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PUBLIC HEARING

before

ASSEMBLY SENIOR CITIZENS COMMITTEE

"On providing senior citizens and handicapped persons with around the clock reduced bus and rail fares"

October 15, 1990
Room 373
State House Annex
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblywoman Stephanie R. Bush, Chairperson
Assemblyman James E. McGreevey, Vice Chairman
Assemblyman Fred Scerni
Assemblyman David C. Russo

ALSO PRESENT:

Norma Svedosh
Office of Legislative Services
Aide, Assembly Senior Citizens Committee

* * * * *

New Jersey State Library

Hearing Recorded and Transcribed by
Office of Legislative Services
Public Information Office
Hearing Unit
State House Annex
CN 068
Trenton, New Jersey 08625

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HANIE R. BUSH
PERSON
S. E. MCGREEVEY
VICE-CHAIRMAN
FRED SCERNI
FRANK A. LOBIONDO
DAVID C. RUSSO

New Jersey State Legislature
ASSEMBLY SENIOR CITIZENS COMMITTEE
STATE HOUSE ANNEX, CN-068
TRENTON, NEW JERSEY 08625-0068
(609) 292-1646

NOTICE OF PUBLIC HEARING

The Assembly Senior Citizens Committee will hold a public hearing on providing senior citizens and handicapped persons with around the clock reduced bus and rail fares.

The hearing will be held on **Monday, October 15, 1990 at 10:00 A.M.** in Room 373, of the State House Annex, Trenton, New Jersey.

The public may address comments and questions to Norma Svedosh, Committee Aide and persons wishing to testify should contact Pamela Chisolm, secretary, at (609) 984-~~6843~~. Those persons presenting written testimony should provide 10 copies to the committee on the day of the hearing.

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ASSEMBLYWOMAN STEPHANIE R. BUSH (Chairperson): Good morning. We are going to begin. We're still waiting for some people to arrive but in deference to our legislators, Assemblyman Impreveduto and Assemblywoman Cooper, we would like to begin these public hearings.

As you know, this is not about any bill in particular, because there are a number of bills pending in the Legislature dealing with the issue of reducing the cost on New Jersey Transit rail and bus lines for seniors and handicapped people around the clock, whereas right now it's just for off-peak times.

Why don't we begin with Assemblyman Impreveduto?

A S S E M B L Y M A N A N T H O N Y I M P R E V E D U T O: Thank you, Assemblywoman Bush. It's certainly a pleasure to be here to speak on legislation that is, as I see it, extremely important to the seniors and the handicapped people in our State.

As you mentioned, currently people can travel at reduced fares on our buses and trains as long as they're traveling during off-peak hours and that has served a good purpose. However, what's happening now is, people need to get to doctors, and doctors' hours are during peak times. They need to travel about the State and about their municipalities, to do their daily business in times not off-peak, and in fact, must be during the peak times. What we're doing, in fact, is forcing these people to pay dollars that many of them can ill afford to pay.

It is a good piece of legislation -- all the legislation that's there -- to help these people who are not as fortunate as many of us, in that they need their dollars to spend on food in many cases, and not on transportation costs. So, some kind of reduced fare to our handicapped and our senior citizens is certainly of monumental importance.

I know that you've been here a little while but there's a price tag to it. Whenever you help people -- and

lots of people -- you can't do that without paying a price. Somebody needs to help pay those who can't afford to pay.

I'm sure New Jersey Transit is going to come up with some numbers that are in the millions that may or may not be true. It's been an ongoing argument I've had with them now for the past two years as to whether their numbers are real or imagined. I suspect there's some basis to them. I think that they are inflated, and that's something that we'll be talking about, I'm sure, for the next period of time until legislation can get through.

Again, I think that we need to understand that we're punishing the people that least can afford to pay. They need to go to doctors; they need to go shopping; and they need their money to buy their food and not to spend on transportation.

So, with that, I'm going to leave myself open to questions if you have any.

ASSEMBLYWOMAN BUSH: Assemblyman Scerni?

ASSEMBLYMAN SCERNI: I don't have any questions right now, thank you.

ASSEMBLYMAN IMPREVEDUTO: That's what's great about coming on first: Nobody has questions. They're going to have them for you, though. (laughter)

ASSEMBLYWOMAN BUSH: And nobody's here. Okay. Well, thank you for taking the time to testify.

ASSEMBLYMAN IMPREVEDUTO: Thank you. Again, I need to-- I've got two other Committees. I've got to run.

ASSEMBLYWOMAN BUSH: I understand. I, too, will be running.

Assemblywoman Cooper. Good morning.

A S S E M B L Y W O M A N D O L O R E S G. C O O P E R:
Good morning. Thank you for being here.

Well, as you most of you know, I am a 43-year resident of Atlantic City, having left just last week. And Atlantic City is unique of all cities in New Jersey in that we have the

mode of transportation called the jitney. When I came to Atlantic City 43 years ago, a jitney ride was five cents. It's a privately owned operation, and there's an Atlantic City Jitneymens' Association.

Well, when the Casino legislation was passed and the subsequent tax money to go for reduced fares for seniors and disabled, the words placed into law were "during peak hours." Well, it's now 12 years since the arrival of the casinos and what was the peak hour in those days is no longer a peak hour because senior citizens, and those who have become senior citizens, function 24 hours a day. And, what has happened is that many senior citizens -- those who are physically able -- also have been able to get part-time jobs in the casinos, so what was a peak hour for a normal eight hour person can become a four to six hour job for a senior citizen. And very fortunately, the casinos have given disabled persons employment, which did not exist before. So, this exception to the rule of peak hours is what I want to see eliminated and that the reduced fare be applied 24 hours a day.

I have already introduced Assembly Bill No. A-3922 to make these changes, but the problem is -- and I'm going to read it to you:

"New Jersey has ordered jitney drivers to stop taking senior citizen discount tickets during peak morning and evening hours and now wants our jitneymen to pay back \$123,000 of State subsidy funds."

Oh, by the way, I'm also representing Dominic Capella, who's President of the Jitneymens' Association. He's unable to be here, so I'm representing the Association, also.

Our seniors are protesting, with most claiming discriminating against them, which of course, I feel it is. But, New Jersey claims it's just enforcing the law. Mr. Capella, the President of the Jitneymens' Association denies the \$123,000 State claim and is threatening to drop the entire

senior citizen discount ride program if jitney operators are forced to pay it back.

Albert Hasbrouck, New Jersey Transit's Assistant Executive Director, said -- this was two weeks ago -- that the \$123,000 matter is still under negotiation. The State order is for jitney -- and I repeat, that's a privately-owned association of vehicles -- to stop taking the forty cent discount tickets from 6:00 to 9:30 and 4:00 to 7:00 weekdays. There are no weekend or holiday restrictions. A normal fare is one dollar.

I can tell you -- and I have records -- that I receive 25 to 35 calls a day because Atlantic City's population is primarily seniors who start their medical care -- the jobs are one area-- Atlantic City Medical Center Clinic begins at 8:00 a.m. Those physicians in Atlantic City begin at 8:00 a.m. And I know myself, I recently escorted someone to the hospital. I got to the Medical Center at 8:15, and you couldn't get a seat. You had to stand to be processed for your appointment with your physician. That's the type of attendance at the hospital at 8:00 a.m.

As I said, my office gets 25 to 35 calls a day from protesting senior citizens because they are a very viable vocal group who get on the radio and talk shows, and the rest is history.

I consider this whole thing discrimination because we are a city of people, not a city of peak hours. I think it's discriminatory because many seniors no longer have cars. Either their physical handicaps or insurance costs prevent them from having cars.

As I said before, many seniors are working, not only in casinos, but in ancillary services. And just as Assemblyman Impoveduto said, they need this extra money to live on. The jitneys are unique. They carry 12 passengers and they provide service that no other transportation system does.

Mr. Hasbrouck from New Jersey Transit has said the theory behind the law is that ridership is high during peak hours with no excess capacity, but during off-hours there is "excess capacity, so it's cost-effective. State subsidy funds come from general State appropriations, not from casino tax funds," he said. Of course, there again, I think he's wrong because the revenue was supposed to help seniors and disabled. Now, under the 40 cent discount program -- which, of course, you folks are not aware of, but Fred Scerni knows -- the State reimburses the jitneys 50 cents per ticket. The jitney operators absorb the remaining 10 cents, according to Mr. Capella. The State is now refusing to pay the 50 cent reimbursement for tickets collected during peak hours.

Now, you have to give credit to some of the jitney drivers for having compassion for our seniors. They accepted the discount tickets during the peak hours, but they denied the \$123,000 figure.

I was at the meeting where the Jitney Association personnel and their attorney discussed this because it seems like New Jersey Transit sent down some survey takers during the month of August -- which of course, is the busiest month -- and involved three drivers who were taking the tickets. Well, they felt sorry for them. I can't blame them. Mr. Capella said that the survey they took was a false survey because it was during the month of August, and that's tourist season.

Mr. Capella estimates that the number of senior discount tickets collected averages about \$60,000 monthly. He said the State is claiming jitney drivers wrongly accepted peak hour discount riders for the past 23 months. I don't know where to get \$123,000 if they stop subsidizing us. If they penalize us, I would probably give up the program because he says, "I feel that when the men pick up the tickets, there was no malice on their part. They were trying to give services."

And, what's it all about? Now, City Council--

ASSEMBLYWOMAN BUSH: If I may just ask-- Because you're putting in a number of points, and just so I can ask some questions as we go along--

First of all, does Atlantic City have public transportation?

ASSEMBLYWOMAN COOPER: New Jersey Transit--

ASSEMBLYWOMAN BUSH: Okay.

ASSEMBLYWOMAN COOPER: --and cabs.

ASSEMBLYWOMAN BUSH: Okay, because, quite honestly, the notice did indicate that it was around the clock reduced rates for bus and rail, omitted the word on public transportation. What you're saying is that jitneys are a private transportation mode, right?

ASSEMBLYWOMAN COOPER: It's owned privately, but it's public. It's been there for 60 or 70 years.

ASSEMBLYWOMAN BUSH: Okay, whereas I believe that most of the other legislation that is in deals with public transportation more in regard to New Jersey Transit--

ASSEMBLYWOMAN COOPER: See, that's where Atlantic City is unique. We're the only city in the State that has had this for 70 years, easily 70 years.

ASSEMBLYWOMAN BUSH: Okay, but what I'm asking, is you also have public transportation, right? Because even though East Orange may not have a jitney, they may have private taxi cabs to provide public-- So, then it's really opening it up to a totally new area when we're talking about private entities. We also have vans that are privately owned that carry people for the public. Okay. So, that was one of my questions.

I noted that you're saying that the casinos now hire seniors and handicapped. One of the arguments I remember in the past when I had the legislation in my first term, was the issue that many seniors may still be employed and be able to pay the full rate. And was this not supposedly for seniors who could no longer afford-- And you're saying that by opening it

up 24 hours that this is also going to enable the seniors who have jobs to be able to utilize this service?

I'm just trying to understand. Is that what you're saying?

ASSEMBLYWOMAN COOPER: If you call six dollars an hour beside your SSI with the cost of living today, they're barely making it. And for many of them-- I know these people. I knew them when they owned little stores and guest houses.

ASSEMBLYWOMAN BUSH: Yeah, but I'm just trying to find out: Is that what you're saying?

ASSEMBLYWOMAN COOPER: If they didn't have that reduced money, they would be down to one meal a day instead of three.

ASSEMBLYWOMAN BUSH: Oh, believe me, I understand. Six dollars an hour is also really looking pretty good when I think about the arguments that were posed against my minimum wage bill -- for \$5.05 -- two years from now. So, I understand, but I'm just trying to-- Because these are some of the arguments that were posed in the past; that there may be a problem because some seniors are still working, and who is this to really help? Is it for the senior who can't afford to pay? Is it just because of the age the person has arrived at?

See, that's what I'm trying to do because-- In putting the bill out before, it was heard by a Committee, and these are some of the things that appear when there were other Chairpeople who stalled it. So, I'm looking now to be able to see what are the arguments, and already knowing what some are against, and seeing if we can go against it.

ASSEMBLYWOMAN COOPER: You know six dollars-- A senior working four hours in the casino for six dollars and two blocks away there's a McDonald's. I wonder how some of those senior citizens working there stand up those few hours that they're working because it's pitiful. It's really pitiful that at that age 75 or 80, they have to go to work because it's

either that or you starve, because SSI doesn't even cover their basic living.

ASSEMBLYWOMAN BUSH: Do you think it should be on the need of the seniors such as if they qualify for PAAD, or do you think it should be just based upon whatever your age is no matter what your--

ASSEMBLYWOMAN COOPER: Whatever your age is. Because who is to sit in judgment? If a person can afford it, they're not going to go out and work. I see from what comes in my office, my organizations, and community work. Nobody works unless they have to, and those who get up and go to work, have to do it.

ASSEMBLYWOMAN BUSH: If we were to consider your legislation that deals with the-- Is that bill assigned to this Committee? That may be at the Transportation Committee. That might not even be before this Committee because we didn't have any record of it, whatsoever. But if you are in agreement that it should be opened up to a private entity, such as a jitney, should it also be opened up to private van service?

ASSEMBLYWOMAN COOPER: Private van service is statewide. Jitneys are Atlantic City, only. There's nothing like it in the State.

ASSEMBLYWOMAN BUSH: Yes. So, you're saying that because it's Atlantic City only, that's why it should be jitneys, too?

ASSEMBLYWOMAN COOPER: Yes, it has to be.

ASSEMBLYWOMAN BUSH: Well, see, what type of argument is that for me? I'm not from Atlantic City. You have to give me a reason -- as a legislator for the State, you know.

ASSEMBLYWOMAN COOPER: Are we going to discriminate against the senior citizens in Atlantic City, or are we going to make them equal in the State?

ASSEMBLYWOMAN BUSH: Well, that's exactly my question. Are we going to discriminate against seniors who may

be in East Orange who have to use a private van service because they don't live in Atlantic City with the jitneys?

ASSEMBLYWOMAN COOPER: No. Private van service came to pass in recent years. Our jitneys have been in effect for almost 70 years.

ASSEMBLYWOMAN BUSH: So, we're going to discriminate because of how long these things have been-- I need some sort of -- what I consider to be a rational reason for discrimination.

ASSEMBLYWOMAN COOPER: Let me give you a quote of our City Commissioner Walter Collette. City Councilman Walter Collette, involved in the issue as Council's Transportation Committee Chairman said he considers the restrictions, "totally unfair," noting that if the State subsidized the jitneys system as it does other transportation systems, this problem would not happen.

Our jitneys are not subsidized. Throughout the State there are subsidies. "This is the best transportation system in the country, and it is nonsubsidized," Collette said, referring to government maintenance and operational subsidies provided to other systems. We are unique. Therefore, because of our uniqueness, we must be recognized accordingly, and our seniors should not be discriminated against.

ASSEMBLYWOMAN BUSH: Okay. Okay.

ASSEMBLYMAN SCERNI: Madam Chairwoman, if I may? Just a couple points that may clarify the jitney situation: jitneys and jitney services are, in fact, recognized by the statutes of the State. I believe that some of the bills that are contemplated make reference to jitneys with the appropriate statute cite, and the fact that they are normally considered within the definition of motor buses and things of that nature.

Knowing the way the jitneys function-- I think they function in a fashion that is beyond some of the private van type services that operate in other areas in the State. The

jitney, in fact, performs a public transportation service. They ride up and down the public streets, and any member of the public may, in fact, enter onto the jitney for the appropriate fare in much the same way that the fare would be paid to New Jersey Transit or any other public carrier. While they are privately owned, their function is, in fact, public, and I believe that the statutory scheme of things in New Jersey recognizes that particular function.

Admittedly, they are unique to Atlantic City, but they do, in fact, have a public function. And as such, it probably-- In my estimation, this form of transportation would be appropriate to be considered as part of the package of transportation modes that are being considered by this Committee, when we look at any benefits to be extended to seniors.

ASSEMBLYWOMAN BUSH: Thank you. I still have a few questions in my mind before we get to that point, but, thank you.

Did you have something you wanted to say, Assemblyman?

ASSEMBLYMAN MCGREEVEY: Assemblywoman Cooper, did you have this bill in the last session?

ASSEMBLYWOMAN COOPER: No--

ASSEMBLYMAN MCGREEVEY: Okay.

ASSEMBLYWOMAN COOPER: --because it had never come up before. Everything was going along smoothly, and suddenly, bam, the State and New Jersey Transit comes up: "You owe us \$123,000, and you did this and you did that." The jitney drivers were very compassionate, letting the seniors on at all hours, 24 hours a day. The survey from New Jersey Transit took place in August, and you can't judge a city by August's tourism.

ASSEMBLYMAN MCGREEVEY: When did Transit make that cruel determination?

ASSEMBLYWOMAN COOPER: This past August.

ASSEMBLYMAN MCGREEVEY: This past August?

ASSEMBLYWOMAN COOPER: And the hearing was in September. That's when they retained their attorney, and this whole thing just exploded. It had never happened before. Everything was fine. Then, somebody got an idea that, "Hey, they're not adhering to the original law of peak hours." Well, that's passe'. That's ancient history. What was 1978 is not 1990. Plus, our senior citizen population has grown.

ASSEMBLYMAN MCGREEVEY: Has any action been taken by Atlantic City regarding or working with New Jersey Transit to try to rectify the--

ASSEMBLYWOMAN COOPER: Just Commissioner Colette attended the hearing when the State was down. We had a conference call and of course, as he said, it's totally unfair.

ASSEMBLYMAN MCGREEVEY: Besides, I mean, has any attempt been made to work out a financial agreement privately between New Jersey Transit and Atlantic City?

ASSEMBLYWOMAN COOPER: No, they can't, because that's where I come in. It's a State issue.

ASSEMBLYMAN MCGREEVEY: No, I know, but you can negotiate with New Jersey Transit.

ASSEMBLYWOMAN COOPER: No, it's all been left to Dominic Capella, the President; myself; and their attorney. The fact is: We want Atlantic City recognized as being a unique city with their transportation, which as I say, is 70 years old--

ASSEMBLYMAN MCGREEVEY: Thank you.

ASSEMBLYWOMAN COOPER: --and suddenly it has come up. They've adhered to all State regulations, heretofore. There's never been any problems. As a matter of fact, there were periods of emergencies when the jitneys would go free, but now it's a very serious situation.

ASSEMBLYMAN MCGREEVEY: Thank you.

ASSEMBLYWOMAN BUSH: Very good. Thank you.

ASSEMBLYWOMAN COOPER: May I have just another moment, please?

My new bill reads-- Oh, yes, we're co-sponsors. (laughter). That bill "Reduced Fare Program" established by Public Law 1973, "provides for reduced fares for senior citizens and the handicapped during the off-peak hours." Well, in those days, off-peak was great. "While this program may be appropriate for many elderly, in the case of a municipality in which casino gaming is authorized, many elderly residents of such community must work in order to make ends meet, and need to use jitney service within the municipality in order to go to work.

"In addition, in such a municipality," -- that's us -- "because of the special nature of casino gaming, ordinary peak hour traffic times do not apply." That was the original concept. "This bill, therefore, creates an exception for senior citizen residents of a municipality in which casino gaming is authorized, entitling them to participate in a reduced fare program during all hours on jitneys operating in the municipality."

Well, that's the basic problem. It's a lifesaver. It's their subsistence.

ASSEMBLYWOMAN BUSH: Okay. Thank you very much.

ASSEMBLYWOMAN COOPER: By the way, in conclusion, may I add that last Sunday I received a call-- I received a copy in the mail-- The Newark Star-Ledger editorial endorsed this--

ASSEMBLYWOMAN BUSH: The Star-Ledger. Yes, no longer The Newark Star-Ledger.

ASSEMBLYWOMAN COOPER: That dates me. The Star-Ledger endorsed the bill.

Thank you very much.

ASSEMBLYWOMAN BUSH: Okay, very good. Thank you.

Edna Schlam. Good morning.

E D N A S C H L A M: Good morning, ladies and gentlemen. Thank you for letting me speak. I speak only as an individual. I'm a senior citizen on a fixed income. I'm retired. I don't work, but I use the buses a lot. I'm beyond the age of driving. I'm scared to death to drive. So I would like the unrestricted hours because, for instance, I have relatives in Queens, New York, that I like to visit once in awhile. But if I take a 10:00 train -- which is the earliest train I can take here from Trenton -- get to New York; it's close to 12:00; get to Queens, it's close to 1:30. And then I have to turn around after about an hour visit, and rush back.

ASSEMBLYWOMAN BUSH: Kiss and leave, right?

MS. SCHLAM: Waiting around for buses and trains and all that. And, another thing is, for safety's sake I only travel during daylight hours. So, if I could get an early start in the morning, say 7:30 or 8:30 it would be a great convenience for me.

I work as a volunteer for the library, for the blind and the handicapped, and sometimes they want me to come and read early in the morning because it's convenient for them. Well, that's all right. Then I have to pay the full fare on the bus, which is not fair.

So my thought is that I'm helping by not having a car and causing pollution, and I think it would be such a generous gesture for the seniors and the handicapped to be able to not look at their watches all the time and see what bus they can take so that they could beat the hours.

And when you think-- In the summertime, the days are long, so you don't mind maybe waiting until 7:00 to take a bus or a train back. But in the wintertime, it's impossible. You will travel in daytime. You do that. So waiting around on corners for buses, even when it's just twilight, is dangerous, especially in Trenton, here. We have a lot of crime. So that's one individual's attitude toward it. I think it's

wonderful if you could do that.

That's all I have to say. Thank you very much.

ASSEMBLYWOMAN BUSH: Well, thank you. Do any of the members of the Committee have any questions?

ASSEMBLYMAN MCGREEVEY: Can I just ask one question? When you typically ride the bus, do you take the train at 10:00?

MS. SCHLAM: Well, 10:00 yes. I can take the bus at 9:30 to get to the station.

ASSEMBLYMAN MCGREEVEY: And now you can ride on or off-peak hours?

MS. SCHLAM: Well, the off-peak--

ASSEMBLYMAN MCGREEVEY: What are the hours you can ride at reduced fare?

MS. SCHLAM: From 9:30 to 4:00.

ASSEMBLYMAN MCGREEVEY: Four o'clock and there are no hours after?

MS. SCHLAM: Well, then you have to wait from 4:00 to 7:00 before you can ride again at half fare.

ASSEMBLYMAN MCGREEVEY: Okay.

MS. SCHLAM: I think 7:00 to 6:30 a.m.

ASSEMBLYMAN MCGREEVEY: Four in the morning you can do whatever you want?

MS. SCHLAM: Yeah, whatever. I mean those would be hours when I wouldn't be traveling.

ASSEMBLYMAN RUSSO: Technically, she's right. It's 9:30 a.m. until 4:00 p.m. Then it picks up again at 7:00 until 6:00 which means--

ASSEMBLYMAN MCGREEVEY: You can go to Queens, 2:00 a.m., at half fare. (laughter) This is--

MS. SCHLAM: (speaks to someone in audience) A friend I invited to come; I thought this place would be crowded with handicapped and senior citizens. I'm just so surprised that I'm the only one of the public here.

ASSEMBLYWOMAN BUSH: Well don't worry, we'll be having more public hearings throughout the State and so we will be--

MS. SCHLAM: Oh, this is the only one in Trenton though.

ASSEMBLYWOMAN BUSH: Yeah, this will be the only one in Trenton. But we do appreciate your taking the time, because you're a representative of more than just yourself.

MS. SCHLAM: I think the problem is that it wasn't publicized. I happened to be told about it by somebody who really reads the calendar who told me about it, because I didn't see anything in the paper about it, and I think a lot of people would be interested in it. I'm just so surprised. But, thanks again. Are there any more questions?

ASSEMBLYWOMAN BUSH: Thank you very much.

Just for the record -- to Assemblywoman Cooper -- your bill is before the Transportation Committee, that's why it was not picked up with this one.

ASSEMBLYWOMAN COOPER: But I felt that it impacts both.

ASSEMBLYWOMAN BUSH: Right, but just so you'll know, it's the Transportation Committee.

Thank you.

Christine Simon, Jim Redeker, is it?

J A M E S P. R E D E K E R: (corrects pronunciation) Redeker.

ASSEMBLYWOMAN BUSH: Okay, both from New Jersey Transit. I guess you're going to tell us about money.

C H R I S T I N E C. S I M O N: Well, yeah, there's--

For the record, my name is Christine Simon, New Jersey Transit, and I have with me today Jim Redeker, who's Director of Business Planning for New Jersey Transit.

Good morning Chairwoman Bush and members of the Committee.

First, I'd like to clarify some of the issues with

regard to Assemblywoman Cooper's concerns about the jitney service in Atlantic City.

New Jersey Transit has come to an agreement with the Jitneymens' Association, and we've agreed not to collect any moneys that we felt that were reimbursed to the Jitneymens' inappropriately.

We were unaware that we were reimbursing them inappropriately and have decided to--

ASSEMBLYWOMAN BUSH: (speaking to audience) Excuse me.

MS. SIMON: --begin anew September 1, based on the existing law. We felt that to continue the practice of allowing 24 hours service -- reduced service to the seniors in Atlantic City -- would be discriminatory to the other seniors in the rest of the State, and we were going to apply the law fairly across the State.

Mr. Redeker will explain any other questions or aspects of the program that you have with regard to expansion of the program or changes in it and how it affects our dollars.

MR. REDEKER: Let me just take a few minutes for background, and we'll give you some idea of how New Jersey Transit is estimating the impact to us, financially, of any options here. We can be flexible and will try to respond to your questions; interrupt us at your will.

First, the history of the program was one that began up through 1984 with scrip being issued and collected for these trips and so a process was involved in the collection of tickets. The counting of those tickets was how we estimated who was riding. Since 1984, scrip is not being collected throughout most of the system.

So most of our estimates are based today on surveys of riders. We do surveys like this frequently, but not in any particular period. They tend to be expensive and difficult to do. So we're basing our data on the most current surveys of who's riding our system during what periods of time.

We've done several different ones: one for our local bus system, one for our interstate bus system, and one for our rail system. On the basis of those on board surveys of riders filling out surveys, we know a distribution of people by age. On the basis of the percentage of people riding in the peak period and the off-peak period we have ways of estimating financial impact to New Jersey Transit's operations.

Let me take a look at those particular bills which are dealing with extending that reduced fare program for 24 hours. On the basis of our current data we believe that there is a financial impact to New Jersey Transit operations directly of about \$7.5 million.

How do we get to that number? Currently there are about five million trips taken during the peak period by senior citizens, and on the rail system there about 1.8 million trips taken during the peak periods. Those people are paying reduced fares and the balance is paid to us through subsidy.

We would lose those fares that are currently being paid to us if people switched, rode in the peak, and we weren't getting the full fare that they're currently paying. They're now paying full fare in the peak; they would now pay a discounted fare. We would lose the difference in revenue to New Jersey Transit. That's estimated to cost about \$4.1 million for the bus system and \$3.4 million, for a total \$7.5 million to our operations directly.

We also work with private carriers and act as a contracting agent for them. Private bus companies who are involved in this half fare program or the reduced program are reimbursed at the rate of 66 cents a trip. This is an estimated rate of what the difference between their full fare is and the reduced fare. There are now 2.2 million being taken on private carriers at 66 cents per, would mean \$1.5 million. One-and-a-half million dollars and \$7.5 million leads to a

\$9.0 million estimate for what it would cost to extend into the peak period -- the reduced fare program.

ASSEMBLYWOMAN BUSH: Nine--

MR. REDEKER: Nine million dollars. That's correct. Now these estimates are, in some measure, we think, conservative. We looked at them several times to make sure we weren't really overstating what the impact would be.

ASSEMBLYWOMAN BUSH: Just to break in, which as you indicated was no problem, Assemblyman McGreevey has a question.

ASSEMBLYMAN MCGREEVEY: Thanks, Chairwoman.

Jim, could you go through those figures again?

ASSEMBLYWOMAN BUSH: And will we receive a copy of those?

ASSEMBLYMAN MCGREEVEY: Yeah, that would be helpful if you have Xeroxed copies.

Okay, so what is the breakdown, again? It's four point--

MR. REDEKER: The dollars are \$4.1 million for bus operations and 3.4 for rail.

ASSEMBLYMAN MCGREEVEY: Okay, so which comes to total of--

MR. REDEKER: Seven-and-a-half million.

ASSEMBLYMAN MCGREEVEY: Seven-and-a-half. And then how do we get to nine?

MR. REDEKER: Nine is that we also receive money directly and then pass it through to the private carriers who participate in a reduced fare program. We sort of monitor the program and act as the pass-through for them. So, it's in our budget.

ASSEMBLYMAN MCGREEVEY: So that you have to subsidize private carriers that have contracted with New Jersey Transit--

MR. REDEKER: That's correct.

ASSEMBLYMAN MCGREEVEY: Now, when you have this -- just take it before we deal with it with a nine-- And you can

always alter the need to subsidize. But in terms of the direct loss to New Jersey Transit, could an argument be made that there would be increased -- that any loss would be offset by, or a portion of it would be offset by increased ridership by seniors if they knew they could avail themselves with a half price or the discount?

MR. REDEKER: Yes. We've taken a look at different options. There are two ways to look at this: One is that a reduced fare would certainly induce ridership, taking a look at some industry wide accepted standards and measurements that have been made before and after reduced fare programs.

One might suggest that you could see for, essentially 50% off -- let's round it to half off -- you might see as much as a 15% increase in ridership. These are statistically done before and after people have reduced fares for senior citizens riding in the peak. We used that estimate. Of course it's speculation; we don't know for sure. We haven't tried it in New Jersey so we don't know exactly what would happen, and we've intentionally, or at this point, not added that in because one feature of adding additional riders in the peak period would also be an additional cost for providing service potentially.

In an attempt to keep the numbers more conservative, we've essentially assumed status quo and hope that we can deal with any increased demand at this point. If we saw a 15% increase in the peak period and you can imagine some of the trains on the Northeast Corridor in the peak period getting 15% more seniors on it--

ASSEMBLYMAN MCGREEVEY: It's already such a pleasurable experience.

MR. REDEKER: Exactly. We would have to consider additional cars and additional service to operate which would also add to our expenses. The net net would probably come out very close. The last time we did it, the additional revenue

was just about offset by the incremental costs that we estimated. So it came out still around \$9.0 million when we did it, so you would get some more revenue, but you would also see an increase in expenses. So, either way you look at it--

ASSEMBLYMAN MCGREEVEY: What you just said isn't very scientific, with all due respect. I mean--

MR. REDEKER: Well actually, there was a separate whole estimate that was done on that basis where we estimated the incremental gain in riders, we estimated the incremental gain in expenses and the potential impact, even without capital costs, assuming we didn't have to buy any new equipment--

ASSEMBLYMAN MCGREEVEY: Sure. Well, through the Chair, could you forward us that documentation of the numbers and--

MR. REDEKER: Yeah, sure. They would have to be updated because we've since-- I mean we can update them. The last time they were done was based on previous revenue estimates, before our current fare increase and so forth, but we can certainly update them. Both numbers came out to be about the same.

ASSEMBLYWOMAN BUSH: How are your surveys currently performed?

MR. REDEKER: Okay. There were three separate surveys used for this estimate: Local bus was performed using a pass survey. We surveyed anyone who bought a monthly pass. Now that was the only survey of local bus riders that New Jersey Transit has done, except for trying to go back to 1980 census, and we didn't want to go back that far. Things have changed a lot since then. It is, actually, probably a survey which understates. In other words it's conservative regarding the number of seniors because it deals with those people who, up front, buy a pass for a month. So, it probably understates the number, and therefore, is conservative when we talk about

revenue loss. But it was the most current -- and only really current available data.

For those buses that go interstate, we did surveys in 1987. They were telephone surveys followed up by mail surveys of a sampling of our riders, and on that basis, we got an age distribution.

And finally, for rail, the most current available data was from 1983, a complete origin/destination survey of our riders which gave us an age distribution.

We are currently in the process of updating each of those surveys; local buses underway as is interstate bus. The rail survey starts next Monday. If you ride the train, please fill out the forms.

Those are expensive. That effort costs approximately \$.5 million for us to go through, just to collect that kind of data. So we're using what's available right now. It will be updated probably within the next six to nine months, as we complete all the surveys.

ASSEMBLYWOMAN BUSH: How will people receive the forms, and how will you deal with getting them back?

MR. REDEKER: I'll tell you how it happened already for local bus and interstate bus. For local bus, we had people boarding buses and/or standing at key boarding points. We handed them out to approximately 20% of our riders on a random sampling basis. They were collected on board the bus. People were assisted if they had trouble reading the questionnaire. The same interviewer collected them. If people didn't have time, they sent them back through the mail.

For the interstate bus system, they were handed out as people boarded the buses in the New York and Philadelphia terminals, and they were collected on the bus in envelopes that the driver then took back to the shop and sent in, or people could mail them in.

The rail questionnaires will be handed out on board the trains. Interviewers will follow conductors and trainmen and hand them to people as they board the train. They'll be collected on the train or sent back through the mail.

ASSEMBLYWOMAN BUSH: Do you know what it currently costs New Jersey Transit for the reduced rate during off-peak times?

MR. REDEKER: Yes. The off-peak reduced fare program today is budgeted at something like \$13.5 million for Fiscal Year '91.

ASSEMBLYWOMAN BUSH: And is New Jersey Transit reimbursed for this, or is this--

MR. REDEKER: Of the \$13.5 million, New Jersey Transit receives \$8.2 million, and \$5.3 million is dispersed to private carriers.

ASSEMBLYWOMAN BUSH: So right now then, it's not costing you that because you're being reimbursed.

MR. REDEKER: We are being reimbursed. That's correct.

ASSEMBLYWOMAN BUSH: So right now the off-peak is not costing New Jersey Transit.

MR. REDEKER: It is essentially a wash. We are covered for the balance. At least we're covered to the extent that we know. In other words, we have no scrip to prove out whether this is exact or not. We're hoping that when we find out exactly that we are covered-- We may not be, with the growth in the senior population, and so forth. It may not be, but to the best of our knowledge it covers our losses today.

ASSEMBLYWOMAN BUSH: Okay. Assemblyman?

ASSEMBLYMAN MCGREEVEY: Yeah, through the Chair.

So you're saying that right now-- Approximately how many senior citizens are utilizing the mass transit, New Jersey Transit, during peak hours, as opposed to nonpeak hours?

MR. REDEKER: Okay. Let's take peak, first.

MS. SIMON: Do it in terms of trips.

ASSEMBLYMAN MCGREEVEY: In terms of trips.

MR. REDEKER: And these are trips, millions of trips per year. There are currently in the peak period, 5.1 million trips taken in the peak period by seniors. That's on the bus; on the train, 1.8 million trips taken per year in the peak. If you look at, today, in the off-peak, we're looking at approximately--

ASSEMBLYMAN MCGREEVEY: Okay, because, just parenthetically, the fiscal note to-- It's way off the mark.

ASSEMBLYWOMAN BUSH: That's why we weren't even dealing with that one.

ASSEMBLYMAN MCGREEVEY: Okay, thanks. Sorry.

MR. REDEKER: Okay. We can-- I'm not sure because I have--

ASSEMBLYMAN MCGREEVEY: No, no. It's just in terms of the document, it was way off the mark in terms of evaluating the amount of trips--

MR. REDEKER: The numbers of trips, okay. That's our estimate of current peak period seniors. Off-peak there are, on New Jersey Transit, 9.1 million trips on the bus system, 600,000 on the rail system. A total of 9.7 million on New Jersey Transit and another six million on private carrier buses.

ASSEMBLYMAN MCGREEVEY: Okay. And the off-peak again: You think it's a wash because of the subsidies?

MR. REDEKER: That's correct.

ASSEMBLYMAN MCGREEVEY: And where do those subsidies come from? How is it allocated?

MS. SIMON: It's from general operating-- Senior citizen and disabled resident pays for county transportation programs. We deal with the counties; that's casino money. This comes out of general operating revenues. The line item in the budget: purchased transportation.

MR. REDEKER: It's a line item.

MS. SIMON: It's directly from the revenues.

ASSEMBLYMAN MCGREEVEY: General revenue funds--

MS. SIMON: Right.

ASSEMBLYMAN MCGREEVEY: --through the Department of Transportation?

MR. REDEKER: Yes.

MS. SIMON: Right.

ASSEMBLYMAN MCGREEVEY: Okay. Thank you.

ASSEMBLYWOMAN BUSH: Surely. Assemblyman Russo, do you have any questions or comments of these testifiers?

ASSEMBLYMAN RUSSO: Yes. Jim, do you know the history of this, originally? I think it's around 17 years old. That's 1973, and I guess the idea then was to get more-- Obviously, you didn't get--

MR. REDEKER: It was a time when, if you remember, the bus ridership was declining throughout the State. The picture was pretty bleak. It was a bus program only at the time, initially, and, in fact, it was put in place to try to encourage ridership -- build ridership back up. The train piece was added separately, as the railroads were subsidized. There isn't a separate estimate of senior citizens. It's just part of the net deficit of the railroad. The program was applied, and it gets covered as part of the net deficit of the railroad operation.

ASSEMBLYMAN RUSSO: And at that time, the number 50% was, I assume, arbitrarily taken?

MR. REDEKER: Yes.

ASSEMBLYMAN RUSSO: And I assume at that time that the peak hours were excluded because it would cost a lot of money to include the peak hours.

MR. REDEKER: It was a combination of the cost of including it and the capacity on the system in the peak. The peak drives the cost, and we try to maximize the number of people on the vehicles or minimize the cost of operating more

vehicles in the peak. By adding any more people, it drives the cost up.

ASSEMBLYMAN RUSSO: Now this is the fifth -- correct me if I'm wrong-- This is a 50% program?

MR. REDEKER: It's slightly more than that now. We did not raise senior or handicapped fares during the fare increase two years ago and as a result, the discount is slightly greater. It's about 55% now.

ASSEMBLYMAN RUSSO: Okay. I was just going to say two things. One is: excluding Atlantic City, because I think in the last 17 years you can make a different argument for Atlantic City because of the changes there. I mean you probably could make the same argument for Las Vegas, and it's legitimate because it's that business is there and whatever-- Number one, have you ever factored in -- which is probably very unpopular -- doing this 24 hours, but maybe not giving the 55% increase; where maybe it wouldn't be 55% but it might be a third, and you'd be able to not have to take I.D.s and everything else and have fights-- I can just imagine.

And the second thing would be with regard to age. Now to be very fair about this, people -- although there probably hasn't been that much change in 17 years -- are living longer lives. And again, in the question of fairness-- They just don't have the money anymore. And also, I really think it would probably be easier to implement everything else if this were 24 hours, as this lady said before.

Has there ever been any discussion of having -- let's say the definition of the senior citizen here for this program change, as 65 -- and the impact that that would have?

MR. REDEKER: We have not. Any of those estimates could be made. We have not. We've only focused on particular recommendations that have been made.

ASSEMBLYMAN RUSSO: That's probably going to happen at some point in our lifetime, I would assume. Maybe not, but it

might be appropriate, you know?

MR. REDEKER: Raising the age would certainly reduce the numbers of people eligible, and reducing the discount would also reduce the financial impact. Both of those things could be done to augment the estimate of revenue loss.

ASSEMBLYMAN RUSSO: I mean on the other hand, one of the other bills here is for totally free fares which I have no problem with. If we have the money, I think it's a great idea.

ASSEMBLYWOMAN BUSH: Assemblyman McGreevey.

ASSEMBLYMAN MCGREEVEY: Maybe we're going to get the age up to 80. (laughter) Jim, in terms of buses, more out of a practical observation-- I ride New Jersey Transit and the Northeast Corridor and I believe I've been beleaguered by it, but on buses during peak hours-- Are State buses-- I've never been on a full bus in my life and in this State, unlike New York and Washington, D.C., its pre-subway-- But what's your observation? I mean, say for example, if we move in this direction of buses, is there going to be that kind of dollar loss than you suspect on--

MR. REDEKER: I'm not sure where you're coming from?

ASSEMBLYMAN MCGREEVEY: The point--

MR. REDEKER: There are some buses that are full, yes. There are many, many buses that are full. In fact, we schedule them to keep them full. We have a standard that says we will not add a bus in a peak period unless there's 25% or more of the people standing. We won't take it off unless-- We won't reduce service unless 60% of the bus is full -- or fewer people on the bus. We try to maximize the number of people on the bus. In this particular area I would say that you'll find -- and in some of the smaller cities you might find that there are fewer people and you won't have packed buses--

ASSEMBLYMAN MCGREEVEY: Yeah, because part of your argument is that you're not only going to lose revenues in terms of people that were paying full fare and then pay half

fare, but you're also going to be losing revenues because you're going to have more people on who are paying half fare. You're going to ostensibly bump full payors off.

MR. REDEKER: No, no. I'm not estimating that we'll bump anyone off the buses. That's not part of it. I'm suggesting that we're going to try to carry everyone who might decide to ride in the peak, even if there are more people, without adding extra buses. We're not estimating a revenue loss from bumping people, only from those people who are seniors today paying full fare today, because they ride during the peak. They go to work--

ASSEMBLYMAN MCGREEVEY: Just what this woman said before: You don't think any argument that could be made -- at least on buses -- that you're going to be enhancing your ridership? With trains you made the argument that you may have to bring up more equipment and ostensibly-- My own personal observation is that I think that's probable, but in terms of bus transportation--

MR. REDEKER: It's a "site specific" answer, and I'd say that probably in the Trenton area, we might not have that problem as much as we do in downtown Newark and parts of Camden at certain times. Well sure, our peak buses into the city are absolutely jammed and we have to maintain that kind of--

ASSEMBLYMAN MCGREEVEY: But say things that were not interstate. If there was just a bus route that was intrastate-- I understand.

MR. REDEKER: Yes, there are routes that are not running at absolute full capacity, and there are those that are. I suggest that Newark is the one place -- Newark, Elizabeth area -- where we are at capacity, with standees.

ASSEMBLYMAN MCGREEVEY: You are at capacity?

MR. REDEKER: Oh yes, absolutely. We are at standee, you know-- And we, through budget measures, continue to wean away a bus at a time, and we drive up the standees wherever we

can without having service deteriorate to the point where people won't ride.

ASSEMBLYMAN MCGREEVEY: Would it be possible, through the Chairwoman, to give a copy of an evaluation of ridership levels say throughout the State? I'm sure that's been done someplace, for rail and bus?

MR. REDEKER: We have the estimates about what we call the load factor in the peak period; what percentage of the buses are full on a particular route in a peak period? And it's on that basis that we do our scheduling. So, it's possible to provide some of that data. It's difficult to interpret in this context, and we suggest that a peak period is a long time.

What actually drives much of what we're dealing with is the maximum peak hour when everyone wants to be getting to work or coming from another place and moving to a business appointment or doctor's appointment. Those things happen generally to get people in, around 8:30 to 9:00. That's the peak of the peak. You'll find that if you spread that analysis over three hours the average load factor comes down; there are fewer people per bus. The peak of the peak, they bring it way up and that requires in many cases, a special study to get on a route specific basis -- exactly what's happening in that peak hour.

ASSEMBLYMAN MCGREEVEY: Just from a common sense point, Jim. I would think that if I was a senior I wouldn't want to wrestle with the hungry hordes on the Newark platform or wherever-- I can't see a 70-year-old woman who's gearing up for her morning bagel and coffee to get out there. Doesn't it seem that if recognizing the curve and especially the downside of that curve, it would seem to be common sensible -- unless there was a pressing need, unless you had to get to that doctor's appointment, unless you had to do something of an urgent nature? And then there's an argument in terms of public policy why that should be allowed. They should have access to

public transportation, so that senior would naturally defer to the downside of that curve.

MR. REDEKER: True, which is part of the behavior-- Even peak riders, if they can do it, do it. We've seen the spread of the peak over the last couple years because people just cannot hassle that one hour, so they go in earlier, or they go in later and they try to work out flex hours. Certainly for someone who's going to have a difficult time with those angry crowds, they're going to want to do that even more so.

ASSEMBLYMAN MCGREEVEY: Yeah, doesn't that go also to the argument that there may be no necessity to bring on new equipment?

MR. REDEKER: Exactly why today the estimate does not include an estimate of increased equipment.

ASSEMBLYMAN MCGREEVEY: But then, I take it, I take the next step and say well then if there is an increased ridership by virtue of that, won't that have an impact on your estimated loss of revenue?

MR. REDEKER: It may, yes. The offset could be maybe a million dollars tops. But we still don't know how it's going to play out, and we won't know unless we do a much more detailed analysis.

MS. SIMON: Jim, maybe we can help you. There's a thing you need to understand, also, that in the inner cities there are zoned fares, and it's usually \$1 or \$1.25 a zone, and when you're talking about intrastate where we could lose-- Say a senior does a round-trip. You're talking about losing \$10 as opposed to losing 50 cents in the inner cities. So, you know, it's not just \$1 a trip or 50 cents a trip that we're losing. It could be as much as \$5 or \$10.

MR. REDEKER: And rail is the same way.

You know, all of these estimates have been calculated, again with us trying to be somewhat conservative on the

impact. We've used the average fare for the entire system all day, to come up with these estimates.

Why is that conservative? Well, probably the seniors who ride in the peak today are likely to be those who are not buying monthly passes at 30% off. They're people who are buying a ten-trip ticket because they ride less frequently, or they're buying single trip tickets at full fare. So, when we estimate these losses, we actually took a conservative approach to it. I mentioned that the survey that we used for local buses also deflates the number somewhat, because those are people who are peak period monthly pass holders.

Finally, none of the estimates really have looked at the likely growth in the senior population which is occurring. So that that spread of the older cohorts in the age groups which will likely hit us-- But we haven't done that, so today, I think we're somewhat conservative.

ASSEMBLYMAN MCGREEVEY: Through the Chairwoman. Jim, just two questions. As I understand it, all riders in the State are evidently subsidized in the sense that--

MR. REDEKER: In aggregate terms, that's correct. Certain people on certain routes probably pay their full way, depending on how the route operates and its cost structure, how many people board, and how crowded it is. There's a route in Newark that for sure is making money, if you will.

ASSEMBLYMAN MCGREEVEY: We're losing money in Bernardsville, but we're making money in Newark.

MR. REDEKER: Could be. Well, whatever. There are also routes in Bernardsville maybe that make money, but the point is it's a route specific operation.

ASSEMBLYMAN MCGREEVEY: Pull up in your Rolls and get onto a New Jersey Transit bus. (laughter)

MR. REDEKER: In aggregate they all lose money, sure. That's why we have a deficit. There are certain places where the route may recover--

ASSEMBLYMAN MCGREEVEY: So, isn't it a matter, in terms of -- and I'm sure you subsidize other populations -- whether it's veterans, disabled, whomever, we subsidize. New Jersey Transit ostensibly is in the business of subsidizing. So, in the sense that-- I mean as a public policy argument in terms of New Jersey Transit's management of its cash resources, can't an argument be made that public transportation should be providing affordable means of transportation to our State's seniors?

MR. REDEKER: I wouldn't disagree with you at all. It's just how does it get paid?

ASSEMBLYMAN MCGREEVEY: Well, I mean, the thing is, is there any other areas in terms of New Jersey Transit perhaps, that an argument could be made that money could be spent more effectively and wisely in this area as opposed to other areas in New Jersey Transit's operations?

MR. REDEKER: One could make the argument as to where we could squeeze \$9 million at this point. I'm not sure we could find that right away.

ASSEMBLYMAN MCGREEVEY: You got Jerry's credit card back, so-- (laughter)

MR. REDEKER: Really, it's not an easy thing to come up with -- \$9 million. Nor is it something, for instance, charge other people for, other riders, to pay for this. We're finding that ridership is trailing off dramatically with the fare increases year after year after year. The loss in riders has begun to somehow--

ASSEMBLYMAN MCGREEVEY: Does New Jersey Transit have any plan for encouraging-- I mean, how do you service your senior citizens? Do you have a plan for addressing the ridership needs of the State's seniors during those peak hours?

MR. REDEKER: During the peak hours? Most of the people that are riding in the peak, we feel, are riding because they are employed and because they want to, and they are part

of the regular community population. Special plans and mobility plans have been made both on our system and with the para-transit throughout the State for the off-peak hours. I think the future of public transportation needs to look at the role of transportation at large for seniors and handicapped people in a larger way, or it's going to hit us harder.

ASSEMBLYMAN MCGREEVEY: I think your testimony has been very honest, and I realize this is a dollar thing, but I guess the question is: Do you think this rises to the level where New Jersey Transit would come to the Governor's office and to the Legislature and say, "This is a worthwhile need, this is a critical need and the seniors have to get to--" I mean, mindful of all the things we've just said in terms of not being interested in riding New Jersey Transit during peak hours unless they have to. Is this something New Jersey Transit would be willing to support in terms of an appropriation?

MS. SIMON: I think that's strictly legislative policy, and we've approached it as such. If the Legislature deems that there's where we should spend our money, with the Governor's office in accord, then that's where, in fact, we spend it. We really allow it, and the Board of Directors have their input.

ASSEMBLYWOMAN BUSH: Yes?

ASSEMBLYMAN SCERNI: One rather specific question. The \$123,000 that apparently was in dispute and now is not in dispute in Atlantic City: How long did it take that to accrue?

MS. SIMON: I really don't know. That's the first I've seen that number, okay? I don't know if that's the right number but I can find out if that is, in fact, the right number, Assemblyman, and get an answer to you. It seems a little bit low to me, quite frankly, from my understanding of how long this went on. It seems considerably low. My understanding is that it went on for several years.

ASSEMBLYMAN SCERNI: I'm just curious. On an annual

basis or a monthly basis, how much that operation at 24 hours would cost?

MS. SIMON: I can get you a breakdown of the whole program.

ASSEMBLYWOMAN BUSH: Yes?

ASSEMBLYMAN RUSSO: One of the bills we have before us is one from Assemblywoman Bush, the Chairman, and my question to both of you is: Is this an issue that you, in particular, in your district have received a lot of complaints on or--

ASSEMBLYWOMAN BUSH: From seniors. I believe you were at our first meeting which was a public hearing on issues that the seniors wanted addressed. This was one of the primary issues that they dealt with in regards to transportation. Also, we're really not dealing with any particular piece of legislation today. It just happened to be in the folder. We'll be dealing with the entire issue at some point; hopefully being able to come forward with legislation that will address as many needs as possible.

ASSEMBLYMAN RUSSO: I'm just wondering if you had a lot of complaints from, in particular, Atlantic City?

MS. SIMON: From Atlantic City? No. I see all the letters that come in from constituents with regard -- and we do get letters with regard to expansion of the 24-hour program -- but I haven't seen any letters with regard to Atlantic City, in particular, at all. No.

ASSEMBLYMAN RUSSO: I'll ask you one question. I see the age is 62 and then it says -- and I'm just reading an I.D. card -- in order to be eligible for reduced fare, elderly or handicapped persons must present either a valid Medicaid card or a reduced fare program I.D. card upon boarding. I'm not being facetious. If you have the age limit at 62, for example, who would not be able-- Just a practical matter, you know what I'm trying to say? Is there really any kind of limit--

MR. REDEKER: I'm not sure I understand the intent?

ASSEMBLYMAN RUSSO: Meaning, if you have an age, do you have any kind of percentages who wouldn't be eligible for that kind of program?

MR. REDEKER: Oh, how many would not?

ASSEMBLYMAN RUSSO: Yes. Like, do you have a--

MR. REDEKER: Sure, I have a breakdown on age. That's what you'd like, sure, hang on a second: 11% of the local bus system is 62 or over.

ASSEMBLYMAN RUSSO: Okay, 11%--

MR. REDEKER: Eleven percent.

ASSEMBLYMAN RUSSO: --is 62 or over?

MR. REDEKER: That's correct. On the interstate bus system, 4%, and on the rail system, about 6%.

ASSEMBLYMAN RUSSO: Of the 62-- Maybe you don't have this. Of the 62 years of age or older population -- and you may not have this; I'm just wondering -- what would be the percentage of the population that would either not have a valid Medicare card, or the reduced fare program I.D.? Do you know what I'm trying to say?

MR. REDEKER: I don't know how many people do not, or don't know. I'm sure there are many who don't know about the program and who don't go about trying to get a card--

ASSEMBLYMAN RUSSO: Yes.

MR. REDEKER: --if they don't have a Medicare card. We don't know that, but certainly the program is open. We just don't know how many people do know about it and take advantage of it. Compared to how many seniors there are, we're carrying minuscule numbers of people.

ASSEMBLYMAN RUSSO: Okay.

MR. REDEKER: But whether that's a function of where we go or lack of knowledge--

ASSEMBLYMAN RUSSO: Sure.

MR. REDEKER: --that's the question: How come people don't take public transit?

ASSEMBLYWOMAN BUSH: Okay, thank you. If you would -- if you will stay with us for a while though, because we have other people who want to testify, and there may be questions that we would like to address your way. We do appreciate the testimony, so far.

Now, we have here Mr. Tucker, from AARP. If you will come forward? Good morning, Mr. Tucker.

A N T H O N Y T U C K E R: Good morning.

ASSEMBLYWOMAN BUSH: Would you also do this for me? Assemblyman Russo has indicated a question as to whether or not there appears to be a need expressed for the seniors for this reduced around-the-clock fare? Could you, in your testimony, address that?

MR. TUCKER: Yes. With the increase in the cost of living increases in everything, and the senior people being on a more than fixed income, anything that you can do, not only in transportation, but anywhere else, the seniors need. They need the ability to feel that they don't have to wait for a certain time to go somewhere. It would be very nice to feel that you have the freedom to go when you want.

The AARP's position is that we definitely need any type of consideration that we can get. If we can get 24-hour service, it costs just as much -- it costs more to a senior citizen, in a sense, to get to someplace at night if he doesn't have his own way. But if he feels that he can go by bus transportation, it makes him more secure; if it is not just a doctor's appointment, but I may want to go see my grandchild.

ASSEMBLYWOMAN BUSH: Tell me this, Mr. Tucker. Do you feel that if the reduced rate is in effect around-the-clock, during the peak times, that a senior is going to, by choice, choose to go on peak time, or would it be more by default because they happen to need to use the--

MR. TUCKER: It would be more by default, because I certainly wouldn't want to get out there on a crowded bus. I

certainly wouldn't want to get up, let's say at 6:30, now that I'm used to getting up at 7:30.

ASSEMBLYWOMAN BUSH: Assemblyman Russo, did you have any questions of Mr. Tucker, in line with that?

ASSEMBLYMAN RUSSO: Well, I don't know if you can answer this, but, if it comes-- I would agree with you 100%. I would think it would make much more sense to have this around-the-clock for a lot of different reasons, one of which is freedom, obviously. I'm not so sure how much it would cost, but it would probably cost some money, and the problem is, maybe we don't have the money. My question is this:

Right now it appears that the seniors are getting about a 55% discount. Now, as opposed to maybe having no more extended hours -- meaning leaving it the way it is -- would it be worth it to the senior population, in general, to maybe pay a little more for what you're getting, but have it for 24 hours, so that all of you could use it?

MR. TUCKER: I can't speak for all, because I haven't had that question. For me, it would be a hardship.

ASSEMBLYMAN RUSSO: Okay.

MR. TUCKER: You're on a fixed income. It's not that I can go out and make a day's pay or have other income coming in. I am 100% retired, and my income is already doled out before I get it.

ASSEMBLYWOMAN BUSH: Mr. Tucker, what would your opinion be if the age qualification was raised from 62 to 65?

MR. TUCKER: It would cut out some of the people who-- A 62-year-old person who is sick, and is retired--

ASSEMBLYWOMAN BUSH: Okay, unless you are disabled, okay. Why don't we put that in: 65 unless you are disabled?

MR. TUCKER: Well, if you put those type of provisions in it, it would cushion it some, but quite a few people are taken-- Some of us are forced out at 62.

ASSEMBLYWOMAN BUSH: That's a good point. Okay. Well, thank you. Thank you very much.

MR. TUCKER: Thank you.

ASSEMBLYWOMAN BUSH: I see we have with us Ms. Judy Waters, from East Orange. Ladies, welcome. Would you like to testify? And gentlemen, too. Excuse me. Mr. Tucker was sitting right here, in our line.

I see you wanted to testify, Ms. Waters.

J U D Y W A T E R S: Yes, thank you. Good morning.

ASSEMBLYWOMAN BUSH: Good morning.

MS. WATERS: Thanks for faxing me the information. I don't know who Ken is?

ASSEMBLYWOMAN BUSH: Here's Ken, right here. (referring to Kenneth Murphy of Majority staff)

MS. WATERS: Okay, thank you. I'm from the City of East Orange, and in the City of East Orange, we have a very large population of older adults, approximately 18,000, which represent about 25% of our population. The majority of the 18,000 older adults that I program for, are on fixed incomes. We are from a very poor urban community.

Transportation at a reduced fare -- 24-hours -- is beneficial to my town because about 76% of the people in my town depend on public transportation to provide the necessities of life. That's their only way of maintaining themselves.

Also, it provides socialization. They shouldn't be restricted to certain hours. Socialization and activities are very, very important. They play a major part for the older adult. If the older adult is kept busy, it fosters a healthier life-style. It will reduce early or inappropriate institutionalization.

I'm in favor of this bill for reduced fare for 24-hours, because my town needs it very, very much. The City of East Orange has transportation: three vans, 15-passenger. We do door-to-door, between 8:30 and 4:30, but we certainly don't get to service nearly the number of people who need it, who have very, very little money.

It just seems that we have to rethink some of our priorities. Because you have reached a certain age, you shouldn't be penalized and classified as a cast-off generation -- you've got to ride at a certain time -- because you've been fortunate enough to live a few years longer.

I want to refer to some statistics I have here: Senior citizens, 65 and older, numbered 28 million in 1984, across our entire country, and represented nearly 12% of the nation's population. We're going to have a lot of older people; and they're still coming. Due to modern medical technology, the number of people who are 65 have an increased life expectancy now of 16.8 years. So, we do have to do some planning. We do have to do some rethinking and reassessment of our planning for our older adults.

ASSEMBLYWOMAN BUSH: Assemblyman Russo, does that answer your question about my legislation: If there was a need in my area?

MS. WATERS: I think the whole 27th District will benefit from this.

ASSEMBLYMAN RUSSO: Yeah, no. What I meant was, have you gotten real complaints? And that's good; I understand that. You know, the lady brings up some very good points, because we have the second largest senior citizen population in the country, after Florida. It's a real problem, and it's growing.

MS. WATERS: It's growing.

ASSEMBLYMAN RUSSO: This gentleman brought up a good point, too, where certain jobs may well force you out at 62.

MS. WATERS: May well.

ASSEMBLYMAN RUSSO: You mention the term "planning," because, unfortunately, unless we start inflating again, you just can't pick the dollars off the trees, and that's the problem, because as the population gets larger--

MS. WATERS: Yes.

ASSEMBLYMAN RUSSO: --we may have to -- not only in this area but in other areas -- increase age limits, because it's just not going to be feasible.

On the other hand, I think it's not intelligent, I don't even think it's really fair, that you have these time limits. I can understand why it was done, but I don't think it makes real good sense. As somebody who was an attorney for the Office on Aging in Bergen County for a number of years, I think it's counterproductive, socially.

What you mentioned about institutionalization is exactly right.

MS. WATERS: Exactly right.

ASSEMBLYMAN RUSSO: Exactly right.

MS. WATERS: Yes.

ASSEMBLYMAN RUSSO: And it's a very good point. I'm just saying, as this gentleman said, I'd like to see as many people covered under this program. And if it means making the age 63 to do it. I think the time limits--

I'm not against it. I'm just saying unless you have, or somebody has a way to come up with \$9 million or \$10 million which we may not have, and the opportunity is, you know, either to leave it the way it is -- which I don't think is so good -- I really don't think you should have these time restrictions on it.

MS. WATERS: Because idleness certainly is deteriorating to an older adult--

ASSEMBLYMAN RUSSO: Yes.

MS. WATERS: --and you're either going to pay for it in the transportation or you're going to pay for it in intermediate care or in nursing homes.

ASSEMBLYMAN RUSSO: That's right.

MS. WATERS: Because they need to be busy. And by the year -- do you want to hear something else? -- 2025, we're expecting to have 1.1 billion people, 65 and older. So, we have a lot to look at.

ASSEMBLYWOMAN BUSH: Right. A few points, Assemblyman. Number one, as Ms. Waters indicated, I think we have to offset that 9 million as to what does it cost to institutionalize a person, because it's coming from one pot to another, just to continue this.

MS. WATERS: Absolutely.

ASSEMBLYWOMAN BUSH: Secondly, surely as a legislator, we deal with issues where we get hard complaints, but I'm sure it's also your position that we don't want -- that when we know that there is a need, that people have to go falling on their knees crying for it before we address it. So many times, we can begin to address situations before too many people have to suffer, or those who are suffering, you know, come to us. I think it's a moral issue. It's also a moral issue. It's a public policy issue. It's an issue of what is the State about, and all of the that.

I think it's a good point when you said about raising the age level, but as Mr. Tucker indicated, I think it's important to realize that many people are forced to retire at age 62, so then we have a gap right there.

MS. WATERS: Well, then, older people don't put a strain on local or State Police. They are orderly people. They don't put a strain on your garbage collection because they don't litter. So, maybe there's a balance somewhere, as Assemblywoman Bush said.

I had the numbers for nursing homes, the dollar amount, and I thought I was going to carry it in my head, but I forgot it.

ASSEMBLYWOMAN BUSH: You can get it to us later, because we will be having--

MS. WATERS: Certainly. I have that. So, maybe if you take all of those factors and weigh them, this might be an easier way, because I have had people who lived in a room and was just deteriorated. We were able to assist them in finding

housing where they could move about and feel good, and they are now phased into the mainstream and are doing very, very well. Had that not happened, there is a great possibility that they would have been in a nursing home, because they were really mentally deteriorated.

So, we need to keep our older adults busy. Socialization is just as important as food, believe me, because you can starve and die from both -- just being idle.

ASSEMBLYMAN RUSSO: I would just--

MS. WATERS: I'm in the trenches. I see it everyday. I've been doing this since 1975.

ASSEMBLYMAN RUSSO: I would just make one other point to you, which you might want to consider that might help this type of legislation because if you-- If the money is not there--

MS. WATERS: I understand.

ASSEMBLYMAN RUSSO: --maybe -- and I'm not exactly maybe in favor of this -- but an idea could be that to increase it to 24 hours, maybe part of the give-and-take would be that during the peak hours -- now of course, there might be a rush at 5:01 -- but during peak hours, maybe the people eligible under these programs would not get the full 55% decrease, but something in-between that, which might cushion it. Just an idea.

MS. WATERS: I see.

ASSEMBLYMAN RUSSO: Just an idea.

ASSEMBLYWOMAN BUSH: Though actually, it's not for Ms. Waters to consider that, but we as legislators, you know-- I think that's the way it goes.

ASSEMBLYMAN RUSSO: No, no.

MS. WATERS: Yeah, and keep in mind that society doesn't always allow these older people to have their doctors' appointments at a specific hour of the day or to get medicine at a--

ASSEMBLYMAN RUSSO: Sure, that's right.

MS. WATERS: I just wanted to impress that upon you. I have my advisory council -- senior citizens -- here. (indicating members of audience) (laughter) So, I have all of my backup. Whatever we from East Orange can do to assist in passing this piece of legislation, we're certainly prepared to do so.

ASSEMBLYWOMAN BUSH: Okay, good. Before you leave. From New Jersey Transit here, would you have any idea, would you be able to provide us with figures, that if, during the peak times, there was a one-third discount for seniors-- Could you get that for us, as to what the difference would be; not that we're going with it, but just an idea?

MR. REDEKER: Sure, no problem.

ASSEMBLYWOMAN BUSH: Okay, good. Any of the other members have anything? (no response) Thank you, Ms. Waters.

Is there anyone else from the public wish to testify? We don't have anyone else on our list here.

MS. WATERS: Mr. Pelham wants to say something.

ASSEMBLYWOMAN BUSH: Okay.

MS. WATERS: He is the President of the Senior Citizens Advisory Council.

ASSEMBLYWOMAN BUSH: Very good. Welcome, Mr. Pelham, good to have you here.

W I L L I A M E. P E L H A M: Hello, Ms. Bush, how are you?

ASSEMBLYWOMAN BUSH: Fine, thank you.

MR. PELHAM: Yes, I can concur with what Ms. Waters said.

ASSEMBLYWOMAN BUSH: Mr. Pelham, for our record we need you to say your full name, and to spell it.

MR. PELHAM: William E. Pelham, P-E-L-H-A-M.

ASSEMBLYWOMAN BUSH: Okay, thank you.

MR. PELHAM: All right. I can concur with everything Ms. Waters said, and in addition to that, I think that you

should consider that a lot of senior citizens do volunteer work in hospitals and other places, establishments, that require them to travel at the peak hours. So I don't think that we should be penalized at all. I don't even think we should be penalized by a reduced rate. I see no reason for it.

A lot of senior citizens say you owe us something. I don't think you owe us anything. I think we have earned it. I think I have earned it. I have been a productive senior citizen for 71 years. I don't think I should be classified as a senior citizen who is segregated during certain times of the day.

This is a form of segregation; that's all it is. You are segregating senior citizens during peak hours, and that's illegal under any sense. I think that covers it all.

UNIDENTIFIED SPEAKER FROM AUDIENCE: In Europe--

MR. PELHAM: If you go to Europe, just like the lady said, senior citizens are respected. They can go anywhere they want. I don't think this goes far enough. I think we should get free passes on the Garden State Parkway.

I go to a health club, Jack LaLanne's. It's about 11 miles from my house. It costs me 50 cents each way on the Parkway. That's a dollar a day. On a fixed income, that's \$60 a month (sic) if I went everyday. I go three or four days a week.

Now everybody says, "Well, you have COLA." Sure, we have COLA.

MS. WATERS: Excuse me. Tell them you go for health reasons.

MR. PELHAM: Yes, I go for health reasons, of course. I can't walk. I have emphysema. I can't walk, so I use the sauna, the whirlpool and the swimming pool, and do water sports.

Now, in addition to that, I don't think this goes far enough. I think, as I said, we should consider the Parkway tolls. It's terrible.

If we have COLA-- Everybody talks about, "Well, every year you get the cost of living increase." Yes, but everything the senior citizen gets is based on your income. So, the minute you get an increase in Social Security, your rent goes up. You lose your pharmaceutical medical card because you're making \$2 over the limit.

You see, if everything is based on your income, then if COLA goes up \$5, everything else goes up. You come out with less with the cost of living increase, many times, than you were getting before they gave you the cost of living increase.

My rent goes up every year, and I live in a senior house. Because of COLA, my rent goes up every year. So these things-- We don't benefit by the cost of living increase. Sometimes I wish there wasn't one so I could stay at the same rent level, you see.

I know, right now, this year I am going to lose my pharmaceutical card.

ASSEMBLYWOMAN BUSH: Well, we're working on that, too. This Committee has already released that legislation, so--

MR. PELHAM: It's a shame, I mean-- I don't want to be segregated against. I've been a productive man all my life, as most of us have, and I think I've earned the right for these things. I don't think I'm asking for anything that I haven't earned.

Now, I hope that you will consider that. Thank you.

ASSEMBLYWOMAN BUSH: Certainly. One second.

Do any members of the Committee have-- (no response)

Thank you very much, Mr. Pelham.

MR. PELHAM: Thank you.

ASSEMBLYWOMAN BUSH: Is there anyone else who wishes to--

B R I D I E S L E V I N: My name is Mrs. Slevin, I live at 220 Prospect Street. William is a neighbor of mine.

ASSEMBLYWOMAN BUSH: May we have your first name, Mrs. Slevin?

MS. SLEVIN: Slevin, S-L-- Bridie, B-R-I-D-I-E.

ASSEMBLYWOMAN BUSH: Thank you very much.

MS. SLEVIN: Yes. Well, I just have to go along with what Ms. Waters and Mr. Pelham said, but there is only one thing extra. I have made appointments every time with my doctor at 9:00. I have to take two buses. Well, you can't take it at half fare until 9:30, so it would mean going at, you know-- Sometimes I get an afternoon appointment, so it would be after 4:00, or 4:05, you still have to--

So, those are two things that's added on. There are a lot in my house that do the same thing. They can't afford it any more than I can.

ASSEMBLYWOMAN BUSH: So then, in reality--

MS. SLEVIN: Full fare for two zones.

ASSEMBLYWOMAN BUSH: Right. So then, in reality, even though you may be eligible during the off-peak times, it's hard to hit those off-peak times in making your appointments?

MS. SLEVIN: Yeah, you don't hit it all the time. If you don't get it at 9:00, you might get it at 3:00. By the time you are through at the doctor's office, it's after 4:00.

ASSEMBLYWOMAN BUSH: And then you're right back into--

MS. SLEVIN: You're back where you started from. This goes on every month or two months, whatever; you know, every time you have an appointment.

ASSEMBLYWOMAN BUSH: Any questions from Assemblymen Scerni, Russo? (no response)

Okay, thank you.

MS. SLEVIN: You're welcome. Thank you.

ASSEMBLYWOMAN BUSH: Okay. Is there anyone else who would like to testify at this point?

Well, it appears that we have had a very productive first public hearing on this matter. We will be having some others -- times, dates, and places to be determined -- but we'll go throughout the State so that we'll be able to hit

everyone's district as best we can. If, during that time, from New Jersey Transit, we can have a copy of the figures you provided to us as well as the requested additional information-- I think it was a few other items.

That's it. Thank you very much for coming and participating.

(HEARING CONCLUDED)

APPENDIX

October 10, 1990

Rudy Jeschon
President
Lower Township Federation of Senior Citizen

The Lower Township Federation of Senior Citizens are in favor of this bill on transportation, reduced buses and rail fares around the clock.

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