



Funding Programs

This chapter discusses the federal and state funding programs available for regional bus services, then provides a review of the use of funding by carriers in other states.

8.1 Federal Intercity Bus Operating Assistance—Section 5311(f)

The Bus Regulatory Reform Act enacted in 1982 granted intercity bus operators much greater leeway in eliminating or adding service than they had been given under previous regulatory acts, some dating from the 1930s. By 1991, intercity bus service in many rural, non-urbanized areas had been reduced significantly. In response, the multi-year federal authorization enacted that year, the Intermodal Surface Transportation Efficiency Act (ISTEA), included a provision in Section 18(i) for financial assistance for maintaining or expanding intercity bus service in non-urbanized areas.

Section 18 of ISTEA became Section 5311 in the next authorization, the Transportation Equity Act for the 21st Century (TEA-21), enacted in 1998. The Section 5311 designation has continued through subsequent authorizations, and provides for federal funding for transit services in non-urbanized and rural areas with populations less than 50,000. Funding nationwide is allotted to the states for distribution by state officials to local applicants. The funding allocation by state is based on each state's non-urbanized population. Section 5311 funds can be used for capital expenditures, as well as operating, planning, or administrative expenses. Eligible recipients of Section 5311 funding include state agencies, local municipalities, nonprofit organizations, and local transit operators.

TEA-21 also codified intercity bus assistance as Section 5311(f). Section 5311(f) requires each state to expend at least 15% of its annual Section 5311 apportionment to “carry out a program to develop and support intercity bus transportation.” This 15% requirement applies only to the amount of FTA's

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annual apportionment of Section 5311 funds to the state and does not apply to any funds the state subsequently transfers to its Section 5311 program from a different program.

The 15% requirement can be waived if the governor certifies that “the intercity bus service needs of the state are being met adequately.” The Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) reauthorization, enacted in 2005, amended Section 5311(f) to require that a state consult with intercity bus providers before the governor makes the certification that intercity bus services are adequate. This remains unchanged in the most recent reauthorization, enacted in July 2012, Moving Ahead for Progress in the 21st Century (MAP-21).

The Federal Transit Administration uses the following definition of intercity bus service from 49 U.S.C. 5302(a):

Regularly scheduled bus service for the general public that operates with limited stops over fixed routes connecting two or more urban areas not in close proximity, that has the capacity for transporting baggage carried by passengers, and that makes meaningful connections with scheduled intercity bus service to more distant points, if such service is available.

Commuter-only services are not eligible for Section 5311(f) funding. The FTA definition of commuter service is:

Fixed route bus service, characterized by service predominantly in one direction during peak periods, limited stops, use of multi-ride tickets, and routes of extended length, usually between the central business district and outlying suburbs.

Several of the regional bus services operating in Massachusetts would be categorized as commuter bus. These include the Coach Company and Yankee Line routes and the MVRTA Boston commuter bus. There are a significant number of routes operated by other carriers that have a large percentage of daily riders who are commuters but are not considered commuter routes because of other characteristics. These characteristics include service in both directions during peak periods; off-peak service, including weekends; routes connecting two urban areas; and the ability to sell through-tickets to destinations throughout the nationwide bus network.

Section 5311(f) funding may be used, however, to assist feeder services that make meaningful connections with intercity bus services. These feeder services do not necessarily have to possess the same characteristics as intercity bus service (such as equipment type or only making limited stops), but services that merely stop at an intercity bus station as one of many stops and

share no other characteristics of an intercity feeder service are not necessarily eligible for §5311(f) funding.

Intercity bus activities eligible for Section 5311(f) funding include:

Planning and marketing for intercity bus transportation, capital grants for intercity bus shelters, joint-use stops and depots, operating grants through purchase-of-service agreements, user-side subsidies and demonstration projects, and coordination of rural connections between small public transportation operations and intercity bus carriers.

This listing does not preclude other capital and operating projects for the support of rural intercity bus service. For example, the state may provide operating assistance to a public or private nonprofit organization for the direct operation of intercity service after appropriate consideration of participation by private for-profit service providers. Capital assistance may be provided to purchase vehicles or vehicle-related equipment such as wheelchair lifts for use in intercity service. Charter and tour services are not eligible for assistance.

Section 5311(f) funds can cover up to 50% of operating costs and up to 80% of capital costs for each funded project. The cost of operating the service is defined as a net cost, with the total operating costs being reduced by any operating revenues realized, mostly from the farebox.

The non-federal subsidy can be contributed by one or more local sources, including state or local governments, RTAs, nonprofit institutions, or for-profit intercity bus carriers. Identifying sources for the 50% local match for operating costs has proved difficult, and a pilot program was initiated in 2006 that allows for the value of capital equipment provided by a bus operator on a connecting, unsubsidized service to be considered a part of the local match. MAP-21 codified this pilot program as Section 5311(g), as follows:

In the case of an intercity bus project that includes both feeder service and an unsubsidized segment of intercity bus service to which the feeder service connects, [the remainder of net project costs] may be derived from the costs of a private operator for the unsubsidized segment of intercity bus service as an in-kind match for the operating costs of connecting rural intercity bus feeder service funded under subsection (f), if the private operator agrees in writing to the use of the costs of the private operator for the unsubsidized segment of intercity bus service as an in-kind match.

In FFY 2012, a total of \$525,778 in Section 5311(f) funding was awarded by Massachusetts to two carriers, \$246,028 to Plymouth & Brockton and \$279,750 to Peter Pan. P&B used the funds to subsidize the operation of its Provincetown–Hyannis route outside of the peak summer season. Peter Pan

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has used the funds for capital improvements to its Springfield bus terminal and the MassDOT Falmouth bus depot.

MAP-21 left the Section 5311(f) intercity bus program largely unchanged. Section 5311(f) continues as the basis of federal support for intercity bus service, and it is appropriate to consider its present exact language in MAP-21:

Intercity Bus Transportation –

- (1) *IN GENERAL – A State shall expend at least 15 percent of the amount made available in each fiscal year to carry out a program to develop and support intercity bus transportation. Eligible activities under the program include –*
 - (A) *planning and marketing for intercity bus transportation;*
 - (B) *capital grants for intercity bus shelters;*
 - (C) *joint-use stops and depots;*
 - (D) *operating grants through purchase-of-service agreements, user-side subsidies, and demonstration projects; and*
 - (E) *coordinating rural connections between small public transportation operations and intercity bus carriers.*
- (2) *CERTIFICATION – A State does not have to comply with paragraph (1) of this subsection in a fiscal year in which the Governor of the State certifies to the Secretary, after consultation with affected intercity bus service providers, that the intercity bus service needs of the State are being met adequately.*

8.2 Additional Federal Programs

There are several other FTA programs authorized in MAP-21 that in some circumstances could provide funding support for intercity and regional bus services. These programs may have existed in some form in earlier authorizations; this section summarizes these programs as they are now authorized in MAP-21.

8.2.1 Urbanized Area Formula Program—Section 5307

The Urbanized Area Formula Program is intended to provide grants for capital projects, for planning, and for job access and reverse-commute projects. Operating assistance is allowed in areas that meet several criteria. The amount of Section 5307 funding allocated to each urban area is based on a set of formulas, published in Section 5336, related to population, population density, and service statistics reported in the National Transit Database (NTD).

The service statistics include vehicle revenue-miles, directional route-miles, passenger-miles, and operating expenses. These are calculated for both the fixed-guideway and non-fixed-guideway services within the urbanized area.

Agencies report data for their own agency, and they compile their service statistics covering urbanized areas according to guidelines found in the NTD Reporting Manual. The NTD guidelines ensure that, for federal funding allocation, track miles are only counted once and that other statistics are compiled according to a reasonable and consistent methodology.

In the past, operators like Bonanza (since acquired by Peter Pan) voluntarily reported their service statistics in the NTD. Bonanza reported service that ran through the Providence and Boston urbanized areas, and Bonanza's service statistics were counted in the total Section 5307 allocation to these urbanized areas.

The largest share of Section 5307 funds is spent on capital expenses. The use of Section 5307 funds for operating assistance is limited, and where operating assistance is permitted, a 50% local match is required.

Use of Section 5307 funds for operating assistance is permitted in areas with a population of fewer than 200,000 individuals and for non-rail services in areas with a population more than 200,000 individuals if a public transportation system operates fewer than 100 buses. If a system operates fewer than 76 buses on fixed routes during peak hours, no more than 75% of the area's 5307 allocation attributed to the system may be spent on the system's operating expenses. If a system operates between 76 and 100 peak-period, fixed-route buses, no more than 50% of the urbanized area's allocation attributed to the system may be spent on the system's operating expenses.

Examples of Regional Commuter Services Funded with Section 5307 Funds

Birnie Bus Services in Utica, New York, operates local regional service within the Utica urbanized area as well as intercity bus services. The Utica MPO has programmed Section 5307 funds for the local service and 5311(f) funds for the intercity services. Birnie Bus Services receives Section 5307 funds for both operating assistance and preventive maintenance, considered a capital expense.

Adirondack Trailways provides commuter service to Albany, New York, supported by Section 5307 funds programmed by the Ulster County Transportation Council (UCTC). The specific application of the Section 5307 funds has evolved within the MPO process. In an earlier Transportation Improvement Plan (TIP), UCTC programmed the funds for preventive maintenance of Adirondack facilities and equipment. The 2009 TIP used

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Section 5307 funds to purchases buses for lease to Adirondack. TIP amendments currently being considered would program Section 5307 funds for “capital cost of contracting to Adirondack Trailways.”

8.2.2 Bus and Bus Facilities Formula Grants—Section 5339

The federal multi-year authorizations have long provided both formula-based and non-formula-based support for fixed-route-transit capital investments. In prior authorizations, all grants were authorized through Section 5309. In MAP-21, the Section 5309 designation continues, but it authorizes funding solely for “New Starts” investments.

MAP-21 created several new sections, including Section 5339, authorizing certain types of investments that were previously authorized through Section 5309. Section 5339 funds are provided with the goal of replacing, rehabilitating, and purchasing buses and related equipment and constructing bus-related facilities. Grant recipients must be public agencies or private nonprofit organizations engaged in public transportation.

8.2.3 State of Good Repair Formula Grants—Section 5337

MAP-21 also created the Section 5337 State of Good Repair Formula Grants program, funding that had previously been available through Section 5309. As in prior authorizations, the primary purpose of this program is funding support for fixed-guideway transit systems.

Section 5337 does, however, define a new class of transit service, “high intensity motor buses,” for which a small portion of Section 5337 funding is authorized. “High intensity motor buses” is defined as public transportation that is provided on a facility with access for other high-occupancy vehicles.

Funds are allocated to each urbanized area based on the number of high intensity motorbus vehicle revenue miles and directional high intensity motorbus route miles. The service operating in the high-occupancy vehicle lanes must have been operating for seven years before the fiscal year of the allocation. This expanded eligibility reflects the interest in a growing number of urban areas in implementing bus rapid transit operating practices.

8.2.4 Formula Grants for Rural Areas—Section 5311

Funding support for rural public transportation services is authorized in Section 5311. Aside from the 15% of 5311(f) funds directed to intercity bus service, rural transit funding may be spent on capital projects, operating expenses, purchase of transit services from private carriers, and job access and reverse-commute projects. These funds are allocated based on the land area and population of a state, rural vehicle-revenue-miles, and the number of low-income people living in rural areas.

8.2.5 Enhanced Mobility of Seniors and Individuals with Disabilities— Section 5310

Section 5310 authorizes funding for transit projects that do one or more of the following:

- Meet the needs of seniors and people with disabilities when current transit options are insufficient
- Exceed the requirements of the Americans with Disabilities Act (ADA)
- Reduce reliance on paratransit services
- Provide other non-public-transportation alternative transportation options that assist seniors and people with disabilities.

Funds are allocated to large urban areas, small urban areas, and rural areas. Projects are solicited from potential sub-recipients by the MPO in the case of large urban areas and by the state in the cases of small urban areas and rural areas. MAP-21 merged the former Section 5317 New Freedom Program into Section 5310, previously known as the Elderly and Disability Program, to create the current, renamed program.

8.2.6 Congestion Mitigation and Air Quality (CMAQ) Funds

Since the enactment of ISTEA in 1991, the multi-year transportation authorizations have provided for a class of expenditures that were expressly envisioned by Congress to help bring states into compliance with the Clean Air Act. The program is referred to as Congestion Mitigation and Air Quality (CMAQ) in explicit acknowledgment of the fact that motor vehicles traveling in congested road conditions experience delay and lengthened travel times, both of which result in higher levels of vehicle emissions. Authorized CMAQ funds are jointly administered by the FTA and the Federal Highway Administration (FHWA). A CMAQ program description is available at http://www.fhwa.dot.gov/environment/air_quality/cmaq/.

The Clean Air Act Amendments of 1990 added several tools to the effort to attain the National Ambient Air Quality Standards (NAAQS). Areas that had not yet achieved the NAAQS, known as “nonattainment areas,” would be subject to more stringent control measures. Recognizing the link between transportation and air quality, allowable tailpipe emissions were further reduced. Also, in an important new step, transportation planning and air quality planning were explicitly linked.

The link between transportation and air quality planning was strengthened the following year with the passage of the ISTEA multi-year authorization. As implied by its name, ISTEA made transportation planning explicitly multimodal. Established with a five-year authorization level of \$6 billion, the CMAQ

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program was conceived to support surface transportation projects and other related efforts that contribute to air quality improvements by providing congestion relief. The CMAQ program was reauthorized in 1998 under the TEA-21 authorization, again in 2005 under SAFETEA-LU, and mostly recently, in July 2012, under MAP-21.

CMAQ is an apportioned program, and each year's funding is distributed to the states via a statutory formula based on population and air quality classifications designated by the EPA. While the bulk of TEA-21 and SAFETEA-LU funding was focused on nonattainment areas and so-called "maintenance" areas, states without nonattainment or maintenance areas also received a minimum apportionment of CMAQ funding.

Under SAFETEA-LU, CMAQ provided just under \$9 billion in grants to MPOs, state DOTs, and individual project sponsors for a diverse set of transportation-environmental projects. SAFETEA-LU expanded the range of eligible CMAQ project types, placing more priority on diesel engine retrofits and similar cost-effective emission reduction actions as well as congestion mitigation projects that provide air quality benefits.

Expanded regional bus service between Boston and New Hampshire was initiated with CMAQ funding support. Private carriers had long operated profitably between points in New Hampshire and Boston, but there was a perception both in the industry and at public authorities that a larger regional bus market remained untapped because of a need for strategically located park-and-ride lots.

The State of New Hampshire envisioned added service over both the U.S. 3 corridor from Nashua and the I-93 corridor serving Londonderry and Salem, New Hampshire. Service was initiated in 2007 from Nashua by the newly incorporated Boston Express, jointly owned by C&J and Concord Coach, with buses purchased by New Hampshire DOT using CMAQ funds and leased to the new carrier.

Service in the I-93 corridor began in November 2008. With CMAQ support, New Hampshire built new park-and-ride lots with station buildings at Exit 2 in Salem and Exit 5 in Londonderry and added a new station building at an existing lot at Exit 4. A bus maintenance facility was also constructed at the Exit 5 location. Additional new buses were purchased for lease to Boston Express, and operating funding was provided for the period of November 2008 to November 2011.

Application Process for Funds

The Commonwealth of Massachusetts has recently streamlined the application process for several of the federal programs into a single community transit grant program application. The majority of the programs and funding relate to

support for RTAs, but any support for regional bus service would go through the new, consolidated grant application process.

8.3 State Funding

Prior to 2010, Massachusetts provided operating subsidies to a number of commuter bus services running between the then 78-community MBTA district and communities outside of the district. This was known as the interdistrict program, and there have been no operating subsidies provided directly by the Commonwealth to any private regional carriers since it was phased out in 2010. This section discusses what happened to the formerly subsidized routes after the subsidy ended and then reviews a continuing capital subsidy program.

8.3.1 The Discontinued Interdistrict Operating Subsidy Program

Nine routes were subsidized by the interdistrict program: one each operated by Bloom and Peter Pan, two routes each operated by Cavalier Coach and the Coach Company, and three P&B routes.

Three of these routes have since been completely discontinued, including P&B's Marshfield–Braintree route, which was discontinued immediately when the subsidy was withdrawn. Cavalier Coach initially responded by raising fares and combining its Northborough–Marlborough–Boston "Post Road" route and Marlborough–Southborough–Framingham–Boston route into a single loop service. The combined route was completely discontinued in 2011.

Six of the formerly subsidized routes survived in some manner as carriers responded by increasing fares, reducing trips, or both. Bloom Bus reduced midday and evening service, and the Coach Company both reduced trips and increased fares. Peter Pan reduced the commuter service schedule from three round-trips to one round-trip but also modified the schedule of a Springfield–Boston trip, adding a stop in Framingham convenient for commuters. P&B was able to continue two of its formerly subsidized runs by just increasing fares.

The interdistrict program had been level-funded at just over \$1 million for a number of years, this subsidy being divided over all subsidized routes. Funding had been withdrawn in prior years from weaker routes with a high subsidy per passenger; the overall program was eliminated because of budget austerity, not weak ridership.

8.3.2 Capital Subsidies

Starting in 1983, Massachusetts began a program of periodically making a quantity purchase of coach-type buses that could be leased on favorable terms to regional carriers. This program is important because even carriers

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operating without subsidy may find it difficult to replace buses after the recommended maximum 12 years of service.

There was a second quantity purchase of 28 buses in 1988, and these buses are in the process of being retired. In 2011, Massachusetts won a grant through a competitive FTA program; this grant will be used to purchase 30 new over-the-road coaches later in 2012.

8.4 Peer Review of Regional Bus Funding Programs

As part of this study, a review was conducted of the efforts of other states to provide support, with both state and federal funding, to private intercity and regional bus operators. The findings are summarized below. The support for intercity service is entirely through Section 5311(f), which does not provide support for commuter services. A number of federal and state programs are available to support private regional commuter services.

8.4.1 Use of Federal Section 5311(f) Funding for Intercity Service

A total of 37 states reported using their Section 5311(f) allocation and local match to provide operating support for private carriers. The carriers receiving this support in 2010 are listed by state, below. These supported carriers are by no means the only carriers operating in the state and are not necessarily the largest.

- Alabama Capital Trailways
- Alaska Alaska Direct Bus Line
- Arkansas Jefferson Lines, Kerrville Bus
- California Greyhound
- Colorado Black Hills Stage Lines, Burlington Trailways, Greyhound
- Florida Greyhound
- Idaho Northwestern Trailways, Salt Lake Express
- Indiana Miller Trailways
- Iowa Jefferson Lines, Burlington Trailways
- Kansas Bee-Line Bus
- Kentucky Greyhound
- Louisiana LA SWIFT
- Maine Cyr Bus, West's Transportation
- Maryland Greyhound

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- Massachusetts Peter Pan, Plymouth & Brockton
- Michigan Indian Trails, Jefferson Lines, Greyhound
- Minnesota Jefferson Lines
- Missouri Burlington Trailways, Jefferson Lines, Shumake's Ozark Village
- Mississippi Delta Bus
- Montana Rimrock Trailways
- Nebraska: Black Hills Stage Lines
- Nevada Greyhound
- New Hampshire: Concord Coach
- New Mexico New Mexico DOT park-&-ride service
- New York Adirondack Trailways, Birnie Bus, Brown Coach, Coach USA, Coxsakie Transport, Fullington Trailways, Greyhound, Newburgh-Beacon Bus Corp.
- North Carolina Coach America, Greyhound
- North Dakota Jefferson Lines, New Town Bus Lines
- Ohio Lakefront Lines
- Oregon Porter Stage Lines, TAC Transportation, Oregon Coachways, The Shuttle, Inc., CAC Transportation, Valley Retriever
- Pennsylvania Bieber, Fullington, Myers Coach, Susquehanna, Greyhound (17 routes)
- South Dakota Jefferson Lines
- Tennessee Anchor Trailways (route recently discontinued)
- Texas Greyhound, Kerrville, All Aboard America, Jefferson Lines, Concho Coaches
- Utah Greyhound
- Washington Northwestern Stage, Heckman Motors, Central Washington Airporter
- Wisconsin Jefferson Lines
- Wyoming Black Hills Stage Lines

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Five states use §5311(f) to support intercity service through mechanisms other than direct support of a private carrier. Georgia uses §5311(f) funds for intercity-service-related capital projects. Virginia and West Virginia support public transit routes between urban areas that qualify as intercity services. Arizona and Illinois use §5311(f) funds to support rural transit services that connect with and feed passengers to private intercity carriers.

Four geographically small states have statewide transit agencies and do not use §5311(f) to support private intercity carriers. State-operated bus services in Delaware, Rhode Island, and New Jersey operate throughout the three states. A state agency, Connecticut Transit, operates buses in a number of locations in Connecticut. These operations, in conjunction with Amtrak, commuter rail, and several unsubsidized intercity bus services, effectively link together all of Connecticut's urbanized areas.

Greyhound is the primary bus carrier in a number of states, and 12 states report using §5311(f) funds to support some Greyhound routes. Other regional bus carriers usually have limited coverage, with Jefferson Bus Lines being an exception. Jefferson's routes extend through the mid-continent between Texas and Canada, and nine states report supporting Jefferson Lines with §5311(f) funds. Most regional bus carriers, including larger systems like Jefferson and Indian Trails in Michigan, work with and feed riders into the larger Greyhound system.

Intercity bus studies have been undertaken and made public by the 16 states listed below since 2007. Review of existing and potential §5311(f)-funded initiatives was a primary focus of many of these studies.

- Alabama, 2007
- Arizona, 2008 (primarily rural plan with some intercity)
- California, 2008
- Florida, 2009
- Indiana, 2009
- Minnesota, 2010
- Missouri, 2010
- Montana, 2011
- New Mexico, 2010 (primarily rural plan with some intercity)
- North Carolina, 2009
- Ohio, 2007
- South Carolina, 2012
- Tennessee, 2010
- Utah, 2010
- Vermont (a full public transportation policy plan, including intercity bus)
- Wisconsin, 2010

Most of these states are much larger than Massachusetts, and a review of the studies found that most of the analyses considered the availability of bus service within 25 miles as providing good access. Some public transit agencies in these states operate their entire route systems in rural areas. In contrast, rural and non-urbanized transit services in Massachusetts are usually anchored at some point to an urban area. Furthermore, Massachusetts is unusual in having a relatively large number of private carriers providing service, some of which are competing in several well-served corridors.

8.4.2 Regional Commuter Bus Services Provided by Private Carriers

Commuter bus services provided directly by private carriers and open to the general public are no longer common in the United States. Boston, New York City, and Washington, D.C., have extensive private carrier commuter service, but outside of these markets private commuter services are limited. The federal support usually available for intercity carriers, §5311(f), cannot be used to support commuter services.

The majority of private carrier commuter bus services in the United States receive government support in the form of either operating subsidies, capital equipment, or both. There do remain, however, several completely unsubsidized operations serving cities outside Massachusetts.

This section describes a number of private commuter services operating in parts of the country other than Boston that post their offerings on-line. Some operate without a subsidy, some with a partial subsidy, a few under direct contract from a government authority.

- New York City/Northern New Jersey

The largest concentration of commuter bus services operated by private carriers in the United States can be found in northern New Jersey; they connect numerous New Jersey communities with New York City. New Jersey Transit (NJT), the statewide transit agency for New Jersey, provides no operating subsidies to the six operators that provide these services.

NJT does, however, provide capital support, having purchased hundreds of buses for distribution via lease to New Jersey carriers since the 1970s. The six New Jersey bus companies taking advantage of NJT equipment are: Academy, Coach USA, Lakeland, Decamp, Trans Bridge, and Carefree.

In addition to these six New Jersey carriers, two non–New Jersey carriers provide unsubsidized commuter services to New York City. Martz Trailways operates commuter routes between locations in

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Pennsylvania and New York City, with some buses also stopping in New Jersey.

Greyhound operates in 48 states, and once offered commuter services in numerous urban markets. Greyhound has since exited all commuter markets but one: it still operates frequent, unsubsidized commuter service between Mount Laurel, New Jersey, and New York City.

Three private carriers operate regional buses without any subsidy between points on Long Island and New York City. These include Hampton Jitney, Hampton Luxury Liner, and Long Island Transit, an affiliate of World Wide Bus.

Atlantic Express operates express bus service between the New York City boroughs of Staten Island and Manhattan under contract to the New York City Department of Transportation. While this route begins and ends in New York City, the buses travel through New Jersey.

- Washington, D.C.

After New York City's services, the largest concentration of private carrier commuter bus service is that which connects Washington, D.C., with its Maryland and Virginia suburbs. Maryland DOT supports service in Maryland through the purchase and lease of buses to the private operators, while the carriers in Virginia appear to be totally self-supporting.

The Maryland service has evolved into a contract service, with Maryland DOT providing full financial support and choosing operators through a bid process. The Maryland Mass Transit Administration (MTA) leases 50 buses to the private carriers and disseminates schedule and route information for all services. The private carriers that operate under contract to MTA are BJ Express, Dependable Commuter Service, Dillon's Bus Service, Eyre Bus, Johnson's Bus, and Keller Transportation.

The bus companies operating in Virginia are Academy Express, D&B Bus/Quick Commuter Bus, L&J Transport, Lee Coaches, Martz/National Coach Works, Reston Bus Express, and Schrock Tour & Charter. Several counties in Virginia operate their own commuter service in addition to that provided by private carriers.

- Albany, New York

Peak-period commuter service between Albany and points in New York is provided by Brown Coach, Upstate Transit, Yankee Trails, Adirondack Trailways, and Coxsackie Transportation. One Yankee Trails route

extends to Bennington, Vermont. A LINK ticket is available which allows transfers to Capital District Transit Authority (CDTA) buses in Albany.

- Harrisburg, Pennsylvania

Fullington Trailways operates one round-trip during peak hours that is part of a regional route subsidized by Pennsylvania's intercity bus program. R&J Tours operates limited service between Harrisburg and communities to the east.

- Hartford, Connecticut

Four private carriers, Collins Bus, Peter Pan, DATTCO, and Kelley Transit, operate express bus service to Hartford. At one time these routes were supported by state operating subsidies. The Connecticut Department of Transportation has gradually taken a larger role in providing these services, both owning the equipment and contracting for specific services.

- Milwaukee, Wisconsin

Wisconsin Coach, a Coach USA Company, operates service between Milwaukee, Racine, and Kenosha under contract to the City of Racine. Wisconsin Coach operates additional service into Wausau County under contract to the County. Although operated under contract to city and county agencies, these services are still marketed to the riding public as Wisconsin Coach Lines services. Wisconsin Coach had been the original service provider preceding any subsidy or contract arrangements.

- Orange County, New York

Monsey Trails and Monroe Bus operate service between Orange County and New York City. Orange County uses federal §5307 capital grants to purchase buses for lease to the carriers and supports these services with operating assistance from New York State. Where a local match to the operating assistance is required, the operators provide this match to the county.

- Philadelphia, Pennsylvania

Bieber Bus operates commuter service on two routes between Reading and Philadelphia. Bieber receives assistance from Pennsylvania's intercity bus program.

- Pittsburgh, Pennsylvania

Myers Coach provides limited commuter bus service between Pittsburgh and Butler and Grove City. This service is subsidized by the Pennsylvania intercity bus program.

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Lenzer Coach, a Coach USA company, operates an unsubsidized service between Pittsburgh and Warrendale and Cranberry Townships. This service, which replaced a discontinued Port Authority Transit (PAT) express bus route in March 2011, requires riders to have reservations. Service on another former PAT route was discontinued in November 2011 because of low ridership.

- Rochester, Minnesota

Rochester City Lines operates unsubsidized commuter express bus service between Rochester and its suburbs. It formerly operated local bus service under contract to the city but recently lost that contract.

- West Chester, Pennsylvania

Krapf's Coaches operates unsubsidized local and commuter services between West Chester and Coatesville.

- Silicon Valley region, California

Bauer's Intelligent Transportation operates a commuter bus service connecting technology employment centers in Milpitas and Fremont with residential areas of San Francisco and Vacaville, a city half way to Sacramento. These services are open to the general public, but reservations are required. The schedules operated and equipment provided mimic employer-contracted commuter bus services, which have become popular with large information technology employers in the San Francisco Bay area, such as Google.

- Syracuse/Rome, Oneida County, New York

Birnie Bus has a \$5307 funding agreement with Oneida County to provide line-run bus service between Rome and Syracuse and between Rome and Little Falls.

Review of FTA data and various online sources revealed no private carrier commuter bus services in other large metropolitan areas, including Los Angeles and Chicago. Either such services truly do not exist, they are very poorly marketed, or their type of service and identity have become unclear, perhaps because of a government contract arrangement.

One pattern of note when reviewing the list of smaller urban areas served by private commuter operators is that several have large employers in a concentrated area. Examples of this include the state capitals Albany, New York; Hartford, Connecticut; and Harrisburg, Pennsylvania; the Mayo Clinic medical complex in Rochester, Minnesota, is another example.