

**Testimony re Proposed Cuts in NJ Transit Budget
Assembly Budget Committee****April 2, 2009**

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Good morning. Thank you for the opportunity to testify regarding the proposed FY 2010 state budget. My name is Jay Corbalis. I represent New Jersey Future, a nonprofit, smart- growth advocacy organization based in Trenton. My comments today will focus on the impacts of the proposed budget on the state's economic growth and greenhouse gas reduction efforts. Specifically, I would like to focus on the 17 percent proposed cut in the operating budget of NJ Transit.

With regard to economic growth, even during this recession we have seen that areas well served by public transportation have continued to be attractive places to build homes and locate businesses, and that these places have maintained their value better than other locations. In a state with as little developable land as New Jersey, this trend will only intensify in the years to come, especially after the ARC tunnel becomes operational. If we as a state hope to continue to leverage our extensive public transportation network as a catalyst for economic growth, we must continue to invest in the day-to-day operations of NJ Transit.

With regard to greenhouse gas emissions, Executive Order 54 and the Global Warming Response Act have committed the State to cutting emissions by 20 percent by 2020 and 80 percent by 2050. To accomplish these ambitious goals, the State will need to dramatically reduce emissions from the transportation sector, which represents 35 percent of the state's total carbon footprint – the largest and fastest-growing sector of emissions. Increasing the proportion of trips in the state that are taken by public transportation will be critical to reducing emissions from this sector.

At the same time that the State's budget proposes a \$62 million cut in NJ Transit's operating budget, the State's greenhouse gas plan, prepared by the DEP, relies heavily on continued ridership growth as a means of reducing greenhouse gas emissions. Indeed, to meet the 2020 goal, the plan calls for a reduction in vehicle trips of 145 million through the use of transit, the creation of bus rapid transit and the promotion of transit-oriented development., all of which will require resources from NJ Transit.

It is almost inevitable that such a large cut in NJ Transit's operating costs will lead to service cuts and fare hikes, a result that will make it harder for the system to attract and retain riders. Last year's record ridership has continued into 2009, demonstrating the demand for reliable and efficient public transportation in the state. By reducing State support for NJ Transit, we are sending exactly the wrong message to those riders, while at the same time undermining our ability to grow our economy and meet our greenhouse gas reduction goals.

New Jersey Future recognizes the unprecedented situation regarding the FY 2010 budget. We know that all areas of state government are being asked to make sacrifices to get through these difficult times. Yet given the benefits, including economic growth and greenhouse gas emissions reduction, that investments in public transportation can bring, we respectfully request that you restore as much of NJ Transit's operating budget as is feasible.

Thank you.