

STORAGE NAME: h4679.cfe

DATE: April 14, 1998

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
CHILDREN AND FAMILY EMPOWERMENT
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 4679 (formerly PCB CFE 98-03)

RELATING TO: WAGES program transportation

SPONSOR(S): Committee on Children and Family Empowerment

COMPANION BILL(S): CS/SB 666

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) CHILDREN AND FAMILY EMPOWERMENT YEAS 8 NAYS 0
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I. SUMMARY:

The bill addresses a major barrier in getting citizens from welfare to work by establishing a network of public and private providers to ensure the availability of adequate and reliable transportation for WAGES participants. The bill also requires various local and statewide transportation interest groups to work together to ensure adequate and reliable transportation for WAGES participants.

The bill would add the Secretary of Transportation or the secretary's designee to the WAGES State Board of Directors. The Department of Transportation would be required to assist transit operators in the planning, development, and coordination of transit services for WAGES participants. Transit providers receiving public transit block grant funds administered by the department would be required to coordinate their planning and development activities with local WAGES coalitions. WAGES support services funds are exempted from the definition of transportation disadvantaged funds. Entities responsible for the planning and delivery of transportation disadvantaged services would be required to assist local WAGES coalitions in the development of innovative transportation services for WAGES coalitions.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

WAGES participants may request assistance to pay for transportation expenses such as gas vouchers, bus tokens, automobile repairs, purchase of tires, insurance, and drivers licenses. Support service expenditures, including transportation, are limited to a total of \$800 per participant in a consecutive, 12-month period. The state does not currently possess a network of public and private entities committed to ensuring WAGES participants can get to and from work.

Participants who also receive Medicaid services are currently entitled to receive transportation services to and from medical services, pursuant to s. 409.905(12), F.S. Therefore, the transportation assistance is necessary to get participants to and from work and, possibly, to day care if the parent has a pre-school aged child.

Chapter 96-175, Laws of Florida, eliminated individual entitlement to public assistance and created the Work and Gain Economic Self-sufficiency (WAGES) Program. Under the WAGES Program cash assistance is temporary and is tied to a requirement that able-bodied adults must work and be financially responsible for themselves and their families. WAGES Program requirements and administrative responsibilities are established in chapter 414, F.S.

Section 414.026, F.S., creates a WAGES Program State Board of Directors to oversee the operation of the WAGES Program. The board is also responsible for advising and assisting state agencies in implementing the WAGES Program. Various state agencies engaged in the delivery or coordination of WAGES-related services are represented on the board. Currently, the board does not include a representative from the Department of Transportation.

Section 414.20, F.S., provides that support services will be provided, if resources permit, to assist WAGES participants in complying with work activity or employment requirements. Transportation services are included within the scope of support services. This section authorizes payment of transportation expenses by cash, voucher or tokens which may be paid in advance or through a reimbursement structure. In addition, this section authorizes the expenditure of funds for minor automobile repair, provided the vehicle is registered in the participant's name. This section also authorizes the use of support service funds to develop transportation resources to expand transportation options available to program participants. These services may include cooperative arrangements with local transit authorities or school districts and small enterprise-development.

Section 414.21, F.S., provides for transitional education and training benefits in order to assist current and former program participants to continue their training and upgrade their skills. This section provides that this provision does not constitute an entitlement to transitional education and training. Currently, there is no similar provision for continuing transitional employment-related transportation benefits.

Chapter 427, F.S., establishes the Transportation Disadvantaged Program which provides for the coordination of transportation services for the state's transportation disadvantaged population. Section 427.011, F.S., defines transportation disadvantaged

as those persons who because of physical or mental disability, income status, or age are unable to transport themselves or to purchase transportation and are, therefore, dependent upon others to obtain access to health care, employment, education, shopping, social activities, or other life-sustaining activities, or children who are handicapped or high-risk. The Commission for the Transportation Disadvantaged is responsible for statewide policies governing the Transportation Disadvantaged Program. Transportation services are coordinated through a network of 54 community transportation coordinators located throughout the state. The Transportation Disadvantaged Program utilizes paratransit, fixed-route and school bus services.

Section 427.016, F.S., provides that all transportation disadvantaged funds expended within the state shall be expended to purchase transportation services from community transportation coordinators or public, private, or private nonprofit transportation operators within the coordinated transportation system, except when the rates charged by proposed alternate operators are proven, pursuant to rules generated by the Commission for the Transportation Disadvantaged, to be more cost-effective and are not a risk to the public health, safety, or welfare.

Section 341.041, F.S., directs the Department of Transportation to assist local governmental entities and other transit operators in the planning and development of transit programs and in the identification of alternatives for achieving the most effective use of available transportation resources. The Department is responsible for coordinating activities between public entities and private entities on matters relating to public transit. The Department also provides technical and financial assistance to units of local government to assist in implementing effective transit systems and related support programs.

Section 341.052, F.S., establishes the public transportation block grant program within the Department of Transportation. This section identifies costs for which block grant program funds may be expended.

B. EFFECT OF PROPOSED CHANGES:

The bill generally expands the authority of local school boards to enter into agreements with WAGES programs and to provide transportation services to WAGES program participants. The bill would provide an additional transportation resource for WAGES participants.

The Department of Transportation (DOT) would assist local governmental entities and other transit operators in the planning, development, and coordination of transit services for WAGES program participants. The DOT will be required to begin soliciting comments from local WAGES coalitions to ensure WAGES participants' needs are included in planning. The Secretary of Transportation, or the secretary's designee will serve on the WAGES Program State Board of Directors.

The department is authorized to provide transportation to and from work for one year, subject to the availability of funds, to former WAGES participants who have lost their eligibility due to an increase in earnings.

The bill expands the duties of the Commission for the Transportation Disadvantaged, community transportation coordinators, and coordinating boards to include cooperation

with local WAGES coalitions in the development of innovative transportation systems for WAGES participants. These groups can be expected to provide relevant technical and planning assistance and to resolve local transportation problems affecting WAGES participants.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The bill requires various state departments and local WAGES coalitions to work together to ensure the availability of adequate and reliable transportation for WAGES participants. The bill provides that transportation services do not constitute an entitlement, and if resources are insufficient to provide the support services, the department and the Department of Labor and Employment Security may prioritize or otherwise limit provision of support services. Municipalities and counties will not be required to provide the services through their local resources.

(3) any entitlement to a government service or benefit?

No. Allows additional transportation services for WAGES participants at the option of local governments and WAGES coalitions.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

Not directly. The bill allows more options for reducing transportation barriers to employment and, as a result, facilitates the achievement of self-sufficiency among WAGES recipients.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

The Departments of Children and Family Services and Labor and Employment Security and the local WAGES coalitions.

- (2) Who makes the decisions?

The Departments of Children and Family Services and Labor and Employment Security and the local WAGES coalitions.

- (3) Are private alternatives permitted?

Yes.

- (4) Are families required to participate in a program?

No.

- (5) Are families penalized for not participating in a program?

Only to the degree that failure to participate in transportation assistance results in failure to comply with work requirements, leading to loss of eligibility for benefits.

- b. Does the bill directly affect the legal rights and obligations between family members?

No.

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

Yes.

D. STATUTE(S) AFFECTED:

Sections 234.01; 234.211; 341.041; 341.052; 414.026; 414.20; 427.013; 427.0155; and 427.0157, Florida Statutes. Creates section 414.225, Florida Statutes.

E. SECTION-BY-SECTION RESEARCH:

Section 1 amends s. 234.01, F.S., related to the purpose of public school transportation, to allow school boards to provide transportation for WAGES program participants as defined in s. 414.0252, F.S.

Section 2 amends s. 234.211, F.S., related to the use of school buses for public purposes, to provide that school districts may enter into agreements with local WAGES coalitions for the provision of transportation services to WAGES program participants. Agreements must provide for reimbursement in full or in part for the proportionate share of fixed and operating costs incurred by the school district. The local WAGES coalition must indemnify and hold harmless the school district from any and all liability of the school district by virtue of the use of such buses.

Section 3 amends s. 341.041, F.S., related to transit responsibilities of the department to direct that the Department of Transportation assist local governments and other transit operators in the planning, development, and coordination of public transit services for WAGES program participants as defined in s. 414.0252, F.S.

Section 4 amends s. 341.052, F.S., related to the public transit block grant program to provide that public transit block grant program funds may be expended toward the delivery of transportation services for WAGES program participants as defined in s. 414.0252, F.S. Eligible providers would be required to describe in their public transportation development plans a description of how the public transit provider will work with the appropriate local WAGES coalition to provide services to WAGES participants. Recipients of transit block grant funds would be required to solicit information from local WAGES coalitions in developing public transportation development plans. Recipients would also be required to provide information to local WAGES coalitions regarding the availability of transportation services to assist WAGES participants.

Section 5 amends s. 414.026, F.S., related to the WAGES Program State Board of Directors to provide that the Secretary of the Department of Transportation or the

secretary's designee serve as a member of the WAGES Program State Board of Directors.

Section 6 amends s. 414.20, F.S., related to other support services provided through WAGES to expand and clarify the transportation options available to local WAGES coalitions. Specifically, this section provides that transportation services may include, but are not limited to, cooperative arrangements with public transit providers; community transportation coordinators designated pursuant to chapter 427; school districts, churches, and community centers; donated motor vehicle programs; van pools and ride sharing programs; programs designed to encourage WAGES participants to become transportation entrepreneurs; public and private partnerships; and other innovative and cost-effective transportation delivery strategies designed to provide WAGES participants with access to employment and supporting activities.

Local WAGES coalitions are authorized to provide payment for vehicle operational and repair expenses including: repair expenditures necessary to make the vehicle functional; vehicle registration fees; driver license fees; and liability insurance for the vehicle for a period of up to 6 months. Request for vehicle repairs must be accompanied by an estimate of the cost performed by a repair facility registered pursuant to s. 559.904, F.S.

WAGES support service funds that are used for the provision of transportation services are excluded from the definition of transportation disadvantaged funds as defined in s. 427.016, F.S. However, this section states that it is the intent of the Legislature that local WAGES coalitions consult with local community transportation coordinators designated under chapter 427, F.S., regarding the availability and cost of transportation services through the coordinated system prior to contracting for comparable services outside the coordinated system.

Section 7 creates s. 414.225, F.S., related to transitional transportation which authorizes the provision of transportation assistance for a period of up to one year after the individual is no longer eligible to participate in the program due to earnings. This section stipulates that transitional transportation must be employment related, may include expenses added to s. 414.20 in section 6 of the bill, and does not constitute an entitlement to transportation services.

Section 8 amends s. 427.013, F.S., related to the purpose and responsibilities of the Commission for the Transportation Disadvantaged to direct the commission to ensure that local community transportation coordinators work cooperatively with local WAGES coalitions to provide assistance in the development of innovative transportation services for WAGES participants.

Section 9 amends s. 427.0155, F.S., related to powers and duties of community transportation coordinators to require that they work cooperatively with local WAGES coalitions to provide assistance in the development of innovative transportation services for WAGES participants.

Section 10 amends s. 427.0157, F.S., related to powers and duties of transportation disadvantaged local coordinating boards to require that they work cooperatively with local WAGES coalitions to provide assistance in the development of innovative transportation services for WAGES participants.

Section 11 provides that this act shall take effect upon becoming a law.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

Indeterminable. It is difficult to determine the number of requests that might be received for WAGES-sponsored transportation. Medicaid and WAGES recipients are often the same population; however, Medicaid sponsors only medically-related transportation and WAGES sponsors only employment-related transportation. The respective populations and the needs of each are dissimilar. Only 17 percent of the total Medicaid population uses the subsidized medical transportation services. The number of requests for transportation assistance will be affected by the level of notice and outreach informing participants of the availability of transportation services. In counties with successful bus transportation systems, local WAGES coalitions may limit transportation costs to bus tokens to ensure the maximum use of funds.

Use of transportation assistance to facilitate work results in reduced cash assistance payments, since payments are reduced as income grows. Transportation assistance may also result in an individual leaving the WAGES program earlier than they otherwise would and may assist them in staying off of cash assistance, further saving WAGES funds.

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

The bill contemplates a variety of potential transportation delivery strategies utilizing public, private, and non-profit providers. It encourages local WAGES coalitions to create opportunities for WAGES participants themselves to become transportation entrepreneurs. The amount of funding that private sector providers might receive is indeterminate.

2. Direct Private Sector Benefits:

N/A

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

As a result of the decentralized structure of the WAGES Program, each local WAGES coalition currently exercises considerable discretion in the allocation of support services funds. Each local WAGES coalition would continue to be responsible for the allocation of funding for transportation services.

The Department of Transportation, local transit agencies, and community transportation coordinators would incur minimal costs in providing planning and technical assistance to local WAGES coalitions.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

N/A

V. COMMENTS:

Several counties currently operate bus systems that provide extensive transportation access to virtually all county residents. The bill makes no distinction between counties operating successful transportation systems and counties offering little or no mass transportation services. The Transportation Disadvantaged program was created to encourage local communities to establish transportation systems for people who have no other viable means of providing or purchasing their own transportation. These transportation disadvantaged people are primarily the elderly and disabled. Presently all 67 Florida counties have such transportation systems, and these systems are continuously evolving and improving to meet the needs of transportation system users. WAGES participants already use these systems in many Florida counties for their transportation needs related to employment, nutritional needs, medical care and recreation.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VII. SIGNATURES:

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