

**CHAPTER FOUR**  
**PULLING TOGETHER: BEST PRACTICES IN OVERCOMING**  
**WELFARE-TO-WORK TRANSPORTATION BARRIERS**

**Climate for Change**

Ohio and Florida have been coordinating public and human services transportation for 15 to 20 years, while some other states began coordinating recently in the era of federal welfare reform. Since the passage of federal welfare reform in 1996, all 50 states and the District of Columbia have been seeking solutions to a range of transportation problems that people face in the transition from welfare to work. Armed with block grants and flexible guidelines from Washington, DC, policymakers across the nation have been trying to create the proper mix of transportation programs and assistance that can move families into the workplace and into the mainstream economy as well.<sup>1</sup>

Marian Wright Edelman, President of the Children’s Defense Fund, addressing the challenges posed by welfare reform, said, “States must provide the education, training, and work experience that parents need to compete for jobs with decent wages...[and] remove the obstacles that often prevent parents from leaving welfare for work: lack of health care, transportation, and childcare.”<sup>2</sup>

Chapter Four examines the actions suggested by federal agencies and the best practices used by other states to address transportation barriers, as well as the regulatory relief that has freed state policymakers to implement innovative transportation programs. But New Mexico cannot simply transfer other states’ programs here without adapting them to local conditions. Characteristics of the transportation problems vary according to local geography; cultural factors and history; population size; the amount of public transit currently offered; the distances between affordable housing, entry-level jobs, and childcare providers; the commitment of state and local resources and staff; the degree of involvement from the business community; and the amount of cooperation and collaboration among public departments, agencies, and the private sector. New Mexico communities, business leaders, and policymakers can benefit from knowing what

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<sup>1</sup> Personal Responsibility and Work Opportunity Restoration Act/Transportation and Welfare: States on the Move, (Undated). Community Transportation Association of America (CTAA).

<sup>2</sup> Edelman, Marian Wright. “How ‘Welfare’ Can Work.” (October 1997). *Children’s Defense Fund Reports: A Voice for Children*.

strategies other states and communities around the nation are using. One such case study examines Chesterfield County in rural South Carolina. The South Carolina Department of Social Services had established a numerical goal for placing welfare recipients in jobs. Chesterfield County not only met that goal, but also surpassed it by 143 percent.<sup>3</sup>

### **Strategies to Overcome Welfare-To-Work Transportation Barriers**

States have piloted many different programs in recent years to address the transportation barriers confronting people who are moving from welfare to work. This section examines successful programs from across the nation. These programs are arranged into six overarching types of strategies. This chapter looks briefly at lessons learned and things that were tried that did not work or had unanticipated consequences. The final section looks at regulatory barriers that still must be addressed.

#### **I. Shortening the Travel Distance**

##### ***Economic Development***

With most of the job creation in New Mexico occurring in the Rio Grande Corridor, TANF recipients in some counties not only will have to cross county lines to find employment, but also may have to travel long distances to work each day.<sup>4</sup> If all New Mexico counties, not just those along the Rio Grande corridor, could find practical ways to create jobs for TANF recipients, long commutes by TANF recipients would not be necessary.

##### **Kentucky's Use of Empowerment Zones for Rural Development**

Three eastern counties in the impoverished Appalachian region of Kentucky created the Kentucky Highlands Economic Empowerment Zone. These rural counties created an investment corporation and were able to win a Rural Empowerment Zone grant from the US Department of Agriculture. To qualify for the grant, communities had to have a poverty rate of at least 25 percent and be able to demonstrate economic hardship from substantial declines in population during the past decade. Applicants were asked to submit ten-year plans detailing the projects they want to fund and how they would use the grants to attract additional money from private,

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<sup>3</sup> Transit Cooperative Research Program (1999). "Chesterfield County Coordinating Council in South Carolina," *TCRP Web Document 7: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility. Appendix A: Contractor's Case Study.*

<sup>4</sup> 1999 Community Council Reports to NMHSD.

public, and nonprofit sources. In many cases, the plans entailed building on resources that were already available. The Kentucky Highlands group focused on offering venture capital for business creation or expansion, as well as using the money to build industrial parks, new water lines, and new sewer lines. The plan has financed 14 companies to date, eight of which are new businesses, and 11 of which are locally owned. The area has seen unemployment fall from 17 percent to seven percent.<sup>5</sup>

### ***Relocation***

One of the most obvious ways to shorten travel distances between people and jobs in areas where there is no TANF-available employment is for states to provide funding for people who are willing to move where the jobs are. In 1996, in the original “Work First” welfare reform package, New Mexico government officials considered a measure that would require recipients of cash assistance, food stamps, and other State benefits to relocate if jobs could be found for them outside the communities where they lived.<sup>6</sup> The State of Kentucky, through Empower Kentucky, the State’s TANF Program, offers \$900 in relocation funds to help a TANF family to voluntarily move if there is a verifiable offer of employment in another community.<sup>7</sup>

### ***Co-Locations or One-Stop Centers***

Services can be made more accessible and service delivery can be more efficient through coordination and geographic proximity, also known as co-location, of services that are normally provided by more than one agency. The federal Workforce Investment Act of 1998 requires the use of “one-stop” centers for Employment Training Administration (ETA)-funded employment programs. Under this law, the ETA funds the planning and implementation of “one-stop shopping” centers that provide information and an array of employment and training services in central locations. While most of the available resources are focused on employment services for economically disadvantaged clients, the “one-stop shopping” approach of co-location is also being used in broader applications in many areas of the country.<sup>8</sup>

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<sup>5</sup> Martel, Brett. (1999, January 4) “Millions of Dollars Hang in the Balance for 12 Rural Communities,” *Associated Press*.

<sup>6</sup> Peterson, Karen. (1996, July 15). “Officials Considering Relocation Requirement for Welfare Recipients.” *Santa Fe New Mexican*.

<sup>7</sup> Community Transportation Association of America. “Access to Jobs: A Guide to Innovative Practices in Welfare-to-Work Transportation, State Welfare to Work Transportation Efforts, Section III.” [online]. <<http://www.ctaa.org/ntrj/atj/pubs/innovative-old/home.shtml>>. (Accessed 1999, November 11).

<sup>8</sup> USDOL, ETA “America’s One-Stop Career Center System” (Undated). <<http://www.ttrc.doleta.gov/onestop/>>. (Accessed 1999, December 6).

### Louisville, Kentucky's Use of One-Stop Centers

The Nia Center<sup>9</sup> was created in Louisville, Kentucky, which co-located a Neighborhood Travel Center inside a Workforce Development Office. The center displays transportation information, which allows participants to avail themselves of bus and rail schedules, route maps, and phone numbers of transportation providers. The Nia Center is adjacent to the intersection of two of the area's most heavily traveled bus routes on Louisville's public transit system. In addition, three neighborhood circulator routes, an express service to an industrial park, and a late-night bus service provide access to the Nia Center. Since there is no such thing as "regular" business hours, information on the operating hours of all available transit services is posted so that second- and third-shift commuters know whether they can use a service.<sup>10</sup>

### Colorado's Use of One-Stop Centers

Another good example of the one-stop concept occurs in the State of Colorado, which has started a school-based services program whereby Medicaid clients can access certain types of medical services at public schools. **Nonemergency Medicaid transportation** is the provision of free transit to Medicaid recipients who cannot access medical care because they lack access to a less costly form of public transit or lack a personal vehicle for transit for regular, scheduled Medicaid-approved treatment. It is NOT to be used in a situation caused by an unforeseen accident, injury, or acute illness demanding immediate action and transport to a place for treatment. Transportation to the school on the day of service is included in the coverage. Education funds for transporting students to and from school could not be used to provide this service to Medicaid clients, therefore a special billing was arranged for this service.

For Medicaid transportation services to be covered, the State of Colorado requires Medicaid clients to see only a participating Medicaid-certified provider and to receive from the approved Medicaid provider only State Medicaid plan services, not any other types of health-care services. Services must actually be provided at the destination in order for the transportation provider to get paid. Currently, the Colorado Foundation for Medical Care is studying the possibility of the State's going to a transportation brokering system and/or rolling

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<sup>9</sup> Nia is one of the seven principles of Kwanza, a seven-day African-American celebration of cooperation, unity and family. Nia means "purpose."

<sup>10</sup>USDOL, ETA. (Undated) "Working in Partnership: Transportation as a Vital Link," Mobility Management Series, Technical Assistance Brief Three.

**nonemergency Medicaid transportation** services into the managed care organization's *capitated* payment.<sup>11</sup>

### ***Televillage Initiatives***

A specialized form of one-stop center is the **Televillage**. States have begun to use telecommunications with human and information resources to create virtual or electronic communities called Televillages. These communities are comprised of people, firms, governments, schools, libraries, health-care providers, and others connected through a common need or vision, linked through telecommunications, information resources, and shared services. The Televillage Center is the physical facility that serves as the virtual town square or main street for the entire Televillage network. Several neighborhood or regional Televillage Centers may exist within one network. A Televillage is the hub of an integrated information pathway involving information networks and equipment, which provide information, jobs, and social services to TANF clients, along with business services and other support to the general public, located in the neighborhoods where people live.<sup>12</sup>

### Kentucky's Use of the Televillage

A good example of use of the Televillage can be found in Kentucky, where the State uses this new technology for economic development in rural areas. Businesses have partnered with the State to open offices in the Televillage. The center is a mixed-used facility, both public and private, which provides a comprehensive package of services to the larger Televillage network, supporting a variety of customers with services provided either on-site or remotely. Office space is available and organizations may become part of, or consolidated with, the center. Televillage The centers can be used for remote medical diagnosis, consultation, patient monitoring, distance education, or professional training, as well as for video conferences, townhall meetings, and simple, single-access points for government information and services.<sup>13</sup>

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<sup>11</sup> **Capitated transportation services** are fixed-fee-per-person arrangements through which responsibility for transporting Medicaid enrollees is transferred to a managed-care provider. In these cases, transportation is included in a managed care plan's package of benefits, just as other medical services are, such as dental care and mental health services. The estimated cost of providing nonemergency Medicaid transportation is built into the capitated rate received by the managed care organization. Nation, Gary. Colorado Foundation for Medical Care. (1999, October 4). E-mail. <gary.nation@state.co.us>.

<sup>12</sup> "The Rural Televillage: Creating a New Strategy for Rural Development." <<http://www.ta.doc.gov/PACE/tele.htm>>. (Accessed 1999, December 12).

<sup>13</sup> "The Rural Televillage: Creating a New Strategy for Rural Development." <<http://www.ta.doc.gov/PACE/tele.htm>>. (Accessed 1999, December 12).

## Compton, California's Use of the Televillage

The Blue Line Televillage is another example. The City of Compton, California has created this virtual one-stop center, which connects people electronically through a Telework Center, a computer lab with Internet access, a one-stop training center offering computer classes for welfare recipients, a video conference center for distance learning, and interactive kiosks. The Blue Line Televillage can serve all of the 120,000-plus residents who live within two miles of the Center, as well as employees in South-Central Los Angeles, by allowing them to access many services without their having to travel.<sup>14</sup>

The Blue Line Televillage strategy is a practical method to spatially reorganize urban functions to meet four goals related to livable, sustainable cities:

- ❖ Enhance mobility while reducing dependence on the automobile;
- ❖ Foster local economic development;
- ❖ Provide universal access to broadband telecommunications services; and
- ❖ Strengthen neighborhoods.<sup>15</sup>

## Possible Uses of the Televillage in New Mexico

Virtual one-stop centers could be adapted in New Mexico to serve in many different kinds of communities. Virtual co-locations could serve in chapter houses on the Navajo Reservation and other remote areas or in one of the many small, rural communities that does not have a local NMDOL Workforce Development Training Office, such as Fort Sumner. Televillage technology could also be used in Portales or any other small rural town that has no hospital or doctors to provide remote medical care via Telemedicine. The Televillage could also serve in Albuquerque or Santa Fe to provide information and services at selected community centers.

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<sup>14</sup> Transit Cooperative Research Program. *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*. (1999).

<sup>15</sup> Siembab, Walter. "Building Telecitey: Results of the Blue Line Televillage Demonstration." (Undated).. <<http://www.edc.eu.int/events/download/siembab.htm>>. (Accessed 1999, December 9).

## ***Childcare at Transit Stations***

### **Chatsworth, California**

Transit stations present a logical location for childcare centers. Rather than making an additional trip to the childcare facility, working parents can drop-off children conveniently. The Transit Tots West Childcare Center at the Chatsworth, California, Metrolink Station was five years in planning. The childcare facility is operated by a private, for-profit company. The facility has the capacity for 90 children. It includes three classrooms and a playground. Transit Tots West is open to the public, but priority is given to those parents who use mass transit. The second highest priority is for those who carpool. The Chatsworth Metrolink Station is located within the Chatsworth Center, which is a 14-acre site that is to include a park, offices, shops, theaters, and apartment housing.<sup>16</sup>

## ***Before- and After-School Programs***

The gap between parents' work schedules and students' school schedules can total 20 to 25 hours per week. The need for affordable before- and after-school programs is especially great in low-income communities and among TANF recipients. Research suggests that disadvantaged students benefit most from participation in extracurricular activities, but often have the least access to them. Schools in distressed communities tend to have fewer after-school programs and lower rates of participation. As a result, the time spent out of school is unstructured for most children living in low-income neighborhoods.<sup>17</sup>

### **Los Angeles, California's Use of Before- and After-School Programs**

Among the best-known after-school programs is Los Angeles's Better-Educated Students for Tomorrow Program (BEST). Launched through a city/school-district/private-sector partnership, Los Angeles's BEST serves low-income, at-risk children from grades K through 6 who lack adult supervision between the hours of 3:00 p.m. and 6:00 p.m. Provided free of charge, Los Angeles's BEST provides a variety of educational and academic opportunities. The program not only saves low-income working parents the cost of childcare after school and

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<sup>16</sup> Transit Cooperative Research Program. (1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*. p.5.26.

<sup>17</sup> "Care for School-Age Children." *Child Care You Can Count On, Model Programs and Policies*. The Annie E. Casey Foundation. (Undated). <<http://www.accf.org/publications/child/care.htm>>. (Accessed 1999, December 9).

provide the child with a structured environment, but also the program saves the parent from having to arrange and pay for transportation from school to childcare for that child.<sup>18</sup>

### New York, New York Use School-Based Community Centers

Some communities are seeking more comprehensive approaches to out-of-school hours by creating school-based community centers, also known as community schools or full-time schools. One of the best-known full-time school programs is the Beacons Initiative in New York City, begun in 1991 with the hope that its programs would become beacons of light and opportunity in blighted neighborhoods. Each of the 42 Beacon school-based centers has developed its own program, but all sites share the goal of being safe havens for children, youth, and families. Beacon Centers are located in public-school buildings and operate extended hours after school, before school, on weekends, and in the evenings. Beacon Centers offer a variety of services for children in a safe environment.<sup>19</sup>

### ***21st Century Learning Centers***

The 21st Century Learning Centers Program is a key component of the Clinton Administration's efforts to keep children safe; to provide recreation, academic, and to offer other recreational and academic enrichment opportunities, such as band, drama, art, and other cultural events for children; and to provide life-long learning opportunities for community members. Congress has supported this initiative by appropriating \$450 million for after-school programs in Fiscal Year (FY) 2000 (up from \$200 million in 1999 and \$40 million in 1998).<sup>20</sup>

The focus of this program, authorized under Title X, Part I, of the Elementary and Secondary Education Act, is to provide expanded learning opportunities for participating children in a safe, drug-free, and supervised environment. The 21st Century Community Learning Centers program enables schools to stay open longer, thus providing a safe place for homework, intensive mentoring in basic skills, plus drug and violence prevention counseling. The centers also help middle school students to prepare for college prep courses in high school, to gain enrichment in the core academic subjects, and to participate in recreational activities,

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<sup>18</sup> "Care for School-Age Children." *Child Care You Can Count On, Model Programs and Policies*. The Annie E. Casey Foundation. (Undated). <<http://www.accf.org/publications/child/care.htm>>. (Accessed 1999, December 9).

<sup>19</sup> "Care for School-Age Children." *ChildCare You Can Count On, Model Programs and Policies*. The Annie E. Casey Foundation.(Undated). <<http://www.accf.org/publications/child/care.htm>>. (Accessed 1999, December 9).

<sup>20</sup> "21st Century Community Learning Centers"(Undated). <<http://www.ed.gov/21stcclc>>. (Accessed 2000, January 4).

chorus, band, and the arts. In addition the centers offer technological training and services for children and youth with disabilities. About 1,600 rural and inner-city public schools in 471 communities are now participating in 21st Century Community Learning Centers. They collaborate with other public and nonprofit agencies; organizations, local businesses; post-secondary institutions; and scientific, cultural, and other community groups.<sup>21</sup>

#### A Model 21st Century Community Learning Center Program in Santa Fe, New Mexico

The Santa Fe Boys & Girls Club provides out-of-school programming for children and youth ages six to 17. Its program is highlighted online in a joint publication of the US Departments of Justice and Education, "Safe and Smart: Making After-School Hours Work for Kids." Programs are conducted during after-school hours, summer vacations, and school recesses. The Club's program, Education and Health 2000, is conducted at a central facility in Santa Fe and five satellite sites in suburban and rural areas surrounding the city. Participating youth come from all economic and ethnic backgrounds, although a high percentage are Hispanics and Native Americans from single-parent homes.

The Santa Fe Boys & Girls Club is the sole provider in the area of teen programs that run throughout the year and serve up to 5,500 youths at any given time. Club programs promote youth development and prevent delinquency among youth through activities intended to build both educational and recreational skills. Programming includes tutoring, access to two libraries, arts and crafts, athletics, karate classes, computers, and field trips. The Santa Fe Boys & Girls Club works with AmeriCorps VISTA members to provide enhanced services to children and families in the area.<sup>22</sup> The Santa Fe County Sheriff reported: "Since the satellite programs have been set up in the county, summons from the public of the Sheriff's Department to those areas have dropped considerably, youth violence and vandalism have also decreased."<sup>23</sup>

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<sup>21</sup> "21st Century Community Learning Centers" <<http://www.ed.gov/21stccclc>>. (Accessed 2000, January 4).

<sup>22</sup> Volunteers in Service to America program is a national service program was developed soon after the Peace Corps was created. President John F. Kennedy organized a small group of people to determine the feasibility of a domestic volunteer service program headed by Attorney-General Robert F. Kennedy. VISTA was not actually realized until the Johnson Administration under the Economic Opportunity Act in 1964 in his "War on Poverty" legislation.

<sup>23</sup> "Safe and Smart: Making After-School Hours Work for Kids." *What Works: Components of Exemplary After-School Programs*. (Undated). <<http://www.ed.gov/pubs/SafeandSmart/santafe.html>>. (Accessed 1999, December 12).

## *Free Transportation for Students from an After-School Program*

### Jackson County, Missouri's Free Transportation from After-School Program

The citizens of Jackson County, Missouri, voted for a quarter-cent tax increase two years ago to combat drug trafficking and abuse by placing more law enforcement officials on the street and providing prevention and treatment dollars to social service agencies. Bridger Junior High School in Independence, Missouri, received a grant from the Jackson County Community Anti-Drug Tax (COMBAT) Commission to fund transportation costs for students returning home in the evenings from its after-school program, which the Commission considers a drug-prevention effort.<sup>24</sup>

## **II. Transportation Brokers**

**Mobility management** is defined as brokering, facilitating, encouraging, coordinating, and managing traditional and nontraditional services to expand the array of transportation services to diverse customer groups, such as seniors, Medicaid and TANF clients, and the general public. This inclusionary definition presupposes responsibility from many partners in addition to public transit to provide greater mobility. Effective mobility management requires viewing the passenger transportation system as a whole. Mobility management is the opposite of an institutional mindset that offers a single product with a one-size-fits-all approach.<sup>25</sup>

A **transportation brokerage** coordinates services in a defined area. The transportation broker may centralize vehicle dispatch, record-keeping, vehicle maintenance, and other functions under contracts with agencies, municipalities, and other organizations. This method of coordinated transportation matches travelers with a variety of transportation providers through the use of central dispatching and administration. Several states have already implemented coordination of nonemergency Medicaid transportation with public transportation and reaped the rewards. The Dade County, Florida transit pass program for Medicaid recipients saved the State \$600,000 in a single month.<sup>26</sup>

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<sup>24</sup> "Safe and Smart: Making After-School Hours Work for Kids." *What Works: Components of Exemplary After-School Programs*. (Undated). <<http://www.ed.gov/pubs/SafeandSmart/chapter2.html>>. (Accessed 1999, December 12).

<sup>25</sup> Transit Cooperative Research Program (1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human costs of Personal Immobility*.

<sup>26</sup> US General Accounting Office Report. (October 1999). *Transportation Coordination: Benefits and Barriers Exist, and Planning Efforts Progress Slowly*. <<http://www.gao.gov/new.items/rc00001.pdf>>. (Accessed 1999, December 2).

## *Colorado's Transportation Brokerage*

Another good example is Seniors' Resource Center, Inc. (SRC), a private nonprofit organization in Denver, Colorado, which operates three transportation programs: a **paratransit**<sup>27</sup> service called Community Wheels, a Medicaid **brokerage**, and a general Senior Resources Center brokerage. Its services cover the Denver six-county area, which is both rural and urban. SRC's services (including trips that they subcontract) include door-through-door<sup>28</sup> and door-to-door paratransit, taxis, and mileage reimbursement. Each of SRC's three programs operates a little differently.<sup>29</sup>

Community Wheels is SRC's paratransit service. It provides many different types of services, including door-to-door and door-through-door van services, taxis, and volunteers. Community Wheels serves seniors, persons of any age with disabilities, and the general public in rural areas. It has over fifteen types of funding sources, including county funds; community services block grants; money from private foundations; money from contracts with its Medicaid brokerage; an Older Americans Act grant; Federal Transit Administration Sections 5309, 5310, and 5311 grants; home- and community-based services; and the Denver Regional Transportation District. The program charges modest fares, which vary by ride type. General fares range from three dollars to ten dollars each way, including fares for door-through-door services.<sup>30</sup>

In a six-year-old demonstration project, SCR also acts as a Medicaid brokerage for the Jefferson County Department of Social Services. The Colorado Department of Social Services pays SCR a capitated (fixed-fee-per-person) rate to perform these services. Some rides cost two to ten times the capitated rate, but SCR usually recovers these costs on its shorter trips. SRC's Medicaid brokerage has contracts with 15 to 20 service providers. One of these providers is SRC's own Community Wheels, although it provides less than 25 percent of SRC's Medicaid trips. Many of these Medicaid trips originate in rural mountain areas.<sup>31</sup>

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<sup>27</sup> **Paratransit** services are comparable transportation services required by the Americans with Disabilities Act for individuals with disabilities who are unable to use fixed-route transportation systems.

<sup>28</sup> Door-through-door paratransit service means that the driver or ride attendant must enter the rider's home or destination and physically assist the rider to the vehicle and provide the ride.

<sup>29</sup> Community Transportation Association of America. "Seniors' Resource Center, Inc." *Current Practices*. (Undated). <[http://www.ctaa.org/ntrc/medical/practices/co\\_src\\_denver.shtml](http://www.ctaa.org/ntrc/medical/practices/co_src_denver.shtml)>. (Accessed 1999, December 9).

<sup>30</sup> Community Transportation Association of America. "Seniors' Resource Center, Inc." *Current Practices*. (Undated). <[http://www.ctaa.org/ntrc/medical/practices/co\\_src\\_denver.shtml](http://www.ctaa.org/ntrc/medical/practices/co_src_denver.shtml)>. (Accessed 1999, December 9).

<sup>31</sup> Community Transportation Association of America. "Seniors' Resource Center, Inc." *Current Practices*. (Undated). <[http://www.ctaa.org/ntrc/medical/practices/co\\_src\\_denver.shtml](http://www.ctaa.org/ntrc/medical/practices/co_src_denver.shtml)>. (Accessed 1999, December 9).

SRC operates another general brokerage, which is called the “SRC Brokerage.” This brokerage is directly funded through the Denver Office of Social Services, Denver Community Services Block Grant funds, and fares charged to Denver residents. These fares start at \$15.00 each way. SRC’s general and Medicaid brokerages use many of the same providers. SRC’s future plans include combining the Medicaid and general brokerages into one brokerage.<sup>32</sup>

Taking all three services into account, SRC provides approximately 284 trips per day. For Community Wheels, SRC’s cost per trip is approximately \$18.50 each way. SRC has about 18 body-on-chassis vehicles, all of which are wheelchair lift-equipped. Three of these vehicles provide service exclusively to adult daycare clients. SRC has 20 full-time drivers and six volunteer drivers, all of whom undergo two to three weeks of training, which covers topics such as passenger assistance, defensive driving, blood-borne pathogens, and drug and alcohol issues. SRC provides rides from 7:30 a.m. to 5 p.m. To verify Medicaid recipients’ eligibility, SRC checks Medicaid enrollment numbers with the State’s computer. SRC is expanding into services and expects a large increase in trips.<sup>33</sup>

### ***Kentucky’s Use of Transportation Brokerages***

Another good example of transportation brokerages can be found in Empower Kentucky, that State’s welfare program. Empower Kentucky established a statewide transportation network, which is divided into 16 regions. Each region will contract with a single provider to supply the required transportation. Each provider is responsible for offering transportation itself or subcontracting for services on behalf of the customer. To ensure that consumers are provided with appropriate services, the State serves as monitor. A flat fee or capitated rate will be paid for each welfare recipient who resides within the designated service area, whether or not the recipient uses the service. Nonemergency Medicaid transportation is included in the plan. The selected provider guarantees service for all public assistance recipients and Medicaid clients who need it. As the payments are made directly to the transit provider, the expenses of transporting clients in rural areas should be balanced by payments for recipients who do not use their transportation stipends. FTA Section 5309 and discretionary bus funds are used for capital

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<sup>32</sup> Community Transportation Association of America. “Seniors’ Resource Center, Inc.” *Current Practices*. (Undated). <[http://www.ctaa.org/ntrc/medical/practices/co\\_src\\_denver.shtml](http://www.ctaa.org/ntrc/medical/practices/co_src_denver.shtml)>. (Accessed 1999, December 9).

<sup>33</sup> Community Transportation Association of America. “Seniors’ Resource Center, Inc.” *Current Practices*. (Undated). <[http://www.ctaa.org/ntrc/medical/practices/co\\_src\\_denver.shtml](http://www.ctaa.org/ntrc/medical/practices/co_src_denver.shtml)> (Accessed 1999, December 9).

expenditures. A 20-percent match is required from the participating transit agencies. Preference is given to Appalachian areas and agencies with ridership that includes high concentrations of welfare participants.<sup>34</sup>

### ***Possible Uses of Transportation Brokerages in New Mexico***

The number of publicly funded passenger vehicles varies from one New Mexico county to another, in every county, there are opportunities to integrate public and human services transportation resources through agency coordination. In low-density rural areas, a *joint-use* coordination plan among agencies allows clients of different agencies to ride each other's vehicles. This is one of the most practical ways to transport people cost-effectively to a central drop-off point for intercounty transportation to work.

In addition, large savings may be found by coordinating nonemergency Medicaid trips with the transportation of TANF and WTW clients and the general public. Medicaid covers expenses for transportation and other related expenses which the New Mexico Medical Assistance Division of NMHSD determines are necessary to secure Medicaid-covered medical examinations and treatment for eligible recipients in or out of their home community. Travel expenses include the cost of transportation by public transit, taxicab, handivan, and ground or air ambulance. This includes nonemergency transportation for clients who have no primary transportation and who are unable to access a less costly form of public transportation [42 CFR & 440.170].<sup>35</sup>

Approximately 73 percent of New Mexico's eligible Medicaid population was treated under managed care, with transportation included in the contracted per capita rate, in November of 1999. The remaining 27 percent of the Medicaid population were reimbursed directly by the state for nonemergency Medicaid transportation.<sup>36</sup> Under this policy, the State paid out \$497,420 to taxis and handicabs during February 1999. The six-month average payout for these transportation services, as reported in March 1999, was \$520,575. Over the same time period, the average payment per unit of service, or cost per passenger mile, was \$1.46.<sup>37</sup> No information

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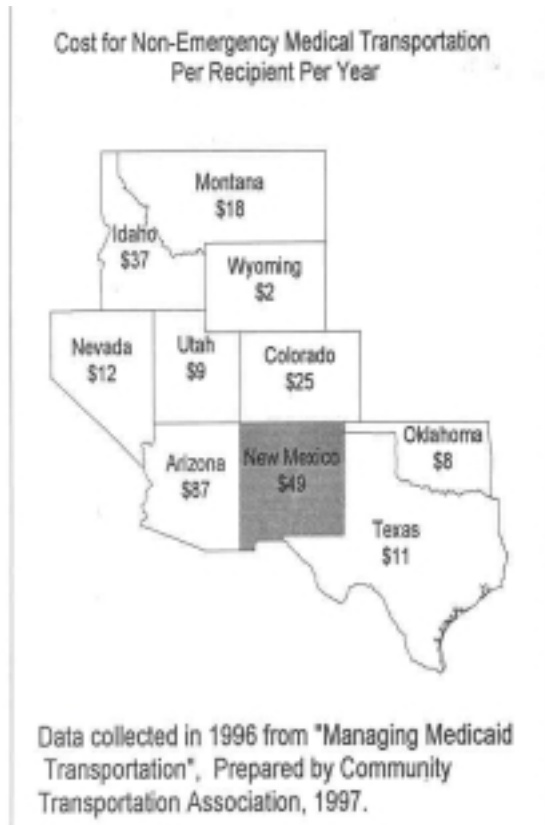
<sup>34</sup> Community Transportation Association of American. "Access to Jobs: A Guide to Innovative Practices in WTW Transportation, Section 3, State Welfare to Work Transportation Practices." (Undated). <[http://www.ctaa.org/febmar98/empower\\_ky.shtml](http://www.ctaa.org/febmar98/empower_ky.shtml)>. (Accessed 1999, December 17)

<sup>35</sup> Complete guidelines regarding nonemergency Medicaid transportation are available through the NMHSD Medical Assistance Division.

<sup>36</sup> McFadden, Marise. NMHSD. Telephone Interview (2000, February 3).

<sup>37</sup> Baca, Linda. NMHSD, Medical Assistance Division, Benefits Bureau. Memo. (1999, April 29).

**Figure 4.1**



was available on the cost of nonemergency Medicaid transportation for those persons covered by the State's contracts with managed care organizations.

A 1997 national study which compared nonemergency Medicaid transportation reimbursements by the states, reported that New Mexico paid out approximately \$49 per client per year, more than all but one of the adjacent states (Texas: \$11, Oklahoma: \$8, Colorado: \$25, Utah: \$9, Arizona: \$87).<sup>38</sup> *Figure 4.1 Cost for Nonemergency Medicaid Transportation Per Recipient Per Year* presents the nonemergency Medicaid transportation costs per eligible client per year for several western states.

An assessment of the State's nonemergency Medicaid transportation could identify ways to reduce costs through coordination of passengers on other human service and public transportation vehicles. One cost reduction practice has already been identified in the City of Carlsbad. The transit director there has reported that if nonemergency Medicaid transportation were coordinated with public transit in Carlsbad, costs could be reduced by an estimated 30 percent.<sup>39</sup>

### **III. Private Vehicles**

#### ***Job Opportunity Transportation Programs and Other Car Programs for TANF Clients***

Recently, several states have started job opportunity transportation programs, or so-called "charity car" initiatives, as a way of establishing mobility and self-sufficiency for people who are transitioning from welfare to work. The state or county may run the car-donation program, but often, nonprofit charities actually run the programs following criteria set up by government agencies. Individuals and businesses donate used vehicles to a nonprofit organization and get a

<sup>38</sup> Community Transportation Association of America. "Managing Medicaid Transportation." (1997).

<sup>39</sup> Cooper, Mickie. Manager of the City of Carlsbad Municipal Transit. (1999, December 6) Interview.

tax write-off for the fair market value of the vehicle, as a charitable donation, which is why car donation programs for TANF recipients are sometimes referred to as charity car programs. These programs match the donated cars to welfare recipients. Depending on the program criteria set by the State, County, and/or Municipality, cars can range from outright gifts to no-interest or low-interest loans for vehicle purchase. The conditions that must be met by the welfare recipient to retain possession of the donated vehicle vary from program to program. Many states are still testing and refining their car donation programs. Results from programs in other states are only now beginning to be reported.<sup>40</sup>

#### Forsyth County, North Carolina's Use of a Car Donation Program

In Forsyth County, North Carolina, operable cars are sold to persons who are leaving the welfare rolls through the Wheels-to-Work Program. The Forsyth County Commission, the North Carolina Department of Social Services, Goodwill Industries of Northwest North Carolina, the Winston-Salem Transit Authority, a local car dealer, and an insurance company became partners to create and implement this program. Only those TANF recipients who do not have access to bus routes are eligible for the car program. The auto dealer repairs surplus County vehicles that will go to TANF clients. Donations to Goodwill pay for the first year's insurance, repairs, taxes, license fees, and title fees. Participants can own the car after the first year by reimbursing Goodwill, which uses this money to fix up another car for the program.<sup>41</sup>

#### Georgia's Use of a Car Donation Program

Georgia uses oil surcharge money to fund its car donation program. The administrators insist that TANF clients carry full insurance to receive a car, but many cannot afford it and thus cannot qualify for the program. The State of Georgia would like the cost of insurance to be included in each participant's car payment, but it cannot find an insurance company with which to partner. Sometimes the cars are donated; at other times the State purchases cars from private owners, using newspaper advertisements. The clients must pay \$100 per month. If a client gets a

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<sup>40</sup> The Philanthropic Advisory Service of the Council of Better Business Bureaus. "Tips on Contributing Used Cars to Charity." (Undated). <<http://www.bbb.org/about/usedcars.html>>. (Accessed 1999, December 1).

<sup>41</sup> The Philanthropic Advisory Service of the Council of Better Business Bureaus. "Tips on Contributing Used Cars to Charity." (Undated). <<http://www.bbb.org/about/usedcars.html>>. (Accessed 1999, December 1).

job or job offer, the monthly payments are reduced by 50 percent. The cost of repairs is added on for the life of the loan, but never exceeds \$35 per month.<sup>42</sup>

#### Ventura County, California's Use of a Car Donation Program

The car donation program in Ventura County, California offers low-interest loans that are guaranteed by the County. The program was designed to be self-funding after an initial appropriations totaling \$11,100.<sup>43</sup> A nonprofit organization in Ventura County accepts donations from aging government and corporate fleets. For instance, in Ventura County, the Bank of America has agreed to donate its older fleet vehicles to the County's WTW program to help recipients who want to work. After the cars are donated to the nonprofit group, the vehicles are leased through a county credit union to TANF recipients over an extended period to help reduce monthly payments, which range from \$77 to \$145. Lease proceeds accumulate in a special fund that can be used to buy more vehicles.<sup>44</sup> County officials projected potential savings from the program from a reduction of welfare expenditures as families moved from welfare to work. According to these projections, "if just one TANF family (based on one adult and two dependent children) were able to maintain employment and get off welfare by having access to a car under this program, the annual savings to the taxpayer would be \$5,376 for just one family."<sup>45</sup>

#### Downsides to Car Donation Programs for TANF Clients

New programs can have their downsides as well. Some charity-car programs around the country have experienced consequences that were unintended by program designers. In Pinellas County, Florida, there were not enough cars donated to its charity-car program for all the TANF recipients who needed cars.<sup>46</sup> In other states, some charity organizations that ran car-donation programs were found guilty of fraud.<sup>47</sup> In some states, many TANF recipients refused work until

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<sup>42</sup> Maier, Paul. (1999, June). "Transportation in Welfare Reform." US Department of Health and Human Services, Office of Family Assistance, Administration for Children and Families, (202)401-5438. <<http://www.acf.dhhs.gov/programs/ofa/TRANS2.HTM>>. (Accessed December 1, 1999).

<sup>43</sup> Becker, James B. Administrative Officer, Ventura County, California. Job Opportunity Transportation Program. Fax. (1999, June 16).

<sup>44</sup> Transit Cooperative Research Program. (1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*.

<sup>45</sup> Becker, James B., Administrative Officer, Ventura County, California. Job Opportunity Transportation Program. (1999, June 16).

<sup>46</sup> Krueger, Curtis. (1999, April 23). "Charity Cars Unlikely to Fulfill Contract." *St. Petersburg Times*.

<sup>47</sup> Meyer, Josh. (1999, August. 1). "Driving Though a Legal Loophole." *Los Angeles Times*.

their names came up on a waiting list for donated cars.<sup>48</sup> In various parts of the country, some people who donated cars to state-authorized charity-car programs have tried to take bigger deductions on their taxes than the automobiles that they donated were worth.<sup>49</sup> Appendix G, *Job Opportunity Transportation Programs: Possible Solutions and Potential Consequences* presents a more comprehensive examination of these programs and a detailed matrix indicating eligibility and contractual rules in programs across the nation.

#### IV. Ridesharing<sup>50</sup>

##### *Carpools, Vanpools, and Feeder Service*

**Carpools** consist of two or more individuals who share a ride in a private automobile. **Commuter-driven vanpools** are eight- to 15-passenger vehicles that typically are owned by and operated by an individual who charges other riders, leased by an organization through a regional ridesharing program, or supplied and subsidized by an employer or a community-based organization. In return for driving the rest of the group to the job site, the driver usually gets free transportation to and from work in the van. In some vanpools, the driver receives payment, as well as free transportation.<sup>51</sup>

A **coordinated feeder service** is a bus (or other vehicle) service that shuttles riders from an outlying area to a central drop-off point where multiple transportation options are available. Feeder routes may be **demand response**<sup>52</sup> extensions of **fixed-route service**.<sup>53</sup> Feeder services are used where fixed-route service is not economically feasible.<sup>54</sup> A **deviated fixed route** is similar to fixed-route service but allows for minor detours in the route to pick up or drop-off

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<sup>48</sup> Maier, Paul. (June, 1999). "Transportation in Welfare Reform." US Department of Health and Human Services, Office of Family Assistance, Administration for Children and Families, (202)401-5438. <<http://www.acf.dhhs.gov/programs/ofa/TRANS2.HTM>>. (Accessed 1999, December 1).

<sup>49</sup> Anderson, Curt. (1999, September. 24). "Take That Old-Car Donation Off Taxes But Don't Overdo, Says IRS." *San Diego Union-Tribune*.

<sup>50</sup> Ridesharing is a form of transportation, other than public transit, in which more than one person shares in the use of the vehicle, such as a bus, van, or automobile, to make a trip.

<sup>51</sup> Transit Cooperative Research Program. (1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*.

<sup>52</sup> **Demand responsive system** is a type of transit service where individual passengers can request transportation from a specific location to another specific location at a certain time.

<sup>53</sup> **Fixed-route service** is a transit route where vehicles run on regular pre-designated pre-scheduled routes with no deviation.

<sup>54</sup> Transit Cooperative Research Program. (1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*.

passengers who may have difficulty in getting to and from a regular bus stop, such as passengers who are disabled or who are obtaining medical assistance through Medicaid.

#### North Carolina's Coordinated Use of Vanpools, Feeder Lines and School Buses

North Carolina serves as an example of how various groups can work together to provide transportation. One way the State of North Carolina is trying to connect people to jobs is by having employers participate in rural vanpools. A feeder service is used to transport people from all over a county to a specific central location. Then vehicles in the vanpools take workers from North Carolina to jobs in Virginia. The trip is over 100 miles each way. The Rural Vanpool Program is State-supervised, but administered by each county. The State sets guidelines for counties to develop programs, and counties have flexibility in implementing programs. A State of North Carolina oversight committee, the Human Service Transportation Council, provides support to county governments and to the county Rural Vanpool Program. Vanpool vehicles are driven to the job location by commuters who meet stringent State licensing and safety requirements. As a benefit of driving, the drivers are not charged for the vanpool ride. Other employees in the vanpool are charged for this transportation.<sup>55</sup>

The North Carolina Board of Education and the Department of Public Instruction passed a resolution in May 1997 allowing adults in Work First, the State's welfare reform program, to ride school buses. The resolution was drafted because 80 to 90 percent of the services that Work First purchased in rural areas were for transportation. In exchange for the ride, adult passengers must serve as bus monitors. Adults then disembark at the school to go to jobs or to transfer to another vehicle. Regional consultants provide technical assistance to local school boards and social service agencies to set up the school bus transportation program.<sup>56</sup>

#### San Diego, California's Van Ride System

The San Diego Transit Corporation operates Direct Access to Regional Transit<sup>57</sup> (DART), a dial-a-ride van system under contract with a family-owned business. The dial-a-ride program operates in the suburban and rural areas of San Diego. Passengers call ahead for pick-

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<sup>55</sup> Kathy McGehee, Human Services Transportation Coordinator, North Carolina Department of Human Services, (1999, December 2). Telephone Interview. (919) 733-3055.

<sup>56</sup> Transit Cooperative Research Program. (1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*.

<sup>57</sup> "Public Transit in San Diego County: DART--Our Community Shuttle Service." (Undated). <[http://www.sdcommute.com/sdmts/special\\_services.htm](http://www.sdcommute.com/sdmts/special_services.htm)>. (Accessed 1999, December 9).

up and are dropped at a transfer point, where they have no more than a ten-minute wait to connect to the fixed-route bus. DART ridership is restricted to people in the eastern part of the County, but seniors, the disabled, Medicaid recipients, welfare recipients, and the general public use the DART system. Work trips, followed by school trips, are the most common trips on DART.<sup>58</sup> Riders can subscribe to the service or call an hour in advance for service.<sup>59</sup> DART is funded by federal and State grants, as well as fares paid by the general public. On the State level, the system receives monies from the California Transportation Development Act. A sizable fare increase in 1999 cut ridership significantly.<sup>60</sup> In July 2000, DART will be adding **flex-routes**<sup>61</sup> to its demand-response system.<sup>62</sup>

## V. Coordinating Councils

In 1986, the US Department of Health and Human Services (USDHHS) and the US Department of Transportation (USDOT) partnered to create the interagency Coordinating Council on Human Services Transportation. The Council, since renamed the Coordinating Council on Access and Mobility (CCAM), was established “to improve [the] efficiency and effectiveness of specialized and human-services transportation by coordinating related programs at the federal level wherever possible and promoting the maximum feasible coordination at the state and local levels.” Turf issues had to be negotiated and resolved before agencies were able to build trust and cooperate fully to solve common problems. To ensure that coordination agreements do not unravel over time, constant work is necessary for all parties to continue working together.<sup>63</sup>

For decades, USDHHS has provided funding to transport special populations. The USDOT, through the Federal Transit Administration (FTA), has offered funding for similar

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<sup>58</sup> Transit Cooperative Research Program. (1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*.

<sup>59</sup> **Subscription trips** occur when a passenger has purchased multiple trips to the same destination, as in the case of a commuter using a bus pass on routine trips to and from the office.

<sup>60</sup> Schowalter, Sandra. Contract Services Manager, San Diego Transit Corporation. (1999, December 20). Telephone Interview. (619) 238-0100x427.

<sup>61</sup> **Flex-route service** is a point-deviation service in which vehicles stop at designated bus stops (points) at scheduled times, but during the time between two scheduled stops, drivers pick up and drop off passengers with advanced reservations over a dispersed area.

<sup>62</sup> Schowalter, Sandra. Contract Services Manager, San Diego Transit Corporation. (1999, December 20). Telephone Interview. (619) 238-0100x427.

<sup>63</sup> US General Accounting Office Report. (October 1999). *Transportation Coordination: Benefits and Barriers Exist, and Planning Efforts Progress Slowly*. <<http://www.gao.gov/new.items/rc00001.pdf>>. (Accessed 1999, December 2).

programs, but the agencies have not coordinated efforts. The job of the Coordinating Council is to change that practice. The Council views coordination as a way to reduce federal transportation program costs by clustering passengers; utilizing fewer one-way trips; and sharing the use of transportation personnel, equipment, and facilities. Through coordination, the people needing transportation will benefit from improved and expanded service.<sup>64</sup>

#### Chesterfield County, South Carolina

In South Carolina, coordination has required agencies and departments involved in public and human-services transportation to work together to allocate transportation funds wisely, improve efficiency, avoid duplication of service, and increase the areas and numbers of people served. The Chesterfield County Coordinating Council (CCCC) used the federal CCAM as a model to coordinate human-services transportation among the County's 43 member agencies. Some of the elements included in the CCCC's coordinated transportation plan are: sharing vehicles and drivers among agencies, pooling drivers and liability insurance, adding a fixed-route system to a door-to-door transportation system that was already in place, allowing adults to ride school buses, and freeing case workers from transporting clients. The mobility of rural residents has been increased substantially.<sup>65</sup>

## **VI. Components of Transit System**

As illustrated in *Figure 4.2*, there are main five components in a transit system:

- Ridership—Passengers who are conveyed using the transit system;
- Operations—Activities, such as scheduling, dispatch, procurement of supplies, tires, fuel, and et cetera;
- Time—Days of the week and hours of the day in which the transit system provides transportation services;
- Maintenance—Routine inspections of vehicles, radios, lift equipment, fare collection boxes, and et cetera, as well as their upkeep and repair; and

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<sup>64</sup> US General Accounting Office Report. (1999,). *Transportation Coordination: Benefits and Barriers Exist, and Planning Efforts Progress Slowly*. <<http://www.gao.gov/new.items/rc00001.pdf>>. (Accessed 1999, December 2).

<sup>65</sup> Transit Cooperative Research Program. (October 1999). *TCRP Report 49: Using Public Transportation to Reduce the Economic, Social and Human Costs of Personal Immobility*.

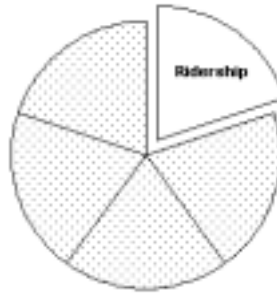
- Administration—Activities, such as budgeting, planning, accounts receivable and payable, payroll, the hiring and training of administrative staff, dispatchers, and drivers, and et cetera.

As illustrated in *Figures 4.3 through 4.7*, coordination of transportation between the various providers of public and human services transportation in a region, a county or a municipality can be phased-in gradually one component at a time to facilitate the transition process.

**Figure 4.2 The Five Main Components of Coordinated Transportation**



**Figure 4.3 Ridership is Coordinated.**



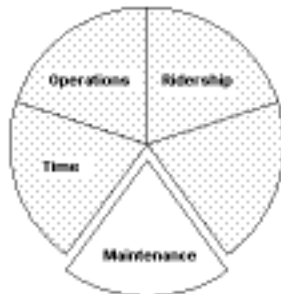
**Figure 4.4 Operations are Coordinated.**



**Figure 4.5 Time is Coordinated.**



**Figure 4.6 Maintenance is Coordinated.**



**Figure 4.7 Administration is Coordinated.**



Data Source: *Figures 4.2 through 4.7 are adapted from Idaho Transportation Dept. (Undated). Coordinated Transportation; and Ohio Department of Transportation. (1997, October). A Handbook for Coordinating Transportation Services*

## VII. Levels of Coordination

There are three levels of coordination in transportation service: (1) cooperation, (2) joint use, and (3) consolidation. Cooperation is the lowest level of service coordination. Two or more agencies may agree to cooperate in sharing information and referrals, as well as perhaps in seeking funding.<sup>66</sup> For example, the Taos County Senior Citizens Center and the City of Taos Chile Line (rural transit system) may submit a joint application to the Public Transportation Programs Bureau (PTPB) for emergency equipment such as two-way radios and dispatch equipment.

In joint use, clients from one agency may ride in another agency's vehicles. Each agency pays for its own clients.<sup>67</sup> For example, a local TANF provider may contract with the Deming/Luna Council on Aging to use its 15-passenger senior citizen vans early in the morning and late in the afternoon to take TANF clients to the local high school as a drop-off point to catch commuter-driven vanpools to work in Las Cruces. At the end of the day, the trip is reversed. Or a mother and her two children may wait together at a school bus stop in San Miguel County to board the same school bus. While the students attend school, the mother may complete community service work as a teacher's aide or participate in a program at a co-located training center. A Southeast New Mexico Community Action Corporation Head Start van may pick up ten children and four adults in rural Eddy County. The children are dropped off at the Artesia Head Start Center, and the adults are taken five miles farther to literacy classes at the branch community college. At the first two levels, coordination does not mean taking the name placards off the vans or removing the agency logo. Each system remains autonomous.

With consolidation, multiple, fragmented transportation systems are meshed into one service with centralized dispatch, accounting, driver training, procurement, and maintenance.<sup>68</sup> For example, a developmentally disabled person who travels to a sheltered workshop each day may ride on the same vehicle as a senior citizen going to a water aerobics class three times a week and a TANF client going to a literacy center three days a week. A bus on an early morning rural route may take two senior citizen volunteers to the adult literacy center, six children to a

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<sup>66</sup>Idaho Transportation Department. (Undated), *Coordinated Transportation*. Chapter 1. And Ohio Department of Transportation, (October 1997). *A Handbook for Coordinating Transportation Services*. Chapters 4-5.

<sup>67</sup> Idaho Transportation Department, (Undated). *Coordinated Transportation*, Chapter 1, and Ohio Department of Transportation, (1997, October) *A Handbook for Coordinating Transportation Services*, Chapters 4-5.

<sup>68</sup> Idaho Transportation Department. (Undated). *Coordinated Transportation*. Chapter 1. and Ohio Department of Transportation. (1997, October). *A Handbook for Coordinating Transportation Services*. Chapters 4-5.

before-school program, and four New Mexico Works participants to their jobs. In the afternoon, the same vehicle may pick up twelve senior citizens for a shopping trip, then take eight children home from an after-school program. In a consolidated transportation system, one transportation system serves for all people who need it.

Many models of transportation coordination are successful. In a study of five sites where transportation services have been coordinated, the Community Transportation Association of America (CTAA) reported one unspecified location where average cost per passenger trip and the average cost per vehicle hour were cut in half, while the average number of trips per month doubled.<sup>69</sup>

Several State of New Mexico agencies or departments could benefit from efforts to coordinate transportation services by forming a coordinating council. These agencies or departments include the New Mexico Highway and Transportation Department, the New Mexico Human Services Department; the New Mexico Department of Labor; the New Mexico Department of Health; the State Agency on Aging; the New Mexico State Department of Education; the Department of Children, Youth and Families; and the Economic Development Department. By addressing the regulatory obstacles that currently prevent vehicles from being used jointly, funding streams could be leveraged to provide affordable, dependable transit for all transportation-disadvantaged people. In addition, coordination of transportation would enable the State to demonstrate that it is taking steps to meet federal guidelines on the joint use of TANF, WTW, and ATJ transportation funding.

The many benefits of coordinating transportation services include:

- ❖ Creating a more cost-effective use of resources through increases in productivity, decreases in cost-per-use through economies of scale, and elimination of the waste caused by duplicated efforts;
- ❖ Using the greater productivities and efficiencies to fill service gaps within a community by offering services to additional individuals and geographic areas despite existing budgetary constraints;
- ❖ Generating cost savings to some participating agencies through special forms of coordinated transportation service;

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<sup>69</sup> CGA Consulting Services, Inc. (1992, February). *An Analysis of Human Services Transportation: America's Other Transit Network*, prepared for CTAA.

- ❖ Providing more trips to consumers at lower costs, thereby enhancing the overall quality of life for riders, and the community;
- ❖ Providing more centralized management of existing resources, which will result in greater visibility for transportation services to the riders, the agencies whose clients need public transportation, the community, and to funding sources;
- ❖ Reducing the consumer confusion regarding how they can use or access transportation,
- ❖ Providing clearer lines of authority;
- ❖ Offering more professional transportation services, which will yield higher levels of comfort, safety, and reliability for riders;
- ❖ Improving the effectiveness of the primary services offered by human service agencies that have turned the transportation function over to a coordinated provider; and
- ❖ Stimulating other interagency cooperative efforts.<sup>70</sup>

Coordination between agencies is an effective management strategy for improving the performance of local transportation services because it significantly reduces costs, while providing better mobility for all their clients and to the general public. Appropriately applied, coordination can lead to significant reductions in per-trip operating costs for transportation providers, while increasing ridership and allowing the smaller companies that provide transportation services an opportunity to expand their businesses from part-time to full-time operations.<sup>71</sup>

### **Regulatory Impediments to Coordinated Transportation**

Despite the federal guidelines that mandate coordination in human services transportation,<sup>72</sup> and despite the cost saving that would result from coordination, states face a huge hurdle in because the guidelines are unclear, conflicting, and overlapping.<sup>73</sup> The federal government acknowledges that it is part of the problem.<sup>74</sup> Especially when individuals are

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<sup>70</sup> Federal Coordinating Council on Access and Mobility. "Benefits and Costs of Transportation Coordination." [online]. <[http://www.ccamweb.org/benefits\\_and\\_costs.html](http://www.ccamweb.org/benefits_and_costs.html)>. (Accessed 1999, December 3).

<sup>71</sup> Federal Coordinating Council on Access and Mobility.. "Why Coordinate?" [online]. <[http://www.ccamweb.org/benefits\\_and\\_costs.html](http://www.ccamweb.org/benefits_and_costs.html)>. (Accessed 1999, December 3).

<sup>72</sup> *Interagency Transportation Guidance: Use of TANF, WTW, and Access To Job Funds for Transportation.*

<sup>73</sup> US General Accounting Office Report. (October 1999). *Transportation Coordination: Benefits and Barriers Exist, and Planning Efforts Progress Slowly.* <<http://www.gao.gov/new.items/rc00001.pdf>>. (Accessed 1999, December 2).

<sup>74</sup> US General Accounting Office Report. (1999, October) *Transportation Coordination: Benefits and Barriers Exist, and Planning Efforts Progress Slowly.* <<http://www.gao.gov/new.items/rc00001.pdf>>. (Accessed 1999, December 2).

clients of multiple programs, the lack of clarity complicates and exacerbates already tenuous interagency coordination efforts.<sup>75</sup>

One of the primary examples in New Mexico of federal regulatory hindrance to State coordination of human services transportation occurs with transportation of childcare to Head Start facilities. Much debate has occurred over whether Head Start is a human services program or a education program. The National Highway Traffic Safety Administration (NHTSA) ruled that Head Start is an education program, and therefore requires Head Start to follow NHTSA safety guidelines for transporting students to school. If Head Start programs are going to provide transportation, the program must use vehicles conforming to the NHTSA guidelines, which mean using school buses, not 12- to 15-passenger vans.<sup>76</sup> There is a significant difference in cost between school buses and vans even though the two types of vehicles may have the number of seats. School buses are much more expensive than the vans because the school buses have more stringent safety standards.<sup>77</sup>

NHTSA requires auto dealers to find out whether the “significant use” of the vehicle to be sold is for the transportation of students. “Significant use” means five days a week. If auto dealers knowingly sell a van for the transportation of students to a “school,” the dealer is subject to fines and also civil liability if a student transported in that van should be hurt or killed while being transported in the vehicle. All auto dealers have received a memo from NHTSA about this policy. In the past few years, NHTSA has been aggressively investigating and fining dealers who are not in compliance.<sup>78</sup>

Tillery Chevrolet-GMC in Moriarty sent ATRI a copy of a memo that the dealership received which advised of the NHTSA policy on nonconforming vans. After the NHTSA policy was implemented, automobile dealerships in New Mexico, such as Tillery Chevrolet-GMC in Moriarity, could no longer legally sell vans to Head Start providers.<sup>79</sup>

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<sup>75</sup> US General Accounting Office Report. (1999, October) *Transportation Coordination: Benefits and Barriers Exist, and Planning Efforts Progress Slowly*. [online]. <<http://www.gao.gov/new.items/rc00001.pdf>>. (Accessed 1999, December 2).

<sup>76</sup> A **nonconforming van** is one that does not follow the federal vehicle safety guidelines for transporting students set by NHTSA, as opposed to school buses, which do. There are many specialized features on school buses such as stop arms and other safety features over and above those of other passenger vehicle.

<sup>77</sup> Womack, John. NHTSA Acting Chief Counsel. (1993, January 26). Interpretation. [online]. <[http://www.nhtsa.dot.gov/search97cgi/s97\\_cgi.exe](http://www.nhtsa.dot.gov/search97cgi/s97_cgi.exe)>. (Accessed 1999, December 2).

<sup>78</sup> Womack, John. NHTSA Acting Chief Counsel. (1993, January 26). Interpretation. [online]. <[http://www.nhtsa.dot.gov/search97cgi/s97\\_cgi.exe](http://www.nhtsa.dot.gov/search97cgi/s97_cgi.exe)>. (Accessed 1999, December 2).

<sup>79</sup> Tillery, Hi. Owner of Tillery Chevrolet-GMC. (1999, November 23). Fax.

New Mexico Statutes Annotated §§22-16-1 to 22-16-2 indicate that the State has the right to specify the safety regulations for transporting pupils. Under these New Mexico statutes, Head Start providers can use vans to transport children. But because of the NHTSA ruling, Head Start providers cannot buy new vans for their programs. They are only allowed to buy school buses that met NHTSA vehicle safety standards for transporting students.<sup>80</sup> Many Head Start programs cannot afford to purchase buses and therefore do not provide transportation to children. Some parents of Head Start children are unable to provide transportation for their children to the program. As a result, an estimated 20 to 30 percent of Head Start-eligible children are underserved in New Mexico.<sup>81</sup>

### **Conclusion**

Every state faces transportation obstacles in welfare reform. Those states that have been the most successful in overcoming these obstacles share several common characteristics: they have strong leadership and financial commitment from their executive branch; they have one or more champions in their state legislature; they have secured the business community's support to offer employer-sponsored transit benefits and other initiatives; and program managers and directors have earned the trust of their colleagues in other agencies.<sup>82</sup>

In addition to coordinating transportation, communities throughout New Mexico can test other innovations and adapt them to their local needs:

1. Charity car programs may be used in remote regions where this option is the most cost-effective;
2. Commuter-driven carpools and vanpools, combined with coordinated feeder services, can be started in rural areas where workers must commute long distances and public transit is not available or cost-effective;
3. The NMHSD's regional councils can begin negotiating with local school boards and school bus operators to allow transportation of some New Mexico Works participants on school buses;

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<sup>80</sup>Hott, Charles. NHTSA. E-mail. (2000, February 7).

<sup>81</sup> Chavez, Robert. Special Projects Coordinator of YDI, Head Start Grantee for Bernalillo, Taos and Rio Arriba Counties. Telephone Interview. (1999, November 23).

<sup>82</sup> ATRI summary of a presentation by Dr. Toye Brown, Director of the Massachusetts Access to Jobs Program, American Passenger Transportation Association Annual Meeting, Access to Jobs Panel, Orlando, FL. October 12, 1999.

4. State and local governments can locate human services, education, training, and childcare facilities in close proximity to each other, where practical;
5. Each community can designate public facilities to serve as community centers;
6. The NMDOL and NMHSD can adopt guidelines that suggest ways in which transportation services can be systematically integrated into statewide WTW and TANF initiatives; and
7. Finally, policymakers and program managers can establish program prerequisites insuring that the transportation needs of TANF children are met. The integration of transportation for parents and children could smooth some of the bumps caused by the TANF parent's transition from welfare to work. With transportation for TANF children who attend childcare, after- and before-school programs, and Head Start guaranteed by adequate program funds, TANF adults can more easily focus on issues of securing and retaining a job, as well as acquiring new job skills.

Coordination of transportation services offers many benefits to the State and to the people who rely on public or human services transportation. Coordination could make expanding services to remote areas and under-served populations more feasible; increase the number of trips provided and lower per trip cost; reduce operating costs through economies of scale in vehicle procurement and fuel and maintenance costs; make driver training and safety requirements more uniform; and improve the overall quality of service. New Mexico can also benefit from the experiences of many other States in designing new programs so that the programs implemented in New Mexico can be tailored to the State's needs. Establishing an interagency coordinating council could also spur further interagency cooperation in other areas. A level of joint-use coordination of transportation would demonstrate the State's commitment to follow the federal guidelines on TANF, WTW, and ATJ funding and improve the State's chances of receiving future ATJ grants. The benefits derived from coordination could yield positive solutions to many of the transportation problems of moving New Mexico's people from welfare to work.