

Keep NYC Free

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Ball of Confusion?

So many questions remain as official pursue a congestion tax scheme

The recent focus on the impact of new leadership in the White House and at the US Department of Transportation (“USDOT”) ignores the fact significant flaws remain in the Congestion Tax scheme to require drivers to pay more to access Manhattan south of 60th Street. It makes every sense that any environmental review process consider more than the tax scheme’s finances but an environmental impact that includes how so-called *transit* (or *transportation*) *deserts* fare. This requires examination beyond any impacts of where “toll readers/cameras” get installed but how the funding scheme addresses transit deserts. In fact, to this date, no discernible programs, projects or services that address these disparities exist in the Capital Plan proposed for funding via the toll-tax scheme.

Further, the stated toll-taxes ranges suggested will not realize the \$1 billion the State and MTA need annually to pay the debt service and principal for the \$15 billion in bonds the MTA plans to sell. This raises legitimate questions as to what happens when the MTA needs more money to pay off these bonds. A recent report, since corrected, misstated the annual sum at \$15 billion.

A recent State Comptroller’s report raises further concerns that the state would apply the congestion tax toward interest payments primarily and look to refinance the debt down the road. It indicates plans for other bonds not to pay any principal for the first 20 years! New York’s public ought to know the truth about the financing.

This regressive congestion tax scheme leverages one-shot bonding of \$15 billion – and requires a substantially larger “entry tax” charge than discussed to net the \$1 billion annually needed to fund the bonding (plus interest payments). Importantly, this regressive scheme does nothing to address the transit deserts in the outer reaches of the City; it disproportionately burdens those in these transit deserts who rely on cars for their every day needs. **Better ways exist to truly address congestion in the central business**

district, and certainly to raise the dollars we need.

Frankly, the scheme requires a full EIS that examines not just impacts of where "toll readers/cameras" get installed but how the funding scheme addresses transit deserts.

A number of elected officials first referred to parts to Queens and Brooklyn as transportation or transit deserts and it's because people first have to take a bus, a long ride in many cases, to get to a subway station.

No plan was laid out to address transit desert communities throughout the city who lack adequate access to public transportation. The new Queens Borough President recognizes the importance of Eliminating Public Transportation Deserts.

No matter how you implement it, this regressive tax will disproportionately burden those in transit deserts who rely on cars for their every day needs with no guarantee the money will come back to the City.

This regressive tax hurts working families. These residents expected to pay toll-taxes will not realize any benefits and these increased costs will hurt local businesses.

Charging those living in transportation deserts to subsidize those who already enjoy access to the subway system, especially those who live in luxury in Manhattan, essentially punishes those residents.

View the better ways that make sense to truly address congestion in the central business district and raise the dollars needed to resource the MTA to not only pay for needed repairs but also increase access and make the entire system more accessible and equitable for the entire city.

Read Curbed's article, [Secretary Pete Is Already Coming Through for New York City on Congestion Pricing](#) (Feb. 23, 2021)

and

Crain's, [Biden administration set to approve congestion pricing, but questions remain](#) (Feb. 26, 2021)

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