

STORAGE NAME: h1633.tr

DATE: April 19, 1999

HOUSE OF REPRESENTATIVES
COMMITTEE ON
TRANSPORTATION
ANALYSIS

BILL #: HB 1633

RELATING TO: Transportation Disadvantaged

SPONSOR(S): Rep. Chestnut

COMPANION BILL(S): SB 158 (i)

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

- (1) TRANSPORTATION
- (2) COMMUNITY AFFAIRS
- (3) GOVERNMENTAL RULES & REGULATIONS
- (4) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
- (5)

I. SUMMARY: [Note: This analysis is written to an amendment (#60-279AX-99) that rewrites the bill.]

This amendment revises the Commission for the Transportation Disadvantaged. The make-up of the Commission is modified to provide an 11 voting member commission (instead of the current 27 members), with 4 non-voting agency representatives.

The amendment bifurcates the Transportation Disadvantaged (TD) Program, as follows:

1. In designated services areas where the county commission elects to become the Local Governing Authority (LGA), TD services would be administered by the LGA. The LGA also has the option of becoming the Community Transportation Coordinator (CTC) for its service area, or appointing another entity as the CTC.
2. In all other areas, the Commission would administer TD services though selection of a CTC for each service area. The LGA's and the Commission would have oversight responsibility for TD services in their respective service areas, including reviewing the cost-effectiveness and coordination of TD services.

The role of the Local Coordinating Boards (LCB) are modified by establishing a local board in each county or multi-county service area. The LCB would be an advisory body whose purpose is to identify local service needs and to provide information and advice to the LGA and to the CTC on TD services. Membership of LCB's would include a representative of each agency involved in the TD program, and additional members representing transit systems, private providers, and TD system users.

Community Transportation Coordinators (CTC's) primary functions would be to provide or contract for TD services and coordination of the TD services. Contractual arrangements for TD services would be through a competitive bidding, request for proposal, or negotiated process. The CTC would be responsible for developing, implementing, and monitoring a TD service plan to be reviewed by the LCB, and approved by the LGA or Commission as appropriate.

Metropolitan Planning Organizations (MPO's) are responsible for assisting in the local coordination of TD services, with Regional Planning Councils (RPC's) performing this function where MPO's don't exist. The MPO or RPC is also responsible for: 1) recommending a CTC to the Commission for appointment in counties that have not opted to be the LGA; 2) preparing an annual TD expenditure report; and 3) assisting the CTC's in developing and updating TD service plans.

Agencies that purchase TD trips would be required to use the coordinated TD system unless it can be proven that the use of an alternate service provider is more cost effective than the coordinated system.

The amendment has an insignificant fiscal impact. To the extent that the amendment increases coordination of TD services there may be some cost savings from better program efficiencies.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Program Purpose: The Transportation Disadvantaged program was created to accomplish the coordination of transportation services among all state agencies and local government units that purchase transportation for their clients. Commission efforts are to be directed at providing cost-effective service and eliminate duplication of effort among purchasing agencies.

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 a local Transportation Disadvantaged Coordinating Boards in each county. These local boards oversee the operations and performance of the Community Transportation Coordinators (CTC). The Metropolitan Planning Organizations also recommend to the Commission who the community transportation coordinator should be with approval by the local coordinating board. The Commission then signs a contract with the CTC to manage the coordinated system for their area. The CTC cannot be removed without Commission approval.

Organization: The Program is administered by the Commission for the Transportation Disadvantaged and local community transportation coordinators independent of the Florida Department of Transportation. 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 that effect their client base. 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 moneys. 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 annual funding.

Statewide expenditures for client transportation needs during fiscal year 1995-96, as reported by all social service agencies to the Commission for Transportation Disadvantaged for their annual performance report, is \$194 million. Included in this figure are trips using TD funds and the \$165.9 million paid by social service agencies for client trips provided through coordinated transportation systems. The amount purchased through CTC's translates into approximately 31 million one-way trips.

OPPAGA Reports: OPPAGA has issued one report, *Review of the Transportation Disadvantaged Program* (Report No. 96-43, January 1997) related to the Commission for the Transportation Disadvantaged. This report recommends the Legislature 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 and recommendations identified by this review.

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 amendment 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 for meet local TD needs. A house bill (HB4699) related to the TD program died on the House calendar during the 1998 legislative session. Members of the working group have continued to meet to try and agree on consensus legislation for revising the TD program.

B. EFFECT OF PROPOSED CHANGES:

This amendment is the consensus legislation work product of TD working group. It revises the membership and responsibilities of the Commission for the Transportation Disadvantaged. The amendment makes the following major changes to the Commission's organizational structure and functions:

- The make-up of the Commission is modified to provide a 11 member commission (instead of the current 27 members); with the Governor appointing 6 members, and the Senate President, House Speaker, State Treasurer, Education Commissioner, and Agriculture Commissioner each appointing 1 member. The 6 members appointed by the Governor include a person with a disability, a person over the age of 60, a person who uses the TD system, and a representative of the Department of Transportation, the Department of Elder Affairs, and the Agency for Health Care Administration. The Commission would also have 4 non-voting representatives from other agencies that participate in the TD program. The amendment has stringent conflict of interest criteria for commission members.
- The Commission has oversight responsibility for the TD program in service areas where the county commission has not opted to become the LGA. In those areas, the Commission will appoint the CTC and will review the cost-effectiveness and coordination activities of the TD program. The Commission will also review, and report on the cost effectiveness of, all CTC's on a triennial basis.
- The Commission distributes grants for non-sponsored transportation activities from the TD Trust Fund to each service area based on a formula. The formula is to be developed in consultation with LGA's. The Commission will also distribute block grants for non-sponsored transportation activities to the LGA's.
- Specific statutory authority is provided to the Commission for the promulgation of administrative rules to implement the TD program.

The amendment bifurcates the Transportation Disadvantaged (TD) Program as follows:

- In designated services areas where the county commission elects to become the Local Governing Authority (LGA), TD services would be administered by the LGA. The LGA also has the option of becoming the Community Transportation Coordinator (CTC) for its service area, or appointing another entity as the CTC.
- In all other areas, the Commission would administer TD services though selection of a CTC for each designated service area.

Each LGA and the Commission would have oversight responsibility for TD services in their respective service areas. Each LGA and Commission would review the cost-effectiveness and coordination activities of TD services, and assure that agencies purchase all trips through the coordinated system, unless there is a more cost-effective alternative. In conjunction with the LGA's, the Commission would develop a legislative budget request and prepare a statewide 5-year plan for TD services.

Commission's Statewide Role Even though LGA's would be assuming many TD program functions, the Commission would still be responsible for a number of statewide functions, including:

- The Commission would distribute funds from the TD Trust Fund to each county based on a formula to be developed in consultation with LGA's, and through block grants to designated service areas.
- The Commission would develop criteria that all CTC's would have to use to determine passenger eligibility for trips purchased with TD trust fund moneys.
- In addition to statewide technical assistance, the Commission would arrange or provide for a statewide training program for all persons or entities involved in the TD program.
- The Commission would also review and report on the cost effectiveness of each CTC at least once every three years. The report would include information on actual expenditures, public and private market cost comparisons, anti-fraud and quality assurance programs, and eligibility screening efforts.

The role of the Local Coordinating Boards (LCB) are modified by establishing a local board in each county. However, the amendment allows multi-county LCB's to be created to deliver TD services on a regional basis. The amendment provides the following:

- Membership of LCB's is provided in statute. The chairman would be appointed by the MPO or RPC, and must be an elected official. Each agency involved in the TD program would have a representative on each LCB. Additional members would represent transit systems, private providers, and TD system users.
- The LCB would be an advisory body whose purpose is to identify local service needs and to provide information, advice, consultation, direction and critique to the LGA and to the CTC on the coordination of TD services to be provided in the designated service area.
- Annual review and evaluation by the LCB of CTC performance in providing TD services.
- LCB's are authorized to recommend to CTC's the approval or disapproval of operator and coordination contracts. The CTC must either accept the recommendations or provide written reasons for rejecting the recommendations. The LCB may request either the LGA or the Commission to review the CTC's decision.
- Each LCB would establish a grievance committee to hear complaints and other matters from TD clients and interested persons.
- The LCB assists the CTC to assure that agencies purchase all trips through the coordinated system, unless there a more cost-effective alternative can be proven.

Community Transportation Coordinators (CTC's) primary functions would be to provide or contract for TD services and coordination of the TD services. A county that has opted to be the LGA may also opt to be the CTC for that county's service area. Contractual arrangements for TD services would be through a competitive bidding, request for proposal, or negotiated process. The CTC will be responsible for developing, implementing, and monitoring a TD service plan to be reviewed by the LCB, and approved by the LGA or Commission as appropriate.

Metropolitan Planning Organizations (MPO's) are responsible for assisting in the local coordination of TD services, with Regional Planning Councils (RPC's) performing this function where MPO's don't exist. The MPO or RPC is also responsible for recommending a CTC to the Commission for appointment in counties that have not opted to be the LGA. The MPO or RPC prepares an annual expenditure report of all TD service expenditures in a service area. The MPO or RPC also assists the CTC's in developing and updating TD service plans.

Agencies that purchase TD trips would be required to use the coordinated TD system for providing transportation services to agency clients unless it can be proven to the LGA or, where appropriate, to the Commission that the use of an alternate service provider is more cost effective than the

coordinated system. The LGA's and the Commission would establish procedures that must be used to demonstrate the cost effectiveness of alternative service providers.

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?

Yes, the bill grants specific statutory rulemaking authority to the Commission for the Transportation Disadvantaged to carry out its duties under the TD Program.

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

N/A

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

N/A

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?

N/A

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

N/A

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

N/A

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

N/A

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

N/A

3. Personal Responsibility:

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

N/A

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

N/A

4. Individual Freedom:

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

N/A

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

N/A

5. Family Empowerment:

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

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

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

N/A

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

N/A

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

N/A

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?

N/A

D. STATUTE(S) AFFECTED:

Part I of Chapter 427, F.S.

E. SECTION-BY-SECTION ANALYSIS:

N/A

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

See D. Fiscal Comments.

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

See D. Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

See D. Fiscal Comments.

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

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

N/A

D. FISCAL COMMENTS:

The amendment has an insignificant fiscal impact. To the extent that the amendment increases coordination of TD services there may be some cost savings from better program efficiencies.

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:

The original bill was filed pending development of a consensus legislative proposal by the TD working group. On April 9, 1999, the Commission voted to approve the consensus legislative proposal which is incorporated into the "strike everything" amendment to HB 1633.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON TRANSPORTATION:

Prepared by:

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Phillip B. Miller

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