

A View from the House

By Representative Doug Holt

Massive metro Atlanta growth has given Georgia a major transportation problem. Virtually everyone agrees. So legislation is being pushed in the House for a referendum on raising sales taxes one percent – dedicated to transportation. This act would increase taxes by \$1.5 billion per year for eight years. I oppose it, and you deserve to know why.

First, we don't need a referendum. Georgia's constitution gives the General Assembly the authority to raise the tax. Passing the buck to the voters is just a way of saying: "here, Georgia, we think it's OK to enact the largest tax increase in our history, but we don't want to be responsible for it".

Nearly everyone in state government also accepts that DOT is very inefficient. Georgia takes significantly longer to complete transportation projects than do most other states. The DOT board just elected a new commissioner who is dedicated to turning the agency around. A couple of months ago, DOT told us that they wanted time to reform their policies and procedures. They didn't want loads of funds that they weren't ready to handle. Governor Perdue recently said much the same thing.

There are intermediate steps we could take to shift funding in the short term, so we could evaluate whether DOT is ready to handle a doubled budget. A bill to move almost \$200 million in motor fuel tax presently going into the general fund (never to DOT) lies tabled in a sub-committee. We could also send general funds to local governments for roads.

We also need to consider how we got here. Public opinion has long held that education and transportation are state government's first priorities. Yet, for over 30 years, we have been under-funding expansion, operation and maintenance of our road net (and rarely funding education fully). Now we're supposed to be stunned that there is a transportation crisis!?!

Those years have been Georgia's most prosperous. Discounting recessions, especially the sharp one several years ago, we could have been investing budget surpluses in our two "top priorities" – or simply funding them in the regular budget. We are low among the 50 states in per capita transportation spending because we continually said one thing, and did another.

I've made several public statements admitting there's a big problem. And I grimly face the fact that our annual budget has gone up by almost 19% per person (counting inflation) in the four sessions since I took office – especially considering that I campaigned on "making the state live within its means". Governor Perdue has worked on fiscal responsibility in the agencies he controls directly. But the legislature sets spending policy, and it's time for me to stand my ground.

So I've been ready to take political heat for the cutting necessary to set priorities straight. Let's start with the idea of finding half of the \$1.5 billion, before asking taxpayers for more. If we fund education fully, and cover existing DOT funding, public safety and debt service, we'd use roughly \$13.5 billion of \$21.5 billion in projected revenues. Granted, a lot of the remaining \$8 billion is federally mandated, but surely we can find 9.4% to cut. Instead, we are reaching for the easy solution of just lumping on more billions. Who cares that people are calling for tax reform, and howling about property taxes because legislative neglect of priorities forces local governments to keep raising assessments and millage rates?

I differ. I think a crisis demands that we re-examine our habits, and get those priorities right. This is not the time for a Texas sized bandage that lets business as usual continue. We owe our children a better solution than one that will result in another financial crisis in 20 or 30 years. Let's get to work!

For reference: bills and live session and committee video are online at www.legis.ga.gov.
Contact Info: My office phone is 404-656-0152, and email address is Doug@DougHolt.org.