

Georgia Transportation Referendum

In July 2012, Georgia held a referendum to increase the sales tax to fund transportation projects. The Transportation special-purpose, local-option sales tax (also known as TSPLOST) was triggered by legislation passed by the Georgia legislature.

The legislation required the state to be divided into 12 regional districts. The voters in the 12 districts would decide if they would enact an additional 1% sales tax to fund transportation projects. The tax increase would only apply in districts that voted for it and any funds received from the tax would be spent in that district.

What Georgia Transportation Investment Act Did

- Created 12 special tax district regions based on existing Regional Commission boundaries
- Allowed each region to hold a vote to levy a 1% sales tax for 10 years with funds collected in each region must be spent in that region.
- Projects were selected by elected leaders of local governments who formed Regional Roundtables
- The 12 Regional Roundtables had to approve a list of projects nine months prior to the vote.
- Voters in each region voted on the proposed sales tax increase in a July 31, 2012, referendum.
- 75% of the Region's proceeds would be used to fund the projects on the final project list approved by the Regional Roundtable.
- 25% of the Region's proceeds would be divided among the region's local governments to be spent on discretionary transportation projects.
- Most projects would be the responsibility of Georgia DOT, working with local governments.
- A citizens' review panel in each region would monitor results over the 10-year period.
- Required simple majority vote

Eligible Projects

- Roadway Capital (New Roads and Bridges; Expansions)
- Roadway & Bridge Maintenance (Asset Management)
- Safety and Traffic Operations (Intersections, Signal, Signs)
- Freight & Logistics (Truck/Rail)
- Aviation (Airports)
- Bicycle and Pedestrian (Sidewalks and Bike Trails)
- Transit Capital (Buses, Trains, Ferries)
- Transit Operations & Maintenance (Coastal Regional Coaches)

Projected Revenue

If all regions would have approved projected revenue was \$22 billion

Projected revenue in the Atlanta Region would have been \$9 billion

In the three districts where it was approved the total projected revenue is \$2 billion

The Result

The vote failed in 9 of the 12 regions including metro Atlanta

- Reported issues surrounding the failure in metro Atlanta
 - Voters were skeptical of the types and number of projects
 - No single agency would be accountable for the billions of dollars in projects
 - Authority was split between Georgia DOT, Georgia Regional Transportation Authority and the Metropolitan Atlanta Rapid Transit Authority
 - Political Leadership Involvement
- Proponents defended the process saying list of projects was very detailed

Passed in three regions of the state Region 7 (Augusta), Region 8 (Columbus), and Region 9 (Rural Heart of Georgia)

- Reported reasons for passage in these regions
 - Smaller list of projects
 - Projects were mostly “nuts-and-bolt” work like road resurfacing and widening
 - Understanding of what transportation spending would mean for economic development
 - Appreciated the 75%-25% split for state and local projects
 - Campaign supporting referendum was led largely by private sector

Path Forward

- Georgia isn't likely to try a referendum again in the near term.
- Gov. Nathan Deal has said publicly he does not support another vote, despite the fact the legislation allows for a second vote.
- The Georgia Transportation Alliance said the group is in the process of looking at a gas tax reform effort or possibly a package similar to Virginia. The group acknowledges that gas tax reform would only be a short term solution.