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Public Comment on the Proposed Structure For the Central Business District Tolling Program

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Good morning. I am Jason Wagner, Senior Research Associate at the Citizens Budget Commission (CBC), a nonpartisan, nonprofit think tank and watchdog dedicated to constructive change in the finances, services, and policies of New York City and New York State governments, including the Metropolitan Transportation Authority (MTA).

While the CBC has long held the position that there <u>should not be credits for bridge or tunnel</u> <u>crossings</u>, we believe the Traffic Mobility Review Board's (TMRB's) congestion pricing toll recommendations, as a whole, are reasonable. The TMRB thoughtfully weighed the program's goals, its likely impact on drivers and the regional economy, and the significant and divergent input it received.

Therefore, we recommend the MTA adopt the TMRB's recommended tolling structure. We prefer that no credits be granted for bridge and tunnel crossings and strongly urge the MTA to reject calls for additional exemptions or credits. It also should monitor the effects of the tolls to ensure the program's long-term success.

The central business district tolling program promises substantial benefits through reduced congestion and emissions, while generating enough annual revenue to fund \$15 billion in capital spending in the MTA's 2020 to 2024 Capital Program. These resources are critical to ensure the MTA's infrastructure is brought to and kept in a state of good repair.

Speedy initial implementation will be a critical milestone, but getting congestion pricing right in the long run will likely require adjustments, as it has in other jurisdictions. In addition to monitoring implementation for progress towards the program's goals—including the toll amount and proposed approach to taxis and for-hire vehicles—the proposed structure raises three additional areas that warrant close monitoring: commercial passenger vehicles, the weekend nighttime discount, and toll evasion.

Possible Shift from Commercial Trucks to Commercial Passenger Vehicles

Commercial passenger vehicles will pay the same \$15, once-daily charge as personally owned passenger vehicles, which could result in some unintended consequences.

For instance, large commercial passenger vehicles—like large vans and pick-up trucks—could replace many commercial trucks, since the large commercial passenger vehicles would pay a lower charge. Given their lower relative capacity, however, this shift could also increase congestion. The MTA

should monitor traffic volumes and patterns for all commercial vehicles to determine if this substitution occurs and has negative impacts.

Weekend Nighttime Discount Timing

The MTA should monitor and evaluate the safety, revenue, and congestion implications of beginning the Friday- and Saturday-night discount periods at 10 p.m. The steep nightly discounted period is designed to reduce congestion by shifting traffic to less congested overnight hours, when possible, but beginning the weekend discount period at 10 p.m. could increase commercial truck traffic when streets are still busy with pedestrians.

Toll Evasion

Toll evasion presents a considerable risk to revenue targets and public acceptance of the program. Evasion is already negatively affecting collections from tolls, red light cameras, and speed cameras across the state. The MTA should consider a toll evasion mitigation and monitoring program similar to the one recommended by the Blue-Ribbon Panel on Fare Evasion. Furthermore, the MTA should closely track license plate obstruction and delinquent payment data following implementation to monitor the evasion rate and the effectiveness of mitigation efforts.

Conclusion

The success of congestion pricing will improve our environment, strengthen our public transit system infrastructure, and improve the livability of the region. The proposed toll structure well balances many objectives and diverse concerns. The TMRB importantly held the line on excessive and unwarranted exemptions and credits. <u>Monitoring and evaluation will be critical</u> to ensure the program is effectively meeting its three goals of reduced emissions, reduced congestion, and sufficient revenue for capital investment in the transit system. The data and information should be made available to the public and used to refine the toll structure as needed.

Thank you.