

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, President & CEO

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
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March 19, 2020

Dear Members of the New Jersey Congressional Delegation,

The coronavirus pandemic has spread throughout the United States with alarming speed and potentially disastrous consequences for our nation's public and economic health. COVID-19 has disrupted daily life in New Jersey in an unprecedented way, but New Jersey citizens are responding as they always do: with strength and determination.

As the crisis advances, NJ TRANSIT – the largest statewide transit agency in the nation – continues to operate all regularly scheduled service as of today. Trains, buses, light rail, and Access Link paratransit services are operating around the clock, as our obligation is to provide transit options to meet the needs of the State's residents who rely on our services every day. Transit services are critical to the economy and quality of life of the State and the region, and NJ TRANSIT will continue to provide first responders, medical personnel, and those with essential travel needs with safe and reliable options to reach their destinations. The dedicated men and women of NJ TRANSIT are at their posts, serving the public and the State.

New Jerseyans are staying home, heeding the messages of President Trump and Governor Murphy. They are staying off the roads and they are staying off transit. But because of this necessary step, NJ TRANSIT has seen a dramatic 88 percent reduction in system-wide ridership since Monday, March 9th. Fare revenue has plummeted correspondingly. NJ TRANSIT expects this precipitous drop to continue as far fewer riders are expected to purchase monthly passes starting this week.

The financial toll to NJ TRANSIT is and, from all indicators, will continue to be extraordinary and beyond anything experienced in our company's history. NJ TRANSIT projects that the full impact of fare revenue losses, along with unavoidable COVID-19 expenses, will total more than \$1.25 billion by the end of Fiscal Year 2021. Notably, this figure does not include other potential financial impacts, from changes in State funding support, including changes to operating funding transferred from the State and the Transportation Trust Fund, which accounts for approximately 36% percent of NJ TRANSIT's annual operating budget. This projection also does not include the potential long-term impact to revenues and ridership growth due to lingering economic conditions, nor the potential impact to NJ TRANSIT's five-year capital plan.

At the same time, NJ TRANSIT's operating costs have risen due to COVID-19, including significantly enhanced cleaning procedures system-wide, such as expanded disinfection regimens onboard vehicles every 24 hours, and at major stations and terminals on each shift throughout the day. The enhanced station cleaning regimen includes additional

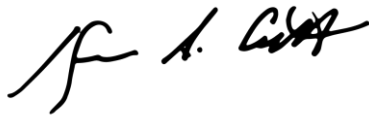
disinfecting of frequent customer touchpoints, such as ticket vending machines, handrails, and door handles.

NJ TRANSIT must continue providing essential public transportation services, and the agency must be on sound footing and ready to provide full and robust service when the current coronavirus emergency subsides and New Jersey's travel and transportation needs return to normalcy. We are currently looking at efficiencies, however, we cannot overcome the unprecedented financial burden this national emergency has created on our own.

Given these extraordinary circumstances, NJ TRANSIT is requesting federal aid totaling more than \$1.25 billion to replace lost revenue and support COVID-19 related expenses. Transit is part of a larger multimodal transportation network, interconnected with highways, passenger rail, buses and airports. Emergency federal funding is required, so that current programs for capital projects and state of good repair funding are not cannibalized, at the expense of system safety and operations. NJ TRANSIT also is requesting continued regulatory flexibility from our federal partners for critical project and grant deadlines and other mandates.

You and your Congressional colleagues have long supported NJ TRANSIT and its vital role in keeping New Jersey prosperous. Federal assistance is critical so that NJ TRANSIT can continue to fulfill its crucial mission to New Jersey's residents and the State economy.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. S. Corbett', written in a cursive style.

Kevin S. Corbett
President & CEO

cc: Senator Cory Booker
Senator Robert Menendez
Rep. Josh Gottheimer
Rep. Andy Kim
Rep. Tom Malinowski
Rep. Donald Norcross
Rep. Frank Pallone, Jr.
Rep. Bill Pascrell, Jr.
Rep. Donald Payne, Jr.
Rep. Mikie Sherrill
Rep. Albio Sires
Rep. Christopher Smith
Rep. Jefferson Van Drew
Rep. Bonnie Watson-Coleman