



Board Report

File #: 2021-0270, File Type: Resolution

Agenda Number: 40.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 17, 2021

**SUBJECT: TRANSPORTATION NETWORK COMPANIES ACCESS FOR ALL PROGRAM FUND
ADMINISTRATOR FOR LOS ANGELES COUNTY**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. ADOPTING a resolution (Attachment A) authorizing Metro to serve as the Los Angeles County Local Access Fund Administrator (LAFA) of revenue generated by the Access for All Program of the California Public Utilities Commission (CPUC) to support on-demand wheelchair accessible vehicle (WAV) service; and
- B. AUTHORIZING the Chief Executive Officer or their designee to submit an application to pursue a designated status as the LAFA for Los Angeles County of revenue generated from the fee that Senate Bill 1376 requires for each trip originating in our region that Transportation Network Companies (TNCs) provide.

ISSUE

In September 2018, Senate Bill (SB) 1376 was signed into California law. It requires the CPUC, as part of its regulation of TNCs such as Uber and Lyft, to establish a program to improve the accessibility of persons with disabilities to on-demand transportation services requested through online-enabled applications or platforms. On April 2, 2021 the CPUC released the application for agencies interested in becoming a LAFA, including TNC Access for All Program Overview and Requirements that it revised on April 30, 2021. The CPUC required LAFA applications to be submitted by May 3, 2021. It also required applicants to submit by July 9, 2021 a Board resolution authorizing the agency to serve as the county's LAFA. Metro may not receive funding until after September 30, 2021 if it does not submit the Board resolution by the CPUC deadline.

Approval of the staff recommendation will allow Metro to complete the CPUC's application process to become the LAFA for Los Angeles County. It will also allow Metro to be the LAFA for Los Angeles County for each CPUC annual funding cycle (through 2027) unless it decides to not continue this role in the future.

BACKGROUND

The primary focus of the TNC Access for All Act and Access for All Program is on users who need a WAV capable of transporting their non-folding motorized wheelchairs, scooters or other mobility devices. Per the CPUC proceedings approved to date (“Track 1” through “Track 3”), TNCs now pay a fee of \$0.10 (twice the minimum required by SB 1376) to the CPUC for each trip originating in each county statewide that their providers complete. Also, the CPUC created a TNC Access for All Fund to deposit and distribute the revenue that the fee generates (net of offsets claimed by TNCs and approved by the CPUC, as well as CPUC administration and other costs) to LAFAs (or Statewide Access Fund Administrators in counties without a LAFA) to pay for their administrative costs and the services of access providers they select annually on a competitive basis to operate on-demand WAV service in their counties. The CPUC also approved allowing LAFAs to use up to 15 percent of the amount it allocates to each county each year to cover their administrative expenses (including staffing and contracted services, among other costs). The CPUC will decide on Track 4 issues later this year.

Staff have been involved in statewide workshops that the CPUC organized for stakeholders to provide their feedback on the implementation of SB 1376 and Access for All Program, as summarized in the January 15, 2021 Board Box. Among the recommendations that staff provided during these workshops, which the CPUC adopted, is the delegation of its responsibility for the administration of the Access for All Program in each county of the state to Metropolitan Planning Organizations, County Transportation Commissions, or Regional Transportation Planning Agencies (as applicable) due to their better understanding of WAV service needs in their regions and how these services relate to existing regional plans.

DISCUSSION

Summary of Requirements for Local Access Fund Administrators

The LAFA may develop an Access for All Program that best suits its region’s needs provided it complies with the CPUC’s Access for All Program requirements. Among these requirements, the LAFA cannot use more than 15 percent of the total funds that the CPUC allocates each year to the county to cover its administrative costs. It must also use the funds for countywide WAV services. The LAFA must develop and maintain a webpage dedicated to its county’s Access for All Program, as well as make a good faith effort to reach out to members and representatives of persons with disabilities within the community during the planning process for their Access for All Program. The LAFA must also establish a process for procuring WAV access providers through an annual competitive solicitation that screens applications based on the CPUC’s eligibility requirements. For each Funding Year, the CPUC requires the LAFA to award contracts to access providers by July 1 of the following year (e.g., July 1, 2022 for the 2021 Funding Year). Selected access providers must then liquidate the funds within 12 months. Funds that the LAFA does not award or that access providers do not spend within 12 months are available for the next funding cycle.

Additionally, the LAFA must submit quarterly reports on the administration of its Access for All Program, including discussion of its administrative costs and involvement with members and representatives of persons with disabilities, with the first of such reports due to the CPUC on

November 15, 2021. The LAFA must monitor the performance of the access providers it selects and provide quarterly reports to the CPUC. To fulfill this requirement, the LAFA would collect data from access providers and review performance metrics quarterly. The LAFA must also determine whether there is any pattern of non-compliance with the standards established by the CPUC and describe any other challenges it encounters, with the first of such reports due to the CPUC on November 15, 2022. The LAFA determines whether access providers are eligible to receive future funding based on their performance.

Metro Outreach

Staff have delivered presentations about the Access for All Fund to the Accessibility Advisory Committee (AAC), the Bus Operations Subcommittee (BOS), the Local Transit Systems Subcommittee (LTSS), and City of Los Angeles Commission on Disability. Staff have also consulted with Access Services, as well as with representatives from other major regional public agencies in California and those representing persons with disabilities. Staff will take into consideration the input of stakeholders in Los Angeles County, including representatives of persons with disabilities and of agencies in Metro's committees and subcommittees, in the development of the Access for All Program for Los Angeles County. Staff will also take into consideration existing plans, processes, procedures and priorities approved by the Board of Directors, including those relevant to Metro's: i) designated recipient status of funds from the Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program; and ii) Coordinated Public Transit - Human Services Transportation Plan for Los Angeles County.

Available Funding

SB 1376 provides an opportunity to expand access to WAV demand-responsive transportation to persons with disabilities from the net revenue generated from the TNC fee per trip originating in each county in California. Staff estimate that TNC provided about 400 million passenger trips per year in California before the coronavirus (COVID-19) pandemic. As reported by the CPUC as of April 8, 2021 based on TNC trips completed during the last two quarters of 2019 and the first two quarters of 2020, the net revenue available statewide for the Access for All Program for the 2021 Funding Year is about \$21.5 million. Los Angeles County's share from the TNC Access for All Fund for this first funding cycle, after the TNC offsets that the CPUC has already granted, is about \$6.6 million. Revenue for future funding cycles is contingent on the demand for TNC services post-pandemic, as well as on TNC offsets and/or exemptions approved by the CPUC for claims for expenses and/or meeting the levels of service specified in the CPUC's rulemaking, respectively. With the inherent funding volatility from one year to another, Metro's Access for All Program must ensure continuity of funding and enhanced on-demand WAV services throughout the term of the provisions of SB 1376 through December 30, 2025 and the 2027 Funding Year.

Interim Actions to Comply with CPUC LAFA Application Requirements and Deadlines

Due to the short notice of the CPUC's release of the application for agencies interested in becoming a LAFA and delay in releasing the revised TNC Access for All Program Overview and Requirements, staff were not able to seek Board approval to submit the application by the May 3, 2021 deadline. Instead, staff submitted a letter stating Metro's intent to serve as the LAFA for Los Angeles County

and provided the certification that the CPUC required from LAFA applicants to comply with its TNC Access for All Program Overview and Requirements. Staff did not submit the notarized affidavit that the CPUC required from LAFA applicants, but stated in the letter of intent that it would do so contingent on the approval by the Metro Board of a resolution (Attachment A) at its regular meeting that is scheduled for June 24, 2021. The CPUC requires the Chair of the Board of Directors to sign the resolution.

Equity Platform

The staff recommendation supports access to opportunities, particularly the third pillar (“Focus and Deliver”) of Metro’s Equity Platform. It supports providing better access to jobs, education, and other opportunities for persons with disabilities who need a WAV capable of transporting their non-folding motorized wheelchairs, scooters or other mobility devices.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no direct impact on the safety of Metro customers or employees.

FINANCIAL IMPACT

All of the recommended actions will be fully funded through the TNC Access for All Fund. CP&D and OMB have agreed working on staffing and other needs during the FY 2022 Mid-Year Budget Adjustment to allow Metro to meet the CPUC’s requirements due to its designation as the LAFA for Los Angeles County. No Metro funds will be required to manage, administer and oversee the program. The amount of funds required to fully support Metro’s LAFA responsibilities will be below the 15% of the total for Los Angeles County available for such use, as allowed by the CPUC.

Impact to Budget

Approving the recommended actions will not impact our bus and rail operating and capital budgets, as TNC Access for All funds are not eligible for these purposes.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports achieving multiple goals outlined in the Vision 2028 Plan. More specifically, it supports Goal 1 to provide high-quality mobility options that enable people to spend less time travelling and Goal 3 to enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board may choose not to approve all or some of the recommended actions. Staff does not recommend this alternative because without Board approval, Metro cannot fulfill the role of Access for All Program LAFA for Los Angeles County. Absent Metro’s designation, the CPUC will assign this responsibility to the Statewide Access Fund Administrator, therefore relinquishing the authority of the Board over the use of Los Angeles County’s share of net revenue from the Access for All Fund.

NEXT STEPS

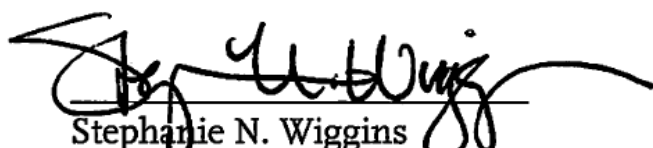
With Board approval of the recommendation, staff will complete the application process to become the Access for All Program LAFA for Los Angeles County. Staff will submit the Board resolution and the notarized affidavit that the CPUC requires from LAFA applicants. Contingent on approval of staffing and other needs through the FY 2022 Mid-Year Budget Adjustment, staff will also establish a task force made up of members of the AAC, LTSS, BOS and others stakeholders to develop the guidelines for Los Angeles County's Access for All Program that will be presented to the Board of Directors for approval during the second half of FY 2022 . Staff will also apprise the Board on the CPUC's decision on the Track 4 proceeding as it relates to Metro's administration of the Access for All Program for Los Angeles County.

ATTACHMENTS

Attachment A - Resolution Authorizing to Serve as the LAFA for Los Angeles County

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