

Date of Hearing: April 22, 2019

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

AB 970 (Salas) – As Amended April 12, 2019

SUBJECT: California Department of Aging: grants: transportation

SUMMARY: Requires the California Department of Aging (CDA), in coordination with the Air Resources Board (ARB) and the Department of Healthcare Services (DHCS), to administer a grant program for the purchase, lease, operation or maintenance of zero-emission vehicles (ZEVs) and near-zero-emission vehicles (NZEVs); and requires grant recipients to provide seniors and the disabled with non-emergency transportation services using these vehicles. Specifically, **this bill:**

- 1) Requires CDA, in coordination with ARB and DHCS, to administer a grant program for the purchase, lease, operation or maintenance of ZEVs and NZEVs.
- 2) Requires grant recipients to provide seniors and the disabled with non-emergency transportation services using these vehicles in order to reduce greenhouse gas (GHG) emissions.
- 3) Authorizes, but does not limit, the following entities to apply for grants:
 - a) Local or regional transportation agencies that provide transportation services to seniors and person with disabilities;
 - b) Area Agencies on Aging (AAA);
 - c) counties; and
 - d) public transit operators.
- 4) Requires grant recipients to provide transportation services using the purchase, lease, operation, or maintenance of ZEVs or NZEVs with a capacity for 7, 12, or 15 passengers.
- 5) Allows applicants to use grant monies to cover reasonable administrative costs.
- 6) Provides funding for the grant program from the Greenhouse Gas Reduction Fund (GGRF) upon appropriation by the Legislature
- 7) Allows CDA to use GGRF funds to cover reasonable costs incurred to administer the grant program.
- 8) Defines a "near-zero-emission vehicle" as a vehicle that utilizes zero-emission technologies, enables technologies that provide a pathway to zero-emissions operations, or incorporates other technologies that significantly reduce criteria pollutants, toxic air contaminants, and GHG emissions, as defined by ARB in consultation with the State Energy Resources Conservation and Development Commission, consistent with meeting the state's mid-and long-term air quality standards and climate goals.
- 9) Defines a "zero-emission vehicle" as a vehicle that produces no emissions of criteria pollutants, toxic air contaminants, and GHG when stationary or operating, as determined by ARB.

EXISTING LAW:

- 1) Requires ARB, pursuant to California Global Warming Solutions Act of 2006 [AB 32 (Núñez), Chapter 488, Statutes of 2006], to adopt a GHG emissions limit equivalent to 1990 levels by 2020 and to use market-based mechanisms (cap-and-trade) to achieve compliance with these regulations.
- 2) Requires, pursuant to SB 32 (Pavley), Chapter 249, Statutes of 2016, that ARB ensure that statewide GHG emissions are reduced to at least 40% below 1990 levels by 2030.
- 3) Establishes the GGRF in the State Treasury, requires all moneys, except for fines and penalties, collected pursuant to cap and trade be deposited in the fund and requires the Department of Finance, in consultation with ARB and any other relevant state agency, to develop, as specified, an investment plan for the moneys deposited in the GGRF, and makes the GGRF funds available for appropriation by the Legislature.
- 4) Requires CDA to designate various private nonprofit or public agencies as AAAs to work for the interests of older Californians within a planning and service area and provide a broad array of social and nutritional services.
- 5) States that the mission of CDA is to provide leadership to the AAAs in developing systems of home-and community-based services that maintain individuals in their own homes or the least restrictive homelike environments.
- 6) Establishes the Medi-Cal program, administered by DHCS, under which qualified low-income persons receive health care benefits and, in part, governed and funded by federal Medicaid program provisions.
- 7) Defines non-emergency transportation services, for purposes of the Medi-Cal Program, to include, at a minimum, round trip transportation for a beneficiary to obtain covered Medi-Cal services by passenger car, taxicab, or any other form of public or private conveyance, and mileage reimbursement when conveyance is in a private vehicle arranged by the beneficiary and not through a transportation broker, bus passes, taxi vouchers, or train tickets.
- 8) Establishes the Charge Ahead California Initiative pursuant to SB 1275 (de León), Chapter 530, Statutes of 2014, that, among other things, includes the goal of placing at least one million ZEVs and NZEVs into service by January 1, 2023, and increasing access to these vehicles for disadvantaged, low-and- moderate-income communities and consumers.
- 9) Establishes the Air Quality Improvement Program (AQIP), administered by ARB in consultation with local air districts, to fund programs that reduce criteria air pollutants, improve air quality, and provide research for alternative fuels and vehicles, vessels, and equipment technologies.
- 10) Establishes the Clean Truck Program, administered by ARB in conjunction with the California Energy Commission, to use GGRF funds for development, demonstration, pre-commercial pilot, and early commercial deployment of zero- and near zero-emission truck, bus, and off-road vehicle and equipment technologies.

FISCAL EFFECT: Unknown

COMMENTS: California has established a number of policies, goals, and programs to improve air quality and reduce GHG emissions. Most notably, AB 32 established the goal of reducing GHG emissions to 1990 levels by the year 2020 and, more recently, SB 32 (Pavley), Chapter 248, Statutes of 2016, established the more aggressive goal of reducing emissions 40% below 1990 levels by 2030. Along with establishing emissions reduction goals, AB 32 allowed for the establishment, by regulation, of cap-and-trade with funds deposited into the GGRF used to fund emission reduction programs.

Using GGRF funds and under the direction of SB 1275, ARB has invested in light-duty pilot projects, including the Car Sharing and Mobility Options Pilot Project which provides funding for government entities or non-profit organizations to start or expand car share and mobility programs for residents of disadvantaged communities. Additionally under the guidance of the Clean Truck program and the creation of the AQIP, ARB created the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and Low NOx Engine Incentives program. For commercial vehicles, ARB provides grants of up to \$300,000 for the purchase or lease of a zero-emission truck or bus and up to \$9,000 for eligible hybrid trucks and buses. A variety of buses are available for HVIP vouchers, including school buses, transit buses, commercial buses, and shuttle buses. In addition, the Clean Vehicle Rebate Program (CVRP), created under AQIP, provides up to \$7,000 to California residents who purchase or lease a new NZEV or ZEV. Private and public entities can access rebates through the CVRP. In fact, public fleets are eligible to receive up to 30 rebates per calendar year.

This bill creates a similar program, under CDA, in order to expand mobility options exclusively for elderly and disabled individuals to attend their doctors' appointments. CDA administers programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the state. CDA administers funds allocated under the federal Older Americans Act (OAA), the Older Californians Act, and through the Medi-Cal program. CDA does not currently operate transportation-related programs explicitly analogous to those specified in this bill. However, it does work with the state's 33 AAAs to assist them in leveraging federal OAA Title IIIB Supportive Services Program resources that can be used by the AAAs to provide a variety of transportation services for eligible older adults. There are two types of transportation categories that the AAAs can fund (assisted transportation and general transportation services). These are determined through a local needs assessment process. In Fiscal Year 2018-19, 79% of the AAAs fund general transportation services and 30% of the AAAs fund assisted transportation services. Under the general transportation category, AAAs may fund various types of services/activities, such as travel vouchers, transit passes and volunteer transportation services, and transportation to congregate meal sites. Under the assisted transportation category, AAAs may fund assistance and transportation, for example an escort to assist a person who has difficulties (physical or cognitive impairment).

Additionally, the federal government authorizes the Medi-Cal program (which may provide service for the elderly and disabled) to specifically cover non-emergency medical transportation services. To clarify and align the state with this authorization, in 2016, the Legislature passed AB 2394 (E. Garcia) which required Medi-Cal to cover non-medical transportation for a beneficiary to obtain covered Medi-Cal services. Non-emergency medical transportation is provided when necessary to obtain program covered medical services and when the beneficiary's medical and physical condition is such that transport by ordinary means of private or public conveyance is medically contraindicated. This type of medical transportation is subject to prior authorization. Each authorization request for such transportation must be accompanied by either a prescription or order signed by a physician,

dentist, or podiatrist, which describes the medical reasons necessitating the use of non-emergency medical transportation. Authorization is granted only for the lowest cost type of medical transport that is adequate for the patient's medical needs and is available to transport the patient at the time transportation is required.

Under the Americans with Disabilities Act, transit operators are required to provide transportation services to the elderly and disabled (paratransit services). However, lack of transit funding or limited service/routes can be a real barrier for the elderly and disabled to access healthcare services. Transit operators, locals and counties can work with private entities and/or non-profits to provide paratransit services. These services can be funded or aided from, as mentioned, federal, local or state funding.

Although Medi-Cal and many transit operators are required to provide transportation services to the disabled and the elderly, there is still a huge need for the disabled and elderly population to attend their medical appointments because of the requirements, restrictions or lack of funding current services may have, and the mobility challenges associated with these residents.

According to the author, “Resources for non-emergency medical transportation are limited in many communities, and, where they are available, the vehicles used in those communities use fuels that contribute to air pollution...Addressing geographic distance and transportation difficulties for elderly and disabled patients is a cost-effective way of improving the quality of life and health outcomes for vulnerable populations, while utilizing ZEVs or NZEVs to reduce transportation barriers provides the important co-benefit of improving local air quality and reducing emissions.”

Writing in support, the Contra Costa Board of Supervisors states, “This bill would provide grant funding for transportation programs to/from nonemergency medical services for older individuals and persons with a disability...The bill is timely, improvements to this type of transportation are critical if we are to improve emergency response to this vulnerable population.” They also urge that the author consider amendments that consider existing coordinated efforts and plans, and the ability to leverage funding for those efforts as well.

In opposition, the Sierra Club notes “AB 970 would provide clean transportation assistance for seniors and those living with disabilities, which we agree is very important. However, the legislation currently states that the CDA would receive GGRF appropriations for ZEVs and NZEVs. Only ZEVs should be eligible for the GGRF appropriations. We would remove our opposition if the reference to NZEVs was omitted.”

Committee Comments: While it is a laudable goal to provide more resources to transport our most vulnerable populations to their doctors’ appointments, the author may want to consider ways this bill can better coordinate existing transportation services and resources. It would be a disadvantage to the state and the targeted community to fund duplicative and uncoordinated efforts.

Previous Legislation: AB 2877 (Mathis) of 2018 would have required ARB to provide grants to rural counties for the purchase, operation and maintenance of NZEVs and ZEVs and required these counties to provide seniors and the disabled with non-emergency transportation services using these vehicles.

AB 398 (E. Garcia), Chapter 135, Statutes of 2017, among other things, extended cap-and-trade provisions until December 31, 2030.

AB 2394 (E. Garcia), Chapter 615, Statutes of 2016, required the Medi-Cal program to cover non-emergency medical transportation for a beneficiary to obtain covered Medi-Cal services.

SB 32 (Pavley), Chapter 249, Statutes of 2016, required ARB to ensure that statewide GHG emissions are reduced at least 40% below 1990 levels by 2030.

SB 1275 (de León), Chapter 530, Statutes of 2014, established the Charge Ahead Initiative, to provide incentives to increase the availability of ZEVs and NZEVs, particularly to low-income and moderate-income consumers and disadvantaged communities.

AB 32 (Núñez), Chapter 488, Statutes of 2006, required ARB to develop a plan of how to reduce emissions to 1990 levels by the year 2020, authorized cap-and-trade and also required ARB to ensure that, to the extent feasible, GHGs reduction requirement and programs direct public and private investment toward the most disadvantaged communities.

REGISTERED SUPPORT / OPPOSITION:

Support

Contra Costa County Board of Supervisors
Imperial County Area Agency on Aging and Public Administration
Two Private Individuals

Opposition

Sierra Club

Analysis Prepared by: Cynthia Alvarez / TRANS. / (916) 319-2093