

Georgia Industry Association Legislative Update

Week Number 13

Special Transportation Legislation Passes

After three years of coming close, the Georgia General Assembly finally passed HB 277 by overwhelming bi-partisan margins of 141 to 29 in the House, and 43 to 8 in the Senate.

This is the first time, the State of Georgia (including Metro Atlanta), has a long term plan for truly tracking our crippling traffic congestion and deteriorating infrastructure. Should the referendum in Metro Atlanta alone pass, the region will generate approximately \$790 million annually for regional projects over 10 years. With federal matching funds, this could be well over \$1 billion new dollars each year. These dollars are in addition to the projects already funded by state and federal funds and county SPLOSTs.



HB 277- The Georgia 2020 Transportation Act; enact- This legislation provides for an additional special transportation sales and use tax at the rate of 1%. The proceeds from the collection of this tax will be deposited into the Georgia 2020 Transportation Trust Fund created by legislation.

Regional Transportation Sales Tax Referendum

- Keeps taxing authority with state and local governments
- Creates 12 Special Tax Districts for Transportation along boundaries of Regional Commissions
- GDOT Director of Planning initiates and assists with the development of each district's strategic investment list in collaboration with local government officials
- Local government officials create, review, amend, and approve their district's investment list via "Regional Transportation Roundtables" which meet only twice (*does not set up a new level of government*)
- Incentives for regions to participate in the sales tax referenda:
 - 1. If a region's Roundtable does not approve by majority vote a project list their citizens can vote on. If so, regional "gridlock" is declared and local governments in that region set their match requirement from 50% for transportation grants they receive from GDOT (match level is set for 2 years)
 - 2. If the Roundtable approves by majority vote a project list their citizens can vote on, local governments in that region will reduce their match requirement

from 50% to 30% for transportation grants they receive from GDOT (match level is set for 2 years)

- 3. If a region's citizens approve the tax on the set list of projects, the local governments in that region will reduce their match requirement from 30% to 10% for transportation grants they receive from GDOT (match level is set for 10 years)

- All counties must participate in the region
- MPO's play a role in developing the project list in their area (to comply with federal law)
- First vote is statewide at the general primary in 2012
- Votes tallied by district
- 10-year term of levy
- All revenues invested in districts where funds were collected
- A portion of each district's revenues are designated for discretionary use by local governments within the district, distributed to cities and counties by road miles and population (same as LARP formula)- 15% for any region wholly contained within a single Metro Planning Org., 25% for other regions
- GSFIC serves as the trustee for each district's revenues and disburses funds to GDOT upon request for managing the voter-approved projects (GRTA will participate in project management but only in metro Atlanta and only for transit projects)
- Citizens Review Panels are set up in each district that levies the tax to check the progress on the investment list and make sure the voter-approved projects are on-time and within budget (members appointed by Speaker and Lt. governor must reside within the special district)
- Upon conclusion of the 10-year levy, the list development process and ballot may be reinitiated per a majority of the district's counties and a special act of the General Assembly; process is the same if a region's voters reject the tax following a 24-month waiting period.
- Proceeds of the tax may be used only for the voter-approved projects, which may be all transportation activities and purposes, including construction, maintenance, and operations

Transit-Related Components:

- 3-year suspension of regulations on MARTA's 50/50 capital/operating expenditures (restricted from use on salary and wage increases)
- Any portion of a region's revenue may be used for transit capital expenses, per the Roundtable's investment list, subject to voter approval



- Any portion of a region's revenues may be used for transit maintenance & operations, per the Roundtable's investment list, subject to voter approval
- Revenues may be used to fund a 20-year reserve for a region's transit maintenance & operations requirements
- Streamlining MARTA Board, reducing from 18 members to 11 members, including elimination of 3 state members – GDOT Commissioner remains on the MARTA Board as a voting member, GRTA Exec Director also still on the Board but is a non-voting member (Similar to Rep. Levitas' HB 1437)
- Coordination of Rural and Human Services transit (Sens. Stoner & Williams' SB 22)
- Authorization for Clayton County voters (similar to Rep. Abdul-Salaam's HB 1393)
- Creation of a transit Governance Study Commission (similar to Rep. Jacob's HB 1252)
- Director of Planning is now approved by both House and Senate Transportation Committee