The Rise and Fall of Congestion Pricing in New York

0:03

daily producer will Reed here in New York it's about

0:08

850 and I'm on my way to meet Michael Barbaro and oh there he is welcome to

0:17

the neighborhood thank you it's beautiful here it is so um where are we going we are going

0:24

to my car I confess I have a car in Brooklyn and we're going to use it to commute in manatt which is not a thing I

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normally do via car but there's a journalistic rationale which we will get

0:38

to you're going to sit here okay I'm going to open the windows

0:43

just get a little air in

0:49

here so Michael why are we driving into New York today we are driving into

0:54

Manhattan in order to study observe lay

1:00

eyes on what was supposed to be this first in the nation tolling system for

1:07

cars entering a downtown it's an anti-traffic program that says if you

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want to be part of traffic then you have to pay for it it's been in the works for years so we're just going to go

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basically do a dry run through the infrastructure of this tolling

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system known as congestion

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pricing we're now on a ramp taking us off the FDR at East 61st Street so we

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are one block north of the congestion pricing zone so we're going to go

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straight oh there's the cameras so oh you see them yeah we are seeing the

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tolls and in fact I'm just going to slow down and we are now inching underneath

1:58

these camera tools there's three in a row these are I don't know 3 feet by 4

2:05

feet 4x4 metal boxes with lights and glass and cameras inside they're kind of in

2:12

the trees on a big metal post yeah I feel like we're under the UFO right now we are under the UFO waiting for it to

2:19

open and something to emerge and uh this is congestion pricing and this is the

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system these cars behind us are like what what the heck are you doing this is

2:32

journalism my friends the bus has every right to be mad at us all right all right all right Tough

2:41

City we are now in the congestion pricing Zone driving

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across essentially Midtown you know and the goal is that this typically very

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congested neighborhood of Manhattan which you can just I mean just look at all these cars

3:00

right the idea is that you slice some percentage of these cars out of the

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equation and we should say the reason why we are stopping in

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the middle of York Avenue and looking at this tolling system is because we just

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learned that the governor of New York Kathy hoko is putting an indefinite

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pause on this system and if that pause turns into what I suspect is a forever

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pause on this thing none of these cameras will ever be operational and this system will just become a

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relic and the story of how New York got to a point where all of these cameras

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and tools and infrastructure were installed and now at the very last

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minute the plug is being pulled on this system is a complicated story that I think is

4:03

worth untangling cue the theme

4:09

[Music] song from New York Times I'm Michael babbaro this is the

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daily today the rise and fall of congestion pricing in New York

4:26

City I spoke with my colleagues Anna Le and Grace

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[Music]

4:44

Ashford it's Monday June

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10th well Anna welcome to the daily thank you you cover transportation in

4:55

New York City for the times I want to start with the question of how and why

5:01

congestion pricing was ever going to come to New York in the first place yes

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if for a long time New York City was really wrestling with the problem of traffic in Manhattan it's one of the

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most congested places in the country right so for more than 50 years there's

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been this idea that people have talked about uh charging people to drive into

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this part of the city to pay for the privilege of getting to reach some of

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the most famous destinations and neighborhoods in New York City Soho

5:37

Chelsea Hells Kitchen Wall Street Time Square the Theater District that there

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should be a fee if you're going to bring a car into this place that you could

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very easily reach via public transit and there are other big cities that have

5:52

congestion pricing like London and Singapore and Stockholm and for people who think that

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this is a good idea New York just seemed like a really good setting to experiment with it in the

6:05

United States because it's so walkable we have great access to the subway we've

6:11

got buses we've got Commuter Rail lines right there's alternatives to a car thus

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potentially an ideal place to ask people to get out of their cars right yeah and so to bring this concept to the United

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States New York City is the place where it's going to happen it's either going to happen here or it's not going to happen any anywhere in the country and

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what exactly is the logic of making people pay for the privilege what is it supposed to do it's supposed to

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discourage you from driving in at all it's supposed to encourage you to take mass transit and it serves a greater

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good for people not only in their ability to get around but also in having

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a more enjoyable place to live and a cleaner place to live right fewer cars less air pollution the thinking has

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always been a more pleasant City exactly okay you said this idea has been kind of kicking around why doesn't it in New

7:04

York seem to go anywhere well there are a lot of people who don't want to pay a lot of people in

7:11

borrows outside of Manhattan people in New Jersey in Connecticut and so there

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there's been a lot of resistance over the years and politicians sometimes propose it and then just backed away

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because it's not popular mhm and when does that start to

7:28

change I think think 2017 was a big Turning Point chaos deep underground a subway

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train derailing violently tossing people to the Floor Service in the New York City subway just gets unbearable just

7:43

weeks ago panicked passengers trapped on another broken down subway train over an hour no air conditioning there are all

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kinds of delays and service disruptions it's another day another meltdown on the subway with these breakdowns becoming an

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almost daily occurrence many passengers tell us they've simply had enough and people are just so frustrated they can't

8:04

get to where they need to go for F's sake the New York Post wrote fix the Subways in New York it's known as the

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summer of hell for commuters Governor Cuomo Under Pressure to fix the transit mess now making headlines by calling

8:18

congestion pricing an idea whose time has come so the governor at the time

8:23

Andrew Cuomo has this very clever idea to use congestion pricing money to pay

8:29

for the repairs that are needed in the subway H and I guess we should explain

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to listeners in New York the Subways which are all in New York City are paid

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for by the state right and lawmakers around the state realize oh this is a

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way to address this nuisance that we've been having to deal with for so long

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that takes care of something that they keep putting off sort of you know budget cycle after budget cycle right you're

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saying around this time all those people in the state government start to look at the subway

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mess and see this is something they just don't want to have to keep dealing with and suddenly congestion pricing which

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had been something they all look to scance at as something that might piss off their constituents suddenly looks

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like not such a bad idea anymore exactly yeah so at this point um there seems to

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be a really clean solution in front of them so once Governor Cuomo in the state

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legislature starts to get a little excited about this idea what is the

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actual operational plan that takes form so the idea is to make a Zone where the

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tolls are in effect so in this case the zone is anything south of 60th Street

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which is a part of Manhattan that is just constantly choked with traffic uh

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this is you know cars delivery vans Ubers lifts ambulances I mean any type

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of vehicle you can think of is is there MH and this program would toll those

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vehicles for coming into the zone or for getting around the zone and those tolls range depending on how big the vehicle

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is and what time of day it is and the most expensive would be for big trucks

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uh and at peak hours when the tolls are most expensive those trucks would pay $36 a car like like you and I might

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drive those would uh cost $15 taxis and Ubers and lifts are

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different there would be a fee that's tacked on for the passenger taxis would

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pay a125 and Ubers and lifts would pay $250 per trip within the Zone those passenger

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fees for getting in a taxi don't sound like a ton of money for each person who gets into a cab but the $15 for

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passenger cars and the $36 for a commercial truck that's real money and

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I'm just doing the math if you commute it into the city even just three days a week in a passenger car that's

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$45 a week so what was the thinking behind those numbers well they don't want you to drive into the Zone that's

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the whole point right so it's meant to be high it's meant to contain a kind of

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sticker shock exactly I'm curious because this is about raising money for the Subways just how much money does

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this proposed set of tolls raise it's supposed to raise a billion

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dollars annually which is money that can be used for all kinds of things within the subway system to make it run better

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and it would mean that the Subways would have that money forever without having to go to the state and ask for money so

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that they could do these repairs right but there are many other benefits that

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advocates for the program have pointed to including the fact that it could reduce traffic by 177% in the zone it

12:00

would also mean that buses would be able to travel more quickly and New York city has the slowest buses in the nation I

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mean in some cases you can walk more quickly than if you were to take a bus somewhere shocking yeah and so that

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would be a huge Improvement to the transit Network and finally this would save the region billions of dollars that

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it loses to people just sitting in traffic all day idling because if you're sitting in your car idling you're not

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working deliveries aren't being being delivered right it hurts the economy is the thinking yeah and that's why this

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plan had a lot of support from transit Advocates from business Community

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leaders in New York City and from Plenty of regular New Yorkers who don't own cars and they rely on the Subways and

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the buses to get around the city I'm curious who ends up opposing this plan

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once it seems like the state's government is starting to get behind it well a lot of State lawmakers really

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like the idea of dedic ated money for the Subways that congestion pricing would bring but it's not something that

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a lot of their constituents who live outside of the city care very much about congestion pricing to a lot of people

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still look like a tax on commuting into Manhattan which is kind of this elitist idea that people consider to be anti-ar

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and it was a change it was something unknown and people don't tend to like that so the same forces that had made

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this plan so unpopular for for the past 50 plus years we still very much in full

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force you could see that in the political realm and in the courts that

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idea really started to build you know right now there are eight lawsuits against congestion pricing one of them

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is from the Staten Island burough president who says his constituents just don't want to pay to come into the Zone

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New Jersey's also suing the teachers union is suing really yeah and what's

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the basis the legal basis for most of these laws well the city's teachers are suing

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because for example a lot of them drive into Manhattan every day to work at the schools and basically they don't think

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it's fair to pay these tolls they say it would be a financial hardship to them

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others are challenging it because they're concerned that they could see more pollution or more traffic in their neighborhoods if people start driving

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around the zone to get away from the tolls I'm curious what your reporting tells us about who would actually pay

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the congestion toll based on the history of who actually goes into this Zone what

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we have found is that people entering the zone are mostly pretty well off just

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to give you a sense of that a data company that we worked with called replica crunched some numbers for us and

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what they found was that the average income of people that drive into the zone is around

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$181,000 got it and people who make less than $50,000 who have to commute into

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the zone are very few it's 1% of the people people that go into the zone so

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what that tells you is that most of the people communting into the Zone can

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probably afford this toll right if they want to drive right and yet there's still clearly a lot of vocal opposition

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as well as legal opposition does any of this opposition gain much traction not

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really I mean the court cases are still pending but their support at the highest

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level of state government Governor kuo the original champion of this plan ends up resigning but his successor Kathy

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hokel is equally supportive so the momentum for congestion pricing just

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keeps building well that controversial congestion pricing plan for New York

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City is a go today getting the official green light from the Metropolitan Transportation Authority board the MTA

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board took a vote today strongly yes this is a true victory for our city and

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for our region the motion is a proof and before long there's a date

16:03

starting Sunday June 30th at midnight drivers that need to go south of 60th in Manhattan will be slapped with a new

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toll the system is in place the cameras and the sensors are up just over 9 weeks

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until the mta's cameras including these here at 61st and 11th will begin scanning license plates there are you

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know informational sessions there's a website where people can go and everything is ready to go

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right this was fate accomp this was an inevitable and very big change in the

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lives of anyone who drives into Manhattan and then the last person

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anyone could have expected to stop this thing from moving forward governor of

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New York Kathy hok the biggest champion of this thing decides she is pulling the

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plug on congestion pricing after the break Grace Ashford on why the

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governor turned against congestion pricing we'll be right

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back Grace you've been covering Governor hok's decision-making in The Saga of

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congestion pricing and as Anna just said the reason this was also surprising was

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that Governor hokel had been a supporter of congestion pricing so tell us how the

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governor originally talked about this idea so even though this congestion

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pricing plan begins before Kathy Hogle takes office she immediately steps in

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and Embraces it from time to time leaders are called upon to Envision a

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better future and we see this as recently as December of 20123 when she

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headlines this rally in support of congestion pricing and she announces you know not only that

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she supports it be bold in the implementation and execution and be undaunted by the opposition but that

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this is what it looks like to be a leader that's how you secure progress and I think this really fits into a

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larger kind of frame of which Kathy hokel sees herself as the kind of leader that makes tough decisions that are not

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always popular people love New York City but it's facing some hard times and and

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in this rally she goes on to list all of the many many benefits that congestion

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pricing is projected to bring anybody sick and tired of gridlock in New York City she talks about how it's going to

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unclog city streets anybody want cleaner air for our kids and for future generations and how it's going to make

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the air in the city better to breathe anybody think we deserve better Transit especially those who live and work

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here and crucially how it's going to bring this really critical funding stream to the city's Subways and buses

19:04

well then you love congestion pricing [Music] [Applause] right so there's really no ambiguity

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here about how the governor is thinking about congestion pricing just a few

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months ago as of December there was no ambiguity and then of course we get to

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last week's pretty remarkable flip-flop by the governor that's right my

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colleague Dana Rubenstein and I as well as some other reporters had begun to hear rumors that the governor might be

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considering backtracking and so we began reporting this out then all of a sudden we get this announcement that she's

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going to be addressing New Yorkers in the form of a pre-taped speech on

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Wednesday first and foremost I understand the financial pressures

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you're facing and she tells me New Yorkers that she's thinking really hard

20:02

about the economy Over The Last 5 Years New Yorkers have seen the price of

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groceries alone go up an average of 23% she's thinking about the cost of

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housing housing prices have increased by 177% and she is thinking about New York

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City even more broadly anyone walking through Midtown Manhattan or riding the subway they've seen it office attendance

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is down compared to before the pandemic with many workers only commuting in two or three days a week at and she talks

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about how the vacancy rate for commercial buildings in Manhattan is at 20% the idea behind congestion pricing

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is that'll encourage many current drivers to shift to public transit but there is a third possibility

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that now poses a greater threat than it did at the program's Inception drivers can now choose to stay

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home altoe and she says for all of the these reasons she doesn't think it's right to add another burden on New

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Yorkers I have come to the difficult decision that implementing the plan congestion pricing system risk too many

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unintended consequences for New Yorkers at this time for that reason I have

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directed the MTA to indefinitely pause the program she's decided to delay

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congestion pricing indefinitely so in her telling this is purely an economic

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decision congestion pricing she's saying is an existential risk to New York's

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economy that's right she sees New York as still too fragile

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to take this big step at this moment there would seem to be a meaningful hole

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in this explanation from Governor hok which is that six months ago when she gave that full-throated support for

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congestion pricing the city's economy was pretty much the same as it is right

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now I think by some measures the city's economy has actually only gotten better over the past six months which leaves

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many people not entirely sure that this is a full explanation for why the

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governor has decided to stop congestion pricing from going into effect well

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there is another factor that a lot of people have pointed out looms pretty large in the mind of New York Democrats

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and that's the election that's coming up this November mhm I think in order to

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understand this you have to go back to the 2022 midterm elections when you have all of these Congressional races and

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Governor Cathy hokel herself on the ballot she very very narrowly won that race but a lot of Democrats down the

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ballot lost right and I think that was a shock to a lot of people because New York is a blue state but suddenly there

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seemed to be a kind of Red Wave especially in those congressional seats

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that is exactly what Republicans were cheering that in fact there was a Red Wave in New York and that Red Wave

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helped them to capture control of the House of Representatives and I think in the kind of post-election analysis one

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thing that became very clear was just how successful Republicans were in that race at deploying these concerns about

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crime which was really powerful particularly in the suburbs where

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Democrats saw some of their worst loss and on its face crime in New York City

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in 2022 and congestion pricing in 2024 are very different issues but there is

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this one kind of similarity and that is that both of these issues are tremendously important to Suburban

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voters who have become really really crucial for Democrats got it let me just

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make some sense of this it's kind of fascinating after losing a bunch of congressional races in New York on the

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issue of crime among Suburban voters outside New York City Democrats look to this Fall's races

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and say to themselves huh congestion pricing looks like a new version of

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crime in the sense that it pisses off Suburban voters who are let's be honest

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in some cases commuters coming into New York who might not want to pay these congestion pricing fees and they think

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to themselves we might recreate that exact same Dynamic this time around yeah and I

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think it's just really important to remember that wall congestion pricing has a lot of support in New York City it's been pretty consistently opposed

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outside particularly in the suburbs where we have up to 70% of New Yorkers

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opposing this plan and what I think Governor hok would say is that this is

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the reality that she is responding to that there are a lot of Regular People

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regular New Yorkers who have really serious concerns okay so by that

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political logic hok seems to have decided that the risks of pushing

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congestion pricing right now in these months before the election knowing that it could endanger Democratic control of

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Congress potentially on top of her economic worries about New York City's recovery and how congestion pricing puts

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it at risk that taken together those risks outweigh congestion pricing chief

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benefit which is it's raising a ton of money for New York City's Subway and

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transportation system that's right and in fact I think you know having spoken

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with some of her advisers and Associates she would say that in December she

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believed that it took leadership and courage to stand up and support this

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policy it also takes leadership and courage to stand up now and say this is

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not the right time we have to pause okay well this all makes me wonder Grace what

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happens to the money that congestion pricing was supposed to have raised

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that's now gone poof right a billion dollars to fund New York cities aging

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and at times melting down subway system what is the governor going to do to find

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$1 billion that congestion pricing was supposed to produce that it now won't

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this is is the billion dooll question initially she had proposed maybe raising the payroll tax on New

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York City businesses to help make up this shortfall this would be a tax that would only go on businesses operating in

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New York City but wouldn't that just hurt New York City businesses which she said are vulnerable in their economic

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recovery wasn't that her explanation for getting rid of congestion pricing in the first place and this is exactly the point that was made by many New York

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lawmakers and the business Community who basically said you know this isn't fair why are we we solely bearing this burden

27:00

you know whereas congestion pricing everyone who is driving into New York City is actually going to help pay for

27:06

Less congested streets mhm as of Friday this proposal is dead in the state

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legislature but this leaves this big question of so what next you know late

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on Thursday night there was this idea floating around to just agree to do

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something that would generate a billion dollars like a big you know billion

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dollar IOU that also appears to maybe not have the support it needs to pass raising the

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possibility that actually lawmakers could leave Albany and this legislative session without doing anything to plug

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this hole Grace the governor is calling this a temporary pause or an indefinite

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pause but I think to many people's ears that sounds like a permanent pause and

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and if we're being blunt I wonder if the reality here is that congestion pricing in New York City is now dead and if it's

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said in New York City is it ever going to have a shot to come to the US at

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all privately we're hearing that the governor is telling people that she really does believe in this policy that

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it's just the wrong time but I also think it's important to pay attention to this word

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indefinite I think at minimum it suggests that this is not going to be a

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brief pause and I think if you look at the

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path that congestion pricing has already taken in New York this has been decades in the making studies and planning and

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money and all of that has gone into building this momentum and in an instant

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on Wednesday all of that was taken away right and I think for people who really

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supported congestion pricing they' always sort of known that there was going to be this moment of opposition

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you look at other cities across the world that have imped this you can track that right before a policy like this is

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put into place people get panicked and you know it takes a little while for them to get used to it as just sort of a

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regular State of Affairs but a lot of these studies say eventually people do

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get used to it mhm New York really was positioned to lead as an example of what congestion pricing could be but I think

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this decision has a lot of proponents really concerned that if New York isn't

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able to implement this see what other city will I have a final question for you

29:33

Grace what happens now to the millions and millions of dollars of cameras and

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detectors that have been installed all across the congestion Zone in Manhattan to make this system work they were

29:48

supposed to flip a switch and they were going to go on June 30th what happens to them what happens to all that money now

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it's a really great question you know I've I've heard some people say we already have the infrastructure up why don't you just take it out for a test

30:02

drive tax people a dollar to drive into the business district and kind of let them get used to that as far as I know

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that idea has no legs what it does seem like is that on

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June 30th New Yorkers will be able to drive their cars wherever they want in

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Manhattan and they'll also be able to look up at this very visible reminder of

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what New York almost [Music]

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did well Grace thank you very much we appreciate it thanks so much

30:41

Michael over the weekend New York State lawmakers ended their legislative session without a plan to replace the $1

30:49

billion a year in funding that congestion pricing was supposed to raise

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as a result plans to upgrade the city's Century old subway system are now in

31:02

doubt we'll be right

31:08

back here's what else you need to know today an audacious raid by the Israeli

31:14

military over the weekend rescued four Israeli hostages in Gaza who had been

31:19

held there by Hamas since October 7th and reunited them with their families

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but according to officials in Gaza The Raid killed and wounded scores of

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Palestinians a spokesman for Hamas said that in response the group would take

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punitive measures against remaining Israeli hostages in Gaza meanwhile a

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prominent member of Israel's war cabinet Benny gance quit on Sunday in protest of

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the government's handling of the war in Gaza gance had set this weekend as a deadline for Israel's prime minister to

31:55

outline a plan to bring the war to an end no such plan has been outlined prompting

32:01

gance to resign today's episode was produced by

32:07

Will Reed Nina Feldman Stella tan AA chv and relle Banja it was edited by

32:14

Patricia willins contains original music by Alicia bitu Dan Powell and Rowan

32:20

nisto and was engineered by Alyssa Moxley our theme music is by Jim

32:25

brunberg and Ben lansberg of wonderly

32:31

[Music] that's it for the daily I'm Michael Boro

32:38

see you tomorrow [Music]

English (auto-generated)