

Gov. Whitmer Shares Alarming Impact of DC Republicans' Tariffs on Michigan in New Reports

Gov. Whitmer Continues to Fight for Lower Costs in Lawsuit over Tariffs

LANSING, Mich. — Today, Governor Gretchen Whitmer shared new reports from Michigan state departments finding that surging federal tariffs have driven up costs for working Michigan families. The published reports come the same week Whitmer and Attorney General Dana Nessel challenged the Trump Administration's decision to impose tariffs on more than 80 countries.

"We've heard over and over again from Michiganders that DC Republicans' irresponsible tariffs are hurting their pocketbooks, and these newest reports back that up," **said Governor Whitmer.** "Michiganders are facing higher prices at the grocery store and the gas pump, and businesses are having to choose between laying off employees or passing costs onto customers. That's why Michigan is among two dozen states suing over this latest round of tariffs. I'll keep fighting for a commonsense trade policy that lowers costs, supports businesses at home, and promotes stability for working families. Let's get it done."

The reports found higher consumer prices, construction and transportation costs, and more. The latest analysis comes in response to [Gov. Whitmer's executive directive \(ED 2026-02\)](#), asking certain state departments to report on the impact of tariffs on Michigan industries and consumers.

State Department Reports

Last fall, [analysis from the Michigan Department of Agriculture and Rural Development \(MDARD\)](#) found surging federal tariffs increased food prices, reduced agriculture exports and generated uncertainty throughout Michigan's food and agriculture industry. That theme has carried over nearly a year later, with MDARD's newest examination finding, in part:

"...federal tariffs and erratic federal policy have continued to negatively impact the agriculture industry. Uncertainty has been the only certainty for the agricultural sector nationwide in the past year, but particularly so in Michigan, where the state's closest trading partner is Canada, one of the countries most frequently caught in the crosshairs of the Trump Administration's unpredictable and ever-changing trade policies."

"These tariffs and their damage should not be confused with short-term pain for long-term gain," **said MDARD Director Dr. Tim Boring.** "That negative and potentially long-lasting impact weakens Michigan's competitiveness and disrupts long-standing trade relationships, all of which hurts our rural communities, local economies and Michiganders across the state who prioritize Made in Michigan products. If we want to ensure our communities have access to healthy, locally-grown food, we need federal policies that support Michigan industries – not harm them."

Other key findings from the latest agency reports include:

- Consumer food prices increased by 3.1% from May 2025 to May 2026, which includes a 6.2% increase in meat, poultry, and fish prices, and a 6.1% increase in fruit and vegetable prices. (MDARD)

- Exports to Canada fell 12.3% last year, signaling severe strain with a country that is our strongest trading partner. (MDARD)
- Ongoing tariff-related cost pressures could result in 350 to 400 fewer affordable homes being produced in Michigan. (MSHDA)
- In 2025, the Blue Water Bridge experienced a loss of approximately 190,400 unrealized crossings and a loss of \$3.085 million in toll revenue. (MDOT)
- For January to June, monthly average duration of unemployment benefits increased from an average 15.1 weeks in 2025 to 17.4 weeks in 2026, and the year-over-year gap becomes much more pronounced beginning in April. By June, average duration was 17.2 weeks compared with 14.2 weeks last year, a 21% increase. While the extension of maximum benefits from 20 to 26 weeks likely explains much of this increase, longer durations may also be [consistent with slower rehiring](#). (LEO)

Not only did the analysis reveal that tariffs have damaged Michigan families and the state's economy, departments also found the cost of efficient and effective government has gone up.

The Michigan Department of Technology, Management and Budget (DTMB) noted in its report that office supply procurement and construction projects for the state have experienced anywhere from a few thousand dollars to upwards of a 25% increase in cost, though calculating an exact total impact figure remains difficult.

"The full financial impact of federal tariff policy on the state's procurement efforts and construction projects is very challenging to calculate due to the difficulty of collecting tariff-related costs from our vendors and the ongoing volatility of federal tariff policy," said **Kyle Guerrant, acting director of the Michigan Department of Technology, Management & Budget**. "As we move forward, our team will continue to monitor the impact federal tariffs are having on state operations and dedicate time and resources to exploring ways we can mitigate risks and limit the financial impact of tariffs on our procurement and construction operations."

Agency reports produced in response to the executive directive are attached.

Since last year, [Gov. Whitmer has urged lawmakers](#) in both Michigan and Washington to do what they can to protect their constituents from further economic pain caused by federal tariffs.

Lowering Costs for Michiganders

Governor Whitmer has been focused on lowering costs for Michiganders. Since taking office, the Whitmer-Gilchrist administration has:

- Rolled back the [retirement tax](#) to save 500,000 households an average of \$1,000 a year.
- Quintupled the [Michigan Working Families Tax Credit](#) to give over 650,000 working families an average tax refund of more than \$3,800.
- Ended [state taxes](#) on tips, overtime, and Social Security.
- [Signed a deal](#) raising the minimum wage to \$15/hour one year ahead of schedule for more than 700,000 workers and making Michigan's earned sick time the best in the country, while providing more flexibility for small businesses.

- Established [Michigan Reconnect](#) to offer any Michigander 25 and older tuition-free associate's degree or skills certificate. In this year's budget, expanded Michigan Reconnect to Michiganders 21 and older.
- Established the [Michigan Achievement Scholarship](#) to save students thousands of dollars a year as they pursue a skills certificate, associate's degree, or bachelor's degree.
- [Expanded](#) access to free pre-K to every four-year-old while prioritizing families who need it most so every kid can arrive at kindergarten ready to learn.
- Signed bipartisan legislation to [put money back in people's pockets](#) and bring down the cost of car insurance, [saving drivers at least \\$120 per car in 2020](#).
- Delivered refunds of [\\$400 per vehicle](#) back in the pockets of Michigan drivers.
- Eliminated the [tampon tax](#)
- Announced the [MI Open Account Coalition](#) offering low or no-cost financial services, saving 120,000 eligible families an average of \$3,000 a year and helping them build wealth.

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