

**COVID-19 Outbreak**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**NOTICE OF FUNDING AVAILABILITY**

**Commuter and Transit Bus Private Carrier Pandemic Relief and Jobs Program**

The New Jersey Economic Development Authority (NJEDA) will begin accepting applications for the Commuter and Transit Bus Private Carrier Pandemic Relief and Jobs Program at 10:00 AM on Tuesday, March 8<sup>th</sup>, 2022. The deadline to apply is 3:00 PM on Tuesday, March 29, 2022. The application can be accessed at <https://www.njeda.com/bus-relief/>. A fee of \$1,000 is due at the time of application.

**Purpose**

The Commuter and Transit Bus Private Carrier Pandemic Relief and Jobs Program is a non-recurring grant program to help commuter and transit bus transportation companies that operated as essential service providers in New Jersey during the COVID-19 pandemic and experienced significant revenue loss alleviate the revenue loss and retain or create jobs.

**Overview**

On March 9, 2020, Governor Phil Murphy issued Executive Order (EO) 103, declaring a State of Emergency and a Public Health Emergency to contain the spread of COVID-19, including restrictions on public gatherings and closing non-essential businesses. The Public Health Emergency was repeatedly extended until on June 4, 2021, when the Governor signed P.L.2021, c.103 and issued EO 244, which terminated the Public Health Emergency declared in EO 103 (2020). On January 11, 2022, in response to the omicron variant, the Governor issued EO 280 (2022) declaring that a Public Health Emergency again exists in the State of New Jersey and that the State of Emergency originally declared in EO 103 (2020) remains in full force and effect. The Public Health Emergency was again extended on February 10, 2022 by EO 288 (2022).

New Jersey businesses and residents faced significant economic challenges due to these public health measures. Essential services that maintained operations faced financial strain due to increased sanitation protocols and reductions in customers. The transportation industry, defined as an essential service in P.L.2020, c.84, was among those hardest hit during the pandemic. EO 125, signed by Governor Murphy on April 11, 2021, mandated additional mitigation requirements on NJ Transit and all private carriers to limit the spread of COVID-19. The requirements both directly and indirectly decreased ridership, resulting in a significant loss of revenue to private transportation companies. Despite easing public health-related restrictions and the broader

economy showing signs of recovery, ridership has not returned to its pre-pandemic levels. As such, on February 9, 2022, NJEDA's Board approved the Commuter and Transit Bus Private Carrier Pandemic Relief and Jobs Program grant funding to help private carriers recover from the lost revenues and retain or create jobs.

### **Program Details**

To provide financial relief to address the continued impact of COVID-19 on the economy, the Federal government passed the American Rescue Plan Act of 2021 (ARPA). Within the ARPA, the Coronavirus State and Local Fiscal Recovery Fund (SFRF) provided approximately \$5.6 billion to the State of New Jersey for a variety of recovery-specific uses. New Jersey's Fiscal Year 2022 Appropriations Act allocated \$25 million of these monies to the Commuter and Transit Bus Private Carrier Pandemic Relief and Jobs Program (the Program). These funds, in alignment with EO 267 and the Stafford Act, 42 U.S.C. 5121 et seq., must be used only to address an unmet need to avoid duplication of benefits.

### **Eligibility**

To be eligible, an applicant must:

- Certify that the business was in operation prior to February 15, 2020;
- Be a for-profit business (non-profits, public agencies, authorities, and government entities are not eligible);
- Be registered to do business in and operating in the state of New Jersey and provide a current New Jersey Tax Clearance Certificate;
- Provide fixed route bus service (MB) or commuter bus (CB) service as defined in the Federal Transit Administration's December 22, 2021, *National Transit Database (NTD) Glossary*. Other services (including but not limited to those provided by charter buses, school buses, municipal shuttles, vanpool, and on-demand bus services) are not eligible;
- Have reported Vehicle Revenue Miles for fixed route bus service (MB) or commuter bus service (CB) greater than 0 in New Jersey directly to the NTD, as recorded in Annual Data Tables 2020 Service, or through NJ Transit as a private carrier in 2020;
- Demonstrate revenue losses in the state of New Jersey in 2020 due to the pandemic (calculated as the difference between each applicant company's 2020 revenues reported in New Jersey and 2019 revenues reported in New Jersey) that has not been fully addressed by other public or private relief funding sources;

- Self-certify as to best efforts to not furlough or lay off any worker from the time of application through six months after the end of the declared state of emergency. Applicants that have already furloughed or laid off workers prior to the time of application must make a best-effort pledge to re-hire those workers as soon as possible. Any material breach of the best-effort certification and/or pledge may result in the NJEDA seeking repayment of the grant; and
- Satisfy the Authority's debarment/disqualification review, not have any defaults or outstanding obligations to the Authority and be in good standing with the New Jersey Department of Labor, New Jersey Department of Environmental Protection, New Jersey Division of Taxation, and NJ Transit.

Additional eligibility criteria based on applicable federal requirements may apply and may include but are not limited to:

- A restriction on duplication of benefits, which may exclude potential applicants that have already received emergency COVID-19 assistance; and
- A requirement that the applicant demonstrate that it has experienced negative impacts from COVID-19.

### **Eligible Uses:**

Under the Program, funding may be used for reimbursement of certain lost revenue as a result of the business interruption caused by COVID-19.

### **Grant Amounts**

Each approved applicant will be eligible for a flat grant amount of \$500,000. This flat grant amount is intended to equitably address base overhead costs that are independent of revenue miles operated; for example, the cost of vehicle maintenance, employee salaries, and garage depots for buses. The remainder of the funds will be allocated based on each eligible applicant's proportional share of the total vehicle revenue miles in New Jersey for 2020 for all eligible applicants, as reported in the NTD directly or through NJ Transit as a private carrier. This methodology is being used to account for additional variable revenue losses and cost increases associated with volume of service maintained during the COVID-19 pandemic.

In accordance with EO 267 and the Stafford Act, the maximum award, inclusive of the flat amount and pro-rata allocation, will not exceed the applicant's unmet need. For the Program, unmet need is defined as 2020 New Jersey revenue losses (calculated as the difference between each applicant company's 2020 revenues reported in New Jersey and 2019 revenues reported in New Jersey), less any other public or private COVID-19 relief funds that a company received for 2020. Public or private funds that companies may have received include, but are not limited to, federal or State

loans and grants (such as Coronavirus Economic Relief for Transportation Services (CERTS) grants, forgivable portions of Payroll Protection loans, and Economic Injury Disaster grants) and insurance payouts. Any funding, flat amount or pro-rata share, that exceeds unmet need will be re-allocated to the pool to be disbursed to other eligible applicants.

**Application Process:**

The application will open at 10:00 AM on Tuesday, March 8<sup>th</sup>, 2022. The deadline to apply is 3:00 PM on Tuesday, March 29, 2022. The application can be accessed at <https://www.njeda.com/bus-relief/>.

Upon closure of the application period, the Authority will review applications for completeness; applicants that submitted incomplete applications will be provided the opportunity to submit missing information within 10 business days.

**Fees:** Applicants will be assessed an application fee of \$1,000 per application.

**Additional Information:**

Additional information on the Commuter and Transit Bus Pandemic Relief and Jobs Program may be found at <https://www.njeda.com/bus-relief/>