



**FOR IMMEDIATE RELEASE**

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## **NJ TRANSIT SET TO BEGIN PUBLIC HEARINGS ON FARE ADJUSTMENT PROPOSAL**

*Fare Adjustment Proposal Maintains Overall Service Levels; Public Comment Encouraged at Locations Across the State.*

**NEWARK, NJ** – Since 2015, NJ TRANSIT has held the line on fare increases while not only improving service performance, but adding additional service on more than 100 bus routes and implementing substantial emergency service to support customers abandoned by multiple private bus carriers.

In addition, NJ TRANSIT has improved the customer experience through a variety of enhancements since 2018, including fully restoring the ranks of locomotive engineers, delivering a highly rated and completely redesigned NJ TRANSIT Mobile App, introducing new fare payment technologies, and graduated more than 2,300 new bus operators, along with numerous other improvements. NJ TRANSIT has also introduced several improvements for its Access Link paratransit service customers, including the launch of Access Link Online, a new Access Link mobile app, and the introduction of the popular Access Link Riders' Choice Pilot Program – a partnership with Uber and Lyft to expand options for Access Link customers. And all of this while operating the system with the highest standards of safety and security, including meeting the federal requirements for Positive Train Control in 2020 and expanding the presence of New Jersey Transit Police Department officers throughout the system.

Since the onset of the pandemic, NJ TRANSIT ridership has returned to approximately 80% of pre-COVID levels, with many peak period trips at or exceeding pre-pandemic levels. However, NJ TRANSIT is entering the fifth consecutive year of ridership that will be below pre-COVID levels, which has resulted in a reduction of nearly \$2 billion in farebox revenue for the agency. NJ TRANSIT responsibly used federal COVID relief funding over a multi-year period to maintain full service levels, however that funding will be exhausted in Fiscal Year 2025 (FY25), which runs from July, 1 2024 through June 30, 2025. The COVID pandemic exacerbated the agency's structural funding deficit that has existed since NJ TRANSIT was created more than 40 years ago.

In July 2023, NJ TRANSIT's very preliminary estimates for FY25 identified a budget deficit of \$119 million. As the budget projections have continued to be

refined since that time, and as the federal COVID-relief funding will be exhausted in FY25, cost drivers have increased substantially. In addition to an increase in inflation of over 30% since 2015, affecting things such as fuel costs and materials, other costs have also risen significantly:

- Operational costs of more than \$30 million associated with operating emergency bus service to replace multiple abandoned private carrier bus routes.
- NJ TRANSIT's contracted services, such as our Access Link paratransit service, the River LINE and Hudson-Bergen Light Rail systems, and private bus carriers.
- Contractual wage increases related to labor collective bargaining agreements covering approximately 10,000 of the 12,000+ NJ TRANSIT employees.
- Healthcare costs, which have risen nearly 47% during this period.

As NJ TRANSIT began the preparations for the FY25 budget process, the agency underwent an intensive internal assessment to identify and maximize cost reductions and revenue enhancements.

Through a combination of \$44 million in cost reductions, along with an additional \$52 million in revenue enhancements, NJ TRANSIT is reducing the originally projected FY25 deficit and offsetting some mandatory, non-discretionary cost escalations. Included in the FY25 revenue enhancements are the proposed conclusion of the FLEXPASS pilot and the implementation of 30-day expiration dates on all one-way tickets. Internal savings and revenue enhancements alone, however, are not sufficient to eliminate this budget gap.

In order to close the remaining budget gap of \$106.6 million, NJ TRANSIT is proposing a systemwide fare adjustment of 15 percent taking effect on July 1, 2024. This proposed fare adjustment, along with NJ TRANSIT's internal efficiencies, savings and revenue enhancements would allow for a **fully funded FY25 operating budget that avoids reducing service levels.**

**Examples of proposed new fares:**

<b>Travel Mode</b>	<b>Current One-Way Fare</b>	<b>Proposed One-Way Fare</b>
▪ Bus (One-Zone Local)	\$1.60	\$1.80
▪ Bus (Interstate to NY)		
— Jersey City to PABT	\$3.50	\$4.00
— Toms River to PABT	\$21.25	\$24.40
▪ Access Link Base Fare*	\$1.45	\$1.65
▪ Newark Light Rail	\$1.60	\$1.80
▪ River LINE	\$1.60	\$1.80
▪ HBLR	\$2.25	\$2.55
▪ Rail		
— Philadelphia to Pennsauken	\$4.25	\$4.85
— Princeton JCT to PSNY	\$16.00	\$18.40

\* Access Link fares are based on comparable bus fares

This fare adjustment proposal also includes annual systemwide increases of 3%, effective July 1, 2025 and going into effect on July 1<sup>st</sup> of each subsequent year – no fare would increase more than 3% annually.

### **Public Participation & Public Hearings**

Customers may visit [www.njtransit.com/hearing](http://www.njtransit.com/hearing) for complete information regarding the fare adjustment proposal, to view the hearing schedule and to submit comments electronically.

To ensure maximum public participation in the process, NJ TRANSIT will hold 10 scheduled public hearings in 10 New Jersey counties, including both morning and evening sessions, beginning Monday, March 4, 2024, through Friday, March 8, 2024, to allow the public the opportunity to learn more about the proposed fare adjustment and offer comments before the plan is considered by the NJ TRANSIT Board of Directors.

In addition to appearing in person, members of the public also may submit comments for the record online at [www.njtransit.com/hearing](http://www.njtransit.com/hearing), via postal mail to: PUBLIC HEARING OFFICE – FARE PROPOSAL COMMENTS, ONE PENN PLAZA EAST, NEWARK, NJ 07105, or via email at [hearing@njtransit.com](mailto:hearing@njtransit.com). The public comment period will be open until 11:59 p.m., Friday, March 8, 2024.

All public hearings/information session locations are accessible for persons with disabilities. Individuals requesting a sign language interpreter, language assistance or other accommodations to participate in a public hearing should contact the Public Hearing Office at (973) 491-8520 or TTY (800) 772-2287 between the hours of 8:30 a.m. and 5:00 p.m., by Friday, February 16, 2024, in order for NJ TRANSIT to make necessary arrangements.