

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: February 3, 1998 Revised: _____

Subject: WAGES Program Transportation

| | <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>_____</u> | <u>_____</u> | <u>WM</u> | <u>_____</u> |
| 3. | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| 4. | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| 5. | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |

I. Summary:

This committee substitute would expand the number of options available to local WAGES coalitions to assist WAGES participants in obtaining cost-effective and sustainable transportation. The committee substitute 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.

This committee substitute amends the following sections of the Florida Statutes: 234.01; 234.211; 341.041; 341.052; 414.026; 414.20; 427.013; 427.0155; and 427.0157. This committee substitute creates section 414.225, Florida Statutes.

II. Present Situation:

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.

III. Effect of Proposed Changes:

This committee substitute implements a number of provisions to clarify and expand transportation options available to assist WAGES participants to transition from public assistance to work. This committee substitute also establishes a number of requirements mandating coordination and cooperation on the part of various state and local transportation entities in the delivery of transportation services to WAGES participants.

Section 1 amends s. 234.01, F.S., to authorize 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., 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., to direct that the Department of Transportation assist 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., 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. 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., 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., 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; vanpools and ridesharing 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., 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 and declares that this provision does not constitute an entitlement to transportation services.

Section 8 amends s. 427.013, F.S., to direct the Commission for the Transportation Disadvantaged 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., to require that community transportation coordinators 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., to require that transportation disadvantaged local coordinating boards 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.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

The committee substitute requires various state agencies and local WAGES coalitions to work together to ensure the availability of innovative and cost-effective transportation for WAGES participants. Transit agencies receiving public transit block grant funds would be required to work with local WAGES coalitions to identify transportation services available to assist WAGES participants. Municipalities and counties would not be required to provide direct services through their local resources.

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 committee substitute 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.

C. Government Sector Impact:

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.

The Commission for the Transportation Disadvantaged has expressed a number of concerns regarding the impact of this committee substitute. Specifically, the Commission asserts that allowing local WAGES coalitions to use transportation providers outside of the coordinated system creates the opportunity for fragmentation and duplication. The Commission is also concerned that this committee substitute would allow new transportation providers to become operational without meeting the standards set for safety under Chapter 427, F.S. The Commission maintains that funds for WAGES transportation should be coordinated through community transportation coordinators in each local service area.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Recent surveys of local WAGES coalitions indicates that transportation is considered a major barrier to effective implementation of Florida's welfare reform efforts. Program participants often live in urban areas and need transportation to reach the suburban job market. Many new jobs require travel outside of peak times and on weekends, when transit is reduced or unavailable. A significant number of WAGES participants live in rural areas where transit is nonexistent. State and local WAGES officials have suggested that the WAGES transportation problem should be addressed through flexible, innovative, and locally-based strategies that maximize the number of transportation options available to assist WAGES participants. WAGES officials have also indicated a need for greater cooperation and coordination among the various state and local entities that are engaged in the provision of transportation services.

An important consideration in the development of WAGES-related transportation services is the fact that once employed participants will be expected to assume responsibility for the costs associated with transportation. Strategies to address the transportation needs of WAGES participants must be self-sustaining.

VIII. Amendments:

None.