

House Bill 170 (Transportation Funding Act)

Conference Report as Passed House and Senate on 3/31/15

The General Assembly passed adopted the conference committee report to HB 170 by a large margin on Tuesday evening. The committee report retained a few changes from HB 170 such as the fee for alternative fuel vehicles, the elimination of the zero emission car tax credit, and the repeal of the jet fuel exemption. Below are the remaining provisions in the bill agreed to by the conferees and adopted by both chambers:

Changes to State Revenue:

- A 26 cents-per-gallon state excise tax on gasoline and a 29 cents-per-gallon state excise on diesel.
- The indexing formula was changed to include a variation of CAFÉ standards and Consumer Price Index (CPI) through July 1, 2018, with future indexing being tied only to the CAFÉ formula in the bill.
- Addition of an annual highway impact fee for heavy vehicles at a rate of \$50 for vehicles weighing between 15,500-26,000lbs and \$100 for vehicles weighing more than 26,001lbs.
- A \$5 per night hotel/motel fee for each calendar day a room, lodging, or accommodations are rented or leased. There is an exception for extended stay rentals.
- Includes additional oversight by the General Assembly by requiring GDOT to annually submit a 10 year strategic plan outlining the use of department resources for the upcoming fiscal years.
- Creates a Special Joint Committee on the Georgia Revenue Structure (Tax Reform).

Changes to Local Governments:

The conference report leaves the current rate and sales tax base for all local sales taxes alone but caps the average retail price for fuel that the local sales taxes can be collected on at a rate of \$3.00 per gallon of motor fuel, including diesel. By comparison, local sales taxes are currently being collected on an average price of \$2.59 per gallon for gasoline and \$3.16 per gallon for diesel.

- Two new provisions in the report that impact local governments were added from the original HB 106 and include the following:
- Authorizes a region to self-start the process for TIA by adopting a resolution from a majority of the counties located within the region and allows for the rate to be a fractional rate of .05 percent up to a max of 1 percent.
- Beginning in July of 2017, any county not currently in a TIA region, may impose a single county TSPLOST for transportation purposes at a fractional rate of .05 percent up to a max of 1 percent for a period not to exceed 5 years.
 - Counties in the metro Atlanta region may impose the single county TSPLOST beginning in July of 2015.
 - If the county fails to enter an IGA with its municipalities, it can still impose the tax but at a max rate of .75 percent.

Stay tuned for emails and updated information on the ACCG website as more changes may occur over the final hours of the 2015 Legislative Session. For inquiries, please contact Shaun Adams at: sadams@accg.org.