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Letter to New Jersey Legislators on Increased Funding for NJ Transit in State Budget

May 9, 2019

Contact: Peter Kasabach, Executive Director

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Dear Senate President Sweeney and Assembly Speaker Coughlin:

We write today as a broad array of organizations, business, and civic leaders who care deeply about the state's economy and environment and the livelihood of its citizens. We come together united in support for an increase in funding for NJ Transit in this year's budget.

On May 9 and May 13, NJDOT Commissioner Diane Gutierrez-Scaccetti and NJ Transit Executive Director Kevin Corbett will appear before the Budget Committees in your respective houses. This will provide the legislature the opportunity to ensure that the changes mandated by S630, the NJ Transit Reform bill, are underway at the agency. This is also an opportunity to delve deep into the budgetary needs of the agency and to increase its funding. We believe the Governor's current budget proposal is inadequate and more resources must be given to NJ Transit.

Extensive public transportation is one of New Jersey's economic strengths and is a key driver of job and population growth. More than 260 million rides are taken on NJ Transit every year. NJ Transit supports key connections to big cities like New York and Philadelphia, where job opportunities are growing. Having a convenient, affordable, and efficient transit system is critical to give New Jersey's commuters options, particularly as the cost of driving to and in these cities rise with new fees to fund their needs and unclog their streets. But the system is even more important for trips within New Jersey, especially within cities like Newark and Trenton, where the inability to own a car is a substantial barrier to jobs or education, especially for vulnerable households. In fact, NJ Transit estimates that approximately 320,000 passenger trips out of approximately 500,000 weekday bus passenger trips are made within New Jersey; this is approximately 64% of all bus travel. Reliable public transportation can be a great equalizer in a country that is otherwise very unequal.

Over the past several years, the state's transit system has been suffering. After years of consistent growth, rail ridership declined by nearly 3% between 2016 and 2017 while ridership on neighboring systems, such as Metro North and LIRR, grew. NJ Transit bus ridership has also plummeted in recent years. We have to arrest this long-term decline and encourage overall ridership growth. But in order to do this, more resources will be needed. Following last year's infusion of new funds, NJ Transit rail ridership has started to grow again, with a 3% growth between March 2018 and March 2019, showing what's possible.

The allocation of \$25 million more in this year's budget for NJ Transit a step in the right direction, but does not go nearly far enough. It does not even cover mandated growth in payroll and health insurance nor does it even begin to provide NJ Transit with the funding necessary to implement the recommendations identified in the North Highland Audit Report. In fact, with those figures taken into account, the allocation given to NJ Transit equates to \$75 million less than it received last year. The agency desperately needs more revenue to

continue to hire staff in critical positions, such as Bus Operators, Locomotive Engineers, mechanics, conductors, while expanding or enhancing service in high growth areas, like the northern NJ bus system.

We also urge you to continue to push for reform at NJ Transit, and implementation of the recommendations outlined in the October 2018 audit of the agency and S630, which was signed in December. This includes improved customer communication, a new procurement process and updated organizational structure, hiring of new staff to address a talent drain, and finding more sustainable operating revenue sources. The last point warrants particular attention -- for years, capital resources have been used for operations, an unsustainable practice that keeps NJ Transit from making long term infrastructure investments necessary to keep the system running reliably.

We cannot delay. We strongly urge you to increase funding for NJ Transit in this year's budget.

Sincerely,

Tom Wright, President, Regional Plan Association

Nick Sifuentes, Executive Director, Tri-State Transportation Campaign

Bruce Bergen, Chairman, Raritan Valley Rail Coalition

Colleen Mahr, Mayor of Fanwood, Co-chair, Raritan Valley Line Mayors' Alliance

Bette Jane Kowalski, Freeholder Chair, Union County Board of Chosen Freeholders

Greg Lalevee, Business Manager, Operating Engineers Local 825

Mark Longo, Director, Engineers Labor-Employment Cooperative

Mary Barber, New Jersey Director, Environmental Defense Fund

Jackson Morris, Director, Eastern Region, Climate & Clean Energy, Natural Resources Defense Council

Doug O'Malley, Director, Environment New Jersey

Pete Kasabach, Executive Director, New Jersey Future

Brandon McKoy, President, New Jersey Policy Perspective

John McGoldrick, former Director and Vice-Chair of the Board of NJ Transit Corporation

Emmett Daly, Member, RPA New Jersey Committee, Summit resident and NJ Transit rider

Tom Byrne, Byrne Asset Management, RPA New Jersey Committee