

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: April 20, 1998 Revised: \_\_\_\_\_

Subject: Transportation Disadvantaged

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Vickers</u>	<u>Johnson</u>	<u>TR</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>WM</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

**I. Summary:**

This CS restructures the transportation disadvantaged program to reduce the size of the Commission for the Transportation Disadvantaged from 27 to 9 members and reassign most of the operational and administrative responsibilities currently assigned to the Commission to local coordinating boards and the Department of Transportation. The CS provides that the Commission would function as a statewide policy review board and establishes a "rate and quality of service review committee" within the Commission to review and resolve rate and quality of service issues which cannot be resolved at the local level. The CS reduces the size of the local coordinating boards to the same size and representation (with the addition of a local WAGES coalition representative) as proposed for the Commission.

This CS also establishes competitive procurement guidelines to be employed in the selection of the community transportation coordinator and transportation operators. The Department of Transportation is directed to contract for a study which would establish a baseline level of service which defines the minimum qualitative level of service that is agreeable to all purchasing agencies. Responsibility for the administration of the transportation disadvantaged trust fund is transferred to the Department of Transportation. The CS also provides for the development of a joint strategic plan and interagency agreements to improve the coordination of transportation disadvantaged services.

This CS amends sections 427.011, 427.012, 427.013, 427.0135, 427.015, 425.0155, 427.0157, 427.0159, and 427.016 of the Florida Statutes. This CS creates sections 186.024, 427.0133, and 427.0156 of the Florida Statutes.

## **II. Present Situation:**

In 1979, the Legislature created the Coordinating Council for the Transportation Disadvantaged within the Department of Transportation. This advisory body was intended to foster the coordination of services for the state's transportation disadvantaged (TD) population. In 1989, the Coordinating Council was elevated to the status of an independent commission and the Transportation Disadvantaged Trust Fund was established to provide a dedicated source of funding for transportation disadvantaged services.

Currently, the Commission for the Transportation Disadvantaged is responsible for ensuring the coordination and delivery of TD services in a cost-effective manner throughout the state. Statewide coordination of TD services is accomplished through a network of Commission-approved official planning agencies, community transportation coordinators, local coordinating boards and transportation operators.

### **Program Summary**

Persons are considered transportation disadvantaged when physical or mental disability, income status, or age make them unable to transport themselves or to purchase transportation. These conditions cause them to rely on others to obtain access to health care, employment, education, shopping, or other life-sustaining activities. Handicapped children or children at-risk or high-risk (s. 411.202, F.S.) are also eligible for services under this program. Several state agencies, including the Departments of Education, Elder Affairs, Children and Families (formerly Health and Rehabilitative Services), Labor and Employment Security, Transportation, and the Agency for Health Care Administration (Medicaid) provide financial assistance for transportation services.

The Commission coordinates with Metropolitan Planning Organizations, or other planning agencies it may designate, to appoint and staff local coordinating boards (LCBs) in each county. These local boards generally reflect the composition of the Commission and oversee the operations and performance of the Community Transportation Coordinators (CTC). The Metropolitan Planning Organizations also recommend the community transportation coordinator to the Commission. The Commission then signs a contract (memorandum of agreement) with the CTC to manage the coordinated system for their area. The CTC cannot be removed without Commission approval.

### **Program Organization**

The transportation disadvantaged program is administered by the Commission for the Transportation Disadvantaged, local coordinating boards and local community transportation coordinators. The Commission is comprised of 27 members sitting as a policy board guiding the delivery of transportation services. The members represent state social service agencies, the Department of Transportation, a public transit association, various citizens' advocacy groups from rural and urban areas, transportation providers, the non-transportation business community, and community transportation coordinators. The Commission assists communities in establishing

coordinated transportation systems, manages contracts and memoranda of agreement, develops a five-year transportation disadvantaged plan, and addresses statewide transportation issues. The Commission is also to assure that state agencies purchase transportation services from within the coordinated system unless a more cost-effective provider outside the coordinated system can be found by the purchasing agency in compliance with Chapter 427, Florida Statutes. Currently all 67 counties have coordinated systems managed by 54 community transportation coordinators.

### **Financial Resources**

The Transportation Disadvantaged Program receives funds from initial and renewal automobile registration fees (\$1.50 per registration), temporary handicapped tag fees (\$5.00 per tag), and a 15% transfer from the Florida Department of Transportation's public transit block grant funds. It is also possible for individuals to make voluntary contributions of \$1.00 when applying for motor vehicle registration. These funds are deposited in the Transportation Disadvantaged Trust Fund, and provide approximately \$26 million in annual funding.

According to the Commission, fiscal year 1996-97 statewide expenditures for TD services totaled \$210 million. During this same time period, the Commission reported that 55.7 million one-trips were provided through the TD program. This total includes trips provided through the coordinated system, transportation alternatives, and other service delivery systems. The Agency for Health Care Administration represented the largest state funding source contributing \$61 million. The TD trust fund represented the second largest state funding source contributing \$20.8 million. The Department of Children and Families (\$12.5 million), the Department of Transportation (\$8.9 million), and the Department of Elderly Affairs represented other significant state funding sources. Local and direct federal funds accounted for \$96 million in program funding.

### **Recent Evaluations of the Program**

**OPPAGA Report:** In January 1997, OPPAGA issued a report, *Review of the Transportation Disadvantaged Program* (Report No. 96-43), which examined the Transportation Disadvantaged program. This report recommended that the Legislature consider the following actions: incorporate stringent eligibility criteria in the definition of transportation disadvantaged clients; examine the size, composition and role of the Commission, either making it smaller or abolishing it; streamline reporting and monitoring; eliminate conflicting policies that inhibit coordinated efforts; and modify the transportation disadvantaged funding formula. The Commission generally agreed with the findings identified by this review and implemented a number of the recommendations.

**Transportation Disadvantaged Working Group:** The 1997 Legislature established the Transportation Disadvantaged Working Group as a forum for recommending changes to the current TD program. The bill directed the Governor to convene a working group made up of representatives of key agencies involved in the TD program. In January 1998, the working group issued its report to the Legislature. The report made a number of recommendations concerning

the size and role of the Commission, including recommending that local decision making and community control of day-to-day operations be enhanced to allow more flexibility to meet local TD needs.

### III. Effect of Proposed Changes:

**Section 1** creates s. 186.024, F.S., to require that the various agencies that purchase TD services must cooperatively prepare an interagency joint strategic plan. The plan would be reviewed and submitted to the Governor and Legislature in the same manner as currently provided for agency strategic plans. The purpose of the plan is to require the agencies to coordinate efforts to provide services to the transportation disadvantaged. In preparing the plan the agencies must:

- Identify agency programs with TD responsibilities and account for funds spent for TD services by each agency;
- Identify interagency strategies for coordination, elimination of duplication and fragmentation, and integration of TD services at the local level, and report on progress in implementing these strategies;
- Identify barriers to cost-effective and coordinated services;
- Identify methods of cost comparison and performance measurement, and of standardized reporting of data; and
- Recommend legislative and budgetary changes to improve the coordination of TD services and for consolidating and pooling of all transportation disadvantaged service funds.

**Section 2** amends s. 427.011, F.S., to revise the definition and duties of local coordinating boards.

**Section 3** amends s. 427.012, F.S., to revise the composition of the Commission. The CS reduces the membership of the Commission from 27 to 9 members. Five of the designees represent the major program funding entities (the departments of Transportation, Children and Families, Labor and Employment Security, Elderly Affairs, and the Agency for Health Care Administration). The four remaining designees (a representative of a public transit agency, a representative of persons who use the TD system, a representative of transportation operators, and a representative of the counties) each represent an important segment of the TD program. Each of the non-agency representatives would be appointed by the Governor and would be subject to confirmation by the Senate. The Commission is assigned to the Department of Transportation for administrative and fiscal accountability purposes, but will otherwise function independently of the control and direction of the Department.

**Section 4** amends s. 427.013, F.S., to revise the purpose and responsibilities of the Commission. The CS eliminates most of the operational responsibilities currently assigned to the Commission

and reassigns those responsibilities to local coordinating boards and the Department of Transportation. Specifically, the Commission is authorized to perform the following activities:

- Evaluate the effectiveness of the Transportation Disadvantaged program and make recommendations to the Department of Transportation, the Governor, and the Legislature;
- Conduct open hearings and meetings no less than quarterly to review all aspects of the program and to prepare recommendations for the Department of Transportation, the Governor, and the Legislature;
- Provide a report to the Governor and Legislature each year which includes an evaluation of the effectiveness of the program, recommendations for changes deemed necessary; and a recommendation regarding whether the program is serving its purpose and whether it should be continued;
- Establish a rate setting process for use by local coordinating boards and community transportation coordinators in setting and evaluating local provider rates; and
- Establish a “rate and quality of service review committee” within the Commission to review and resolve rate and quality of service issues that agency representatives cannot resolve at the local level.

**Section 5** creates s. 427.0133, F.S., to provide that the Department of Transportation will perform the state-level administrative functions related to the Transportation Disadvantaged program. The CS provides that the Department is responsible for compiling and reporting data on the operation of the TD program, identifying barriers that impede the coordination of TD services, and assist communities in the development of transportation systems designed to serve the local TD population. The CS also directs the Department to contract with the Center for Urban Transportation Research to develop a basic services rate model to identify minimum standards and services that are common to all agencies and add-on charges that may be assessed for any agency-specific requirements above this base. The Department is also responsible for developing baseline measures for use by local coordinating boards in evaluating the performance of the TD program in the local area. Finally, the Department is responsible for developing a statewide 5-year transportation disadvantaged plan that addresses the transportation problems and needs of the TD population.

**Section 6** amends s. 427.0135, F.S., to provide that purchasing agencies must use the TD coordinated system unless the agency obtains approval from the Commission’s rate and quality of service review committee to use a transportation provider outside of the coordinated system.

**Section 7** amends s. 427.015, F.S., to shift authority from the Commission to the LCB for selection and evaluation of community transportation coordinators. The CS also provides that the CTC selection process must comply with competitive procurement procedures contained in

chapter 287, F.S., or with the competitive procurement procedures of the appropriate local government.

**Section 8** amends s. 427.0155, F.S., to provide that when purchasing transportation disadvantaged services, each CTC must comply with the competitive procurement procedures contained in Chapter 287, F.S., or if the CTC is a public entity, the competitive procurement requirements of the appropriate local governing board. The CS directs community transportation coordinators to provide that the memorandum of agreement and transportation disadvantaged service plan must be reviewed and approved by the LCB. Community transportation coordinators must use competitive procurement processes when purchasing transportation disadvantaged services which protect the opportunity for small operators to compete in all counties having a population of 200,000 or more.

**Section 9** creates s. 427.0156, F.S., to provide for the membership of local coordinating boards. The CS provides for the establishment of a local coordinating board in each county. However, the CS authorizes the creation of multi-county local coordinating boards to deliver TD services on a regional basis. The membership of local coordinating boards is the same as the Commission, except that a representative of the local WAGES coalition is designated to serve on local coordinating boards.

**Section 10** amends s. 427.0157, F.S., to revise the powers and duties of local coordinating boards. Specifically, the CS directs local coordinating boards to review and approve TD service plans, including the memorandum of agreement. The CS provides that in evaluating the services provided pursuant to the TD service plan, the LCB must ensure that fixed route transit service is the first choice of transportation service where such service is available and appropriate. In addition, local coordinating boards are directed to develop multi-county or regional transportation opportunities and encourage counties to enter into reciprocal agreements and recognize licensing from other jurisdictions. Local coordinating boards, with the assistance of the CTC, are directed to develop cost-effective transportation alternatives within the coordinated system. In addition, local coordinating boards are responsible for developing standards and performance eligibility screening for individuals seeking transportation disadvantaged services. Finally, the CS provides for reciprocal agreements between local coordinating boards to facilitate the provision of regional TD services.

**Section 11** amends s. 427.0159, F.S., to provide that the Department of Transportation, in consultation with local coordinating boards from rural and urban areas, will establish a fair and equitable grant distribution formula for transportation disadvantaged funds. The CS identifies variables that must be included in the local grant formula.

**Section 12** amends s. 427.016, F.S., to provide that local coordinating boards are responsible for establishing criteria for use of alternative providers outside of the coordinated transportation system. The CS provides that all transportation disadvantaged funds expended within the state must be spent within the coordinated transportation system, except where the Commission's rate and quality of service review committee determine that an agency cannot purchase the required transportation services under the service provisions or rates established by the local coordinating

board. State agencies and local WAGES coalitions purchasing services for the transportation disadvantaged are required to provide an annual report to the Department of Transportation which identifies expenditures and the number of trips purchased.

**Section 13** provides that this act shall take effect upon becoming a law.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

**V. Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The CS mandates the competitive procurement of all transportation disadvantaged-related services.

C. Government Sector Impact:

The Department of Transportation indicated that it would require additional staff in order to assume the administrative responsibilities currently assigned to the Commission. Transfer of the existing staff positions currently assigned to the Commission would enable the Department to implement the provisions contained in the CS with minimal fiscal impact. The other state agencies impacted by this CS reported that the fiscal impact would be minimal.

Shifting operational responsibilities from the Commission to the local coordinating boards could have some minimal fiscal impact on metropolitan planning organizations and other planning agencies that provide staffing support to the local coordinating boards.

To the extent that the CS increases competition and improves the coordination of transportation disadvantaged services some cost savings may be realized through improved program efficiencies.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

---

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

---