

PRESS RELEASE

For Immediate Release: Tuesday, May 30, 2023 Contact: Penny Brooks, TIA Communications 770-309-8544 <u>TIA@dot.ga.gov</u>

Georgia DOT's TIA Program to Return \$18 M Collected Tax Revenue to Heart of Georgia Altamaha Region's Local Governments

Municipalities to use extra funds for discretionary transportation projects



TIA funds made it possible for a number of road construction projects in Telfair County, including the resurfacing of Spring Avenue in McRae-Helena.

MCRAE-HELENA, Georgia — A Georgia DOT program team is doing something that rarely happens with tax revenues: they're giving some back to the contributing taxpayers' local governments.

In meetings earlier this year, after the Heart of Georgia Altamaha Region's (HOGA) first 10 years of participation in the Georgia DOT's Transportation Investment Act (TIA) program, administrators and accountants determined that the region's approved round of



infrastructure projects could be completed using less funding than was collected as tax revenue from 2013 through 2022.

In total, HOGA citizens contributed \$335,375,226 through their voter-approved one-cent sales tax towards an investment list of 763 road, bridge and other transportation infrastructure projects. When the decade's final analysis was performed, TIA leaders found that \$18 million could be returned to the region's local governments while still ensuring the completion of 28 projects still under construction.

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> Kenneth Franks, State TIA Administrator

"The HOGA region's successes with TIA were possible because of multiple key factors," says Kenneth Franks, State TIA Administrator. "TIA had the full support of local governments and their commitment to deliver many projects themselves, the Georgia DOT with its commitment to complete all projects while rigorously tracking revenues and budgets, and also the TIA engineers and support staff who truly partnered with each local government and the Heart of Georgia Altamaha Regional Commission. Our goal is always for the local communities to be happy with the project outcomes at the same time that we're fiscally responsible with HOGA's tax funds."

The act requires that if tax proceeds collected over a 10-year term exceed the amount needed to complete all projects on a region's project investment list for that term, the overage must be returned to the counties and municipalities according to a formula that utilizes a county's or municipality's population and its number of state and federal highway miles. Called the 'LARP' formula, it is also used to distribute 25% of the region's overall TIA proceeds back to the local governments as funds for discretionary transportation

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projects. As such, the monies that are being returned to the local governments are also to be used in this same way.

For Telfair County and its municipalities, their portions of the returned funds are projected to be:

- Telfair County (unincorporated): \$608,896
- Jacksonville: \$2,784
- Lumber City: \$36,090
- McRae-Helena: \$180,976
- Scotland: \$11,552

The TIA team and local project leaders were able to guarantee the budgeted completion of all projects on the HOGA investment list, and now return \$18 million collected for the program, even though tax collections rarely met projected expectations throughout the decade. Regional and local leaders say this demonstrates how all involved parties were serious about financial responsibility.

"With collections behind by as much as 19% the vast majority of the 10 years, the TIA administration at Georgia DOT, working with the local governments, were able to hold costs down while still completing all the projects," says Brett Manning, Executive Director of the Heart of Georgia Altamaha Regional Commission. "This is certainly a testament to the commitment that the local governments and the Georgia DOT TIA office have towards the financially accountability of the program."

Georgia DOT's executive leadership are celebrating the success of TIA's first ten years in HOGA and its other participating state regions, Central Savannah River Area (CSRA), River Valley and Southern Georgia. In addition to the positive outcomes involving the program's partnerships with local governments and focus on both project quality and fiscal responsibility, they cite TIA's larger impact.

"I'm just so excited about the transformative nature of what TIA has meant to local governments, to the Georgia DOT, but in particular, what it's meant to Georgia overall," says Russell McMurry, Commissioner. "Without the TIA program, I can assure you that Georgia's infrastructure and economy would not be in as good shape as it currently is."

In January 2023, Georgia's HOGA, CSRA and River Valley regions started their second decades of TIA revenue collections and new project investment lists. For the HOGA, this new term from 2023 through 2032 involves the construction of 580 new projects with an original approved budget of \$338,673,177.

Georgia DOT's Transportation Investment Act Program (TIA) provides a unique process for Georgia's congressional regions to fund necessary, community-selected transportation infrastructure projects through a voter-approved 10-year one-cent sales tax. For more information, including project investment lists, approved budgets and the program's policies and procedures: <u>www.ga-tia.com</u>.

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Our mailing address is:

The TIA Program Georgia Department of Transportation 11th Floor 600 West Peachtree Street N.W. Atlanta, GA 30308