

**2009**  
**GEORGIA ENGINEERS LEGISLATIVE COALITION**

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LEGISLATIVE UPDATE:

## **TRANSPORTATION FUNDING**

April 7, 2009  
After Adjournment

There is much written about transportation funding since the General Assembly adjourned on Friday, April 3<sup>rd</sup>. Here is what happened and what did not in the final days of the session. It is clear that we will need a coordinated strategy for the 2010 session. That will come next, but for right now here is how things unfolded and where we stand.

In entering the final week of the session the House had passed a statewide 1% sales tax program and the Senate had passed a regional 1% sales tax program – both had been sent to the other chamber for action. Finally, a House-Senate conference committee was appointed to work out a compromise package that would go back to both chambers for consideration. The House appointed 3 conferees on Monday, March 30 and the Senate appointed their 3 on Wednesday, April 1.

The conference committee first met on Wednesday night – this was the 39<sup>th</sup> day of the session; the agreed day for adjournment was two days hence on Friday. There appeared to be plenty of time to do the deal: all members of the General Assembly were well aware of the issues – they needed no more information to determine their position - and the leadership (basically the Governor, Lt. Governor, and Speaker) had been fully engaged in the issue for almost two years. Everyone knew transportation funding was a substantial issue; there was an abundance of study/metrics to substantiate the problem: a comprehensive House-Senate Study Committee throughout 2007; a strategic plan developed under the Governor's imprimatur in 2008; and a full-court, legislative debate on a funding package last session.

For either approach (statewide or regional) to clear the General Assembly, a 2/3s majority would be required to authorize a statewide referendum on a constitutional amendment. This is a tough threshold to meet. But both the House and the Senate had passed their packages by greater than 2/3s earlier in the session.

There were two transportation related issues that complicated the transportation-funding question:

1. Transportation Governance. The Governor was clear in his position that DOT governance must be changed to gain his support for transportation funding. Mid-way in the session, SB 200 was passed in the Senate, which would have created the State Transportation Authority, which would set project priorities and have funding authority over DOT. This concept simply could not get traction in the House. After weeks of hearings and debate, a much-amended version of SB 200 passed the House, which created a Planning Director position in DOT, appointed by the Governor, with responsibilities for strategic planning and project lists and making recommendations for funding. The bill barely passed the House with the Speaker casting the deciding vote, after the voting period was held open five extra minutes to round up votes. This version of SB 200 was sent to the Senate, which “agreed” to it at about 9:00 pm on Friday night. With passage of SB 200, the chances for the transportation-funding package seemed improved (by this time the funding conference committee had met 7 times and key members were seen shuttling between the two chambers and the offices of the Speaker and Lt. Governor).
2. MARTA Funding. Nothing in the statewide 1% sales tax funding package would provide money for MARTA operations. MARTA receives revenue from a 1% sales tax in Fulton and DeKalb counties (and has so for over 30 years), but only half of it may be used for “operations”. The other half is set aside for construction. A bill was in play for much of the session to eliminate this limitation, raise the percent for operation, and possibly allow \$65 million accumulated in this capital reserve fund to be used for operational costs. This change would not increase taxes in any way; it would give MARTA flexibility in how they spend this reserve. The Fulton and DeKalb urban legislators were strongly supportive of this concept (along with many others who followed this). It was assumed that a MARTA funding bill would become part of the larger transportation funding/governance ‘deal’.

The transportation funding conference committee had met twice Friday before mid-afternoon. The Senate had made two offers to the House conferees: (1) dedicating the 4<sup>th</sup> penny of sales tax to transportation corridors of statewide significance and (2) dedicating 5% of the regional sales tax to these statewide transportation corridors. In both cases, the House reiterated their position and made no counteroffer. By about 9 pm on Friday, most transportation funding advocates were beginning to see the end game. There was no movement toward a compromise on the funding package. The dramatic passage of SB 200 provided no impetus.

Shortly before 11 pm, the 8<sup>th</sup> and final conference committee meeting was held, with the Senate conferees offering a “new” package – the identical one that had failed in the Senate at 4 minutes until midnight on the very last day of the 2008 session. The House conferees quickly said “no deal” – generally because (1) things had moved far beyond where it was a year ago and (2) there was only one hour left to sell the deal in the House and the Senate. I suspect the Senate knew this was a Hail Mary and did not expect acceptance.

And that is how it ended.

Both chambers voted on several occasions to “fund transportation”, it was just never the same package. The Governor’s transportation governance package passed (with support from both the Speaker and Lt. Governor), but it is a strange bird, indeed. MARTA got nothing for operations.

For two years in a row the General Assembly failed us. We need to carefully think through our approach for the 2010 session, but I believe the slogan should be “Three Strikes and You’re Out!”