



Joint Study Committee On Transportation Funding Final Report

Addressing Georgia's Transportation Funding Alternatives



Table of Contents

Preface..... 3
Schedule..... 4
Senate Resolution 365 6
Executive Summary 8
Conclusion..... 13
Recommendations 15
Committee Signatures 22

Preface

In 2007 Senate Resolution 365, created the Joint Study Committee on Transportation Funding in Georgia. The Committee consisted of the following: Co-Chairmen Senator Jeff Mullis and Representative Vance Smith, Senator Chip Pearson, Senator Doug Stoner, Senator Tommie Williams, Representative James Mills; Representative Jay Shaw and Representative Donna Sheldon. Senator Valencia Seay and Representative Mark Hamilton also participated on the Committee as Ex-Officio members.

The Committee recognizes transportation infrastructure as a critical resource to the State of Georgia in providing greater mobility and a higher quality of life. Furthermore, transportation is essential to the commerce and the provision of goods and services throughout Georgia. Finding the necessary funds to maintain and improve the transportation infrastructure is becoming increasingly difficult. New sources and methods of funding are necessary to meet the growing needs for transportation in Georgia. The Georgia Department of Transportation estimates a \$7.7 billion transportation funding shortfall during the current six year period. In fiscal year 2007 alone it was estimated that maintenance, safety and other transportation improvements were short nearly \$445 million.

The Committee understands the crucial role of transportation in order to sustain economic growth. Therefore, the development of a Transportation Oversight Committee, as an ongoing effort, is a measure to constantly evaluate the transportation funding issues to ensure that Georgia continues to move forward to create a safe, mobile, reliable, predictable and dependable transportation system.

The goal of the Committee was to study the state's transportation funding needs and to recommend any actions or legislation necessary for alternative funding mechanisms, including special funding sources to overcome these shortfalls. Although Committee members did not agree on all aspects of the findings and recommendations, a general consensus was reached to move forward with a final report from the Committee as a whole.

Schedule

Meetings

The Committee held meetings throughout the state in order to gain a balanced perspective of both rural and urban needs.

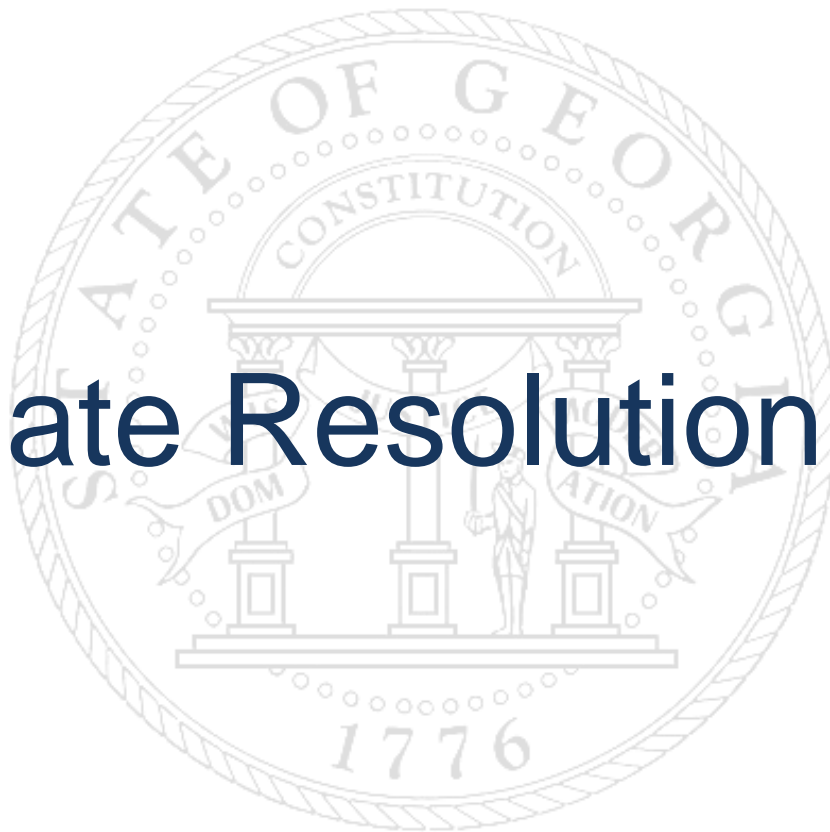
- Atlanta June 28, 2007
- Savannah July 10-11, 2007
- Columbus August, 13-14, 2007
- Dalton August 27-28, 2007
- Valdosta September 10-11, 2007
- Atlanta September 24-25, 2007

Work Sessions

The Committee held work sessions to develop recommendations for resolutions and proposed legislation to present during the 2008 Legislation Session of the Georgia General Assembly.

- Atlanta September 25, 2007
- Atlanta October 24, 2007

Senate Resolution 365



Senate Resolution 365

By: Senators Mullis of the 53rd, Pearson of the 51st, Whitehead, Sr. of the 24th, Hill of the 32nd, Goggans of the 7th and others

WHEREAS, transportation is a critical resource in the State of Georgia in providing a high quality of life for residents across the state; and

WHEREAS, transportation is essential to commerce and the provision of goods and services to the people of this state, to getting the citizens of Georgia to the workplace, medical facilities, and educational facilities, to the tourism industry, and to every facet of the lives of Georgia citizens; and

WHEREAS, finding the necessary funds to maintain and improve our transportation systems and infrastructure is becoming increasingly difficult; and

WHEREAS, new sources and methods of funding transportation projects are needed to allow the transportation systems in Georgia to keep up with the needs of the population; and

WHEREAS, the General Assembly needs to study these issues to determine alternative funding mechanisms for transportation projects and special funding sources.

NOW, THEREFORE, BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA that there is created the Joint Study Committee on Transportation Funding to be composed of eight members. The committee shall be composed of the chairperson of the Senate Transportation Committee, the chairperson of the House Committee on Transportation, three members of the Senate appointed by the Lieutenant Governor, and three members appointed by the Speaker of the House of Representatives. The chairperson of the Senate Transportation Committee and the chairperson of the House Committee on Transportation shall serve as co chairpersons of the committee. The co chairpersons shall call all meetings of the committee.

BE IT FURTHER RESOLVED that the committee shall undertake a study of the conditions, needs, issues, and problems mentioned above or related thereto and recommend any actions or legislation that the committee deems necessary or appropriate. The committee may conduct such meetings at such places and at such times as it may deem necessary or convenient to enable it to exercise fully and effectively its powers, perform its duties, and accomplish the objectives and purposes of this resolution.

The members of the committee shall receive the allowances authorized for legislative members of interim legislative committees but shall receive the same for not more than six days unless additional days are authorized. The funds necessary to pay the allowances for the members of the committee shall come from the funds appropriated to the House of Representatives and the Senate. The funds necessary to pay all other expenses incurred by the committee shall come from the funds appropriated to the Department of Transportation. The Department of Transportation is authorized and directed to provide the committee with such logistical, professional, and other support as the committee deems appropriate to carry out the committee's duties under this resolution. In the event that the committee makes a report of its findings and recommendations with suggestions for proposed legislation, if any, such report shall be made on or before December 31, 2007. The committee shall stand abolished on December 31, 2007.

Executive Summary



Executive Summary

The Joint Study Committee on Transportation Funding was established during the 2007 legislative session by Senate Resolution 365 to study transportation funding needs and solutions. The Committee sought alternative funding mechanisms and innovative funding solutions for transportation infrastructure needs. The Committee held six meetings between June and September 2007. Local, state, and national transportation experts provided testimony to the Committee during these meetings. Each meeting was webcast live and archived on the website along with the meeting presentations and transcribed testimonies at www.gatransfunding.com.

The Committee determined that the Final Report should comprise three phases:

- **Phase One:** Identify Transportation Funding Challenges in Georgia;
- **Phase Two:** Consider Potential Funding Solutions; and
- **Phase Three:** Provide Recommendations.

Phase One: Identify Transportation Funding Challenges in Georgia

The first two meetings focused on the funding challenges facing Georgia, a state with a growing population and increasing traffic. Speakers provided testimony defining the funding challenges in both urban and rural Georgia, as well as possible options to help solve these challenges.

Topics discussed in Phase One included:

- **Urban Metro transportation**
- **Rural transportation**
- **Truck and Rail Freight transportation**
- **Georgia's airports**
- **Transit alternatives**

Furthermore, the impact of the lack of available funding for transportation needs on Georgia's economy was repeatedly brought up to the Committee

Phase Two: Consider Potential Funding Solutions

The Columbus meeting focused on three possible solutions: (1) What other states are doing; (2) Freight Solutions; and (3) a State Infrastructure Bank. The Committee heard testimony on possible solutions from different industry experts including: the Reason Foundation; Floridians for Better Transportation; the Federal Highway Association (FHWA) Georgia Division; the CSX/Georgia Rail Road Association; the Georgia Motor Trucking Association; the Ohio Department of Transportation; the Florida Department of Transportation's Financial Management Office, and the Georgia Department of Transportation (GDOT).

The Dalton meeting began the discussion on possible funding solutions. The Focus was on Public Private Initiatives, Design Build, Transit, Maglev, Atlanta Beltline, and Mileage Based Enhancements. The Committee heard testimony on these possible solutions from: the United States Department of Transportation; the Virginia Department of Transportation; Royal Bank of Canada; Jacobs Engineering; the Florida Department of Transportation's Chief Engineer; Design Build Institute of America; Jeff Parker and Associates; the Mayor of Chattanooga; Transrapid International; the Atlanta Beltline; local officials; and the Oregon Department of Transportation.

The topics discussed in Phase Two included:

- **State Infrastructure Bank (SIB)** as revolving fund mechanism for financing a wide variety of highway and transit projects through loans and credit enhancement. SIBs are designed to provide states increased flexibility for financing infrastructure investments. Currently, Ohio, Colorado, and Florida, to name a few, have passed legislation implementing a SIB.
- **Public-Private Initiatives (PPIs)** allows states to partner with private/ corporate businesses to help finance, design, construct, operate ,and/or maintain transportation projects. Currently, approximately 12 states are using PPIs.
- **Design Build** as a project delivery method combines separate services into a single contract. With design build procurement owners, execute a single contract for both engineering services and construction.
- **Mileage Based Enhancements** is a mileage-based user charge system that relies on onboard vehicle systems to measure travel, and fees are assessed accordingly. The Oregon Department of Transportation launched a mileage fee pilot project in March of 2006 as one way of examining various revenue raising alternatives for replacing the gas tax as the primary source of revenue.

Phase Three: Provide Recommendations

The Valdosta meeting focused on five possible recommendations: (1) Asset Management; (2) Revenue Enhancement (3) Value Engineering (4) Marketing and (5) Transit. The Committee heard testimony regarding possible recommendations from: local officials, the Virginia Department of Transportation, VMS, Inc., Infrastructure Corporation of America, Cambridge Systematic, Triad Transport, Ohio Contractors, Washington State Department of Transportation, Florida Department of Transportation, American Association of State Highway Transportation Officials, Missouri Department of Transportation, Post, Buckley, Schuh & Jernigan and the Transit Planning Board.

The final meeting in Phase Three was held in Atlanta. This meeting focused on varying perspectives for the development of the Committee's recommendations. The Committee heard testimony from state agency heads, consultants, lobbyists, and top state government elected officials. This meeting was the final fact finding meeting for the Committee.

The topics discussed in Phase Three included:

- **Asset Management** as a strategic and systematic process for operating, maintaining, upgrading, and expanding capital assets effectively throughout their life-cycles. It focuses better decision making based upon quality information and well-defined objectives. This approach identifies and prioritizes statewide maintenance and operations needs based on inventory and condition assessments.
- **Revenue Enhancement** is used to provide additional funding for transportation through the collection of additional tax revenues. Georgia must consider moving to a percentage based tax which is automatically indexed to inflation, and thus will retain its purchasing power over time.
- **Value Engineering** is the application of a multi-disciplined team to analyze and provide the best value for money on a project.
- **Marketing** is essential for communicating both the funding needs and recommended solutions to the public.
- **Transit** comprises all transport systems in which passengers do not travel in their own vehicles, but utilize alternative means of travel, such as rail and bus services.

Committee Recommendations

After the final meeting in Atlanta, the Committee held working sessions to review the testimony it heard in order to develop a list of recommendations, which are defined in full detail on page 18.

1. State Infrastructure Bank

The Committee recommends legislation creating a State Infrastructure Bank (Bank) in Georgia. These funds will be used to provide loans and credit enhancements to government units and private entities for use in constructing and improving transportation facilities throughout the state.

2. Design Build

The Committee recommends legislation relating to the procedure for awarding design build contracts and to increase the frequency in which they are used.

3. Aviation and Railroads

The Committee recommends that state funds be dedicated in a phased-in approach to provide appropriate funding to our statewide General Aviation airports and state wide rail system.

The Committee also recommends the transfer of responsibility for operation and management of the lease for the Western and Atlantic Rail Road from the State Properties Commission to the Georgia Department of Transportation.

4. Statewide Transportation Funding

The Committee recommends the General Assembly introduce legislation that would allow the citizens to vote on a Constitutional Amendment that may present anywhere from a revenue neutral, in which the 7.5 cent per gallon is replaced with an equivalent percent sales and use tax, to a 1 cent sales and use tax on all goods and services, except motor fuel, dedicated for use on all modes of transportation.

5. Regional Transportation Funding

The Committee recommends legislation allowing counties to join as a region to hold a referendum to pass a maximum one-cent tax for transportation projects.

6. Statewide Transportation Plan

The Committee recommends legislation requiring the development of a Statewide Transportation Plan (Plan), to be approved by the General Assembly, and updated every five years thereafter.

7. Value Engineering

The Committee supports the concept of value engineering and urges GDOT to use the practice of value engineering when designing and contracting projects.

8. Overall Concession Plan

The Committee recommends a resolution seeking a report from GDOT on the overall statewide concession plan by a date certain and will institute a schedule for regular reports to be presented to the House and Senate Transportation Committees.

9. Public Private Initiatives

The Committee recommends a resolution urging GDOT to award project contracts, where suitable, using the public-private method of construction and finance.

10. Transit

The Committee recommends a resolution supporting the inclusion of transit in the statewide transportation plan to provide Georgian's and visitors with an effective, efficient, and customer-friendly transit system in a transit-friendly environment.

11. MagLev - Transrapid

The Committee recommends a resolution supporting the construction of a Magnetically Levitated (MagLev) transit line, using the Transrapid technology, connecting Hartfield -

Jackson International Airport in Atlanta, Georgia with Chattanooga Metropolitan Airport in Chattanooga, Tennessee.

12. HOV to HOT Lanes

The Committee recommends a resolution urging GDOT to conduct a Regional HOT Lane Network Feasibility and Implementation Study.

13. Efficiency in State Government

The Committee recommends a resolution urging GDOT to continue to reduce costs and privatize those functions which can be supported by the private sector. Specifically, the Committee urges GDOT to move towards consolidation of county barns and privatization of maintenance projects.

14. Transportation Oversight Committee

The committee recommends that the General Assembly introduce legislation creating a Transportation Oversight Committee to review ongoing transportation issues and concerns.

15. Transportation Governance

The Committee recommends legislation defining the authority of the various transportation agencies which exist in Georgia and mandate a final transportation plan approved by the Georgia General Assembly.

16. State Road and Tollway Authority

The Committee recommends a resolution to urge the State Road and Tollway Authority to report to the House and Senate Transportation Committees plans for existing dollars under its jurisdiction and its posture as 2011 approaches and current legislation expires.

17. Georgia Council for Rural and Human Services Transportation

The Committee recommends legislation creating the Georgia Council for Rural and Human Services Transportation to be composed of the Commissioners of GDOT, the Department of Human Resources, the Department of Community Health, the Department of Education, and the Department of Labor.

18. The U.S. Department of Transportation

The Committee recommends a resolution urging the U.S. Department of Transportation to dissolve, or "turn back," the federal highway and transit program to the states by allowing them to take over collection of the federal fuel tax and spend those revenues on transportation priorities of their own choosing, not the federal government's.

Conclusion

In conclusion it is the belief of the Committee that efficient transportation is the driver for continued economic growth in the Southeast and can only be maintained by addressing the transportation funding issues we are facing today. With the development of a Transportation Oversight Committee, as an ongoing effort, these issues will be evaluated each year to ensure that Georgia continues to move forward to create a safe, mobile, reliable, predictable and dependable transportation system.

It must be emphasized that individual members of the Committee represent a diversity of life experiences, rural and urban perspectives, and political orientations. However, this has resulted in a double edged sword. On one edge, this diversity has produced better information and richer discussions. On the other edge, the consequence of these differences is no absolute agreement in principle by the Committee members on all issues. As a result, fundamental agreement has been reached by the Committee as a whole on the recommendations.

Recommendations



Recommendations

The Joint Study on Transportation Funding Committee made up of bi-partisan members from the Georgia Senate and House of Representatives have studied Georgia's transportation for three months and developed a list of recommendations for Urging Resolutions and potential Legislation to address the transportation needs plaguing our state. Working sessions were held by Committee members to review the testimonies in order to develop a list of substantive recommendations. Committee members did not agree on all aspects of the recommendations, however, a general consensus in principle was reached by the overall Committee as a whole. The following recommendations are being provided by the Committee.

State Infrastructure Bank

The Committee recommends legislation creating a State Infrastructure Bank (Bank) in Georgia. Planning for and adequately funding infrastructure for transportation purposes is critically important for the safety and welfare of the citizens of Georgia. The State Infrastructure Bank will primarily be funded through Federal and State sources. These funds will be used to provide loans and credit enhancements to government units and private entities for use in constructing and improving transportation facilities throughout the state. The Bank may lend capital costs or provide credit enhancements for transportation projects that provide for increased mobility on the state's transportation system or provide intermodal connectivity with seaports, airports, rail facilities, and other transportation terminals. To be eligible for consideration, projects should be consistent, to the maximum extent feasible, with local metropolitan planning organization plans and local government comprehensive plans and should provide a dedicated repayment source to ensure the loan is repaid to the bank.

Design Build

The Committee recommends legislation relating to the procedure for awarding design build contracts. Beginning in Fiscal 2010, the Department of Transportation will use the design-build procedure to award at least 5 percent of the monetary value of all its construction projects. The percentage of contracts awarded using the design-build procedure will be increased to at least 10 percent in Fiscal 2012. Prior to fiscal year 2010 the Committee urges the Georgia Department of Transportation to submit a report to the Oversight Committee indicating the anticipated projects to be constructed under Design Build. The Committee recognizes that it is important for Georgia to embrace this new reality in the industry while at the same time moving with prudence to be certain that both large and small businesses have an opportunity to grow into this method of business.

The Committee also recommends that the General Assembly examine current law governing local government public works construction contracts, specifically the use of competitive sealed proposals in bidding, for utilization in the bidding procedure for DOT construction and maintenance contracts. "Competitive sealed proposals" is a method of soliciting public works contracts whereby the award is based upon criteria identified in a request for proposals.

Aviation and Railroads

The Committee declares that General Aviation and Rail Programs are critical to economic development opportunities for Georgia. In order to compete with other states in our region, the Committee anticipates taking steps to urgently and strongly recommend that state funds be dedicated in a phased-in system to provide appropriate funding to our statewide General Aviation airports and statewide rail system. The Committee also urges the transfer of responsibility for operation and management of the Western and Atlantic Rail Road lease from the State Properties Office to the Georgia Department of Transportation. Georgia has 103 publicly owned public use airports and 93 General Aviation public use airports. Likewise, the railroad industry can help alleviate stress in the highway transportation system. Freight transportation remains at record levels, and reports indicate that freight transportation needs will continue to grow significantly over the next 15 to 20 years.

Statewide Transportation Funding

With improved technologies and Federal mandates for greater fuel efficiency, revenues based on motor fuel tax will be less dependable in the future and will likely show a decline in revenues based on miles driven. This revenue will be further reduced by alternative fuel and electric vehicles that have a lower or no user fee (motor fuel tax) contribution. Thus, resulting in a shift from a true user fee to a consumption basis fee. Currently, transportation projects are, for all practical purposes, funded by revenue collected at the pump for gasoline. Georgia must find realistic and equitable means to ensure future revenue for both the maintenance of existing transportation projects and expansion of the transportation system.

The Committee recommends the General Assembly introduce legislation that would allow the citizens to vote on a Constitutional Amendment that may present anywhere from a revenue neutral, in which the 7.5 cent per gallon is replaced with an equivalent percent sales and use tax, to a 1 cent sales and use tax on all goods and services, except motor fuel, dedicated for use on all modes of transportation. The existing sales and use tax on motor fuel of 4 percent will remain in place. This statewide proposal should not preclude the Regional Special Local Option Sales Tax (SPLOST).

Regional Transportation Funding

The Committee recommends that the General Assembly introduce legislation to allow counties to join as a region to hold a referendum to pass a maximum one cent tax for transportation projects.

Statewide Transportation Plan

The Committee recommends that the General Assembly introduce legislation requiring the development of a Statewide Transportation Plan (Plan), to be approved by the General Assembly, and updated every five years thereafter. The policy objective of the Plan is to create a safe, mobile, reliable, predictable, and dependable transportation system, and will include

forecasts for Georgia's transportation needs in five-year increments, for the next 50 years, utilizing projected growth and demographic trends.

Value Engineering

The Committee supports the concept of value engineering and urges the Department of Transportation to use the practice of value engineering when designing and contracting projects. Value engineering is the formal or informal attempt to assure highest value by delivering all required functions at the lowest overall cost. Value engineering seeks optimum value by balancing performance and cost.

Overall Concession Plan

The Committee recommends a resolution seeking a report from the Department of Transportation on the overall statewide concession plan by a date certain and will institute a schedule for regular reports to be presented to the House and Senate Transportation Committees.

Public Private Initiatives

The Committee recommends that the General Assembly introduce a resolution urging the Department of Transportation to award project contracts, where suitable, using the public-private method of construction and finance.

Transit

Rapid growth and development have placed tremendous pressures on Georgia's transportation system. Heavy volumes of traffic in most of the state's urbanized areas have created excessive congestion. Increasing suburbanization of population and employment has resulted in greater automobile use. Given the continuing dispersal of jobs and residents, roadway congestion is likely to worsen. In some metropolitan areas, transportation systems are expected to become increasingly saturated, even with implementation of roadway improvements defined in current long-range transportation plans.

In view of the above trends in Georgia's growth and development, members of the Committee recognize that Georgia must have user-friendly transit and transit development and it must be included in the statewide transportation plan. The Committee anticipates working with leadership from the Transit Planning Board as we explore transit options.

The Committee recommends that the General Assembly introduce a resolution to support the inclusion of transit in the statewide transportation plan to provide Georgian's and visitors with an effective, efficient, and customer-friendly transit system in a transit-friendly environment. Georgia must re-examine the role of transit in the context of a changing transportation environment.

Mag Lev - Transrapid

The principal of a MagLev train is that it floats on a magnetic field and is propelled by a linear induction motor. The trains follow guidance tracks with magnets. Transrapid is proven technology and has been under research and development since 1969. The test track has been in operation on Germany since the mid-1980s and reaches speeds in excess of 250 miles per hour (mph). A system in Shanghai, China has safely carried more than twelve million passengers at speeds of 270 mph with an overall system technical availability of 99.95 percent.

The Committee recommends that the General Assembly introduce a resolution supporting the construction of a Magnetically Levitated (MagLev) transit line, using the Transrapid technology, connecting Hartsfield - Jackson International Airport in Atlanta, Georgia with Chattanooga Metropolitan Airport in Chattanooga, Tennessee.

HOV to HOT Lanes

The Federal Highway Administration (FHWA) defines *managed lanes* as offering “enhanced operational conditions within separated lanes, which result in outcomes such as greater efficiency, free-flow speeds or reduced congestion.”

HOV (high occupancy vehicle) lanes are travel lanes dedicated to vehicles with two or more occupants, including buses, carpools and vanpools. HOV lanes are a type of managed lane.

HOT (high occupancy toll) lanes are similar to HOV lanes in that they are dedicated to vehicles with two or more occupants. They are open to single occupant vehicles; however, the driver must pay a toll to do so. The toll is based upon the level of congestion in the non-HOT lanes heavier congestion equals higher tolls for single occupant vehicles. HOT lanes are a type of managed lane.

The Committee recommends that the General Assembly introduce a resolution to urge the Georgia Department of Transportation (GDOT) to conduct a Regional High-Occupancy/Toll (HOT) Lanes Network Feasibility and Implementation Study. The study is meant to determine whether a regional network of HOT lanes is warranted, define a phased implementation plan, and provide a regional context for demonstration projects.

Such a resolution will urge GDOT to give serious study to building on the existing High Occupancy/Vehicle (HOV) system to create a regional network of HOT lanes by converting existing HOV lanes to HOT lanes and expanding the HOV/HOT system where possible. A regional HOT lanes network is intended to:

- Make more efficient use of all freeway lanes;
- Provide a managed and reliable travel option for express buses, and carpools and single occupancy vehicles;
- Generate a reliable revenue source that can be used to expand and connect the regional HOV network and expand express bus and rideshare services.

Efficiency in State Government

The Committee recommends that the General Assembly introduce a resolution urging the Georgia Department of Transportation (GDOT) to continue to reduce costs and privatize those functions which can be supported by the private sector. Specifically, the Committee will urge GDOT to move towards consolidation of county maintenance facilities and the privatization of maintenance projects.

Transportation Oversight Committee

The Committee recommends legislation creating a Transportation Oversight Committee to continue to look at transportation issues each year. This committee will ensure Georgia's continued efforts to move forward in creating a safe, mobile, reliable, predictable and dependable transportation system.

Transportation Governance

A concern of the Committee is the broad number of government, quasi-government, and independent entities who are involved with, and seemingly empowered to affect, major transportation decisions. At some point, there needs to be clear leadership. Diverse opinions and large amounts of perspective are very important, every voice and community must be heard from, but there must be one governing authority that makes final decisions.

The Committee anticipates introducing measures to define the authority of the various transportation agencies which exist in Georgia and empower and mandate a final transportation plan prepared by Georgia DOT and approved by the Georgia General Assembly, upon review and recommendation of the Transportation Oversight Committee. It is, properly, up to the elected representatives of the citizens of Georgia to lead Georgia. The Committee calls upon the Governor and our colleagues in the General Assembly to join us and make the hard decisions for the good people of Georgia.

State Road and Tollway Authority

The Committee recommends a resolution to urge the State Road and Tollway Authority to report to the House and Senate Transportation its plans for existing dollars under its jurisdiction, as well its posture as 2011 approaches and current legislation expires.

Georgia Council for Rural and Human Services Transportation

The Committee finds that a considerable number of programs exist in the state, funded by local, state, and federal sources, which are designed to provide both rural and urban human services transportation over large geographic areas. The Committee recommends that the General Assembly introduce legislation creating the Georgia Council for Rural and Human Services Transportation (Council) to be composed of the Commissioners of the Department of Transportation, Department of Human Resources, Department of Community Health, Department of Education, and the Department of Labor. The Council will examine the manner in which transportation services are provided by these agencies and facilitate interagency

delivery of these services in order to encourage operating cost-efficiencies. The Council will issue an annual report to the Governor and the Chairmen of the Senate and House Transportation Committees with specific recommendations for improvement of human services transportation within the state.

The U.S. Department of Transportation

The Committee recommends that the General Assembly introduce a resolution urging the U.S. Department of Transportation to dissolve, or "turn back," the federal highway and transit program to the states by allowing them to take over collection of the federal fuel tax and spend those revenues on transportation priorities of their own choosing, not the federal government's.

Among the many problems with the existing centralized, command-and-control program are long-standing regional inequities between "donor" states (those whose motorists pay more in fuel taxes than they receive back from the program) and "recipient" states, (those that receive more than they pay). Over the past several decades, many of the southern and western states have found themselves in the position of donors, while states in the northeast and central regions of the country are most often recipients.

Fast-growing states, such as California, Florida, Texas, Georgia, North Carolina, and South Carolina are long-standing donors, year after year shipping a portion of their fuel tax revenues to perennial recipient states, such as, New York, Massachusetts, and Pennsylvania.

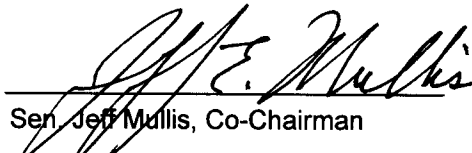
Having completed the authorized task of constructing a 41,000-mile interstate highway system from coast to coast and border to border, the federal government has found it difficult to resolve surface transportation problems that are increasingly local in nature. Despite record levels of highway spending, congestion is worsening and roads are deteriorating.

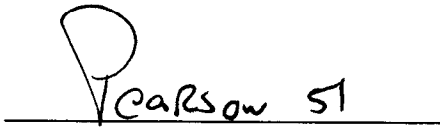
The Committee urges the Georgia Congressional Delegation to examine legislation adjusting the current structure of the U.S. Department of Transportation to guarantee that Georgia receives our fair share of transportation dollars. Failing fair equitable legislation, the Committee recommends that the General Assembly introduce a resolution urging the abolishment of the U.S. Department of Transportation.


Committee Signatures

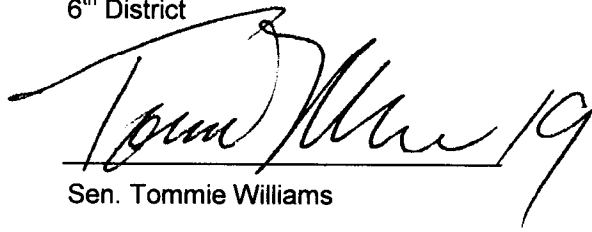


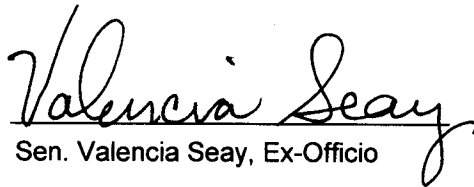
Respectfully Submitted


Sen. Jeff Mullis, Co-Chairman
53rd District

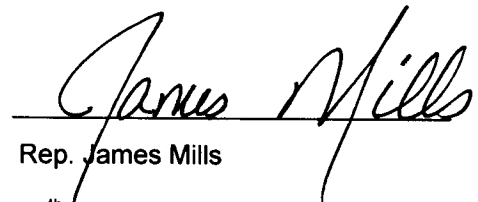

Sen. Chip Pearson
51st District

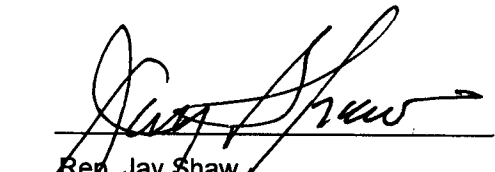

Sen. Doug Stoner
6th District

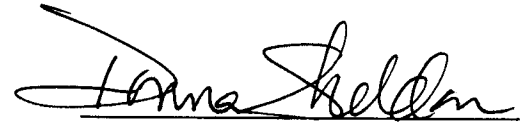

Sen. Tommie Williams
19th District

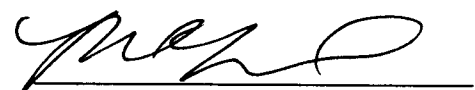

Sen. Valencia Seay, Ex-Officio
34th District


Rep. Vance Smith, Co-Chairman
129th District


Rep. James Mills
25th District


Rep. Jay Shaw
176th District


Rep. Donna Sheldon
105th District


Rep. Mark Hamilton, Ex-Officio
23rd District

After addressing the transportation funding issues Georgia is facing today, it is the belief of the Committee that by maintaining transportation, the Southeast will have continued economic growth. The goal of the Committee was to help in ensuring that Georgia continues to move forward to create a safe, mobile, reliable, predictable and dependable transportation system.

Regardless of individual differences, the Committee members agreed in principle on the recommendations contained herein, and are thus considered the product of the Committee as a whole.