



2009 General Assembly Passes Transportation Governance, But No New Funding Sources

The Georgia Transit Association is disappointed that despite its efforts and those of the Get Georgia Moving Coalition and many others, the 2009 Georgia General Assembly adjourned without passage of legislation to allow voters to decide whether to tax themselves to upgrade the state's antiquated transportation system. Legislators wrestled all session to reconcile two different approaches to transportation funding. In the end, however, only SB 200, a bill to change the "governance", of transportation was passed. These bills, along with brief comments, are described below. The funding bills are eligible for consideration again in 2010.

Transportation Funding: Senate Approach (Regional)

SB 39/SR 44 (constitutional amendment), allows voters to create a new transportation funding source through a one-cent sales tax which:

- Authorizes that funds can be used for all modes of transportation, including operations;
- Requires voters to establish a sunset of their own chosen length;
- Allows for a one-cent sales tax to be levied in a defined metro-Atlanta region,
- Allows individual counties or self selected regions of counties and cities to form outside metro-Atlanta; and
- Provides for local/regional selection of transportation projects and purposes to be funded.

Transportation Funding: House Approach (Statewide)

HB 277/HR 206 (constitutional amendment), allow voters to create a new transportation funding source through a statewide one-cent sales tax which:

- Provides a list of individual geographically specific transportation projects, including transit, to be funded;

Georgia Transit Association~*~P. O. Box 920490~*~Norcross, Georgia 30010-0490

Phone: 770/734-0761, Fax: 404/420-2720

www.thegta.org



-
- Authorizes funding maintenance and operations of some transit projects;
 - Provides the possibility of general transit funding in cities of 15,000 or more population, but otherwise
 - Does not include funding for general capital and operation of existing transit systems in rural areas or the Atlanta metro area; and
 - Has a ten-year sunset.

GTA supports a transportation funding bill which provides local and regional control over transportation expenditures and addresses all facets of transit needs statewide. Currently GTA is more comfortable with the "regional" approach, but it is open to consideration of alternative bills which meet these criteria. The House approach does not currently respond to GTA's concerns for the following reasons:

- HB 277 is very light on "regular" transit. It has big projects like streetcars, Beltline, light rail, etc., but there is no eligibility category for basic capital transit (buses) and maintenance and operational support in the Atlanta metro (ARC) region or rural areas.
- If these large projects are not funded, the funds earmarked for these projects could not be used for other transit purposes (e.g. basic needs noted above).
- Voters in many instances would be asked to tax themselves for large capital transit projects while not being able to maintain existing transit service and in most counties be forced to fund the maintenance of transit systems through the property tax.

Transportation Governance

SB 200, which will dramatically change the way transportation projects are planned, funded and constructed, was passed by the House and Senate. It retains the Georgia Board of Transportation and the manner in which its members and the GDOT commissioner are selected. SB 200 creates a Director of Planning within GDOT to be appointed by the Governor. The Director of Planning is charged with developing all statewide transportation plans and funding allocation formulas for state maintenance activities, state capacity building activities and local grants to be appropriated by the General Assembly. The Director of Planning is to be confirmed by the House Transportation Committee,

Georgia Transit Association~*~P. O. Box 920490~*~Norcross, Georgia 30010-0490

Phone: 770/734-0761, Fax: 404/420-2720

www.thegta.org



All statewide transportation plans must be approved by the Governor and then by the State Transportation Board. The GDOT Commissioner is responsible for implementation of transportation plans produced by the Director of Planning and approved by the Governor, subject to appropriations. The GDOT Commissioner still hires and fires the GDOT employees

Major transportation initiatives will now be generated through the director of Planning, as opposed to the GDOT Board, and the legislature now has appropriations power over the GDOT budget. However, only 10-20% of total transportation dollars may be earmarked and any earmarked projects must be included on the statewide plan. In addition, 10-20% of gross motor fuel tax revenues are appropriated to local grants.

SB 200 passed in the hectic final days of the General Assembly in a form which lacked amendments sought by several groups, including GTA. It is hoped that there will be future opportunities to further clarify transportation governance of transit, particularly with respect to funding formulas for all capital purposes, not just construction projects.