
CHAPTER 7

ISSUES, OPPORTUNITIES, AND OPTIONS

This chapter presents the transition between the results of the assessment of the current network and program and recommendations for the Caltrans S.5311(f) program, which are presented in the next chapter. The review of the current network in terms of its coverage and connectivity, the relationship of the network to state and federal policy goals, the qualitative input regarding the program administration and service needs—all the information presented in Chapters 2, 3, and 6—are focused here on a number of issues and opportunities for the program. In this chapter these are presented in terms of the issue or opportunity, and potential options for addressing the concern at hand. In effect these represent “alternatives”, and recommendations are presented in the next chapter.

Before addressing the issues, it should be noted that the consideration of the issues and the options are all presented within a context that assumes some key factors. One is that California has in the past, and will continue, to utilize the 15 percent of the allocated S.5311 funding for rural intercity projects. In the history of the S.5311(f) program and predecessor the Section 18(i) program California has never certified that there is no “unmet” rural intercity need, and in the wake of the analysis in Chapter 3 and the input in Chapter 6, it seems unlikely that this would happen in the future. A second key factor is the assumption that the general outline of the S.5311(f) program administration in California will remain the same—the state (Caltrans) will administer the funds under a discretionary competitive grant program. Caltrans will issue a call for grant applications, local entities will apply for funding, and the funding will be provided based on the evaluation of applications. The issues identified with the program have to do with potential changes in program goals, administration, evaluation criteria, etc. and have not indicated a general need to completely revamp the program with a new model.

In the following sections, each issue or opportunity is presented and discussed, and this is followed by a discussion of the potential options available to address that particular issue. These issues have been presented to Caltrans staff and the study Advisory Committee for extensive discussion and review, and their input regarding preferences is reflected in the next chapter, which presents program recommendations.

ISSUE: PROJECT TIME LIMITATION

Issue: Continued Funding

When the rural intercity program was initiated, the amount of funding was limited, and the general perception of the problem to be addressed was one in which a route or service (generally operated by a private intercity carrier) needed subsidy for a limited period in order to achieve sufficient profitability for continuation by the market without subsidy. In some cases these were services previously operated without subsidy, and it was thought that changes in route or frequency, or marketing, might allow for continuation without subsidy. In other cases these were new services, and the funding was regarded as a kind of short-term demonstration funding that would support the service until revenue was sufficient for unsubsidized operation. For these reasons, the initial guidance provided by Caltrans indicated that operating funding would be available to a given project for no longer than a year under this program.

Another rationale for the limitation on how long a given project could receive funding was related to the limited amount of funding. It was thought that if a project was allowed to receive funding year after year, after the initial few projects were started there would be no way to consider potential new projects that might be more efficient or effective, and so new projects would not be able to receive funding.

However, over time the amount of funding, while still not large, has grown, allowing for new projects. In addition, a number of projects have been funded for successive years. The program, originally limited to one year, was extended to allow up to three years of funding for a given project, and now four (plus) is allowed.

The issue is that the program guidance suggests that project self-sufficiency in three to five years is still a goal, and that many potential applicants still believe the one or three-year limits are still in effect, and so hesitate to apply when they know that a project is unlikely to achieve self-sufficiency from the farebox (ever) and there is no identified source of federal funding for the period after S.5311(f) funding ends.

Options: Time Limitation

The obvious option is for Caltrans to modify its guidance to recognize that rural intercity feeder services are no more likely than other rural public transportation services to achieve 100 percent farebox recovery ratios, and that there should not be any expectation that a project will achieve full cost recovery. The market will generally provide capital for such services—this funding is intended to support the development and maintenance of services that the market cannot provide, but which meet social needs.

Implementation of this policy change would require that Caltrans modify its guidance. However, Caltrans and the Advisory Committee have also expressed a concern that such changes would allow for continued funding for projects that are not effective, funding the on-going operation of empty buses.

This could be addressed by continuing to require an annual application for funding, as is the current case, with more defined reporting of some key performance measures to allow the review committee to determine if a project is maintaining or improving its performance, and how all the projects in a given year compare to potential new projects. The evaluation process could then decline to renew projects that are declining in performance, focusing the available funding on the more productive or useful projects. Caltrans would need to provide an evaluation mechanism for continuing projects to ensure that year-to-year differences in the makeup of the evaluation committees and changes in criteria do not make the desired continuity difficult or impossible. A related factor is the need to make sure that the original selection of projects provides funding for those that serve identified needs, meet the goals of the program, and are based on appropriate service levels for the likely ridership.

In this discussion of options, the alternative of using some type of performance measures to score projects has been assumed. Study Advisory Committee members and others from rural areas raised a concern that the neediest areas (those with the fewest people, the longest trips, and the fewest alternatives) might well lose funding under such a system as compared to routes or services in areas with higher population densities and shorter routes. Any sort of assessment for continuation funding would need to recognize these differences and use measures that do not bias the selection of projects against rural areas. This may mean consideration not only of performance type measures, but also including explicit consideration of the lack of options or degree of unmet need.

ISSUE: LACK OF INTERCITY CHARACTER-SERVICES

Issue: Lack of Intercity Connectivity and Focus

The assessment of the current intercity network, including existing S.5311(f) operating projects, revealed that many of the projects may not be addressing the primary federal goal of this program. The guidance provided in Circular FTA C 9040.1F is both vague in some ways, and explicit in others regarding the eligible services. Chapter VIII, Section 7 “Eligible Services and Service Areas” provides a definition of intercity bus services that includes the statement “Connection to the national network of intercity bus service is an important goal of Section 4311(f) and services funded must make meaningful connections wherever feasible”. It provides further discussion that makes clear that not all long distance trips provided in or from rural areas are included in the federal definition of intercity service, but that “regular but infrequent service from limited points in the community of origin to limited points in the destination community” would be included where services providing for extensive circulation would not be considered intercity. It further points out that service that only incidentally stops at an intercity bus facility among other destinations without consideration of the scheduled connection, would not be considered as included in this definition.

The FTA guidance does not specifically quantify any of these definitional points—for example what “infrequent” service is, how many points constitute “limited points”, what a “long distance” trip is, or what “not in close proximity” means. However, the guidance is fairly

specific in requiring that a meaningful connection involves a physical connection to the intercity terminal, and that schedules should be developed with regard to the timetables of the intercity service. It also refers to the connection with the “national intercity bus network”, and explicitly does not include air, water, or rail services as intercity bus service. Also, FTA guidance explicitly rules out commuter bus services as eligible under this program. It should be noted that this guidance would appear to be significantly different from the goals for the Caltrans S.5311(f) program, which call for making multi-modal connections, including rail, air, and ferry service.

Given the FTA guidance, the study team analyzed the current S.5311(f) funded services in California, and this analysis is described in Chapter 5 and Appendix A. That connectivity analysis reveals many funded projects cannot be considered as meeting the FTA S.5311(f) guidance requiring connections to the national intercity bus network. Some connect only to Amtrak intercity rail or commuter rail service, some connect only to local transit hubs, and few are scheduled to provide connectivity to intercity bus services. Many of them also would call into question their intercity character by not having limited stops, by having many stops in destination cities, by offering high frequency services, or by operating primarily to serve commuters—in other words being local or regional public transit eligible for other funding. Finally, few provide any public information about the ability they provide to make a meaningful connection to the national intercity network, in terms of timetables, maps or signs that would enable a user to make a connection.

Options: Lack of Intercity Character—Services

The most obvious option for Caltrans is to change the program guidance regarding goals to reflect the federal goal, and to change the project scoring to provide higher scores for projects that provide for a meaningful connection to the national intercity bus network and are really intercity in nature. Caltrans could also provide definitions that would help applicants and evaluators determine which projects have an intercity focus, and which are primarily some other type of transit.

Another option would be to require a higher level of meaningful connectivity to the national intercity bus network for each project. There are several possible ways to do this:

- By requiring that (or awarding higher evaluation scores to) an applicant that is or is willing to enter into formal interline agreements with a member of the NBTA, and/or
- Requiring that (or awarding higher evaluation scores to) an applicant that is or becomes a Bus Commission agent, and
- Requiring that the applicant serve intercity bus stations as a primary destination, either through a formal docking agreement, or at a designated stop on the public street immediately adjacent to the intercity bus station (as well as local transit hubs, rail stations), and
- Requiring that the applicant publish their timetables in *Russell’s Guide*, and

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- Requiring that applicant's schedules provide for schedule connection to intercity bus services, and
 - Requiring that the applicant's public information (timetables, telephone information, web sites, etc.) include information about the intercity connection including schedules of connecting trips, maps showing where to make the connection, employees at both carriers who are informed about the available connections, and
 - Providing for any needed signage.

It should be noted that any costs related to these requirements would be eligible for reimbursement under the program. Another aspect of including such requirements would be the need for Caltrans to provide technical assistance to transit operators to meet them, and monitoring to make sure that meaningful connections actually exist.

Another option for increasing the intercity character of the funded services is to include specific program guidance that call for data allowing the evaluation committee and Caltrans to identify services that are not intercity in nature. For example, commuter service is generally peak-direction, peak-hour service to employment sites or regional commuter services (commuter rail or rapid rail stations). If applications included data on service frequency, stop locations (on-street, park and ride lots, etc.), primary destinations (employment sites, for example) it would be easier to sort out which services are intercity, and which are commuter. Specific quantitative definitions of numbers of stops, long-distance, etc. would make it very easy to sort out which service is included in the definition of intercity, but FTA has not provided such benchmarks.

Finally, one other policy option to improve the intercity character of both S.5311(f) funded and other local transit services would involve increased state policy efforts to include carriers that are part of the national intercity bus network in public intermodal facilities that are already served by the public carriers. This would include both NBTA members, and independent (ethnic) carriers providing intercity service.

Discussion of these options with the Advisory Committee, Caltrans, and some operators suggested support for increasing the emphasis on intercity bus network connectivity. However, it was noted that in many cases the likely ridership for services focused narrowly on connecting to intercity bus service is low, and that service schedules need to also allow for rural services that meet other needs, such as schedules that would allow for medical appointments in a destination city. Also, it was noted that more people from the rural areas want to reach airports than bus stations, and that in California the state has designated its rail-bus network as a primary intercity mode. The concern is that if the program is too narrowly focused on intercity bus network connectivity, local areas may not provide local match. Also, some rural operators may not be able to enter into an interline agreement, or may find that limited intercity ridership does not warrant it. It would appear that adopting the FTA goals of meaningful connectivity to the national intercity bus network could be accomplished with some flexibility provided, and allowing for other markets to be served in addition if the meaningful connection is provided.

ISSUE: LACK OF INTERCITY CHARACTER-CAPITAL

A related issue that arose in the assessment of projects is the use of S.5311(f) capital for projects that are not primarily rural intercity in nature, but rather represent a piece of a facility or a bus stop or some other capital item that is not directly related to a specific rural intercity service or project. Given that there are substantial unmet service needs that have been identified, this use of S.5311(f) funding for projects eligible for other sources of capital was identified as an issue.

Options: Lack of Intercity Character-Capital Projects

One option for the Caltrans S.5311(f) program would be to narrow the definition of eligible capital to provide funding for capital items to be specifically used on rural intercity services meeting revised requirements focusing on the development of meaningful connections to the national intercity bus network. For example, this could mean limiting capital eligibility under this program to buses used on rural intercity routes (meeting the service definitions), shelters/signs/benches on rural intercity routes, trailblazer signs, computers for intercity services—or particular project elements related specifically to the rural intercity services (for example shelters and signs for the rural intercity service at an intermodal terminal).

Another option would be to further define the ability to use capital for maintenance or passenger facilities to amounts based on the specific usage for rural intercity (e.g. percentage of departures that are rural intercity, percentage of vehicles based in facilities that provide rural intercity service, etc.). This could require some program changes that allow combining S.5311(f) project applications with applications under other funding source. For example, a passenger facility that should be 80 percent S.5307, 15 percent S.5311, and 5 percent S.5311(f) based on usage would be limited to five percent of the total cost from S.5311(f). Under the current grant program structure, the applicant may decide to apply to S.5311(f) for 100 percent of the parking lot, which may or may not be five percent of the project (subject to the \$200,000 per year project limit under the Caltrans program.)

ISSUE: LOCAL MATCH

Issue: Obtaining Local Match for Rural Intercity Projects

A significant issue for the program that was identified from the survey of planners and transit systems was the difficulty in finding local match, particularly for operating projects. On one level California's transit operators are fortunate in that the state's TDA funding provides for a state collected tax that can be used by localities for the local match. However, in rural areas there are significant pressures to find that rural transit needs are met, or that unmet needs cannot feasibly be met (by services with a farebox recovery greater than 10%), so that the TDA funds can be used for road projects. TDA has a well-defined planning process, but the particular application of it in a given area may well focus on transit projects that meet local needs, with

inter-jurisdictional services not addressed. In rural areas the emphasis is often on local projects, and often transit services that would allow passengers to shop or obtain services elsewhere are not included. A related, and significant problem, is that an inter-jurisdictional service that might need funding from two or three areas to be feasible is desired by one area that is far from a regional center with needed facilities, but that the areas closer to the regional center do not want to use their TDA to fund a joint service, thinking that their passengers can ride on a service funded by the other jurisdictions.

The farebox recovery requirements of TDA are sometimes cited when rural intercity projects are found to have low projected farebox revenue, below the ten percent requirement, during the analysis. In practice, a number of rural intercity projects in the state have farebox recovery rates well above ten percent, and in some cases the intercity projects are seen to bring up the farebox recovery rate of the entire system to enable it to meet the ten percent requirement.

Given these issues with the use of TDA funding, it was also noted by some survey respondents that other sources of local match in rural areas are very limited, with little support for local taxes or use of general revenues to go beyond the available TDA.

Finally, an issue that has been present in S.5311(f) since its inception affects private carriers that might be potential applicants, in that they have no source for the required match. Particularly for operating projects, it is not attractive to a private firm to have to come up with half of the net operating deficit out of other company funds—it means that any S.5311(f) service is by definition a money-loser, even with the federal funding. Recent changes in FTA match policy to allow the in-kind value of capital used on unsubsidized connecting service could help address this, but Caltrans would need to make program changes to allow for this program option.

Options: Local Match

The options for addressing local match issues include continued reliance on the existing sources only, or making some program changes that might improve their ability to meet rural intercity needs. They could also include new funding sources.

One option discussed would involve Caltrans seeking legislation to provide for new additional state funding to provide some (or all) of the local match requirement for rural intercity projects. This would have a basis in the policy rationale that these services are part of the state's responsibility, like the highway and passenger rail networks. While there is some policy basis for such a program, at a time in which the state's transit programs are being reduced to meet general state budget deficits, it does not seem feasible to seek new legislation at this time. Although the amount of funding needed is small (to match the available federal money), the constituency is also small, and the needed coalition for passage would likely have to be much larger.

A second option could potentially be based on existing legislation. SB 45, discussed in Chapters 1 and 3, designates several networks in California as primarily state responsibility, and it ties state funding to the support for the maintenance and upgrading of these networks, the IRRS, the Focus network, and the High Emphasis (HE) routes. SB 45 states that public transit

services associated with these networks are also a state responsibility. These networks were used for a comparison with the existing and conceptual intercity bus networks in Chapter 3, and most of the existing network is located on the IRRS. However, there are many routes on the IRRS not served by the intercity bus network. Similarly, there are Focus routes that are unserved by intercity bus, and HE routes that are not served. Potentially a case could be made that existing legislation makes a state role in funding service on these routes legitimate, and SB 45 funds could be used to provide state support for local match on services on these routes that are not provided for by the market place. An issue, of course, is that these routes were not designated because of a determination that they would have intercity bus ridership, but because of other reasons. However, the congruity between the IRRS, Focus, and HE routes and the conceptual network suggests that many of these corridors would address unmet rural intercity needs.

A third option would be for Caltrans to develop guidance and permit the use of the new FTA funding formula with value of capital on connecting intercity bus service used as “in-kind” match. Under the FTA guidance, projects would require participation by the connecting carrier allowing the use of their “in-kind” capital match, and it is likely that they would want to provide their support for projects that offer the potential for actually feeding ridership to them, and they might well require that the applicant be an NBTA member or an interline partner. An issue for Caltrans is that these projects would utilize operating assistance at higher percentage rates because there is no actual local cash match—so the entire net operating deficit would have to be covered by S.5311(f). In addition, if this option is allowed, many existing projects might be tempted to switch to it so that they would not have to provide local match. Maintenance of effort requirements for existing projects would be needed. In addition, it would seem prudent to focus this funding source on match for private carriers that have no local government source of local match. It is a federal pilot program, and the option for Caltrans is to make it a California pilot demonstration program as well.

ISSUE: FMCSA COMPLIANCE

Carriers providing for-hire transportation using commercial vehicles across state lines are supposed to have operating authority from the FMCSA. This involves application for authority and certain levels of liability insurance. It also can involve safety requirements, though that varies with the type of carrier (public or private). Public entities are exempt from requirements for the USDOT number and FMCSA vehicle safety inspections, but private non-profits must have both a USDOT number (safety and registration) and MC number (operating authority and required insurance levels). General Caltrans S.5311(f) guidance calls for applicants to meet applicable requirements, but it does not spell out the requirements. The combination of FTA and FMCSA requirements for S.5311 operators crossing state lines is confusing at best, and Caltrans is not currently in a position to provide technical assistance on this issue, or determine operator compliance. Caltrans is not the agency responsible for determining FMCSA compliance, but is required to monitor FTA subrecipients.

Private intercity carriers do require S.5311(f) operators to meet FMCSA requirements if they want an interline agreement for joint ticketing and information (see Greyhound Rural

Feeder Service guide as an example). So, if the S.5311(f) program were to include a requirement for interline ticketing, FMCSA compliance would be involved.

Options: FMCSA Compliance

Caltrans could require proof of compliance (or plans to comply with follow-up by Caltrans staff) as part of the S.5311(f) application for routes or services involved with interstate service or interline agreements. Caltrans could provide guidance or technical assistance to applicants and current grantees to ensure compliance, or could support the use of RTAP funds to obtain technical assistance from consultants with expertise in this area. Currently the national RTAP program is making such assistance available. Finally, Caltrans S.5311(f) guidance could note that the costs for higher insurance levels to allow interlining or meet FMCSA requirements are an eligible S.5311(f) expense.

ISSUE: CALTRANS \$200,000 PER YEAR PROJECT LIMITATION

Issue: Caltrans Limits on Annual Per Project Funding under S.5311(f)

In the development of this program, Caltrans initiated annual limits on the available funding per project in order to make sure that the limited available funding was not utilized on a very few relatively large capital projects, and to ensure that the funds were distributed among more projects. However, the \$200,000 per project limit is small enough to prevent the purchase of an intercity coach (which can easily run to \$450,000), or even more than a few small buses (three at \$85,000 exceeds the limit). Several operating projects have requested exceptions to the rule. As operating costs rise (due to fuel costs or other factors), long distance routes with low ridership may need higher levels of funding in a given year, or projects adding frequencies based on ridership growth may be capped by these limits.

Options: \$200,000 Limitations

One option is to remove the dollar limit per project, but restrict capital projects in some other way, for example restricting funding to the percentage of a facility project that actually supports rural intercity services to vehicles used on routes/services receiving operating funds under the program. For operating projects, one could lift the cap, but institute requirements related to performance, or meeting identified need.

Other options include continuing the limitation, but revising the guidance wording so that the role of the evaluation committee is to provide a recommendation to Caltrans, and Caltrans has final word in selecting projects (and could therefore provide higher amounts as exceptions to the general guidance, based on need or compelling argument). In other words, formalize the exception process.

A third option is to retain the caps, but raise the limit somewhat to allow for the longer/more frequent services. This could be based on an estimate of the net deficit of operating

the CREST route as a single project, or the net deficit of operating Sage Stage services five or seven days per week.

ISSUE: UNSERVED AREAS/ROUTES DESPITE AVAILABILITY OF S.5311(F) FUNDING

This issue appeared in part because of the assessment of the current network, which identified some routes or services that are seen as needed by local planners or based on the statewide assessment, but for which there are no applicants. The lack of applicants for funding to provide these services is in spite of the fact that the state has adequate S.5311(f) funding to provide the federal share for more service, particularly if some of the potential changes are made to focus the program on operating projects.

Some of the reasons for this have been discussed as part of the other issues above, including:

- A perception that funding is for maximum of one (or three years) with no clear policy on continuity,
- A competitive grant application process with potential for loss of continuing operating funding,
- Local match issues—lack of TDA funding for multi-jurisdictional services,
- Perceptions of need, but routes that are deemed infeasible in the TDA unmet needs process (fare recovery estimated under 10%), and
- Perceptions of need, but routes that are not addressed in the local TDA process because they are seen to be serving other jurisdictions.

Options: Unserved Routes

One option would be to restructure the program (either entirely or partially) to make Caltrans the recipient, and then Caltrans could contract for service that meets identified needs and fills gaps in the network. Such a program could be modeled on the Amtrak feeder bus program, where Caltrans selects needed feeders and contracts for needed service. In this case, the DMT would become the contractor. DMT could use the “in-kind” match approach if no state match was available. DMT could contract with local transit operators (who have local match) or private carriers (who have in-kind match). This change would allow for state initiatives on projects of statewide importance, but lacking an applicant (statewide information system, for example).

An alternative would be to continue the current process, but provide incentives in the grant application/evaluation process to encourage applicants to fill gaps, for example providing

extra points in the evaluation for serving particular corridors, or extra funding from a higher cap. This could be linked to the designation of a “preferred network” by Caltrans, or could use the IRRS/HE/Focus route network of SB 45 as a basis for favoring applications to provide service in particular areas.

A third option is to provide technical assistance to applicants in these areas to help them determine if this is the correct program, if there is actually any demand, etc.

ISSUE: DESPITE COVERAGE, INTERCITY SERVICE IS NOT A NETWORK

Issue: Lack of Network Connectivity

The assessment of the existing services, including the review of connectivity by S. 5311(f) recipients revealed that Greyhound and Amtrak (and other carriers) often serve different stations or locations in the same city—even when public dollars have been spent to build an “intermodal” terminal. There is no interlining or common information system between Greyhound and Amtrak, much less with the other carriers. S.5311(f) connecting services are largely invisible to the public—they are not in the Greyhound or Amtrak schedule systems, and are known only to local riders if their connections to intercity services have been included in local timetables and telephone information systems. While many places in the state have intercity service available, it is likely that the public is unaware of it because they go only to a specific information source, which does not have information about all the services (which are all open to the public).

Options: Lack of Network Connectivity

One option is to fund trip-planning systems and other information sources that would include all services. There have been efforts to develop internet-based information systems that would include user information on all the services, and interest has currently shifted to using Google Transit as a platform to accomplish this. Google provides the internet site and a format for data, and the operators can upload their schedules, stop locations, fares and other information to Google to allow for user access. Google does not charge the operator, but maintaining current data is the responsibility of the operator. On a statewide basis Caltrans could fund a consultant or firm to collect and upload data for all the services, and to maintain that data. This would create a network information system that is unlikely to result if individual operators are left to include (or not) their information, and to maintain it.

A second option is for Caltrans to pro-actively work to shift all carriers to public intermodal terminals. This is not strictly a rural issue, and in many cases local operators have the most significant roles, but a declared policy favoring inclusion and focusing whatever state resources are involved on intermodalism would be desirable.

A third option, discussed above, would be to require S.5311(f) recipients to join the NBTA, become interline partners, and thereby get their schedule information into the national

Greyhound telephone/internet system. This would be only a partial solution, as the Amtrak information system would still not reflect the S.5311(f) carriers. A related requirement, also previously discussed, to increase network connectivity would involve requiring S.5311(f) recipients to connect at intercity bus stations, and revise their scheduling to provide for timely intercity bus connections.

PROGRAM OPPORTUNITIES

Opportunity: Google Transit (or Other Trip-Planners)

As described above, Google Transit will take transit schedule and route data, and make it available to the public to provide trip-planning information. Google does not charge the user or the transit operator, but the transit provider is responsible for formatting, uploading, and updating their own schedule information. Caltrans could contract for a data broker to obtain all the intercity schedules, upload, and maintain the data—including S.5311(f) providers, Greyhound, other carriers, and Amtrak. This could be a state-initiated project, contracted like a planning study, or Caltrans could provide funding to a grantee for them to contract for this service. At this point estimating the cost is difficult, because no one in this country has developed such a business.

Opportunity: New FTA Funding Rules—The Pilot Program

Also mentioned above, the FTA has initiated a Pilot Program to allow the value of capital (50% of fully-allocated operating cost per mile, times annual miles) on connecting unsubsidized service to be used as local operating match. A letter of support/commitment from the carrier providing the match is required. It is likely that the unsubsidized carrier providing the match would want to be sure that the service being funded actually provides feed traffic (connects at common station, scheduled to support connection, interline tickets) and is marketed as such. Greyhound may want to focus on services from places they abandoned recently, but know could produce some ridership. As discussed above, allowing a Caltrans pilot program to use this source could provide for some service in corridors for which there is carrier interest and no local match, and could support participation by private for-profit firms.

Opportunity: Greyhound Rural Feeder Program

Greyhound is interested in S.5311(f) funding usage by rural public operators that will provide feed traffic to them. It has packaged information about interline ticketing agreements (NBTA), their own MAX ticketing/data system, terminal licenses, insurance requirements, fare development, FMCSA requirement, etc. on its website for access by rural transit operators (and states). Together this makes a complete package supporting connectivity between rural public transit operators and Greyhound. Information about these options could be provided to current S.5311(f) grantees, potential applicants, and other rural transit operators. Caltrans could provide technical assistance to rural transit operators in setting up such connections, either by supporting

assistance available from the national RTAP program through American Public Works Association, or directly through staff or consultants.

CONCLUSIONS

The discussion in this chapter presented a number of issues and options regarding the current program, based on previous assessments and input during the study process. These issues, options and opportunities have been presented to Caltrans program staff and the study advisory committee, and input from them is reflected in the program recommendations presented in the next chapter.