



State of New Jersey

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August 17, 2023

VIA USPS, EMAIL AND WEBSITE

Mr. Carl Weisbrod, Chair

(cweisbrod@planning.nyc.gov)

Mr. John Banks

Mr. John Durso

Mr. John Samuelsen

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Traffic Mobility Review Board

2 Broadway

New York, NY 10004

<https://contact.mta.info/s/forms/CBDTP>

Dear Traffic Mobility Review Board:

The State of New Jersey strongly encourages the Traffic Mobility Review Board to ensure that any congestion pricing scheme recommended by the Board for the Central Business District ("CBD") Tolling Program ("Program" or "CBDTP") treat New Jersey and its residents and communities fairly and equitably. To that end, the State urges the Board to be guided by the following: (1) all commuters who cross into Manhattan through the Holland or Lincoln Tunnels, or across the George Washington Bridge ("GWB"), should be provided full credits without caps for crossing tolls; (2) all commuter buses should be exempted from CBD tolls; (3) CBD tolls should not be collected during off-peak hours; (4) any CBD tolls should reflect the extent to which a vehicle actually contributes to congestion by remaining and operating within the CBD; and (5) all low-income commuters should receive credits for CBD tolls.¹

New Jersey requests that the Board ensure that any CBD tolling program does not create and perpetuate injustices that solely or disproportionately affect New Jerseyans in order to advance the Metropolitan Transportation Authority's ("MTA") exclusively economic interests. After all, as New Jersey has made clear, the Program is deeply unfair to our State. MTA plans to assess new and high tolls in order to access a previously un-tolled swath of the New York City. There will be *no* non-tolled alternative route to access the CBD; the costs will be disproportionately borne by out-of-state commuters, especially New Jersey residents; and all CBDTP benefits flow to the MTA, with no support or investment flowing to the commuters and States that will help implement the Program.

¹ New Jersey remains steadfast in its lawsuit challenging the FHWA's approval of the Environmental Assessment and issuance of a Finding of No Significant Impact. New Jersey preserves all legal rights and waives none.

Nonetheless, if the Program proceeds, we request that the Board consider the following measures that would help address unfair and disproportionate economic and environmental burdens on New Jersey, its residents, and its communities.

Recommendation No. 1: Provide uncapped crossing credits for those who use the GWB, Holland Tunnel, or Lincoln Tunnel.

The Board should recommend providing CBD toll credits, without caps, to drivers who cross into Manhattan via the GWB, the Holland Tunnel, or the Lincoln Tunnel to ensure that these drivers are not paying more than their fair share. For example, commuters entering through the Holland Tunnel currently pay a \$13.75 toll. That full amount (and any future increased toll) should be credited toward the ultimate CBD toll. That is, if the CBD toll were set at \$23, Holland Tunnel commuters would be credited \$13.75 and be required to pay an additional \$9.25. Without an uncapped credit, commuters, particularly low-income commuters, would be overburdened and would bear a disproportionate amount of tolls. Notably, N.Y. Public Authorities Law § 553-k requires the Board to consider “hardships” and “public impact” when implementing a pricing plan. Granting credits, without caps, to those who cross from New Jersey to New York before entering the CBD ensures that economically vulnerable commuters are not overburdened and helps mitigate a major hardship imposed by the CBDTP.

Additionally, any credit system should treat all New Jersey-New York crossings equally. If only certain crossings receive credits, drivers will “toll shop” and avoid any crossing for which a credit is unavailable. For example, if the Board only grants credits to tunnel crossings, but fails to grant a GWB credit, traffic would likely be diverted to already overburdened communities near the tunnels, including Union City, Weehawken Township, North Bergen Township, Secaucus, and Jersey City. Granting credits, without caps, to all New Jersey crossings² where drivers already pay a toll avoids this result.

Recommendation No. 2: Exempt all commuter buses from CBD tolls.

The Board should recommend CBD toll exemptions for all commuter buses, including those that travel from New Jersey to New York. Unfortunately, the Final Environmental Assessment for the CBDTP leaves the door open to at least four tolling scenarios—Scenarios A, C, D, and G—that contemplate tolling commuter buses with no cap. *See, e.g.*, Table 2-3 at pg. 2-31. That approach would be wrong and contrary to one of the purported policy objectives of the CBDTP.

A primary goal of the Program is to encourage the use of public transit, and buses are a vital form of public transportation: prior to the pandemic, approximately 1,850 buses passed through the Lincoln Tunnel to the Port Authority Bus Terminal during peak commute hours each weekday morning. Importantly, New Jersey’s commuter buses only marginally touch the CBD before entering the NY/NJ Port Authority Bus Terminal and do not meaningfully contribute to congestion within the CBD. It is contrary to the goals of the CBDTP to toll public buses carrying dozens of commuters that do not materially add to traffic in the CBD.

Furthermore, if buses are not exempted from CBD tolls, costs for agencies such as NJ TRANSIT could increase by an estimated \$22 million per year, depending on the tolling scheme ultimately selected. Costs for private commuter bus companies would similarly increase. Such increased costs for commuter bus operators would inevitably trickle down to commuters through

² A credit for GWB commuters who then cross into the CBD within a reasonable time could be achieved from a technological standpoint by installing electronic toll equipment that would measure entry time into the CBD from the GWB.

increased fares, discouraging bus use and undermining one of the purported purposes of the Program—to encourage the use of public transportation.

Overall, because tolling buses would improperly discourage bus use and have a profound, negative impact on bus operations—all without actually reducing traffic in the CBD—the Board should recommend exempting all commuter buses from CBD tolls.

Recommendation No. 3: No tolls during off-peak hours.

The Board should recommend that tolling cease during off-peak hours. Again, one of the purported goals of the Program is to reduce traffic in the CBD. Traffic is, of course, worst during rush hours and other peak travel hours. As traffic dwindles during off-peak hours, congestion is no longer a significant concern, and tolling is no longer an efficient or appropriate means of traffic reduction. Additionally, public transportation operates less frequently during off-peak hours, and commuters—for example, nurses headed to overnight shifts—may feel less safe travelling using public transit late at night. Eliminating CBD tolls during off-peak hours supports these commuters, while not adversely impacting traffic reduction goals. Indeed, congestion pricing schemes in other major cities—including London—only charge congestion fees during peak commuting hours.

Recommendation No. 4: Toll vehicles based on how long they remain in the CBD and contribute to congestion there.

The Board's tolling recommendations should also account for vehicles that "remain in" the CBD and contribute to congestion there. This approach would be more consistent with the Program's implementing legislation and better serve the purposes of congestion pricing than a tolling scheme that assesses tolls only upon a vehicle's entry into the CBD (or only upon entry and exit).

N.Y. Vehicle and Traffic Law § 1704-a requires the Triborough Bridge and Tunnel Authority to establish and charge tolls for vehicles "entering *or remaining in*" the CBD (emphasis added). However, each of the CBDTP tolling scenarios discussed in the Final Environmental Assessment appears to toll vehicles upon entering (or leaving) the CBD while allowing vehicles to remain and operate in the CBD without limitation and without any additional CBD toll once they are there.

Notably, London's Congestion Charge system charges drivers a daily fee for driving within the charging zone. London has installed cameras within its Congestion Charging zone—not just at the perimeter—and those cameras read license plate numbers as vehicles enter, leave, or drive within the charging zone. Implementing a similar tolling scheme in New York City would help to ensure that CBD toll burdens are more equitably distributed among drivers based on the extent of their operations in the CBD and that drivers entering and exiting daily are not unfairly shouldering a disproportionate amount of fees.

Recommendation No. 5: Grant credits to all low-income commuters.

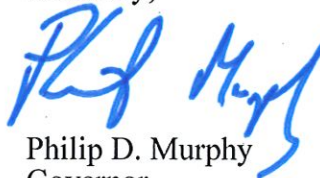
The Board should recommend granting CBD toll credits to all low-income commuters, regardless of whether they live in the CBD. The Final Environmental Assessment reflects a tax credit for individuals living in the CBD with adjusted gross incomes of less than \$60,000. This tax credit is an acknowledgment of the readily apparent fact that the CBDTP will impose harsh economic burdens on individuals with low income. But that is the case for individuals that live outside the CBD as well. To ensure that the Program does not place an undue hardship on economically vulnerable commuters, *see* N.Y. Public Authorities Law § 553-k, the Board should

recommend CBD toll credits for all commuters, including New Jersey commuters, with adjusted gross incomes of less than \$60,000.

In addition to these recommendations, New Jersey will continue to engage in constructive discussions with the New York Executive Chamber regarding capital capacity at the Port Authority of New York and New Jersey. Specifically, New Jersey will continue to work to ensure that it does not lose funding for critical public transportation projects at a time when they are needed most, a sentiment that the MTA will undoubtedly understand.

Thank you for your review and consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Phil Murphy", is written over the printed name and title.

Philip D. Murphy
Governor