

NHDOT INTERCITY POLICY

Last Revised: June 2018

Introduction

According to federal law, the state must spend “15 percent of its annual Section 5311 apportionment ‘to carry out a program to develop and support intercity bus transportation,’ unless the governor certifies that ‘the intercity bus service needs of the state are being met adequately.’” Before seeking such a certification, the state is required to consult with intercity bus providers and demonstrate that it has assessed statewide intercity mobility needs no more than four years before the date of the certification. The regulations ([FTA C 9040.1G](#)) specify that the “required percentage does not apply to any funds the state subsequently transfers to its formula grants for rural area program from another program (such as Section 5307).”

Per 9040.1G: “The state must document in the SMP its consultation process and any process that it develops for periodically assessing statewide needs. FTA will evaluate evidence that the state has followed its process in state management reviews approximately every three years.

Definitions

The official federal definition of intercity bus service is as follows:

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.

Although this definition does not mention rural areas explicitly, the intercity funding that is the subject of this policy, because it is part of the Section 5311 program, is intended to be spent on projects that assist people traveling to or from non-urbanized areas. The regulations define an urbanized area as “an area encompassing a population of not less than fifty thousand people that has been defined and designated in the most recent decennial census as an ‘urbanized area’ by the secretary of Commerce.” A rural (or non-urban) area is any area that is not part of an urbanized area.

An important distinction for this policy is between intercity service and commuter service. Commuter service is defined as a route intended to serve daily or frequent trips between residential areas and employment centers. While most commuting trips are local in nature (less than 20 miles in each direction), there are plenty of examples of people who make long distance trips (30 miles or more) on a frequent or daily basis. While section VIII-7 of the regulations explicitly excludes commuter service “within the local commuting area” from the definition of intercity service, the regulations do not define “local.” Using the suggested definition above of less than 20 miles, bus routes that travel longer distances could potentially serve a mix of commuter and intercity passengers. The important point is that while a commuter could potentially use an intercity service to reach his or her job on a daily

basis, the service would not necessarily be designed to serve such trips, but rather for people making occasional longer-distance trips.

A key feature of an intercity feeder bus service is a “meaningful connection” with the broader intercity network, including long-distance buses, trains, airports or ferries. The regulation does not define that term precisely, but it does note that “service that only incidentally stops at an intercity bus facility among other destinations within the city at either end of a route that covers a long distance, without regard to scheduled connections...is not an intercity feeder service.” Thus, a meaningful connection implies intentional schedule coordination with routes that are part of the broader intercity network. It is not the case that every intercity trip at a terminal would need to be served by a feeder connection, but every feeder trip does need to have a coordinated connection with an intercity trip.

Funds for operating intercity services or for capital projects can pass through the state to eligible subrecipients or to contractors. A subrecipient is defined as “a state or local governmental authority, a nonprofit organization, or operator of public transportation or intercity bus service that receives federal transit program grant funds indirectly through a recipient.” In contrast, a contractor is a public, private or non-profit entity that operates a service or builds a project that is specified by the state (or a subrecipient). The contractor simply executes a service or project that the state has defined and developed as part of a broader network or plan. The FTA regulations state that “in some instances, intercity bus providers may be unwilling or unable to accept the terms and conditions the state applies to subrecipients and may prefer to maintain a contractual relationship, in order to isolate the remainder of their operations from federal requirements related to a grant. The state may use either mechanism to provide assistance to private operators for intercity bus service.”

The regulations define the eligible activities under Section 5311(f):

Section 5311(f) specifies eligible intercity bus activities to 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.

One of the items in the list is defined further in the regulations. Feeder service can be operated by a public transit agency in a rural area, and can qualify for Section 5311(f) funding if it makes “meaningful connections with scheduled intercity bus service to more distant points.” The feeder service could be demand responsive, or it could consist of “marketing and extended hours of service in order to connect with scheduled intercity service” on a route that serves other purposes the rest of the day. In such a case, only the cost associated with the extended service would be eligible under Section 5311(f).

A final relevant definition in the regulations is the term consultation: “One party confers with another identified party in accordance with an established process and, before taking action(s), considers that party’s views and periodically informs that party about action(s) taken.” The regulations also provide elements that should be included in the state’s intercity consultation process.

Objectives

The federal regulations specify three primary objectives of the Rural Intercity Bus Program:

1. Support connection between rural areas and the larger regional or national system of intercity bus service
2. Support services to meet the intercity travel needs of residents in rural areas
3. Support the infrastructure of the intercity bus network through planning and marketing assistance and capital investment in facilities.

These objectives comprise a large portion of NHDOT's goals with respect to intercity bus in New Hampshire, but not the entirety of those goals. Borrowing from an intercity study done for North Carolina DOT, the Rural Intercity Bus Program in New Hampshire is intended to support the development of a "seamless" network of transportation services linking local transit with intercity modes. Such services can include intercity services or feeder services from areas without intercity bus services. The routes and capital projects funded by the program will support riders traveling from or to rural areas, though the other end of their trips may be in urban areas. Projects will, in general, be funded in the following priority order:

1. Preservation of worthy existing intercity bus services
2. Implementation of new services
3. Provision of necessary and appropriate capital facilities and equipment.

System Expansion

Over the last decade, the intercity bus network in New Hampshire has been relatively stable. The level of service on private, unsubsidized routes has ebbed and flowed with the economy and the level of demand, but the route network has not changed significantly. Greyhound service has diminished over time, so that now there is one through-route on the I-89 corridor from White River Junction to Boston (runs three trips daily), one through route on the I-95 corridor from Bangor to Boston with a stop in Portsmouth (two daily trips) and a Friday/Sunday route between Nashua and Brattleboro via Keene. There is also a daily connection between Keene and Brattleboro.

Looking forward, an important question to consider is how new potential investments in services or capital projects will be rated compared to continued investments in ongoing services. Ridership forecasts for new services can provide some guidance as to future performance, but there is a great deal of uncertainty inherent in these forecasts and much of a route's ability to attract riders depends on how quickly awareness of the new service spreads in the community.

It is also the case that simple ridership figures do not tell the full story of how the route is functioning. An intercity route can provide critical access for populations with mobility challenges to places such as distant health care facilities, not to mention family and friends. A lightly used intercity route may be more cost effective than transporting people individually through demand-response trips over long distances.

Any new intercity services will need to have clearly defined markets and supporting infrastructure to make them accessible and attractive. The projects that are most likely to be funded in the near term will have the greatest impact on access to the intercity network for the greatest number of people. Populations with few or no alternatives to be able to access the network would receive the highest priority.