

Seniors/Persons with Disabilities State Transportation Funding Program

Issue: In order for transportation programs and systems to adequately serve seniors and persons with disabilities in the current regulatory environment, the following is required: 1) an increase in funding for capital programs which enable coordination and improve efficiencies, and 2) an increase in transportation operations funding in order to respond to the forecasted increase in demand for services. These changes are necessary in order to respond to the impending demographically driven spike in demand for services to this acutely disadvantaged population. While there has been substantial analysis and study of these issues, there is no state or federal funding program adequately addressing the scale of this issue.

Administrative or Legislative Timeline Overview: The intent is to have this Seniors/Persons with Disabilities (SPD) Transportation Funding Program proposal proceed in the 2019 legislative session. While there is no set timeline driving this effort, the aforementioned spike in demand for service, and the lack of progress in this field have been *observed* and *analyzed* for decades¹. This proposal leverages existing tools to facilitate rapid implementation of strategies and actions that have been relatively undeveloped for lack of funding.

Background: The impending increase in the senior population and the complex systems serving the same have been, for some time, the subject of considerable analysis and limited action. This situation is best summarized in the National Academy of Sciences sponsored report, *“Economic Benefits of Coordinating Human Service Transportation and Transit Services:”*²

Local transportation services for the disadvantaged are often delivered by a variety of nonprofit organizations, operated independently by multiple entities in a community, and result in duplicative, overlapping, and uncoordinated services. The analysis concludes that although coordination sounds like an easy and magical policy solution to be effective, state-level policies must, at a minimum, target and fund the coordination process.

This proposal **targets and funds the coordination process** enabling immediate **action** by leveraging existing analysis and tools:

- 1) The existing statewide inventory of locally developed *Coordinated Public Transit-Human Services Transportation Plans*³ (hereafter “Coordinated Plans”) all include implementable recommendations. The Coordinated Plans are planning documents that are consistently produced throughout the state per federal regulations³. These documents include recommendations that are reasonably forecasted² to simultaneously increase cost effectiveness, expand service, and improve service quality.
- 2) Consolidated Transportation Service Agencies: (CTSAs) were created under the Social Service Transportation Act (AB 120 – 1979). The Act required agencies throughout California to conduct regional inventory reports and prepare/implement action plans. The intent was to encourage coordination among social service transportation providers so existing transportation resources are used more effectively.

Problem Statement: The two programs in this proposal address two problems in this transportation sector:

- **Fragmented/Inefficient Services:** This transportation sector is funded by numerous local, state, and federal programs across multiple governmental sectors (transportation, social services, etc.). These numerous programs, in many areas, have resulted in the unintended consequence of fragmented and duplicative

¹ Government Accountability Office (GAO) reports 109878, 591707, 650079, 658766, 660247, 667361, et al: “...duplication of effort and inefficiency in providing transportation when agencies do not coordinate...”, “...state and local agencies are unaware that they are...providing transportation services identical and parallel to those of another agency”...transit agency officials that we spoke with said that they would like to implement coordination efforts, but have been unable to get various parties to come together...”, “continuing challenges such as insufficient leadership at the federal level and limited financial resources and growing unmet needs at the state and local level.”, “...state and local officials expressed concern about their ability to adequately address expected growth in elderly, disabled, low-income, and rural populations.”, “...agencies providing similar transportation services to similar client groups may lead to duplication and overlap when coordination does not occur.”

² Transportation Research Board of the National Academy of Sciences: Transit Cooperative Research Program, Report 91: *Economic Benefits of Coordinating Human Service Transportation and Transit Services: “Significant economic benefits — including increased funding, decreased costs, and increased productivity — can be obtained by coordinating human service transportation and transit services.”*

³ A 2004 Executive Order resulted in federal transit law requiring that eligibility for certain funding streams be established through “...a locally developed, coordinated public transit-human services transportation plan,” and that the plan be “developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers and other members of the public”. As a result, throughout the country there are consistently developed and adopted coordinated plans. These plans identify the transportation needs of individuals with disabilities, older adults, and people with low incomes and provide strategies for meeting these needs, and prioritize transportation services for funding and implementation.

programs.⁴ In addition to the administrative and fiscal problems resulting from this fragmentation, these silos result in arbitrary transit service boundaries requiring unnecessary passenger transfers. These transfers simultaneously increase costs, decrease safety, extend trip times, and generally compromise service quality for this categorically disadvantaged population. In addition to the fiscal inefficiencies, these fragmented programs are difficult for the target population to navigate⁵. The target population: seniors, persons with cognitive and physical disabilities, and other disadvantaged populations, are forced to navigate transportation systems that are more complex than the general public uses.

- **Demographically Driven Increase in Demand:** The “aging tsunami”⁶, brought about by the aging of the baby boomers has long been forecasted to increase the demand for the subject transportation services. This is a well-documented issue, the California State Plan on Aging indicates that by 2030 senior age groups will increase anywhere from 70% up to 274%. These age groups have cognitive and physical characteristics that either require this type of service and/or results in the loss of ability to drive themselves. These increases will magnify the negative fiscal impact of the fragmented systems mentioned above.

Suggested Approach: The proposal is for two programs, operations and capital. The two identified issues, service/administrative fragmentation and demographically driven increases in demand are addressed by 1) a **Capital** program focused on efficiency-improving investments, and 2) an **Operations** program with allocations based on population served by the program and subsequently indexed to the growth (or contraction) in the same population. Because this proposal serves disadvantaged individuals **independent** of geography as defined in Senate Bill 535 (2012 – DeLeón) statutory revisions to include the senior/disabled population in the “disadvantaged community” definition may be necessary to accommodate the proposal.

1: Capital

Capital funding will be disbursed through competitive grants⁷ to projects which are included in the applicable Coordinated Plan. These projects will implement systemic improvements which have been demonstrated to result in more efficient use of resources, improve service quality, increase shared trips (which reduce greenhouse gasses as a result). Eligible activities include but are not necessarily limited to planning, technology investments⁹ including hardware and software (subject to restrictions⁸) clean vehicles (so long as they are operating consistent with the applicable Consolidated Plan and/or by a CTSA), and administrative costs associated with the creation and incubation of new service models and organizations.

2: Operations

1. Operations funding will be appropriated annually, on a continuing basis, with a formula reflecting the population served (See Support Services below).
2. Agencies are granted “provisional eligibility” for operations funding under the following scenarios⁷:
 - a. The programs and activities seeking funding are found to be consistent with the applicable Consolidated Plan. The legislative body which originally approved the Consolidated Plan will pass a resolution, in a publically noticed hearing, making that determination accompanied by findings of fact or other evidence.
 - b. Consolidated Transportation Services Agencies (CTSAs) that are active and otherwise in good standing (as demonstrated by the original, approving authority) are categorically eligible for operations funding.
3. The provisional eligibility will be subsequently confirmed by the State Auditor and Department of Transportation (see *Support Services* below)

⁴ GAO: Transportation Coordination: Benefits and Barriers Exist, Planning Efforts Progress Slowly: “As HHS and FTA have recognized, the lack of coordination among human services transportation providers and public transit operators contributes to the duplication or overlapping of transportation services...particular clients may be left unserved or underserved...”

⁵ GAO: Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue., “...GAO and others have reported that the variety of federal programs providing transportation services to the transportation disadvantaged has resulted in fragmented services that can be difficult for clients to navigate and narrowly focused programs that may result in service gaps”

⁶ California State Plan on Aging 2017-2021: “The impact of an aging population, described by some as an “age wave” and others as an “aging tsunami,” will be felt in every aspect of society. The economic, housing, **transportation**, health, and social support implications of this phenomenon must also be viewed in the context of the State’s tremendous population growth, which continues to challenge the State’s overall infrastructure planning.”

⁷ [Placeholder for funding eligibility for the Contra Costa County SPD pilot program]

⁸ Restrictions would include but not necessarily be limited to 1) requiring adjoining or interacting jurisdictions to have identical or compatible software packages, and 2) ensuring the organization has ongoing staff, training, and budget capacity to support the full usage of the software.

Emergency Services: Repatriation Fund

The Program would close an existing gap in emergency response funding and programs. *Evacuation* activities for seniors/persons with disabilities (referred to as “access & functional needs” [AFN] population in the emergency services field) are categorically eligible for disaster relief funding. However, there is no funding or authority to *return (repatriate)* the AFN population to their origin during the post-disaster period. The transportation needs of this population can vary greatly from the general population often requiring special vehicles and staff to accommodate mobility/medical devices or support individuals with cognitive or physical limitations. A Repatriation Fund within the SPD Program will fund these activities and make any statutory changes necessary to authorize reimbursement.

The Repatriation Fund is not integral to the intent of the SPD Transportation Funding Program but is being included as this initiative may be an expeditious mechanism to close this gap in services.

Specific Needs: The following are excerpts from the Coordinated Plans throughout the state demonstrating the need for the program

- Metropolitan Transportation Commission (San Francisco Bay Area), *“Current senior-oriented mobility services do not have the capacity to handle the increase in people over 65 years of age...the massive growth among the aging ...points to a lack of fiscal and organizational readiness...the closure and consolidation of medical facilities while rates of diabetes and obesity are on the rise will place heavy demands on an already deficient system.”*
- Butte County, *“Top-ranked barriers to accessing needed transportation: Funding challenges for directly operating or contracting for transportation...”*
- Inyo-Mono Counties: *“The greatest barrier to coordination for all rural counties is lack of funding. There is simply not enough money available to meet all transportation needs for the target population... particularly in light of the dispersed communities and long travel distance...as such, the various human service agencies piece meal together trips for the most critical needs. Lack of funding/resources contributes to the limited staff time available for all agencies to pursue further coordination efforts”*
- Lake County, *“PRIORITY 1 – Critical: Pursue and secure funding to support, maintain, improve safety and enhance the Lake County public transportation network...”, “...Continued priority must be placed on securing new funding sources...”*
- Madera County, *“The greatest barrier to coordination for many smaller counties is lack of funding. There is simply not enough money available to meet all transportation needs for the target population, particularly in light of the dispersed development pattern and long travel distance in Madera County”*
- Sacramento Area Council of Governments, *“...gaps in service remain due to geography, limitations in fixed-route and demand responsive services, program/funding constraints, eligibility limitations, knowledge and training.”*
- San Bernardino, *“...COORDINATED PLAN strategies can be supported with 5310 funds ...however, this competitive funding source is modest...”, “...agencies and their transit programs need for assistance continues as they face funding uncertainties and increasing reporting requirements...”, “...**First Priority Strategies:** Secure funding, particularly from discretionary sources, to maintain, enhance and expand transit and specialized transportation services...”*
- San Diego, *“...gaps in service remain due to geography, limitations in transit service, funding constraints, eligibility, knowledge, and training....”*
- Shasta County, *“...limited resources in the form of staff availability, interest, leadership, service and/or capital capacity, funding, and time...”*,
- Stanislaus Council of Governments, *“While public transportation services do receive Local Transportation Funds...and State Transit Assistance (STA) funds, it is generally not sufficient to address many of the service challenges, such as limited frequencies and longer service hours, which were common themes...”*
- Ventura County, *“...limited funds suggest that it will be critically important to seek other funding sources to address many of the proposed strategies. Such additional funding sources could include but are not limited to...State cap and trade funding...”*

Revenue Options

Greenhouse Gas Reduction Fund (GGRF)

Certain operational and technology investments have a demonstrable⁹ ability to decrease greenhouse gas (GHG) production by way of increasing the number of shared trips in a demand-response transit operation. Currently, there are *no* GGRF revenues **specifically** dedicated to this population other than the broad preference for projects in disadvantaged communities, in limited areas. The Low Carbon Transit Operations Program (LCTOP) is silent on service to seniors/persons with disabilities. This program specifically serves this categorically disadvantaged population without geographic limitations/requirements.

GGRF Related Co-Benefits: Not only are these investments consistent with the core principle of the Cap-and-Trade Program (GHG reduction) but this program directly serves a population that is entirely and acutely disadvantaged. Given the sensitive nature of the target population, and the fact that the lack of transportation is a common barrier to routine medical appointments¹⁰, the mobility improvements from this program will inevitably and substantially increase public health.

General Fund

The activities in this program are consistent with other activities funded by these revenues. An appropriation from the General Fund for the Operations program is reasonable and appropriate.

State Bond Program

The activities in this program are consistent with other activities funded with state bonds. A new program funding the capital activities in this program would be reasonable and appropriate.

Support Services: In order to administer the programs in this proposal the State would have obligations to support the funding and performance mechanisms:

1. The State Auditor, with assistance from the Department of Transportation, will conduct a meta-analysis of the numerous state and federal studies on this topic for the purpose of establishing metrics by which systemic improvements and operations are evaluated.
2. Entities receiving funding under this program are subject to a) a review of CTSA and Coordinated Plan eligibility and effectiveness, and b) performance audits (with an obligation to implement corrective actions).
3. Establish the mechanism to index operations funding to the target population.
4. The Legislative Analyst's Office will identify and present solutions to any statutory, administrative or other barriers to coordination.

⁹ University of California, Berkeley, Institute of Transportation Studies, "Evaluating the Impact of ITS on Personalized Public Transit" "**Benefits of ITS: They describe the following benefits of ITS implementation.** • Increase in the percent shared rides (the percentage of time that there are two or more requests in vehicle) from 38% to 55% • 13% savings in the unit transportation cost per passenger mile • Total personnel salaries decreased by 28%"

¹⁰ Health Outreach Partners, "Overcoming Obstacles to Health Care: Transportation Models That Work".