

## IV. Funding Programs and Barriers to Coordination

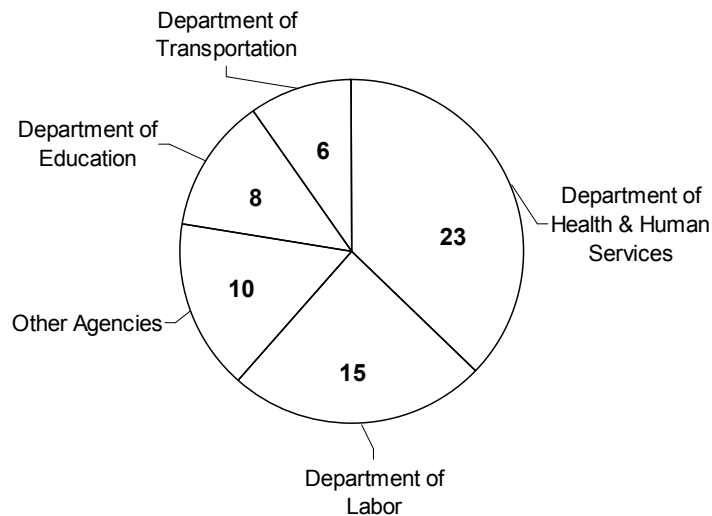
One area of common concern to all regions is the role of federal and state funding in promoting coordination. In this regard, this section analyzes to what extent federal funds inhibit coordination. Included in this discussion is a brief review of important transportation funding programs and associated regulations that could affect coordinated transit. Generally these programs do not restrict coordination through regulations. However, there are practical issues that make coordination challenging but not insurmountable.

### ***Programs that Support Community Transportation***

#### **Review of Federal Programs**

In June of 2003, the US General Accounting Office (GAO) issued a study on Federal transportation funding and coordination titled *Transportation—Disadvantaged: Some Coordination Efforts Among Programs Providing Transportation Services, But Obstacles Exist*. The study reported that there are 62 federal programs that fund transportation (although the number of programs has increased by at least one with the creation of the FTA New Freedom Program). Of those, 16 are regularly used for public transportation with 6 from the USDOT through the Federal Transit Administration (FTA). See Figure 4.1.

**Figure 4.1: Number of Programs Providing Transportation Services to the Transportation-Disadvantaged, by Agency**



Source: Transportation Disadvantaged Populations, Figure 1, page 9, USGAO, June 2003

The 10 non-DOT funding programs most commonly used for transportation are:

1. **Transitional Assistance for Needy Families (TANF):** Provides assistance to families with children. Such assistance can include help in funding transportation needs.
2. **Vocational Rehabilitation:** Targets persons with disabilities and provides a variety of vocational services including transportation.
3. **Medicaid:** Assists people with accessing medical services including transportation to such services.
4. **Head Start:** Assists pre-school children with a variety of services including education readiness, health care, and transportation to/from such services.
5. **Grants for Supportive Services and Senior Centers:** Assists in developing services for older people which include nutrition services, senior centers, and transportation.
6. **Workforce Investment Act (WIA) Adult:** Provides job skill training services as well as transportation to/from such services.
7. **WIA Youth:** Provides job skill training services to youth as well as transportation to/from such services.
8. **WIA Displaced Workers:** Provides job skill training services as well as transportation to/from such services.
9. **Program for Native Americans (under Older Americans Act):** Provides a variety of social service funding (e.g., nutrition and caregiver services) for Native Americans.
10. **Senior Community Services Employment Program:** Provides work opportunities for older Americans.

In addition, these six US DOT programs were listed among the top human service transportation funding programs (includes the addition of the New Freedom Program):

1. **Capital Grants (Section 5309):** Provides a wide variety of capital funding including for vehicle and facilities.
2. **Urbanized Area Formula Program (Section 5307):** Public transit funding for capital, planning, and operations (operations only for areas with less than 200,000 population).
3. **Nonurbanized Area Formula Program (Section 5311):** Funding for capital, planning, and operation of public transportation in rural areas (less than 50,000 population).



*Photo courtesy of SPC*



4. **Job Access and Reverse Commute (Section 5316):**

Provides a wide variety of funding for capital and operating projects targeting low-income workers and those needing transportation from urbanized areas to suburban employment centers.



*Logo courtesy of Butler Transit Authority*

5. **Over-the-Road Bus Program (Section 3038):** Capital project funding for operators of over-the-road buses to improve accessibility to buses.

6. **Transportation for Elderly and Persons with Disabilities (Section 5310):** Funding for projects to provide services to senior citizens and persons with disabilities. In Pennsylvania, it is a capital purchase program.

7. **New Freedom Program:** Wide variety of capital and operating funding to expand the mobility options for persons with disabilities beyond ADA requirements.

More information about many of these programs is provided in Appendix C including a listing of eligible projects under Sections 5310, 5316, and 5317.

### **Review of Pennsylvania Programs**

Pennsylvania Department of Transportation (PennDOT) public transportation funding programs are authorized by Act 44 of 2007 and the State Lottery Law.

1. **Act 44 of 2007 creates the Pennsylvania Transportation Trust Fund (PTTF):**

- a. **Section 1513:** Authorizes operating assistance for public transportation providers and distributes it based on system performance relative to all subsidized systems using the following four factors—total ridership, senior ridership, revenue vehicle hours, and revenue vehicle miles.
- b. **Section 1514:** Asset Improvement provides discretionary capital assistance available to all public transportation providers.
- c. **Section 1517:** Capital Improvements provides capital funding which is distributed by formula based on passenger trips.
- d. **Section 1515:** New Initiatives – not funded at this time.
- e. **Section 1516:** Programs of Statewide Significance authorizes several small but important public transportation programs including:
  - Rural Transportation Program for Persons with Disabilities (PwD) – makes shared-ride public transportation affordable for persons with disabilities who have no other funding source for transportation.
  - Intercity Bus and Rail services
  - Community Transportation Capital and Service Stabilization – Capital funds are used to replace or upgrade capital equipment used in the provision of shared-ride services; service stabilization funds are used to assist shared-ride providers with emergency expenses, etc.

- Welfare to Work – Projects are designed to address transportation barriers which prevent low income individuals from making the transition from government dependence to competitive employment.
- State match for JARC and New Freedom
- Rail Safety
- Research, technical assistance and demonstration

2. **State Lottery Law - Shared-Ride Program for Senior Citizens:** The Shared Ride Program is designed to provide reduced fares and rates for senior citizens 65 and older throughout Pennsylvania on advance reservation, door to door/curb to curb public transportation service.



*Photo courtesy of WorkLink*

## ***Obstacles to Coordination in Federal and State Funding Programs***

### **Overview**

Obstacles to coordination are policies, procedures, regulations, or even laws that impede or hinder, either through direct interpretation or misinterpretation, efforts to integrate the delivery of passenger/client transportation services among two or more programs. Note the use of the terms “impede” and “hinder” rather than such terms as “preclude” or “block.” Obstacles to coordination do not necessarily stop a local coordination initiative. Obstacles typically are overcome through diligence, investigation, and/or adoption of alternative methods of business. In instances of regulatory misinterpretation, it may be necessary to enlist the support of peers in other districts or regions to assist in making the case before a county or state agency.

It is important to note that not every identified obstacle will represent a hindrance to coordination that is of regional or statewide significance. Indeed, often an obstacle in one community has been successfully addressed and/or resolved in many other communities. In some cases, merely presenting a tried and proven practice employed elsewhere in the region or state is sufficient to address local concerns.

Second, it is often useful to note that obstacles to coordination, perceived or real, are often rooted in the mere fact that local communities in the region are the recipients of Federal funding under one or more of the 62 programs recently identified by the General Accountability Office (GAO). A detailed regulatory review of these programs reports that due to little uniformity in program delivery, reporting, and eligibility requirements, coordination obstacles arise. Thus mere use of Federal funds, and the associated program rules and regulations, may present obstacles to coordination that are not rooted at the local or the state level.



## **National Level Research**

FTA's United We Ride initiative and review of literature on coordination projects conducted elsewhere in the country was used to survey other potential coordination obstacles.

The National Consortium on the Coordination of Human Services Transportation is a group of non-profit organizations representing public and private transportation providers, human services agencies, units of government, and advocacy organizations. Support for the Consortium comes primarily from Federal Transit Administration (FTA) of the U.S. Department of Transportation (DOT).

As one of its recent activities, the Consortium designed a research project to explore barriers to coordination in detail. The Consortium issued a white paper earlier this year on the project. Obstacles to coordination were identified in seven broad categories:

- **Organizational/Structural**
  - Federal program differences
  - Transportation, human services infrastructure does not encourage coordination
  - Lack of state leadership
  - Policies, procedures, for implementing federal programs established at state/local level
  - Absence of centralized structure at state level
  - Lack of support structures and functions
- **Funding**
  - Federal assistance is categorical or designated for specific purpose
  - Uncertainty about cost allocation between participants and funding agencies
  - Need for start-up funding
  - Lack of financial incentives
  - Inadequate funding for transportation
  - Differing matching requirements among federal programs
- **Policy/Regulatory**
  - Agencies use independent systems to authorize, track and pay for transportation
  - Differing eligibility criteria
  - Restrictions on use of vehicles
  - Reauthorization schedules
  - State/local regulations or policies
  - Differing planning requirements
  - Restrictions on fares



- FTA regulations regarding provision of student transportation
- Limited federal and state guidance
  
- **Attitudinal**
  - Public perceptions
  - Reluctance to mix client groups
  - Turfism
  - Skepticism about benefits
  - Concerns over loss of riders and revenue
  - Perceived decline in service quality
  - Unrealistic expectations
  - Lack of local support
  - Need to develop trust among partners
  - Fear about tracking rides
  - Coordination viewed as “short term” project
  - Institutional differences
  - Fear of taking risk
  
- **Operations**
  - Insurance and liability issues
  - Incompatibility of client needs and characteristics
  - Differing service standards
  - Vehicle specifications
  - Vehicle availability
  - Safety concerns
  - Labor arrangements
  - Driver qualifications, screening, and training
  - Incompatible communications equipment
  - Geographic service area boundaries
  
- **Communication**
  - Uncertainty about authority to coordinate
  - Uncertainty about DHHS vs. DOT roles in transportation
  - Uncertainty about shared use of resources
  - Lack of information about matching fund requirements
  - Misinterpretation, disregard of federal regulations at state/local level
  - “Language” barrier



- **Information/Data**

- Lack of data about amount of federal and state human service funds available
- Insufficient data about unmet needs
- Transit providers are not aware of contracting opportunities with HHS agencies
- Lack of awareness of available transportation services
- Lack of baseline data to measure performance and quantify benefits
- Client and data confidentiality issues
- Lack of uniform data collection, reporting, and accounting
- Cost allocation among federal programs requires data that is burdensome to collect

The Federal Coordinating Council on Access and Mobility (CCAM) recently developed a series of five broad topical areas in which to make recommendations to simplify and coordinate the delivery of transportation programs. The Council recognized that many recommendations may require basic changes to the structure of the Federal government and/or to existing programs. In putting forth the following recommendations, the Council notes that they represent interim, coordination-based solutions that the Council believes will strengthen existing transportation services.

- ***Coordinated Transportation Planning:*** In order to effectively promote the development and delivery of coordinated transportation services, the CCAM recommends that the Administration seek mechanisms (statutory, regulatory, or administrative) to require participation in a community transportation planning process for human service transportation programs.
- ***Vehicle Sharing:*** In order to reduce duplicative transportation services, as well as idle time for drivers and vehicles, the CCAM recommends that vehicles used in human service transportation be made available to other federally-funded programs, consistent with the Common Grant Rule. Within the next year, each Federal Department should review and modify its policies and procedures to proactively promote the sharing of vehicles with recipients and sub-recipients of other Federal programs.
- ***Cost Allocation:*** In order to ensure that adequate resources are available for transportation services for persons with disabilities, older adults and individuals with lower incomes, and to encourage the shared use of vehicles and existing public transportation services, the CCAM recommends where statutorily permitted that standard cost allocation principles for transportation be developed and endorsed by Federal human service and transportation agencies.
- ***Reporting and Evaluation:*** The Council recommends the development of a method to permit cross agency analysis of the effectiveness, efficiency, and progress of States, communities, and tribes toward improved coordination of transportation programs, as evidenced by improvements in the overall quality and cost-effectiveness of human service transportation.



- ***Consolidated Access Transportation Demonstration Program:*** In order to test the feasibility and cost-effectiveness of a new approach to meeting the full range of transportation needs of persons with disabilities, older adults and individuals with lower incomes, the CCAM recommends that statutory authority be sought to permit the development of demonstration projects in metropolitan, rural and/or tribal areas. In these demonstration projects a single transportation system—not necessarily a single provider-- financed through a consolidated federally funded stream would meet the total mobility needs of transportation-disadvantaged populations.