + TCC)	ACEC and the Transportation Construction Coalition oppose suspension — it would undermine the funding system without meaningfully lowering pump prices. The idea has gained bipartisan traction in Michigan: with gas prices near \$5/gallon (driven by Iran conflict-related crude disruptions), both major-party U.S. Senate candidates, Republican Mike Rogers and Democrat Abdul El-Sayed, now support suspending state and federal gas taxes, despite disagreeing on the underlying cause. Notably, Michigan's 52.4-cent state gas tax is entirely dedicated to roads under the current transportation funding package (see Wholesale marijuana tax bullet in Other State Developments); a state-level suspension would directly threaten the same road funding stream already showing strain from marijuana tax shortfalls, with no funding replacement specified by either campaign. Former Senate Majority Leader Mike Bishop (R) added a cautionary voice, telling a public affairs program he'd personally vote to suspend the state tax but stressed suspension "should not be proposed without explaining how the state would replace the revenue lost" — echoing ACEC's own concern that suspension without a funding replacement plan directly threatens road funding. The gubernatorial race shows a sharper split: John James (R) wants a permanent reduction to the state gas tax as part of a broader tax-cut platform (alongside income and property taxes) but has not specified a replacement funding source, while Jocelyn Benson (D) opposes state-level suspension specifically, warning it "would blow a hole in our budget, force us to forgo necessary road repairs, and hurt Michigan families" and instead calling on James and the federal government to lower the 18.4-cent federal gas tax — action that would require Congress, which is largely out of session until after the election.
H-1B \$100,000 Fee / Proposed \$103,265 Rule	Workforce / Immigration	Fee in Effect Pending Appeal — Plus New Rulemaking to Make It Permanent	Monitoring	A federal judge in Massachusetts vacated the original proclamation-based fee on June 8 as an unlawful tax but stayed his own ruling June 12 after the government appealed; USCIS continues collecting it while the First Circuit reviews the case, and a conflicting D.C. district ruling upholding the fee adds further uncertainty. Separately, DHS/USCIS has now proposed a formal rule (Docket USCIS-2026-0298) to impose a \$103,265 fee on new H-1B cap-subject petitions through standard notice-and-comment rulemaking — a more legally durable path than the earlier executive action. ACEC filed comments September 22 requesting DHS withdraw the rule, citing 88% of member firms reporting job openings, a 1.1% unemployment rate for architecture/engineering occupations, and a shrinking pipeline of U.S. engineering graduates. ACEC's sharpest point: member firms serving government clients operate under QBS statutes and fixed-rate, multi-year contracts and cannot pass a new federal filing fee on to public owners mid-contract, unlike DHS's assumption that employers can simply absorb the cost — and with 72% of member firms having 50 or fewer employees, most genuinely cannot.

Key takeaway for members: Both Lansing and Washington have effectively shifted into election-year holding patterns. Michigan lawmakers are planning minimal session activity through November, narrowing the window for HB 4774 (QBS), HB 5577, dam safety reform, and the stalled data center regulation bills. In Washington, a House calendar change has all but closed the pre-election window, making it all but certain the House will not take up the BUILD America 250 Act before the post-election lame-duck session — where it will join the IJA's unresolved supplemental appropriations, the expiring water infrastructure authorization, and WRDA 2026. Watch for ACEC grassroots alerts as those fights resume after the election, and note that Michigan's November 3 general election — for Governor, U.S. Senate, and the state Legislature — remains a live factor shaping next year's agenda (see Other State Developments).

Prepared for the membership of ACEC/Michigan. Michigan bill links point to legislature.mi.gov; federal bill links point to [Congress.gov](https://www.congress.gov). If a link does not resolve, search the bill number at the respective site. For questions on specific legislation, contact the ACEC/Michigan office.

SUPPORT ACEC/MICHIGAN'S ADVOCACY — CONTRIBUTE TO CEPAC AND THE ACEC PAC

Every priority in this update — QBS support, opposition to a services tax on engineering, dam safety funding, surface transportation reauthorization, and more — is advanced through direct relationships with the candidates and lawmakers who decide these issues. PAC contributions are how ACEC/Michigan members translate advocacy into influence, at both the state and federal level.

ACEC/Michigan State PAC (CEPAC): Supports state candidates who back a strong business environment for private engineering firms in Michigan. Only individuals — not companies — may contribute, unless the firm is a sole proprietorship or partnership. Give by personal check or personal credit card.

ACEC Political Action Committee (Federal): Established in 1975, the bipartisan ACEC PAC supports members of Congress who champion infrastructure investment and QBS nationally. Each state, including Michigan, has a PAC Trustee helping meet ACEC National's annual state PAC goal.

Contribute to either fund, find forms, and give securely online: [PAC Contributions — ACEC/Michigan](#)