



CATS CHARTER POLICY

Issue Date:

Effective Date:

Revised Date(s):

Approved By: CATS' Board of Commissioners

Approval Date:

I. Purpose and Scope

As a public transit provider, Capital Area Transit System (CATS) has historically provided charter service to the Baton Rouge community if there is fleet and operator availability for a requested date and time. The purpose of this policy is to protect the agency and its riders from fixed route service being negatively impacted due to a charter request.

II. Policy Statements

As a recipient of Federal Transit Administration (FTA) funds, CATS is subject to FTA's Charter Bus Service Rule, which implements 49 U.S.C. 5323(d) to protect private charter operators from unauthorized competition from FTA grant recipients. The Charter Rule does allow certain exceptions for government officials, Qualified Human Service Organizations (QHSO's), and limited trips that meet program purpose criteria.

Federal regulations define charter service as follows:

- Transportation provided by a recipient at the request of a third party for the exclusive use of a bus or van for a negotiated price. The following may be characteristics of charter service:
 - A third party pays a negotiated price for the group
 - Any fares charged to an individual member of the group are collected by a third party
 - The service is not part of the transit provider's regularly scheduled service, or is offered for a limited period of time
 - A third party determines the origin and destination of the trip as well as scheduling
- Transportation provided by a recipient to the public for events or functions that occur on an irregular basis or for a limited duration and:

- A premium fare is charged that is greater than the usual or customary fixed route fare
- The service is paid for in whole or in part by a third party.

Exemptions

The charter service regulations provide for the following exemptions:

- *Transportation of Employees, Contractors, and Government Officials* – Grantees are allowed to transport their employees, other transit systems' employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, to or from other transit facilities or projects within its geographic service area or proposed geographic service area for the purpose of conducting oversight functions such as inspection, evaluation, or review.
- *Private Charter Operators* – The prohibitions do not apply to private charter operators that receive, directly or indirectly, Federal financial assistance under Section 3038 of the Transportation Equity Act as amended or to non-FTA funded activities of private charter operators that receive, directly or indirectly, FTA financial assistance under certain federal programs.
- *Emergency Preparedness Planning and Operation* – Grantees are allowed to transport their employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, for emergency preparedness planning and operations.
- *Section 5310, 5311, 5316, and 5317 Recipients* – The prohibitions do not apply to grantees that use Federal financial assistance from FTA for program purposes, that is, transportation that serves the needs of either human service agencies or targeted populations (elderly, individuals with disabilities) under Section 5310, 5311, 5316, or 5317.
- *Emergency Response* – Grantees are allowed to provide service for up to 45 days for actions directly responding to an emergency declared by the President, governor, or mayor or in an emergency requiring immediate action prior to a formal declaration.
- *Recipients in Non-Urbanized Areas* – Grantees in non-urbanized areas may transport employees, other transit systems' employees, transit management officials, and transit contractors and bidders to or from transit training outside its geographic service area.

Exceptions

The charter regulation excepts the following community based charter services. The grantee must retain records of each charter service provided for at least three years. Charter service hours include time spent transporting passengers, time spent waiting for passengers, and “deadhead” hours (time spent getting from the garage to the origin of the trip and then the time spent from trip’s ending destination back to the garage).

- *Government Officials* – A grantee is allowed to provide charter service (up to 80 charter service hours annually) to government officials (Federal, state, and local) for official government business, which can include non-related transit purposes, if the grantee:
 - Provides the service in its geographic service area
 - Does not generate revenue from the charter service, except as required by law

The grantee may petition FTA for additional charter service hours.

The grantee is required to record the following information after providing such service:

- The government organization’s name, address, phone number, and email address
 - The date and time of service
 - The number of government officials and other passengers
 - The origin, destination, and trip length (miles and hours)
 - The fee collected, if any
 - The vehicle number for the vehicle used to provide the service
- *Qualified Human Service Organization (QHSO)* – A grantee is allowed to provide charter service to a QHSO for the purpose of serving persons:
 - With mobility limitations related to advanced age
 - With disabilities
 - With low income

If the QHSO receives funding, directly or indirectly, from the programs listed in Appendix A of the regulation, the QHSO is not required to register on the FTA’s charter registration website. Otherwise, the QHSU is required to register. The grantee may provide service only if the QHSO is registered at least 60 days before the date of the first request for charter service.

The grantee is required to record the following information after providing such service:

- The QHSO’s name, address, phone number, and email address
- The date and time of service
- The number of government officials and other passengers
- The origin, destination, and trip length (miles and hours)
- The fee collected, if any
- The vehicle number for the vehicle used to provide the service

- *Leasing of Equipment and Driver* – A grantee is allowed to lease its FTA funded equipment and drivers to registered charter providers for charter service only if all of the following conditions exist:
 - The private charter operator is registered on the FTA charter registration website
 - The registered charter provider owns and operates buses or vans in a charter service business
 - The registered charter provider received a request for charter service that exceeds its available capacity either of the number of vehicles operated or the number of accessible vehicles operated by the registered charter provider
 - The registered charter provider has exhausted all of the available vehicles of all registered charter providers in the grantee’s geographic service area

The grantee is required to record the following information after leasing equipment and drivers:

- The registered charter provider’s name, address, telephone number, and email address
 - The number of vehicles leased, type of vehicles leased, and vehicle identification numbers
 - The documentation provided by the registered charter provider in support of the four conditions discussed above
- *No Response by Registered Charter Provider* – A grantee is allowed to provide charter service, on its own initiative or at the request of a third party, if no charter provider registered on the FTA’s website responds to the notice issued:
 - Within 72 hours for charter service requested to be provided in less than 30 days
 - Within 14 calendar days for charter service requested to be provided in 30 days or more

The grantee is not allowed to provide charter service under this exception if a registered charter provider indicates an interest in providing the charter service described in the notice and the registered charter provider has informed the grantee of its interest in providing the service. This is true even if the registered charter provider does not ultimately reach an agreement with the customer. If the grantee is interested in providing charter service under this exception, the grantee shall provide email notice to registered charter providers in the grantee’s geographic service area by close of business on the day the grantee received the request unless the request was received after 2:00pm, in which case the notice shall be sent by the close of business the next day. The email notice sent to the list of registered charter providers shall include:

- Customer name, address, phone number, and email address (if available)
- Requested date of service
- Approximate number of passengers
- Type of equipment requested (bus(es) or van(s))
- Trip itinerary and approximate duration

- The intended fare to be charged for the service

The grantee shall retain an electronic copy of the email notice and the list of registered charter providers that were sent email notice or the requested charter service for a period of at least three years from the date the email notice was sent. If the grantee receives an “undeliverable” notice in response to the email notice, the grantee shall send the notice via facsimile. The grantee shall maintain the record of the undeliverable email notice and the facsimile sent confirmation for three years.

The grantee is required to record the following information after providing the service:

- The group’s name, address, telephone number, and email address
- The date and time of service
- The number of passengers
- The origin, destination, and trip length (miles and hours)
- The fee collected, if any
- The vehicle number for the vehicle used to provide the service

If a registered charter provider indicates interest in providing charter service to a particular customer and fails to negotiate in good faith with the customer, and the grantee was willing to provide the service, then the grantee can file a complaint against the registered charter provider. A form for this is provided on the FTA website.

- *Agreement with All Registered Charter Providers* – The grantee is allowed to provide charter service directly to a customer consistent with an agreement entered into with all registered charter providers in the grantee’s service area. The grantee is allowed to provide charter service up to 90 days without an agreement with a newly registered charter provider in the geographic service area subsequent to the initial agreement. Any parties to an agreement may cancel the agreement after providing a 90 day notice to the grantee.
- *Petition to the Administrator* – The grantee may petition the Administrator for an exception to the charter service regulations to provide charter service directly to a customer for:
 - Events of regional or national significance – The petition shall describe how registered charter providers were consulted and will be utilized and include a certification that the grantee has exhausted all the registered charter providers in its service area. The petition must be submitted at least 90 days before the first day of the event.
 - Hardship (only for non-urbanized areas under 50,000 in population or small urbanized areas under 200,000 in population) – The exception is only available if the registered charter providers have deadhead time that exceeds total trip time from initial pick-up to final drop-off, including wait time. The petition shall describe how the registered charter provider’s minimum duration would create a hardship on the group requesting the charter service.

- Unique and time sensitive events (e.g. funerals of local, regional, or national significance) that are in the public's interest – The petition shall describe why the event is unique and time sensitive and would be in the public's interest. Petitions to the Administrator are posted at regulations.gov, which can be assessed through the FTA charter website, so they are not reported in quarterly reports. The grantee shall retain a copy of the Administrator's approval for a period of at least three years.

Any charter request must be received by CATS a minimum of 30 days prior to an event so registered private charter operators may be notified of upcoming charter opportunities. Requests must be received in writing via the CATS website www.brcats.com/form/22.

The Communications Department will handle inquiries and work in conjunction with Operations and Maintenance Departments to determine operator and fleet availability for a requested service. The Director of Operations will make the final determination of eligibility based on whether or not the request is expected to negatively impact CATS regular fixed-route service.

If charter service is approved by CATS Operations staff, an official written request on the requesting organization's letterhead will be requested. A 50% deposit along with signed contract is due to CATS seven (7) business days prior to the charter date. If the deposit and signed contract are not received, the contract is voided.

The Communications Department is responsible for proper documentation for all reporting and auditing purposes.

Under is policy, CATS has the right to cancel any charter service at any time prior to 24-hours before service, should the request impact CATS fixed route service negatively.

III. Ownership

CATS' Communications Department is the owner of this policy.

IV. Definitions

Charter – transportation provided by a recipient at the request of a third party for the exclusive use of a bus or van for a negotiated price

Grantee – means the public or private entity to which a grant or cooperative agreement is awarded by FTA. The grantee is the entire legal entity even if only a particular component of the entity is designated in the assistance award document.

Letterhead – a printed heading on stationery stating a person's or organization's name and address.

Void – not valid or legally binding

Qualifying Human Service Organization – an organization that serves persons who qualify for human service or transportation-related programs or services due to disability, income, or advanced age