

TSPLOST



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Single County TSPLOST Overview



- A Special Purpose Local Option Sales Tax (SPLOST) is a sales tax used to fund capital outlay projects proposed by the county government and municipal governments.
- A single county TSPLOST is a sales tax where the projects consist of transportation purposes only.

Single County TSPLOST



- After July 1, 2017, all counties can levy a Single County TSPLOST so long as they are not in an existing TIA region.

(Heart of Georgia / Central Savannah River Area /
River Valley)

- To qualify, county must already impose a regular SPLOST.

Single County TSPLOST



- Single County T-SPLOST can be levied up to 5 years at a fractional rate up to 1 percent in .05 percent increments if there is an intergovernmental agreement with the qualified cities within the county.
- If there is no intergovernmental agreement in place, the tax can be levied up to .75 percent.

Single County TSPLOST - IGA



- **When there is an IGA between the county and all cities:**
 - Can levy a fractional rate up to 1%
 - 30% of the projected revenues must be used on projects consistent with the Statewide Strategic Transportation Plan (SSTP):
 - ✦ The SSTP is a policy document and does not include an exhaustive list of projects.
 - ✦ For example, projects that would be considered consistent include interchange projects, safety projects, operational improvement projects, etc. Resurfacing projects would be consistent with SSTP.
 - Distribution between county and cities is based on the terms of the IGA.

Single County TSPLOST – No IGA



- **When there is no IGA:**
 - Can levy a fractional rate up to .75%
 - There is no 30% SSTP requirement
 - The distribution formula between the county and its cities defaults to a formula based on the amount of expenditures made for transportation in the most recent 3 fiscal years
 - The proportional amount is determined by dividing the average expended in previous 3 fiscal years by the aggregate average expended on transportation by county and all qualified municipalities during the same time frame
 - Amounts include maintenance and operations
 - Distribution amounts shall be certified by the state auditor

How can the money be spent?



- Funds can only be spent for “transportation purposes”.
- O.C.G.A. 48-8-260(5):
(5) 'Transportation purposes' means and includes roads, bridges, public transit, rails, airports, buses, seaports, including without limitation road, street, and bridge purposes pursuant to (1) of subsection (b) of Code Section 48-8-121... (see next slide)

Code Section 48-8-121(b)(1)



- Code Section 48-8-121(b)(1):
- If the resolution or ordinance calling for the imposition of the tax specified that the proceeds of the tax are to be used in whole or in part for capital outlay projects consisting of road, street, and bridge purposes, then authorized uses of the tax proceeds shall include:
 - (A) Acquisition of rights of way for roads, streets, bridges, sidewalks, and bicycle paths;
 - (B) Construction of roads, streets, bridges, sidewalks, and bicycle paths;
 - (C) Renovation and improvement of roads, streets, bridges, sidewalks, and bicycle paths, including resurfacing;
 - (D) Relocation of utilities for roads, streets, bridges, sidewalks, and bicycle paths;
 - (E) Improvement of surface-water drainage from roads, streets, bridges, sidewalks, and bicycle paths; and
 - (F) Patching, leveling, milling, widening, shoulder preparation, culvert repair, and other repairs necessary for the preservation of roads, streets, bridges, sidewalks, and bicycle paths.
 - (2) Storm-water capital outlay projects and drainage capital outlay projects may be funded pursuant to subparagraph (a)(1)(D) of Code Section 48-8-111 or in conjunction with road, street, and bridge capital outlay projects.

O.C.G.A. 48-8-260(5): (continued)



...and all accompanying infrastructure and services necessary to provide access to these transportation facilities, including new general obligation debt and other multiyear obligations issued to finance such purposes. Such purposes shall also include the retirement of previously incurred general obligation debt with respect only to such purposes, but only if an intergovernmental agreement has been entered into under this part.

- The definition of transportation purposes does not directly address operations. However, it is felt that the text “and services” allows some degree of operations to be funded by TSPLOST.

How much money will be raised?



- **How much money will be raised with a single county TSPLOST?**
- **Are there items that will be exempted from T-SPLOST?**
- **Yes, regular SPLOST exemptions apply plus these six items:**
(See O.C.G.A 48-8-269)
 - The sale or use of any type of fuel used for off-road heavy-duty equipment, off-road farm or agricultural equipment, or locomotives;
 - The sale or use of jet fuel to or by a qualifying airline at a qualifying airport;
 - The sale or use of fuel that is used for propulsion of motor vehicles on the public highways;
 - The sale or use of energy used in the manufacturing or processing of tangible goods primarily for resale;
 - The sale or use of motor fuel as defined under paragraph (9) of Code Section 48-9-2 for public mass transit; or
 - The purchase or lease of any motor vehicle pursuant to Code Section 48-5C-1.

Collection / Allocation of Funds



When will TSPLOST be collected?

- Collections begin on the first day of the calendar quarter following an 80 day period after the vote.

(EX. If a successful referendum is held in November, the collections would begin on April 1 of the following year.)

Will all the monies go to actual projects?

- Nearly all of funds will go to projects, including funds for Project Engineering and acquisition of Rights of Way. However, there should be money set aside for program management. Program management costs typically are in the range of 3-5%.
- Law does require that 1% is retained by the state revenue commissioner to be paid to the general fund of the state treasury in order to defray the cost of administration.

How long will Single County TSPLOST last?



- The tax ceases to be imposed on the earliest of the following dates:
 - On the final day of the maximum period of time (5 years)
 - OR the end of the calendar quarter that the state revenue commissioner determines that the tax will have raised revenues sufficient to provide funds specified as the maximum amount of funds to be raised by the tax.

Financing Options



- **General Obligation Debt Financing**
 - To utilize general obligation (GO) debt financing or a loan from a bank, the local government must be specifically authorized by the voters, through the TSPLOST referendum, to issue GO debt.
- **Lease-Purchase Transactions**
 - Example: Leasing of road equipment
- **Georgia Transportation Infrastructure Bank (GTIB)**
 - Managed by the State Road and Tollway Authority
 - Offers low interest loans and grants for CID's, state, regional, and local government entities.

What should the ballot question look like?



- “Shall a special _____ percent sales and use tax be imposed in the special district consisting of _____ County for a period not to exceed _____ and for the raising of not more than an estimated amount of \$ _____ for transportation purposes?”
- (NOTE: If debt is to be issued, the ballot must include the following wording, in addition to the above :)
- “If imposition of the tax is approved by the voters, such vote shall also constitute approval of the issuance of general obligation debt of _____ County in the principal amount of \$ _____ for the above purpose.”

HB 134



- **Allows Single County T-SPLOST to fund state transportation projects, as is allowed in regular SPLOST law.**
- **Permits more than one Single County T-SPLOST to be levied at the same time as long as the amount does not exceed 1 percent.**
- **After January 1, 2018, a county would only be allowed to put a Single County T-SPLOST on the ballot if the Regional T-SPLOST process had not begun in that county's region.**
 - **The Regional T-SPLOST process begins when a majority of the County Boards of Commissioners in the region passes a resolution calling for the Regional T-SPLOST process to begun.**

Single County TSPLOST FAQ



Can one County partner or cooperate with another County?

- Proceeds of a Single County TSPLOST can only be expended ONLY within the special district (that is the county) in which it is levied. Two counties could each agree to levy the tax within their boundaries and each county expend the proceeds of its tax inside the county in which levied.

How does it affect my LMIG match?

- No reduction in LMIG Match (remains at 30%)

Can TSPLOST be used as the local government LMIG match?

- Yes

Fulton County TSPLOST

- Fulton County was the first Georgia county to pass a Single County TSPLOST referendum – November 8, 2016 ballot.
- City of Atlanta TSPLOST and a City of Atlanta MARTA sales tax also passed.
- www.fultoncountyga.gov/tsplost



November 2017 TSPLOST (unofficial) Election Results



County	%	Length	Estimated Collection
Athens-Clarke	1%	Five years	\$ 109,500,000.00
Colquitt	1%	Five years	\$ 25,500,000.00
Dade	1%	Five years	\$ 9,000,000.00
Decatur	1%	Five years	\$ 24,000,000.00
Haralson	1%	Five years	\$ 12,000,000.00
Putnam	1%	Five years	\$ 15,000,000.00
Spalding	1%	Five years	\$ 42,000,000.00
Walker	1%	Five years	\$ 15,000,000.00
Ware	1%	Five years	\$ 45,000,000.00

County	Results	
Athens-Clarke	Yes - 74%	No - 26%
Colquitt	Yes - 66%	No - 34%
Dade	Yes - 43%	No - 57%
Decatur	Yes - 63%	No - 37%
Haralson	Yes - 50.6%	No - 49.4%
Putnam	Yes - 60%	No - 40%
Spalding	Yes - 48%	No - 52%
Walker	Yes - 70%	No - 30%
Ware	Yes - 65%	No - 35%

Single County TSPLOST Referendums



November, 2017 Election

TSPLOST passed in 7 counties:

Athens-Clarke

Colquitt

Decatur

Haralson

Putnam

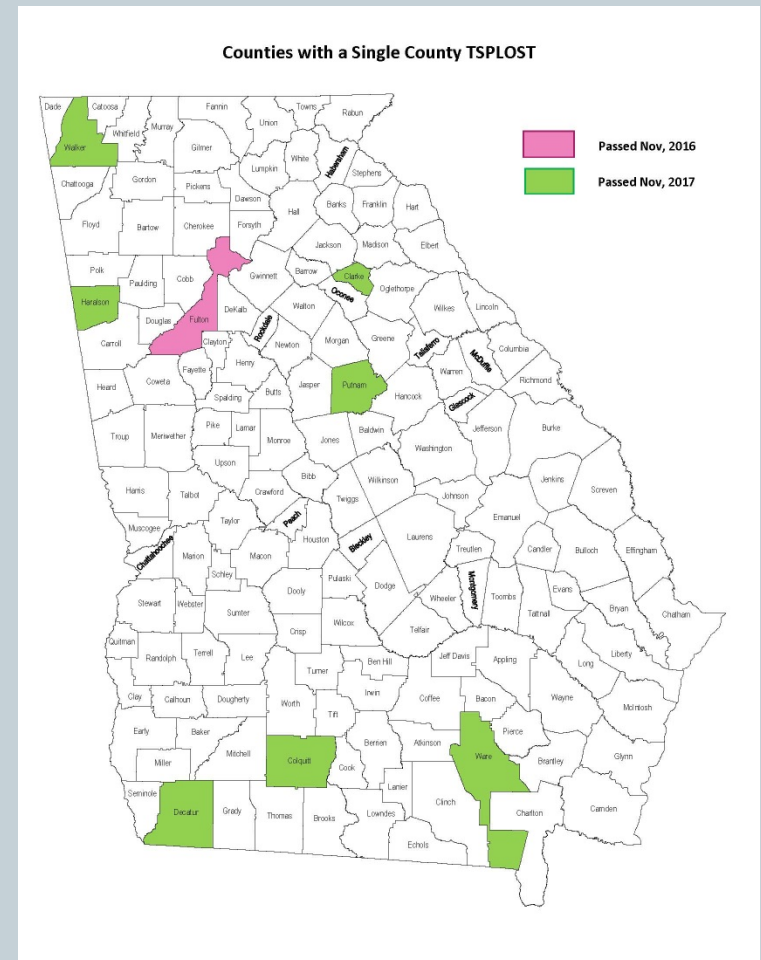
Walker

Ware

Failed in 2 counties:

Dade

Spalding



Upcoming Elections



Election Date	Estimated Date for Call for Referendum (30 / 90* days prior to vote)
May 22, 2018	April 22, 2018
November 6, 2018	August 8, 2018

***When there is a Federal election, the call for referendum is 90 days out, if no federal election, it is 30 days out.**

***Verify call for referendum dates with your county attorney / elections office.**

Sample Single County TSPLOST Timeline



- **Jan:** Develop revenue estimate and decide how money will be distributed between county and cities
- **Jan-May:** County and cities develop project lists with public input
- **June** County and city elected officials vote on their list of projects
- **June** Complete DRAFT Master List for County is sent to all elected officials in County
- **June** Official Meeting required by code to discuss project list
- **July** Intergovernmental Agreement executed
- **Aug** Resolution approved by County and forwarded to Election Superintendent – Must be received 90 days before election for a General Election – 30 days for other (Municipal, Special, etc.)
- **Aug-Nov** Voter information education. The public must be notified about the TSPLOST referendum by publishing the date of the referendum once a week for four weeks immediately before the election in the newspaper approved for county legal notices.
- **Nov** VOTE
- **April** Collections Start

Questions?

