

CONGESTION TAX WOULD PUT LABOR OUT IN THE COLD

Congestion Scheme Would Privatize Jobs & Waive “Buy American”

Statement to NYC Traffic Congestion Mitigation Commission

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The City tax/toll plans rely on privatization of the construction and operation of the congestion tax infrastructure, ignores prevailing wage provisions and seeks a waiver of “Buy America” provisions for all system procurement.

While the focus has been on traffic mitigation and revenue raising, these two aspects of the toll/tax schemes receive almost no attention. These issues – as does the lack of a lockbox guarantee that the funds the tax/toll schemes may raise actually enhance transit – demonstrate a real view that the schemers involved here really seek nothing more but turnover our public transit system and infrastructure to private interests.

The City plans seeks a “Buy America” waiver for congestion pricing technology procurement.[source: Urban Partnership Agreement Application P.24 (June 22, 2007)] This represents a significant expenditure to spend abroad. This may also allow an end run around the use of trade union workers in the installation of the technology. It also is anti-American worker and a disinvestment in the American economy.

The City proposes to privatize the construction and operation of the congestion pricing system: “The City will request authority from the State Legislature to engage a private vendor in a Design-Build-Operate-Maintain (DBOM) contract to deliver the pricing infrastructure and operate the system. [Source Variable Pricing Program document p.17) The city clearly intends for a private build and operation of the congestion pricing system: “Should the City’s plan or similar pricing plan be approved, the City anticipates contracting, with one entity to design, build, operate and maintain the program.” (See RFEI bottom of page 3, p.4 of the PDF – since the document is no longer available on NYC.gov, please contact Keep NYC Congestion Tax Free for further information.). In fact, privatization represents an anti-labor measure that allows its proponents' contractors to avoid hiring skilled and professional workers in trade unions to line their (contractors') pockets. The RFP also fails to require prevailing wage and “no-contest” (of worker organizing) provisions which protect workers in major development and public works projects.

These anti-worker provisions, raised by during the Fall hearings, make it all the more important to look at alternatives that reduce traffic congestion more effectively and fairly and also raise much more revenue for transit projects.

These include the [*Alternatives Approaches*](#) report by Keep NYC Congestion Tax Free and the [revenue](#) measures proposed by the Queens Civic Congress.