



NYC Taxi Riders Should Pay More to Aid Mass Transit, Group Says

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By Henry Goldman

New York City passengers who use taxis and ride-hailing services like Uber should pay higher fares to support mass transit, the **Citizens Budget Commission** said.

Increased fees dedicated to subways, buses and commuter rail lines would help the Metropolitan Transportation Authority fill a \$2.6 billion deficit in its proposed \$30 billion capital plan through 2019, the business-backed research group said in a report Wednesday. The state-run MTA operates the city's subways, buses and suburban commuter trains.

Riders now pay a 50-cent-per-ride surcharge on cab rides and an 8.875 sales tax on black cars, limousines and electronic-hail vehicles. Those fees generate about \$250 million for the state, city and the MTA.

As the growth in Uber and similar companies reduces the amount of taxi business, the potential for mass-transit revenue from the surcharge may decline to \$70 million in 2019 from \$81 million now, the CBC said.

"Even the smallest amount raised -- \$35 million with the expansion of the 50-cent taxicab tax to black cars -- could service \$573 million in debt, or 22 percent of the remaining gap," the commission said in the study.

As taxi fares have increased, the 50-cent fee has amounted to a smaller percentage of fares, leading the CBC to suggest a possible increase. In 2011 the surcharge represented 4.73 percent of an average fare; in 2015, it's about 3.95 percent.

The CBC study supports Mayor Bill de Blasio's expressed concern that the industry, which includes reservation-based vehicles for hire such as Uber Technologies Inc. and Lyft Inc., needed a review to determine its impact on mass-transit revenue and reduce traffic congestion.

The mayor proposed a moratorium on growth of rapidly increasing fleets of such cars to study their impact on the environment and economy. He later retreated after Uber rolled out a \$5 million advertising campaign depicting the mayor as hostile to job opportunities such companies provide. The companies agreed to halt increasing their fleets to allow the administration to conduct a one-month study due Oct. 1.