



Congestion Pricing in New York

A toll structure recommendation from the Traffic Mobility Review Board

November 2023



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Letter from the Traffic Mobility Review Board

Excess traffic congestion is not inevitable: We can address this long-standing crisis.

That is what New York chose to do in launching the Central Business District Tolling Program. The nation's first congestion tolling program will reduce traffic in the nation's most congested city, while decreasing air pollution and improving the reliability, accessibility and convenience of public transit for millions of people across the region.

Congestion Pricing will also boost our economy in these post-pandemic times – which is why the program is a central element of Governor Hochul's and Mayor Adams's plan to reimagine and revitalize New York's business districts, [Making New York Work for Everyone](#).

It's easy to see why Congestion Pricing has the support of a broad cross-section of the region's business, planning, environmental, transportation, social equity and civic interests – as well as the support of the last two governors and the last three mayors.

Our charge has been to consider how best to implement this bold vision for a more sustainable New York – developing recommendations for toll rates, credits, discounts and exemptions that balance the needs of commuters, businesses, residents and the communities they call home.

Throughout our work, we have been guided by the groundbreaking legislation that mandated Congestion Pricing in New York City, as well as by the comprehensive National Environmental Policy Act (NEPA) process culminating in the Final Environmental Assessment (EA) and Finding of No Significant Impact (FONSI).

We have paid particular attention to the impact of the program on environmental justice communities, people with disabilities, and other vulnerable groups.

The Traffic Mobility Review Board's (TMRB) work has also been informed by thousands of comments and feedback received from the public at hearings and outreach sessions and through online portals. We would like to thank all those who shared their views, their time, and their expertise.

Finally, our work has been driven by our hopes for the future of New York – and the future of transit. While major cities in other countries have successfully implemented Congestion Pricing, U.S. cities have lagged behind, adopting partial measures that yield low results. It is time to do better.

We are pleased now to present our recommendations to the Triborough Bridge and Tunnel Authority (TBTA) Board, which is responsible for making final determinations regarding each component of the toll structure. We believe New York's Congestion Pricing Program will be a model for other metropolitan regions around the country – and that everyone should be invested in its success. We look forward to seeing it fully implemented – and to working together to build a more sustainable future for New York.

Respectfully submitted,

Carl Weisbrod
John Banks
John Durso
Elizabeth Velez
Kathryn Wylde

Executive summary

Traffic in New York's central business district is choking the region – with the worst congestion in the nation.

Traffic is **bad for public health** – increasing air and noise pollution and increasing emergency vehicle response times. It is **bad for the economy** – costing businesses, commuters, and residents a staggering \$20 billion a year. And it's **bad for the quality of life** in New York.

But New York is taking action – becoming first in the nation to launch a **responsible Congestion Pricing Program** that will reduce traffic in the most congested areas and improve regional air quality, without significant negative impacts on the environment.

With this report the Traffic Mobility Review Board (TMRB), an advisory body, is recommending to the Triborough Bridge and Tunnel Authority a tolling structure designed to **reduce congestion** and **reduce air pollution** in the Central Business District and the region, and **generate \$15 billion for capital projects** that increase sustainability and improve public transit for millions of people.



Every day, more than 900,000 people in vehicles enter the Manhattan Central Business District (CBD), crowding already congested streets and reducing travel speeds to around 7 miles an hour on average in the CBD – and even slower in Midtown.^{1,2} The broader impact of congestion is commensurately huge – measured in higher air and noise pollution levels, lost productivity, increased emergency response times, and an eroded quality of life.

It doesn't have to be this way. Around the world, cities that have adopted congestion pricing programs have achieved big results, with sharp drops in traffic and congestion, and improved average speed in CBDs.³ From London to Milan, Singapore to Stockholm, congestion pricing is working.

That's why New York has taken the smart, logical step of mandating Congestion Pricing for Manhattan's Central Business District.

In 2019, New York State enacted the Traffic Mobility Act (the Act), directing the Triborough Bridge and Tunnel Authority (TBTA), an affiliate of the Metropolitan Transportation Authority (MTA), to establish a congestion tolling program (the Program) that charges vehicles for entering or remaining in the Manhattan CBD. The CBD is defined as Manhattan south of and inclusive of 60th Street, but excluding the FDR Drive, the West Side Highway, and any surface roadway portion of the Hugh L. Carey Tunnel connecting to West Street.

Pursuant to the Act, the TMRB has been charged with making recommendations to the TBTA Board regarding toll rates, credits, discounts and exemptions for the implementation of Congestion Pricing.

These recommendations are informed by the Act, the Program's Final Environmental Assessment (EA) and Finding of No Significant Impact (FONSI), public comments and feedback received during the EA process and then directly by the TMRB during its process, as well as rigorous transportation and air quality modeling.

The proposed toll structure prioritizes keeping the base toll as low as possible, avoiding unnecessary traffic diversions, supporting equity goals and environmental justice, and keeping the Program simple, easy to understand, and easy to administer.

Recommendations in brief

- Passenger vehicles and passenger-type vehicles with commercial license plates should be charged a \$15 toll for entering the CBD, no more than once per day.
- Trucks should be charged a \$24 or \$36 toll for entering the CBD, depending on their size, as defined below.
- Buses providing transit or commuter services should be exempted from the toll. Other buses should be charged a \$24 or \$36 toll for entering the CBD, depending on their type, as defined below.
- Motorcycles should be charged half the passenger vehicle toll, no more than once per day.
- Tolls should be charged to vehicles only as they enter the CBD – not if they remain in or leave the zone.
- Congestion toll rates should apply during the most congested times of the day – from 5am to 9pm on weekdays, and from 9am to 9pm on weekends. Toll rates should be 75% lower in the nighttime.
- A credit against the daytime CBD toll rate should be provided to vehicles entering through the four tolled entries that lead directly into the CBD: the Queens-Midtown, Hugh L. Carey, Holland, and Lincoln Tunnels. The credit should be \$5 for passenger vehicles, \$2.50 for motorcycles, \$12 for small trucks and intercity/charter buses, and \$20 for large trucks and tour buses. No crossing credits should be in effect in the nighttime period when toll rates are 75% lower.
- NYC Taxi and Limousine Commission (TLC)-licensed taxis and For-Hire Vehicles (FHV)s should be exempted from the daily system toll on vehicles. Instead, a per-ride CBD toll should be added to each paid passenger trip fare for rides made to, from, or within the CBD at the toll rate of \$1.25 per-ride for taxis and \$2.50 per-ride for app-based FHV's.
- Specialized government vehicles should be exempted from the CBD toll (in addition to emergency vehicles and vehicles transporting people with disabilities, as required by law).
- Low-income vehicle owners who qualify and register with TBTA should receive a 50% discount on the daytime auto toll after the first 10 trips made by that vehicle in a calendar month.

Investing in transit

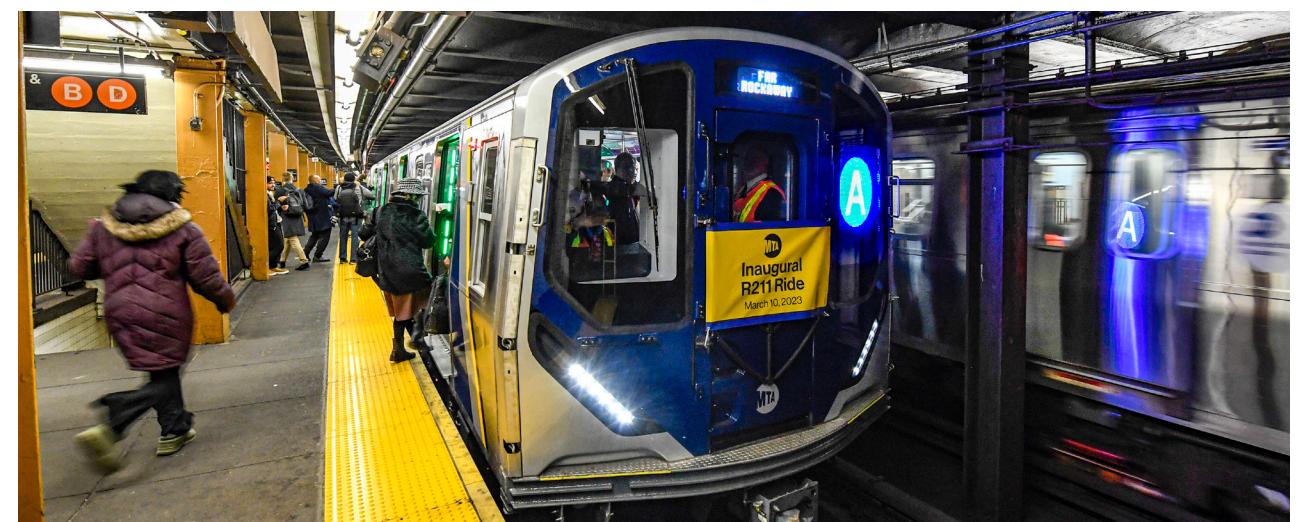
By law, the Program must not only result in reduced congestion in the CBD; it must also generate enough net annual revenue to fund \$15 billion for capital projects for transit and commuter rail improvements, as outlined in the [MTA's 2020-2024 Capital Program](#). These improvements include:

- Making dozens of stations ADA accessible
- Buying hundreds of all-electric buses, and new subway and commuter rail cars
- Making transit infrastructure more resilient to flooding and other severe weather events
- Modernizing signals for better and faster subway service
- Expanding the transit system
- Replacing and improving existing infrastructure to move the entire system toward a state of good repair
- Making other critical improvements to public transportation

These measures are especially important in this post-pandemic era

Nearly 9 in 10 workers in the CBD commute by transit. But like CBDs throughout the country, the Manhattan CBD faces the reality of fewer people commuting daily to work in the office, which means fewer customers for businesses and services in the CBD. Factors often cited by employees who are choosing to work from home are the time, reliability, and quality of their commute.^{4, 5}

Improving transit is the key to revitalizing New York, bringing employees back and incentivizing people who drive to the CBD to switch to another mode of travel – a virtuous cycle. It is essential that the MTA make the necessary investments to improve efficiency, reliability, safety, and quality of transit for everyone.⁶



Facts & figures



900,000
people in vehicles enter
the CBD every weekday⁷

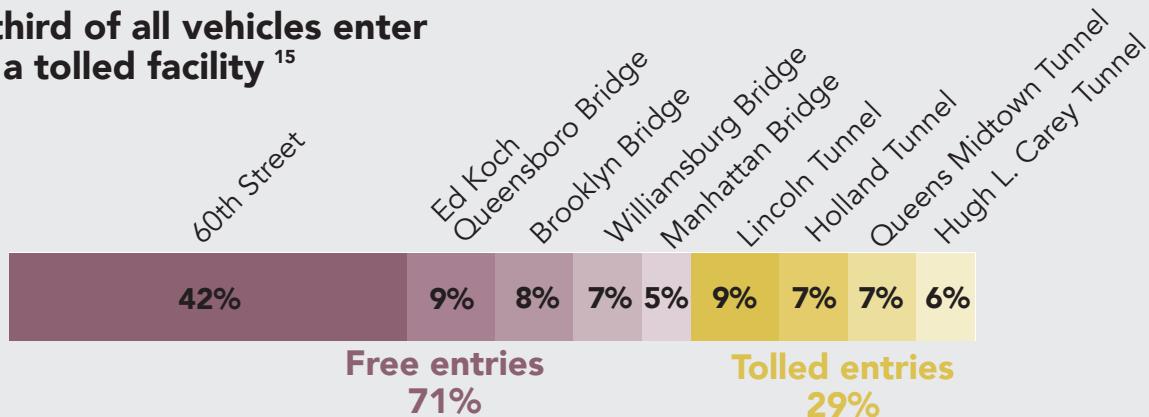
-23%

Since 2010,
average travel speeds
in the CBD have
decreased 23%
from 9.1 mph
to just 7.1 mph⁹

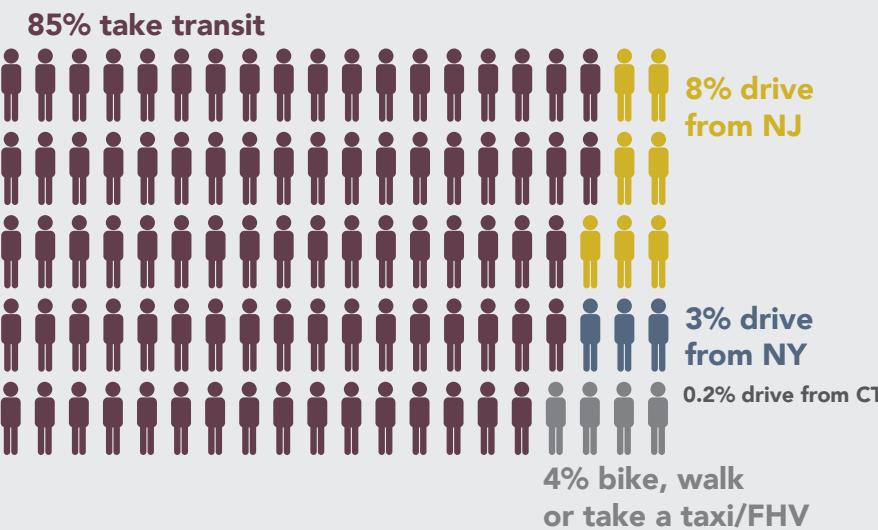
Excess congestion costs businesses,
commuters and residents

\$20 billion a year¹⁴

Nearly one third of all vehicles enter
the CBD via a tolled facility¹⁵

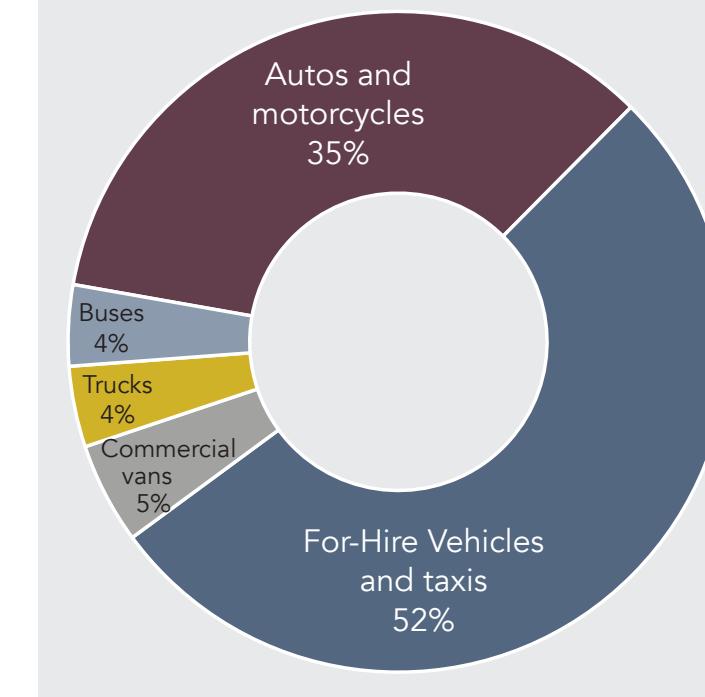


143,000 people drive into the CBD for work
1,300,000 take transit⁸



London Stockholm Singapore Milan
all saw 20% to 30% reductions in traffic
after implementing congestion pricing^{10, 11, 12, 13}

In 2018, 9 in 10 vehicles
in the CBD were automobiles¹⁶



67 subway stations

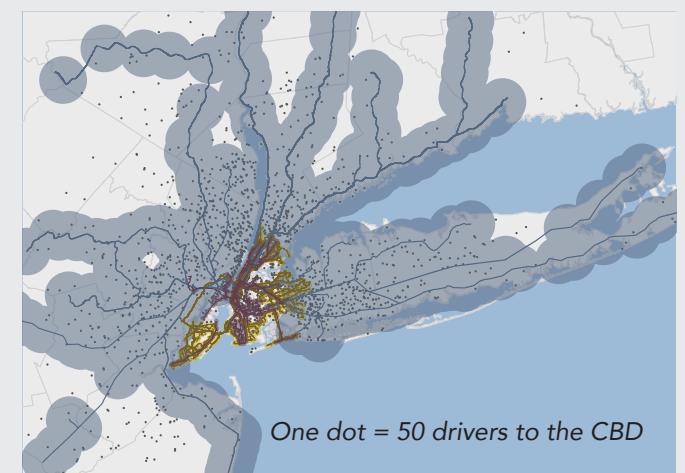
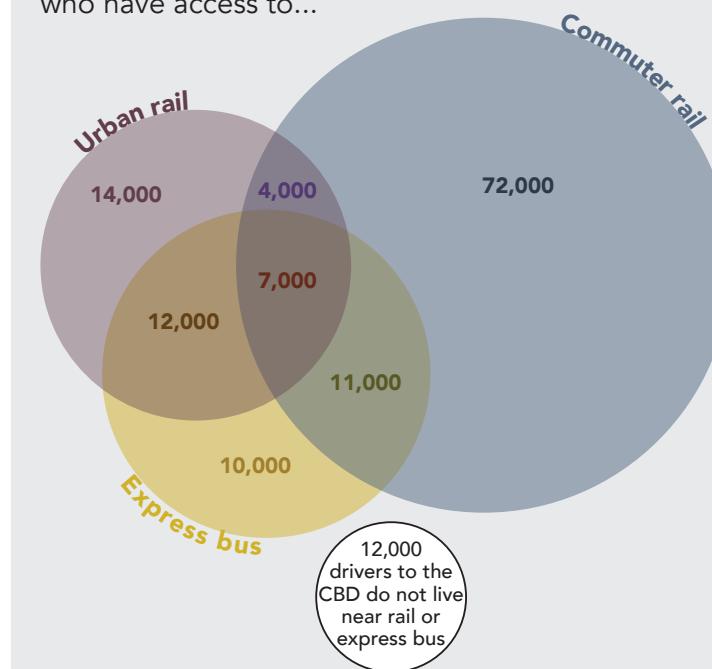
are slated to be made accessible as part
of the MTA's 2020-2024 Capital Program,
largely funded by congestion pricing

The CBD Tolling Program is investing
approximately \$200 million to reduce
emissions, improve air quality and health
outcomes, and mitigate the impact
of the toll on low-income drivers

The complete list of mitigation measures
can be found in the [Final EA](#).

The vast majority of those who drive to the CBD have access to transit¹⁷

Number of drivers to the CBD
who have access to...





Key priorities

In all its work to develop these recommendations, the TMRB focused on five key priorities.

Priority #1: Keep the toll rates as low as possible, while still meeting the goals of reducing traffic congestion in the CBD and generating new revenue for transit investments

The success of Congestion Pricing hinges on its ability to reduce traffic, improve trip times, and reduce emissions in the CBD, while meeting the Program's additional goal of generating new revenue for transit. The CBD toll structure should be designed to incentivize some people who drive there currently to switch to another mode, combine trips, or shift their daytime travel to nighttime when the CBD is less congested. The toll structure should also ensure that, with very few exceptions, every vehicle should be charged something to enter the CBD, no matter the time of day or the point of entry.

At the same time, the panel weighed the public input received regarding the cost of the toll and the importance of making it affordable for those who most need to drive. Lower toll amounts also help to reduce the number of unintended or unnecessary "diversions" – additional traffic on roadways in adjacent communities taken by cars and trucks seeking to avoid incurring the toll as they move through the region. Congestion Pricing should contribute to – not undermine – the region's economy.

Our recommended toll structure prioritizes keeping the toll rates low, in part by limiting the number of credits, discounts and exemptions. It is designed to consider the interests of the many over the few.

Priority #2: Avoid unnecessary traffic “diversions” to communities already burdened by comparatively high levels of air pollution and chronic disease

The primary goal of Congestion Pricing is to reduce congestion in the CBD by discouraging some drivers from entering during the times of the day when the CBD is most congested. Some of those drivers will avoid entering the CBD if it is not their ultimate destination by altering their routes to other highways, some of which are adjacent to communities already burdened by air pollution and/or associated adverse health outcomes.

Our recommended toll structure is designed to minimize these diversions, and thus minimize adverse impacts of Congestion Pricing on environmental justice communities with existing pollution and/or health burdens. It does so by keeping toll rates low and offering deep nighttime discounted rates to encourage vehicle drivers – especially those driving trucks – to travel through the CBD when there is less congestion, rather than diverting to other routes.

Priority #3: Keep the toll affordable for low-income drivers who don't have a choice but to drive to work

Out of the 22 million people who live in the region and the 1.5 million who work in the CBD, an estimated 16,000 people with household incomes under \$50,000 drive to work in the CBD – representing only 1% of all CBD workers.¹⁸ But many of these workers have no other means of getting to work, and a toll to enter the CBD could cause some hardship.

For this reason, the recommended CBD toll structure includes critical measures to mitigate the impact of the toll on low-income workers who drive into the CBD, including an even deeper low-income discount than was committed to in the Final EA.

More broadly, charging most vehicles to enter the CBD – and applying that revenue to improve public transit – supports equity goals. A recent study by the Community Service Society shows that for every low-income worker who drives into the CBD and is subject to the toll, 38 make use of transit options instead – and will benefit from the investments in transit that the Congestion Pricing program makes possible.¹⁹

Priority #4: Limit the number of credits, discounts and exemptions

The Congestion Pricing program has received several thousand requests for credits, discounts and exemptions, falling into more than 120 separate categories. The TMRB considered these requests very carefully, because the project also received numerous requests to not credit, discount or exempt many of these same categories of drivers or vehicles.

An important consideration was whether potential credits, discounts or exemptions align with the goals of the Program overall. Exempting classes of vehicles or drivers who could reasonably change travel behaviors, for example, would be counter to the goals of the Program. Exempting transit and commuter buses, on the other hand, ultimately helps to incentivize public transportation, a goal very much aligned with congestion pricing.

Further, because the Act requires that the Program generate a certain amount of revenue to support mass transit, any credit, discount or exemption to appease the few would result in higher toll rates overall for the many.

Priority #5: Keep it simple

A toll structure that is easy to understand is essential to the success of this Program. The more people understand how much they are paying and why, the more effective the Program will be.

With that goal in mind, a key recommendation is to charge the congestion toll on vehicles only for entering the CBD, not for remaining within or leaving it. Charging drivers when they choose to enter the zone is the best way to influence their travel choice. It is also consistent with how most tolling systems normally work in the United States. (Taxis and FAVs would be tolled on individual trips made to, from, or within the CBD, which would be predictable for passengers and drivers.)

Recommendations

The recommended Congestion Pricing toll structure is made up of seven key components among the factors required to be considered by the Act: Base auto toll rates; time periods; toll rates for trucks; toll rates for buses; toll rates for taxis and FVs; crossing credits for those already paying a tunnel toll to enter the CBD; and finally, any other credits, discounts and/or exemptions.

These seven key components are interconnected because of the Act's overall goals of reducing congestion and investing in transit. Any recommendation made in each of the seven areas has an impact on driver behavior, travel patterns, revenue and thus on the broad effects of the Program, both within the CBD and in the region.

Preliminary traffic modeling shows that the CBD toll structure described in this report will result in:

- **Reduced congestion in the CBD** – an estimated 17% fewer vehicles will enter the CBD, and 9% fewer miles will be driven in the CBD
- **Reduced congestion in the region** – the total number of miles driven in the 28-county study area is also projected to go down
- **Improved regional air quality**
- **Minimal potential impacts to the taxi and FHV industry**
- **Enough annual net revenue to fund \$15 billion for transit improvements** outlined in the MTA's 2020-2024 Capital Program
- **Truck diversions in line with what was described in the Final EA.** Areas with high existing air pollution and associated health burdens would see similar or reduced truck traffic.

The TMRB recommends that TBTA closely monitor the impacts of the Congestion Pricing toll on driver behavior, traffic volume, congestion, transit ridership and air quality – and adjust toll rates in the future as needed to optimize the efficacy of the Program and avoid any unanticipated adverse effects.

Base auto toll rates

A base toll rate for automobiles of \$15, in conjunction with our other recommendations, is the lowest base toll possible in order to achieve the goals of the Program. CBD tolls on all vehicles (excluding taxis and FVs) should be charged only for entering the zone. Passenger and commercial auto tolls should be capped at one CBD toll per day.

The toll structure recommended in this report meets the Program's goals with a base auto E-ZPass toll rate of \$15. Automobiles include sedans, minivans, SUVs, pick-up trucks and small vans, whether they are registered as passenger vehicles or have commercial license plates.

The Act allows the CBD toll to be charged to vehicles entering or remaining in the CBD, and the TMRB recommends that vehicles should be charged only for entering the CBD. First and foremost, charging drivers to enter the CBD makes the Program easier to understand. Charging drivers as they enter – as they make the decision of whether to add to the congestion of the CBD – is also the best way to influence travel behavior. Lastly, charging only to enter the CBD avoids an additional potential hardship for those who work overnight on non-consecutive days.

The Act requires that certain passenger vehicles not be charged more than one CBD toll per day to enter the CBD. We recommend that the same cap apply to automobiles as classified above (not trucks), including those with commercial license plates.

Sedans, minivans, SUVs, pick-up trucks and small vans are classified as autos, and subject to the auto rate.



Time periods

The standard daytime toll rate should apply from 5am to 9pm on weekdays, and from 9am to 9pm on weekends. The nighttime toll rates should be 75% less than the respective rates in the standard daytime period.

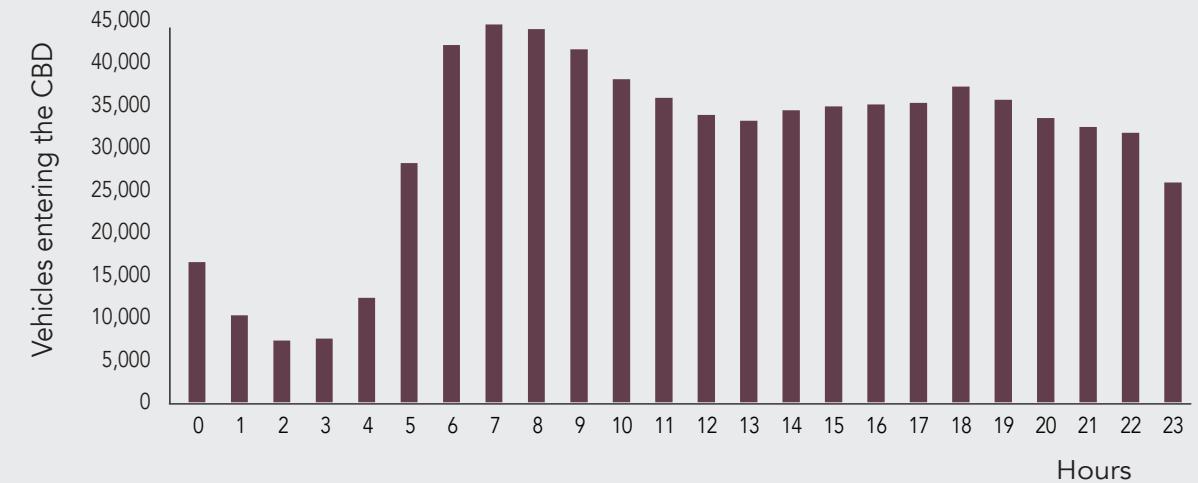
Every weekday 900,000 people in vehicles enter the CBD.²⁰ Starting as early as 5am, the number of vehicles in the zone grows rapidly until mid-day, and then starts declining significantly around 9pm.

Those vehicle volumes are reflected in vehicle speeds. As the chart shows, traffic speeds in the CBD decrease starting at 5am on weekdays and stay slow until past 9pm. On weekends, traffic patterns are surprisingly comparable, unlike many other urban areas in the US where downtown traffic volumes are significantly lower on weekends as compared with weekdays.²¹ But traffic speeds slow down later in the morning on weekends than on weekdays.

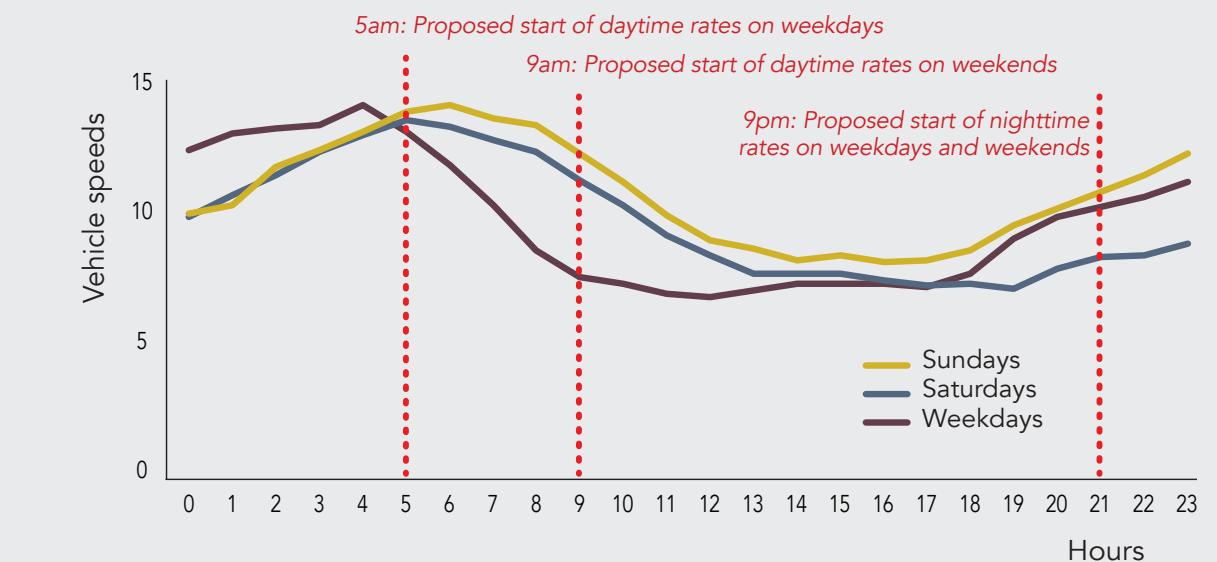
The Final EA committed to a nighttime discount of at least 50% from at least midnight to 4am. The nighttime discount should be increased to 75%, and the nighttime period should be extended from 9pm to 5am on Sunday, Monday, Tuesday, Wednesday and Thursday nights, and from 9pm to 9am on Friday and Saturday nights, to reflect the reduced congestion during those time periods.

Nighttime discounts will help shift truck traffic away from the daytime period when congestion is the highest, while also reducing additional diversions at night when congestion is low. A longer nighttime period and steeper discount also helps those who must drive at night when there might be more limited transit options in some areas.

On weekdays, the number of vehicles entering the CBD accelerates quickly around 5am, and peaks at 7am²²



Traffic slows to 7 mph on both weekdays and weekends, but speeds are somewhat higher on weekend mornings than weekdays²³



Toll rates for trucks

Small trucks should pay a toll of \$24, and large trucks a toll of \$36.

Although trucks make up only 4% of vehicles in the CBD, they have an outsized impact on congestion, because of their large size and large turning radii, their parking patterns, and the noise and air pollution they cause.²⁴



Small trucks (left) include moving vans and box trucks, such as grocery or package delivery trucks.

Large trucks (right) are articulated with a tractor unit pulling one or more trailers.

The recommended truck tolls balance the need to encourage the optimization of deliveries, thereby reducing trucks' contribution to congestion in the zone, with the equal need to minimize unnecessary diversions through communities that may already be burdened with comparatively high levels of air pollution and associated adverse health outcomes. Charging truck tolls at the rates they are typically charged at tolled facilities – often up to eight times the auto toll – could lead to unacceptable increases in truck diversions.

For these reasons, small non-articulated box trucks should be charged \$24 (approximately 1.6 times the auto rate) and large articulated trucks should be charged \$36 (approximately 2.4 times the auto rate).

Toll rates for buses

Transit and commuter buses – whether they are owned by a public agency or a private company under contract with a governmental entity to provide commuter services – should be exempted from the CBD toll. Commuter vans registered with the NYC TLC should also be exempted. Intercity and charter buses should pay a toll rate of \$24, and tour buses a toll rate of \$36.

Commuter buses merit an exemption from the CBD toll because they serve a public purpose and reduce congestion by offering affordable, predictable and safe transit service for millions of people. They are a core component of the region's public transportation system.

Commuter buses are accessible to the general public; they follow a fixed route with limited stops, with service predominantly in one direction during peak periods. Some routes are of extended length, between the CBD and outer boroughs, or even between the CBD and outlying suburbs. Commuter buses include private for-profit operators contracting with local, county or state government to provide public transit service, as well as NYC TLC-licensed and insured commuter vans.

Intercity buses do not serve commuters on a daily basis, although they do provide an efficient, quasi-transit option, especially for people of more moderate means; they should be charged \$24. Tour buses don't serve a quasi-public transit role and should be charged \$36 for the disproportionate congestion they cause in the CBD.

These recommendations do not include a general exemption for school buses because they are often deployed for purposes beyond transporting students to school. This panel urges the TBTA to explore providing a specific school bus exemption in the future for the specific purpose of transporting students to and from school, while maintaining a congestion charge on such buses when otherwise deployed.

Toll rates for taxis and FHVs

The TMRB recommends that taxi and FHV drivers be exempted from the daily CBD toll and instead be subject to a smaller toll applied to every passenger-paid trip to, from and within the CBD. The recommended toll is \$1.25 for yellow taxis, green cabs and black cars and \$2.50 for app-based FHVs, 24 hours a day.²⁵

Taxis and FHVs play a significant role in New York's transportation landscape, carrying more than one million passengers a day pre-pandemic. These vehicles are also a significant cause of congestion: a 2018 survey found that more than half of all vehicles in the CBD were taxis or FHVs.²⁶

Nevertheless, in an effort to reduce the economic impact of the congestion toll on taxi and FHV drivers, many of whom are considered an environmental justice population, the Final EA provides that those vehicles not be subject to more than the daily toll for automobiles.

Thousands of comments were received in the EA process about the importance of not harming the taxi industry, which has been struggling since app-based FHVs came on the scene nearly a decade ago. Commenters who ride in taxis and FHVs also expressed frustration at the prospect of paying a congestion toll on top of the New York State (NYS) Congestion Surcharge on trips south of 96th Street.

Many other commenters cited taxis and app-based FHVs – and the passengers who use them – as a primary cause for congestion in the CBD. Some of these commenters were particularly concerned that not charging intra-CBD taxi or FHV trips would encourage those vehicles to stay within the CBD, and actually could increase the number of miles they drive in the zone.

Taxi and FHV drivers often enter the CBD without a passenger so that even a once daily CBD toll of \$15 (the recommended toll rate for autos) could be a financial burden. This is especially true for taxi drivers who own or lease their own cabs, and FHV drivers, who frequently work for more than one app-based company and lack the ability to have the toll passed through to one particular company. Commenters who supported passengers paying the CBD toll saw it either as a way to relieve the burden on drivers and/or to influence travel behavior.

Lastly, commenters were concerned about how a daily toll would be applied: Would it be paid by the driver, or by the first passenger of the day entering the CBD? Would it be split between passengers, and if so, how? What about taxi and FHV trips into the CBD without a passenger? Whatever formula could be devised, the one-time \$15

per day CBD toll would impose an inequitable burden on either the driver, the first passenger, or both.

Ultimately, it is passengers – not drivers – who make the choice to add to vehicle congestion in the CBD, despite readily accessible public transportation to and within the CBD. And it is passengers whose travel patterns must be influenced to fight congestion in the CBD.

For these reasons, the congestion toll should be passed onto the customer, as part of the passenger fare. The recommended tolls of \$1.25 for yellow taxis, green cabs and black cars, and \$2.50 for app-based FHVs, were determined by dividing the daily base auto toll rate (\$15) by the average number of trips that taxis and FHVs make in the CBD today, which are 12 and 6, respectively.

Average fare for trips to, from or within the CBD	
Taxis	App-based FHVs
\$26	\$36

The TBTA should monitor the effect of the per-ride taxi and FHV toll on congestion. If it finds that additional measures are needed, the TBTA should consider an additional surcharge for daytime trips that take place entirely within the CBD in light of the numerous public transit options available in the CBD.

Discounts for those already paying a tunnel toll

The TMRB recommends that drivers already paying a tunnel toll to directly enter the CBD receive a crossing credit of \$5 against the daytime CBD toll. The crossing credit should be \$2.50 for motorcycles; \$12 for small trucks and intercity/charter buses; and \$20 for large trucks and tour buses. In the nighttime when CBD toll rates are 75% less than in the daytime and the base auto toll rate is just \$3.75, there is no need for a crossing credit.

Today, most entries into the CBD are free, but four are tolled. The Lincoln and Holland tunnels from New Jersey, and the Queens-Midtown and Hugh L. Carey tunnels from Queens and Brooklyn, respectively, charge a roundtrip E-ZPass auto toll of roughly \$14.

Many requests were received in the public comment period asking for an accommodation for vehicles entering the CBD directly via those tolled facilities. Some commenters were concerned about the added cost of a CBD toll on top of the cost of a tunnel toll, while others sought crossing credits to create greater cost parity between different entry points to the CBD and to reduce already existing "toll shopping," particularly among the East River crossings. (Some commenters proposed that an accommodation on the CBD toll also be extended to vehicles that had crossed other tolled bridges in the region on their way into the CBD.)

On the other hand, many commenters also requested that no crossing credits be given. These commenters reasoned that it was only fair for all drivers to pay for the congestion they bring to the CBD, regardless of how they enter. Many commenters were also concerned about the effect of deep credits and/or discounts against the base CBD toll rates, which would need to increase significantly – perhaps to as much as \$23 for autos – to make up for the revenue lost by providing some vehicles with a crossing credit.

The higher the credit, the more the burden of who pays the CBD toll shifts to New York State	No crossing credit (Final EA scenario A)		High crossing credit (Final EA scenario E)		
	Trips	Revenue	Trips	Revenue	
NY	70%	72%	NY	68%	78%
NJ	20%	18%	NJ	21%	11%
CT	3%	2%	CT	3%	4%
Other	7%	8%	Other	8%	7%

The TMRB notes that a large crossing credit also changes the balance of who adds congestion to the CBD vs. who pays the toll. The Final EA, for example, estimated that a \$14 crossing credit would mean that vehicles coming from New Jersey would make up more than 20% of all trips into the CBD, but only contribute roughly 11% of CBD toll revenue. Conversely, vehicles originating in New York would make up 68% of trips into the CBD while contributing almost 80% of CBD toll revenue.²⁷

After careful consideration, the panel recommends that a moderate crossing credit in the amount of \$5 be applied against the daytime CBD toll rate for passenger vehicles that have incurred a toll crossing the Lincoln, Holland, Hugh L. Carey or Queens-Midtown Tunnels to access the CBD. The crossing credit should be \$2.50 for motorcycles, \$12 for small trucks and intercity/charter buses, and \$20 for large trucks and tour buses.

This credit would somewhat reduce, although not entirely eliminate, existing toll shopping, while ensuring the overall toll rates remain low. It is also consistent with the Program's top goal of managing congestion. The credit should not apply to those vehicles driven to the zone indirectly via other tolled crossings, as it would be difficult to administer and would significantly add to the cost of the base CBD toll rates for everyone. The panel does not recommend any crossing credit in the nighttime, when the toll rates are reduced by 75%.

Other discounts and exemptions

The TMRB has been guided by its goal of keeping overall toll rates low by limiting the number of discounts and exemptions beyond those mandated by the Act and those provided for as mitigation measures in the Final EA. Indeed, every discount or exemption for the few increases the toll rates for the many. In addition, discounts reduce – and exemptions eliminate – the incentive for drivers to change their travel patterns and avoid adding congestion to the CBD.

Moreover, granting discounts or exemptions is necessarily a slippery slope: each special case that is granted to some will inevitably lead to others who assert that their claims are equally worthy. To address these concerns, the panel applied a particularly high standard for providing a discount or exemption – especially for trips that can shift to transit.

The TMRB recommends only one exemption and only two additional, unique discounts beyond what has already been mentioned in this report.

A deeper discount for frequent low-income drivers

As part of its environmental justice agenda in the Final EA, TBTA had already committed to a 25% discount on the daytime toll rate for low-income drivers, regardless of their place of residence, after the first 10 trips in a calendar month. We recommend deepening this discount to 50% to further accommodate the financial needs of low-income workers who, for whatever reason, have no choice but to drive to work.

An exemption for specialized government vehicles

Publicly-owned vehicles specifically designed to perform public works other than general transportation, and directly engaged in a core agency purpose, should be exempt from the congestion toll. These vehicles perform pothole repairs, garbage pick-up, snow plowing and other public works that are essential to the functioning

of the CBD. Given their indispensable functions, their very low numbers, and the infeasibility of transit as an alternative mode, applying a congestion charge would only add to the taxpayers' cost of providing those public work services. It should be noted this recommended exemption does not include publicly-owned passenger vehicles.



Examples of specialized government vehicles designed to perform specific public works include garbage collection trucks (top left); tree pruning trucks (top right); street sweepers (bottom left); and snow-removal trucks (bottom right).

Rates for motorcycles that are 50% lower than the respective auto toll rates

Just as the recommended toll rates for trucks and buses reflect the additional congestion and space those vehicles occupy on city streets, toll rates for registered motorcycles should be half the auto rate to reflect the smaller impact those vehicles have on congestion.

Exemptions considered, but ultimately not recommended

Public-sector employees

Schoolteachers, police officers, judges, transit workers, fire fighters and other public-sector employees perform important, valuable work that benefits the public. Nevertheless, just as public-sector employees are not exempt from existing tolls on bridges, tunnels, and highways, they should not be exempt from a Program designed to reduce congestion in the CBD, whether driving privately-owned or publicly-owned vehicles.

There may well be reasons related to working conditions and the like for government/public employers to insist or highly encourage certain public sector workers to drive into the CBD rather than take mass transit. In those situations, employers have the option of reimbursing personnel for some or all of the Congestion Pricing toll, based on factors not within TBTA's capacity to evaluate or to monitor.

Employees who must drive to work

Some workers have no choice but to drive to their place of employment because of the nature of their work or their work schedule. When that is the case, it is the responsibility of employers to reimburse employees for the cost of the CBD toll, just as employers might today cover the cost of parking, mileage and/or tolls.

CBD residents

Some commenters have suggested that New York should follow London's model in offering a 90% discount for residents of the zone. However, London's program charges a toll on all trips within the zone, while under the recommended Program, trips made entirely within the Manhattan CBD generally would not be subject to a toll. (Trips made by taxi or FHV would, under our recommendation, be subject to a smaller, per-ride toll.)

In addition, two more measures have been identified as providing relief to residents of the Manhattan CBD. The first is a NYS tax credit for CBD primary residents with NYS adjusted gross incomes of less than \$60,000. The second is our recommendation to charge the CBD toll only to enter the zone.

Utility companies

Public works are sometimes performed by private utility companies. But private utility companies are also often hired by private-sector clients. Differentiating between trips made for different purposes would be extremely difficult operationally, and is not recommended. (It is also worth noting that qualifying utility company vehicles most

likely would be exempted from the Congestion Pricing toll in a state of emergency declared by the Mayor or Governor.)

Individuals with medical appointments

The CBD is home to world-class hospitals and other health providers, and some patients might be too ill to take public transit to appointments. No exemption is recommended, however, because several programs exist today that already offer free or discounted transportation to medical appointments. These include programs for Medicaid and Medicare Advantage enrollees, which cover low-income people and people with developmental disabilities, as well as veterans and some people aged 60 and older.^{29, 30, 31}

In addition, Access-A-Ride (AAR) Paratransit Service provides public transportation for eligible customers with disabilities or health conditions that prevent them from using the public buses and subways for some or all of their trips.³²

Lastly, transportation costs to medical appointments are eligible for reimbursement with Flexible Spending Accounts, Health Savings Accounts, and Health Reimbursement Arrangements.

Electric vehicles

There is public value in promoting the growth of the electric-vehicle (EV) market, but the principal purpose of the Program is to reduce congestion. EVs may not contribute to air pollution, but they do contribute to congestion and so are not exempt from tolls. That said, the Program does support the growth of EVs in its \$40 million commitment to building electric truck charging infrastructure and expanding NYC Department of Transportation's Clean Trucks Program.

Individuals with auto-immune disorders or other serious medical conditions

Individuals with sensitive medical conditions may not be able to take public transportation to destinations in the CBD, and several requests were received to exempt them from, or reimburse them for, the toll, as London does. But London's national health insurance reimbursement program does not have a comparable US entity, although as noted above, Medicaid and Medicare Advantage do have medical transportation reimbursement programs for their recipients. It should be noted that no discounts on other tolled facilities exist today for individuals with medical conditions.

Relevant considerations

Among the issues we considered were those specifically mentioned in the Act. These include:

Traffic patterns and Environmental Justice

The 28 counties that surround and include NYC are home to 22.2 million residents and more than 10.7 million jobs – the densest metropolitan region in the country. The CBD itself is the densest part of the region, with an average of approximately 235,000 residents and workers per square mile.³³

The region is served by the most extensive and utilized mass transit system in the United States, as well as a dense and congested network of federal and state highways, and county and local roads. The distribution of this infrastructure is uneven, with some communities carrying more than their fair share of traffic, air pollution, and associated health risks, as well as pedestrian and cyclist safety concerns. Of particular concern were environmental justice communities composed of minority and/or low-income populations that already carry a disproportionate environmental burden.

Informed by the region's history and current traffic patterns, the TMRB considered how tolls could reduce congestion in the CBD without imposing meaningful additional traffic outside of the CBD, particularly in already-burdened environmental justice communities. To assess the toll's impacts on future travel patterns, it relied on New York Metropolitan Transportation Council's (NYMTC) Best Practice Model (BPM), the region's primary and time-tested long-range travel forecasting model, and the analysis methodology approved by federal authorities for this Project.

Traffic mitigation measures

The EA process identified highway segments and intersections that could potentially be impacted by proposed congestion charges, as well as specific measures to mitigate those potential impacts. These include measures committed to by the TBTA, NYS Department of Transportation and NYC Department of Transportation, such as traffic monitoring plans, ramp metering, and signal timing adjustments.

In making these recommendations, the TMRB has been mindful of the desirability of avoiding any new traffic effects or creating the need for any additional traffic mitigation measures.

Operating costs

Keeping tolls as low as possible while achieving the Program's traffic reduction goals was a key consideration in developing these recommendations. The more complex the Program, the more it will cost to administer, therefore requiring higher toll rates. To keep the toll rates low, the TMRB considered the operating costs of potential policies in relation to the scope and scale of their potential benefits.

Public impact

The greatest and most positive impact of the Program will be reduced traffic in the CBD. Fewer cars means less time wasted in traffic, as well as cleaner air and safer streets for everyone who lives, works in or visits the area.

Another significant positive public impact of the Program will be the investments made in the transit system, an extensive network of subways, buses and trains that millions of people of all economic backgrounds depend on every day.

Many public comments were received in support of Congestion Pricing and its ability to have a positive impact on the region. Other public comments, however, pointed to specific concerns with Congestion Pricing, including the financial impact that the new expense would represent to certain individuals, businesses or industries. Others were concerned about the impact that Congestion Pricing in the CBD would have in specific communities. And many commenters described the importance of structuring the Congestion Pricing toll to reduce traffic sufficiently and effectively.

Public safety

The TMRB took into consideration the impact of congestion on public safety and street safety, noting that further research is needed. An average of 10 people per year were killed in car crashes in the CBD between 2019 and 2022, and more than 2,400 people per year were injured.³⁴ It stands to reason that fewer vehicles in the CBD would improve street safety. The TMRB recommends that the TBTA monitor the impacts of Congestion Pricing on public safety as needed.

Hardships

The Program includes several measures to reduce potential hardship for low-income vehicle owners, those with physical disabilities, and those with poor transit access. These measures include a discounted toll rate for qualifying low-income drivers, a NYS tax credit for low-income CBD residents, an exemption from the toll for qualifying vehicles transporting persons with disabilities, and a deeply discounted toll rate in the nighttime when transit options may be more limited.

The Congestion Pricing toll could also create a new cost for taxi and FHV owners if they are responsible for paying the daily toll. As more specifically described above, the TMRB recommends a more equitable approach: a small per-ride toll to be paid for every taxi or FHV trip made to, from or within the CBD that could be passed along to passengers (as is currently the case with existing congestion charges on taxis and FHVs as well as all other tolls paid by the passenger when present). The TMRB recommends that TBTA work with the appropriate public and private partners to implement such a per-ride toll.

Toll rates & vehicle types, including motorcycles

In determining its recommendations for CBD toll rates, the TMRB took into consideration how trucks, buses, passenger autos, commercial autos and motorcycles contribute differently to congestion due to their size, street movements, parking habits, and travel patterns. For example, motorcycles contribute far less to congestion than trucks and larger vehicles and should be charged accordingly.

The panel also considered whether particular vehicle types were an essential component of the region's transit network – transit buses, private commuter buses and commuter vans, for example – and conversely, whether other vehicle types were typically used for low-occupancy trips could be made by transit (personal passenger vehicles for instance).

Peak and off-peak toll rates

The recommended Congestion Pricing toll structure includes higher rates during the daytime when CBD congestion is greatest, and lower rates in the

nighttime, when there is less traffic and when transit options may be more limited.

Further, charging lower rates in the nighttime may help to incentivize some drivers – especially truck drivers – to shift their hours of travel in the CBD to less congested times.

Environmental impacts, including air quality and emissions

The Final EA found that Congestion Pricing would reduce regional air pollution by reducing regional vehicle miles traveled. The environmental impact of Congestion Pricing, however, is not uniform across the region.

By discouraging travel and reducing traffic in the CBD, the Program is expected to reduce vehicle emissions in the zone – an area that today has some of the worst air quality in the nation. But some drivers who choose to avoid the CBD toll will instead drive through other communities, which may in turn see some increases in traffic. These traffic diversions can be a concern, particularly when they occur in communities already burdened by comparatively high pre-existing air pollution and/or chronic diseases.

As documented in the Final EA, the Program mitigates these potential effects with significant investment in clean-air measures, including improving electric-truck charging infrastructure, expanding NYC Department of Transportation's Clean Trucks program, installing air filtration units in schools near highways, renovating parks and greenspaces, installing roadside vegetation, and establishing an asthma center in the Bronx.

The Program's recommended toll structure reduces environmental impacts potentially caused by diversions, where practicable. Traffic modeling indicates that the levels of diversions are in line with those studied in the Final EA, which was granted a FONSI.

Endnotes

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Members of the Traffic Mobility Review Board



Carl Weisbrod, Chair of the TMRB, has more than 35 years of experience serving the people of New York. Most recently, Weisbrod served as Chairman of the New York City Planning Commission and Director of the New York City Department of City Planning. He is the founding President of the NYC Economic Development Corporation and preceding his initial tenure at HR&A Advisors, he managed the successful rezoning of the Hudson Square area in Manhattan. He led efforts to revitalize Times Square, from the late 1970s through the early 1990s, and Lower Manhattan, both pre- and post-9/11. Weisbrod holds

a Bachelor of Science from Cornell University and a Juris Doctor from New York University School of Law. He served on the MTA Board from 2017 to 2019, representing the City of New York.



John H. Banks is the President Emeritus of the Real Estate Board of New York (REBNY) and served as its president from 2015 to 2019. During his tenure, RENBY has made technology and innovation a focal point of its services with significant enhancements, benefiting members and consumers alike. In 2017, Banks became the Chairman of Building Skills New York, a not-for-profit organization connecting New Yorkers with historically high rates of unemployment and poverty to construction training and career opportunities. He also served as Con Edison's VP of Government and Community Relations for 15 years and

served on the MTA Board from 2004 to 2016 representing the City of New York. Banks holds a Bachelor's degree in Economics and Government from Manhattan College and a Master of Public Administration from Baruch College.



John Durso has been President of the Long Island Federation of Labor, AFL-CIO, since 2005. He is also President of Local 338 of the Retail, Wholesale and Department Store Union (RWDSU)/United Food and Commercial Workers (UFCW) since 1999, a Vice President of the New York City Central Labor Council, and an International Vice President of the UFCW. In addition, Durso holds positions on the Town of Hempstead Labor Advisory Board, the Nassau County Living Wage Advisory Board, the Town of Oyster Bay Workforce Investment Boards, and the Long Island Regional Economic Development Council.



Elizabeth Velez is the President and Principal of the 50-year-old Velez Organization, spearheading strategic growth and project diversification and ensuring that the second-generation construction services firm is one of the longest established and successful in the region. Under her direction, hundreds of projects have come to fruition, including over 600 units of housing made affordable by state and federal grants in the Bronx and Harlem, and over \$10 billion of educational, healthcare, and large-scale projects throughout New York.

In 2022, Velez was appointed by Governor Kathy Hochul to the MTA Board. Velez served until 2021 as commissioner of the NYC Property Tax Reform Commission, which produced public inclusive recommendations to create transparency and equity in the NYC tax system. Velez is a graduate of Hofstra University, with both a Bachelor and Master of Business Administration.



Kathryn Wylde is President and CEO of the Partnership for New York City, a not-for-profit organization whose members are the city's global business leaders and major employers. Kathy also served as the Chairperson of the Metropolitan Transportation Sustainability Advisory Workgroup, which helped to identify and assess public transit and traffic problems across the New York City region. Prior to taking over as Partnership CEO in 2000, Wylde led the Partnership's city-wide affordable housing, neighborhood revitalization and business investment programs. She is an urban policy expert and represents the business community on advisory panels dealing with infrastructure, the environment, tax, education, workforce development, human services, and land use/development issues.

Congestion pricing is... :::



Cleaner air



Less traffic



Better transit



Safer streets