



## **REGIONAL TSPLOST BRIEFING PAPER**

On May 4, 2015, the Transportation Funding Act of 2015 became law. It modified and expanded regional TSPLOST as originally created by the Transportation Investment Act of 2010 (TIA 2010).

The Transportation Funding Act of 2015 offers two mechanisms for funding transportation at the local level: a regional TSPLOST and a single county TSPLOST. This briefing paper has been prepared by the Middle Georgia Regional Commission with additions made by ACCG staff and is intended as a guide and not as legal advice. The county attorney should be consulted on all legal issues regarding implementation of a TSPLOST. This document addresses the Regional TSPLOST only.

### **INITIATION OF PROCESS FOR REGIONAL TSPLOST**

If a majority of the counties in a regional commission boundary pass a resolution to initiate the process, then the entire region will go through the process outlined in the Transportation Investment Act of 2010 and summarized in this document. Example: the Middle Georgia region has 11 counties; therefore, at least six must pass resolutions in order to begin the process.

If the region initiates the process, a decision on whether to call for the election will be made at a later date by the Regional Roundtable.

After January 1, 2018, a county would only be allowed to put a Single County TSPLOST on the ballot if a majority of the counties in that county's region have not passed the resolutions calling for Regional TSPLOST.

### **ROLES AND RESPONSIBILITIES FOR REGIONAL TSPLOST**

#### **Cities, Counties, and MPOs**

Duties: Each local government and metropolitan planning organization (MPO) may: (1) submit comments on the investment criteria proposed by the Georgia Department of Transportation (GDOT) Director of Planning; (2) submit projects to the GDOT Director of Planning that are consistent with the investment criteria but without regard to the revenue projected to be collected by the regional TSPLOST by a date to be determined; and (3) submit comments on the project list by a date to be determined.

## **Members of the General Assembly**

Duties: Members of the General Assembly may: (1) submit comments on potential projects; and (2) sit on the executive committee of the roundtable if they reside in the region and are appointed by the Chairperson of the House or Senate Transportation Committee. Members of the General Assembly must receive annual reports from the Citizens Review Panel.

## **Regional Roundtable**

Composition: The regional roundtable consists of two representatives from each county within the region. One representative would be the Chairperson of the Board of Commissioners or the Sole Commissioner and one representative would be a Mayor from a city in that county. The Mayors in each county must elect a mayor to represent the cities of their county. In the event of a tie in the election, the city with the highest municipal population from the 2010 Census would be the municipal representative.

Duties: The Roundtable must: (1) elect five voting members of the Executive Committee; (2) amend proposed investment criteria if desired; (3) approve the investment criteria that are used for selecting projects; (4) approve or reject the project listing; and (5) call for the election.

Meetings: The law requires two meetings, one to elect the Executive Committee and vote on the investment criteria and one to approve the project listing.

Voting: On the Regional Roundtable, each county regardless of population will have two votes. For voting purposes, approval of the Regional Roundtable requires a majority vote of the members present at the meetings. Therefore, it is very important that every county participate in the meetings.

## **Executive Committee of the Regional Roundtable**

Composition: The executive committee consists of five members of the Regional Roundtable (elected by the roundtable), two members of the House of Representatives, and one Senator from among the regional commission legislative delegation (appointed by the House and Senate Transportation Committee Chairs, respectively).

Duties: The Executive Committee must: (1) collaborate with the GDOT Director of Planning to recommend the project listing to the Roundtable that is consistent with revenue projections for regional TSPLOST; and (2) host two public hearings on the project listing and summarize comments for the GDOT Director of Planning and Roundtable.

Meetings: The law does not set specific meetings of the Executive Committee.

Voting: All members of the executive committee have one vote with the exception of the two members of the House of Representatives and the Senator. They do not have voting privileges. A majority of the Executive Committee is required on all votes.

### **GDOT Director of Planning**

Duties: The GDOT director of planning must: (1) Develop draft investment criteria for projects; (2) send draft criteria to all parties; (3) receive comments on draft criteria; (4) call for the first Roundtable meeting; (5) send final criteria to all parties; (6) receive project lists from local governments, MPOs, and members of the General Assembly; (7) deliver example investment list to the region; (8) with the Executive Committee, develop final draft project list for consideration by the full roundtable. This includes sending a final project list as approved by the roundtable to all parties and declaring special district gridlock if appropriate.

### **GDOT**

Duties: GDOT must: (1) Deliver all projects to be funded by the regional portion of regional TSPLOST; (2) determine whether a project should be designed and constructed by DOT, local government, or other entity; and (3) determine the order in which projects are implemented.

### **Citizens Review Panel**

Composition: The Citizen Review Panel is composed of three members appointed by the Speaker of the House of Representatives and two members appointed by the Lieutenant Governor. All citizen appointees must be residents within the regional commission boundaries. From its membership, a Chairperson and Vice-Chairperson are elected by a majority of those in attendance at the meeting.

Duties: (1) Review administration of projects and programs on the approved list; (2) make recommendations and require reports on projects and programs; (3) review the public benefit of each project / program to determine the degree to which the project was successful; and 4d) report annually to the General Assembly on the progress of each project.

Meetings: At least three times per year at the State Capitol or as needed at the discretion of the Chairperson.

### **Georgia Department of Revenue**

Duties: (1) Collect tax proceeds; (2) transfer funds to the Georgia State Financing and Investment Commission to serve as trustee of the funds for the regional projects; (3) prepare an annual report by December 15 of each year on the sales tax collections and projects; and (4) develop and maintain a website for matters related to regional TSPLOST.

### **Georgia State Financing and Investment Commission**

Duties: (1) Manage trust fund for the regional sales tax proceeds separate from all other funds; (2) contract with GDOT for implementation of projects on the regional project list; (3) disburse funds to GDOT; (4) disburse funds to the cities and counties; and (5) maintain records.

## ALLOCATION OF REGIONAL TSPLOST PROCEEDS

**Seventy-five (75) percent** of the funds raised in the region will be utilized by GDOT for the execution of the projects included on the approved investment list for the region. GDOT will determine whether a project should be designed and constructed by DOT, local government, or other entity. GDOT will also determine the order in which projects are implemented, likely to be based on the projects' readiness (i.e., design, right-of-way, etc).

- **Thirty (30) percent** of these funds raised in the region must be expended on projects included in the state-wide strategic transportation plan.

**Twenty-five (25) percent** of the funds raised in the region will be distributed by DOR to each city and county in the region for local projects, including operations, maintenance, planning, and construction. The formula for these funds will be a combination of each local government's 2010 population (in relation to the region) and the number of miles of paved / unpaved roads in the jurisdiction (in relation to the region). An estimate of these amounts will be provided by the GDOT at a later date.

## USE OF REGIONAL TSPLOST PROCEEDS

Proceeds must be used for authorized projects and costs as defined in the law.

Project means, without limitation, any new or existing airports, bike lanes, bridges, bus and rail mass transit systems, freight and passenger rail, pedestrian facilities, ports, roads, terminals, and all activities and structures useful and incident to providing, operating, and maintaining the same. The term also includes direct appropriations to a local government for the purpose of serving as a local match for state or federal funding.

Cost of project means:

- (A) All costs of acquisition, by purchase or otherwise, construction, assembly, installation, modification, renovation, extension, rehabilitation, operation, or maintenance incurred in connection with any project of the special district or any part thereof.
- (B) All costs of real property or rights in property, fixtures, or personal property used in or in connection with or necessary for any project of the special district or for any facilities related thereto, including but not limited to the cost of all land, interests in land, estates for years, easements, rights, improvements, water rights, and connections for utility services; the cost of fees, franchises, permits, approvals, licenses, and certificates; the cost of securing any such franchises, permits, approvals, licenses, or certificates; the cost of preparation of any application therefore; and the cost of all fixtures, machinery, equipment, furniture, and other property used in or in connection with or necessary for any project of the special district.

- (C) All costs of engineering, surveying, planning, environmental assessments, financial analyses, and architectural, legal, and accounting services and all expenses incurred by engineers, surveyors, planners, environmental scientists, fiscal analysts, architects, attorneys, accountants, and any other necessary technical personnel in connection with any project of the special district.
- (D) All expenses for inspection of any project of the special district.
- (E) All fees of any type charged to the special district in connection with any project of the special district.
- (F) All expenses of or incidental to determining the feasibility or practicability of any project of the special district.
- (G) All costs of plans and specifications for any project of the special district.
- (H) All costs of title insurance and examinations of title with respect to any project of the special district.
- (I) Repayment of any loans for the advance payment of any part of any of the foregoing costs, including interest thereon and any other expenses of such loans.
- (J) Administrative expenses of the special district and such other expenses as may be necessary or incidental to any project of the special district or the financing thereof.
- (K) The establishment of a fund or funds or such other reserves as the Commission may approve with respect to the financing and operation of any project of the special district.

Any cost, obligation, or expense incurred for any of the purposes specified in this definition shall be a part of the cost of the project of the special district and may be paid or reimbursed as otherwise authorized by the regional TSPLOST law.

## **REFERENDUM AND COMMENCEMENT OF REGIONAL TSPLOST**

The referendum is approved in the region if more than one-half of the votes cast in the region are “yes.” It is not based on a majority of the counties or other factors. If so approved, the sales tax would be effective at the beginning of the calendar quarter 80 days after the election.

## EXEMPTIONS TO REGIONAL TSPLOST

DOR collects and administers the tax. This tax is classified as a local sales and use tax and therefore it is subject to all typical exemptions allowed under Georgia law. In addition, several other exemptions apply: (1) jet fuel at Hartsfield; (2) sale of fuel for vehicles and certain equipment; (3) the sale or use of energy used in manufacturing or processing of tangible goods primarily for resale.

## PROCESS FOR REGIONAL TSPLOST

1. Majority of counties pass resolution to commence process. A sample resolution can be found [here](#).
2. GDOT Director of Planning provides local governments and MPOs with draft investment criteria for the region.
3. Comments due from local governments and MPOs on criteria to GDOT Director of Planning.
4. Municipal representatives from the region elected to Roundtable.
5. GDOT Director of Planning provides final investment criteria to the region and calls for first Regional Roundtable meeting.
6. Regional Roundtable meets to approve investment criteria for the region and elects Executive Committee.
7. Local Governments and MPOs submit projects to GDOT Director of Planning that are consistent with the planning criteria.
8. GDOT Director of Planning develops master example project list for the region and submits it to the Executive Committee for consideration. The list does not have to be constrained by project costs.
9. GDOT Director of Planning and Executive Committee review and edit the example project list to create a draft investment list that totals the estimated revenue to be generated from a regional sales tax.
10. GDOT Director of Planning submits project list approved by the Executive Committee to the Roundtable for adoption and calls for the second meeting of the Roundtable.
11. Local Governments, MPOs, General Assembly submit comments on the draft project list (will have two weeks to prepare and submit).
12. Executive Committee holds two town hall meetings for comments on the draft lists and submits minutes to the Roundtable and GDOT Director of Planning.
13. Roundtable must approve or reject project list. There is a provision for amendments to the list by the Roundtable, but projects must have been included on the initial example project list compiled by the GDOT Director of Planning.
14. If approved by the Roundtable, call for election on the referendum.
15. The public must be notified about the regional 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.