



For immediate release: June 29, 2012

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Statement of Veronica Vanterpool, executive director of Tri-State Transportation Campaign, in response to the New Jersey Legislature's passage of a bond cap increase for its transportation capital program

The New Jersey State Legislature has passed a bill that raises New Jersey's total bonding for its transportation capital program to \$1.247 billion in fiscal year 2013. Yet, capital program expenditures will remain flat, breaking the trend of increasing the size of the capital program to address inflation and growing transportation needs. The New Jersey taxpayer will get less investment for the same price tag in coming years.

While the state is right to ensure that it can pay for next year's capital plan, this is an irresponsible way to do it. The move continues the state's overreliance on debt to fund its transportation system, perpetuates the state's historic unwillingness to identify new revenue sources for transportation, and sanctions the diversion of transportation funds to plug budget gaps. The loans taken out to pay for today's transportation projects will saddle future generations with debt and commit even more of the state's dollars towards interest payments, rather than improvements to the state's infrastructure. Borrowing \$260.6 million this year means additional debt payments of roughly \$13 million each year for the next 30 years. This means that there will be at least \$13 million less per year to spend on other pressing transportation needs throughout the state. New Jersey's Transportation Trust Fund, set up in 1984 to pay for transportation projects through dedicated tax revenues, has been borrowed against so heavily that the fund is now engulfed in debt.

This bill is a wake-up call. New Jersey needs a long-term, sustainable funding strategy for transportation that adequately addresses today's and tomorrow's needs without relying on debt. Anything less is irresponsible and shortsighted. Tri-State calls upon Governor Christie and New Jersey's lawmakers to begin today with a more fiscally responsible long-term plan moving forward.

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Tri-State Transportation Campaign is a non-profit organization working towards a more balanced, transit-friendly and equitable transportation system in New York, New Jersey, and Connecticut.