

KEEP NYC CONGESTION TAX FREE

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CONTACT: Corey Bearak, 516 343-6207 or 718 343-6779

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CONGESTION TAX – AN IDEA NOT FOR THIS SEASON NOR ANYTIME SOON 5th Truth: Congestion Tax – Just Not The Season

Keep NYC Congestion Tax Free announced the Fifth *Truth About* the City congestion tax plan to assist the public, their elected officials and the members of the commission as they move to a more deliberative stage: “To everything there is a season. And for the city's congestion tax scheme, it becomes clear as each day passes, this is NOT the season.”

This is not the time for the City's congestion pricing plan. Congestion pricing as a concept can make sense – if adapted to the City of New York using the concepts in the Alternative Approaches [plan](#). Contrast that to super-imposing a model from elsewhere and trying to make that square fit into pentagon such as the five borough of the City of New York.

The planets are just not aligned for the city's congestion tax plan work. Just look at the facts that become more clear every day: high operating costs, high construction costs, Low - if any - revenue estimates, insufficient or almost no money to fund the needed MTA capital improvements. The aforementioned issues leave aside the public policy and equity consideration involved in the City's tax plan.

London's system already consumes more than one-third of its revenues to operating costs and it charges more than \$8 per passenger vehicle. In year one, Transport for London spent 97 pounds to collect 165 million pounds, but deducting the 50 million in fines against drivers who didn't pay the fee, puts real revenue from tolling at some 18 million. Closer to home, the [Daily News](#) (10/22/07) found the City adjusted numbers: The City plan assumes it will cost some \$232 million a year to operate the system, but as the News reported, “just two little tweaks in the model - four sensors per trip, and 75 cents to read a license plate - would raise the cost to \$685 million per year, leaving nothing for mass transit.” Pending bridge and tunnel toll hikes by the Port Authority (one-third) and MTA (6.5%) would further squeeze the claimed profit, because the city plan credits tolls against its congestion tax ([The New York Times](#), 11/1/07). The city reduced its true costs by removing the cost of chasing down violators and assuming down from four to two the number of exorbitant sensors vehicles would pass on each on each trip.

The City plans for the MTA to roll out 300 new buses for express service in The Bronx, Brooklyn, Queens and Staten Island, two new bus depots, new C line cars and increased peak-time and midday service on such subways as the E and F in Queens and the 1 in Manhattan. The [Metro](#) (10/26/07) reports that the MTA cost these improvements at \$787 million paid up from or \$56 million in annual debt service. [Crain's](#) reported (11/7/07) the city plan net revenue would be but \$70 million after the toll hikes. [Alternative Approaches](#) allows a non-intrusive, low-cost (almost no cost) to build and operate plan to impact congestion and raise needed revenues.

Previous Truths: [#1](#) *City's Congestion Tax does not meet supporters' claims;*
[#2](#) *City's Congestion Scheme Would Privatize Jobs and Waive Buy American;*
[#3](#) *The Public Knows Better on City's Congestion Scheme.*
[#4](#) *The Unfair Congestion Tax*