



EQUITY IMPACTS OF NYC CONGESTION PRICING ON TAXI & FOR HIRE VEHICLE DRIVERS & PASSENGERS

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I. Acknowledgments

The author of this report is **Matthew W. Daus, Esq.**, who previously served as Distinguished Lecturer at the City University of New York (CUNY) since 2010, and who now serves as Transportation Technology Chair at the **University Transportation Research Center ("UTRC")** at The City College of New York (CCNY), CUNY. The UTRC at City College is one of the ten original University Transportation Centers established by Congress in 1987 with the recognition that transportation plays a key role in the nation's economy and the quality of life of its citizens. UTRC conducts research in critical areas related to transit, intermodalism, infrastructure, and regional funding and pricing.

The author would first and foremost like to thank the Director of the UTRC, **Dr. Camille Kamga**, for his ongoing support for this report and so many other projects and activities in the region. Dr. Kamga continues to make available academic resources and research that is indispensable to the development of sound transportation policymaking endeavors. This report would not have been possible without the assistance of one of his PhD students, **Patricio Vicuna**, who assisted with the data analytics, as well as **Siong-Hu Wong**, a data analyst and econometrist who took lead on the project. In addition, the author and the UTRC would like to thank **Andriy Blagay** for his artwork for the report, and for all of the many UTRC projects he has been involved with over the years.

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II. Executive Summary

There are three principal types of equity considerations that relate to the distribution of benefits and burdens of congestion pricing: (1) income equity, (2) geographic equity, and (3) modal equity. This report attempts to look at the first two, with a specific focus on taxi and for-hire vehicle ("FHV") services. The benefits and burdens of the proposed Central Business District ("CBD") Tolling Program—commonly referred to as congestion pricing—may not be distributed equally among all drivers and passengers of taxi and FHV services.

There are several key findings from this report. First, taxi and FHV passengers have paid their fair share to the Metropolitan Transportation Authority ("MTA") through the congestion surcharge implemented in February 2019 that applies to trips below 96th Street in Manhattan. Stacking congestion pricing on top of the congestion surcharge is simply a double taxation. Second, the taxi and FHV industries have not fully recovered from the aftermath of COVID-19, and any drastic fare hike might further dampen ridership. If not done carefully, this might lead to a wave of job loss for many taxi and FHV drivers. Additionally, the mitigation actions proposed for these drivers in the Environmental Assessment ("EA") of the CBD Tolling Program are nothing short of impractical to prevent potentially massive job displacement. Third, the CBD Tolling Program would likely impose additional financial burdens on numerous persons from low-income neighborhoods and/or transit deserts—areas that are at least a 15-minute walk to the nearest subway or rail station—who use FHVs to enter the Manhattan CBD.

In light of these findings, we would strongly recommend the CBD Tolling Program be paused while an environmental impact statement ("EIS") is prepared to address the Program's impact on low-income drivers and passengers. If the Program moves forward now, then the report supports exempting taxis and FHVs from the CBD Tolling Program altogether, to mitigate these adverse impacts on transportation equity.

III. Background

A. Congestion Pricing

In April 2019, New York State enacted legislation requiring the Metropolitan Transportation Authority ("MTA") Triborough Bridge and Tunnel Authority ("TBTA") to design, develop, build, and run the Central Business District ("CBD") Tolling Program. The TBTA operates the bridges and tunnels that connect the five boroughs of New York City. The CBD Tolling Program will charge most vehicles a variable rate for entering Manhattan below 60th Street.¹ The Program is projected to bring in \$1 billion per year in tolls, which will allow the MTA to unlock \$15 billion in debt financing to fund its current five-year capital plan. Tolling is not expected to begin until at least late 2023.

The exact toll rates have yet to be determined. On August 10, 2022, the MTA released the long-awaited EA of the CBD Tolling Program. The EA highlights seven different tolling scenarios, with toll rates ranging anywhere from \$9 to \$23 during peak periods (see Table 1). Out of those seven scenarios, only two would exempt taxis from the toll and cap tolls for FHVs at three times per day.

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¹ By law, limited categories of vehicles (*e.g.*, emergency and paratransit) and persons (low-income residents of the CBD) will be exempt from the tolls. Discounts and exemptions may be provided to others in MTA's discretion.

Table 1. EA Tolling Scenarios for Taxi and FHV Service

Scenario	Taxi	FHV
A	No cap, \$5–\$9/trip	No cap, \$5–\$9/trip
В	1x day, \$5–\$10/trip	1x day, \$5–\$10/trip
С	Exempt	3x day, \$7–\$14/trip
D	No cap, \$10–\$19/trip	No cap, \$10–\$19/trip
Е	Exempt	3x day, \$12–\$23/trip
F	1x day, \$12–\$23/trip	1x day, \$12–\$23/trip
G	No cap, \$7–\$12/trip	No cap, \$7–\$12/trip

Our analysis shows that, under these scenarios, the annual toll revenue from taxis and FHVs will fall between \$166 million and \$467 million. It is a considerable range, but the average would be approximately \$280 million (see Appendix 1). This amount is close to the congestion surcharge revenue collected in 2021 (see Appendix 2). Thus, the CBD Tolling Program is potentially a "double taxation" for the taxi and FHV industries.

The Traffic Mobility Review Board ("TMRB") has been designated under the state law to hold hearings and recommend toll rates to the TBTA, which will make the final decision. By law, the TMRB's recommendations must include a plan for credits, discounts, and/or exemptions for taxi and FHV trips that are subject to the congestion surcharge that applies to trips below 96th Street in Manhattan. The congestion surcharge is \$2.50 for taxis, \$2.75 for FHV trips, and \$0.75 per passenger in a pooled ride. Since its implementation in February 2019, the revenue collected has exceeded \$977 million, and it is expected to reach more than \$1.1 billion by the end of 2022 (see Appendix 2).

The official 30-day public comment period on the EA commenced August 10, 2022, and is set to close September 23, 2022.² The first of the public hearings was held on Thursday, August 24, 2022, and they continued over the subsequent two weeks. These hearings generated a tremendous amount of publicity – and clear divisions – among elected officials from New York and New Jersey, commercial industries, advocacy groups, and the public.

B. Environmental Justice

The CBD Tolling Program presents equity issues for minority and low-income populations. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations (February 11, 1994), directs Federal agencies to identify and address, as appropriate, disproportionately high and adverse effects of Federal actions on minority and low-income populations. The Order's purpose is to focus Federal attention on the environmental and human health effects of Federal actions on minority and low-income populations with the goal of achieving environmental protection for all communities.

The term "environmental justice" is not defined in federal law, but federal agencies have adopted varying definitions in response to Executive Order 12898. The U.S. Department of Transportation, Federal Highway Administration ("FHWA") defines environmental justice as identifying and addressing disproportionately high and adverse effects of the agency's programs, policies, and activities on minority populations and low-

² There was a two-week extension from the original deadline of September 9, 2022.

income populations to achieve an equitable distribution of benefits and burdens.³ This also includes the full and fair participation by all potentially affected environmental justice populations in the transportation decision-making process.

As required by Executive Order 12898, the EA for the CBD Tolling Program includes an analysis of the potential effects of the project on low-income and minority populations (collectively, environmental justice populations) and provides an analysis of whether the project would result in disproportionately high and adverse effects on these populations. In preparing the EA, the FHWA and the CBD Tolling Program project sponsors—the TBTA, the New York State Department of Transportation ("NYSDOT"), and the New York City Department of Transportation ("NYCDOT")—conducted public outreach, including outreach targeted to environmental justice populations.

The environmental justice analysis considered various concerns related to the project's potential effects on low income and minority populations throughout Manhattan (including the CBD), Brooklyn, Bronx, Queens, and Staten Island, as well as:

- Long Island (Nassau and Suffolk Counties);
- New York counties north of New York City (Dutchess, Orange, Putnam, Rockland, and Westchester);
- New Jersey counties (Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren); and
- Connecticut counties (Fairfield and New Haven).

According to the environmental justice analysis in the EA, speakers at the environmental justice webinars and members of the Environmental Justice Technical Advisory Group and Environmental Justice Stakeholder Working Group expressed concerns about increased costs for low-income drivers traveling to the Manhattan CBD. This included concerns related to potential adverse effects on low-income drivers who commute to work in the Manhattan CBD, as well as the effect of increased costs for taxi and FHV drivers. While these concerns were addressed in the EA, it failed to address the potential impact of the CBD Tolling Program on low-income populations who use taxis and FHVs to enter the CBD for reasons other than commuting.

IV. Equity Issue Findings

A. Auto Drivers

The EA looked at local and regional travel characteristics to and from the Manhattan CBD. It was found that most people (76%) in the regional study area (including Manhattan) travel to and from the Manhattan CBD by public transportation. The transit share is higher for minority (82%) and low-income (79%) populations.

All Workers' Travel Mode to Manhattan CBD

- 78.1% by transit
- 10.2% by auto

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³ https://www.fhwa.dot.gov/Environment/environmental_justice/

- 8.3% by bike or walking
- 3.4% by "other mode," which includes "taxicab, motorcycle, other modes, and people who work at home."

Minority Workers' Travel Mode to Manhattan CBD

- 82.4% by transit
- 10.0% by auto
- 5.8% by bike or walking
- 1.8% by "other mode," which includes "taxicab, motorcycle, other modes, and people who work at home."

Low Income Workers' Travel Mode to Manhattan CBD

- 79% by transit
- 9% by auto
- EA provided no statistics for "bike or walking" or "other mode."

The EA also looked at the increased cost of travel to the Manhattan CBD for low-income and minority population drivers. The EA determined that the cost of the new CBD toll would not be predominantly borne by low-income drivers. This is owing to the fact that, on average, car-owning drivers are more affluent than non-car-owning drivers. As is discussed below, the situation may, however, be different for taxi and FHV drivers.

B. Taxi and FHV Drivers

The CBD Tolling Program scenarios in the EA include a range of tolls for taxis and FHV trips. Some scenarios exempt taxi trips entirely, some include discounts in the form of caps on the number of taxi and FHV trips that would be subject to the charge (either once or three times per day), and others charge them for every trip entering or remaining in the Manhattan CBD.

The EA highlighted two potential concerns for the taxi and FHV industry. First, overall demand for taxi and FHV service would decline significantly as a result of tolling, and therefore reduce the MTA's revenue objectives. Second, many taxi and FHV drivers, who are identified as part of environmental justice population, might be affected adversely.

With regard to the first concern, the EA found that there would be some adverse effects on overall taxi and FHV service demand. In one scenario, the net change in daily vehicle miles traveled ("VMT") would decrease by 16.8% in the CBD, and 5% region wide. Nonetheless, the EA deemed this not significant enough to adversely affect the industry and concluded no mitigation is necessary.

Regarding the second concern, however, the EA found that there would be disproportionately high and adverse effects on taxi and FHV drivers in some tolling scenarios. This is particularly true in tolling scenarios that would charge vehicles more than once per day. The scenarios might lead to a decrease in trip revenues, which, in turn, might precipitate job losses. The EA concluded that mitigation is, therefore, necessary if a tolling scenario is implemented with tolls of more than once per day.

The mitigation actions proposed in the EA include the following:

• Having passengers pay the toll if they are present;

- Connecting taxi and FHV drivers experiencing job insecurity with a direct pathway to licensing, training, and job placement with MTA or its affiliated vendors at no cost to the drivers; and
- Creating a pilot program that will help increase the eligibility of taxi and FHV drivers to use their
 vehicles to provide paratransit trips, with the assurance that the program will be implemented if
 approved.

The mitigation measures proposed above are ill-informed. Waiving the \$60–\$70 fee required to apply to become a bus driver and training and job placement with the MTA as bus drivers may provide jobs for a few drivers, but not the tens of thousands of drivers who currently work as taxi and FHV drivers. There is no support for the MTA's mitigation plan to employ these drivers with paratransit work, either. With no financial assistance from the MTA to pay for the costs of wheelchair accessible vehicles, how are drivers supposed to foot the bill when their revenue source has been slashed? The fact is that the drivers of accessible vehicles rely on MTA work. This mass exodus from the taxi and FHV industry will further harm riders with disabilities who, due to an inaccessible mass transit system, are already left with few options other than taxis and FHVs to get anywhere in the city.

Additionally, our analysis reveals that ridership for taxis and FHVs (with the exception of black cars) have not fully recovered to their pre-pandemic levels. As shown in Table 2 and Figure 1, the worst affected sectors are taxis, liveries, and limousines.

Table 2. Taxi and FHV Trip Count, June 2019 vs. June 2022

Sector June 2019 (pre- pandemic)		June 2022 (post- pandemic)	Difference (%)
Yellow Cab	6,940,050	3,161,550	-54%
Green Cab	470,700	73,530	-84%
Livery	1,318,140	649,110	-51%
Black Car	426,990	509,160	+19%
Limousine	68,280	34,650	-49%
Uber & Lyft	19,395,139	17,780,075	-8%
TOTAL	28,619,299	22,208,075	-22%

Data Source: TLC Aggregated Reports

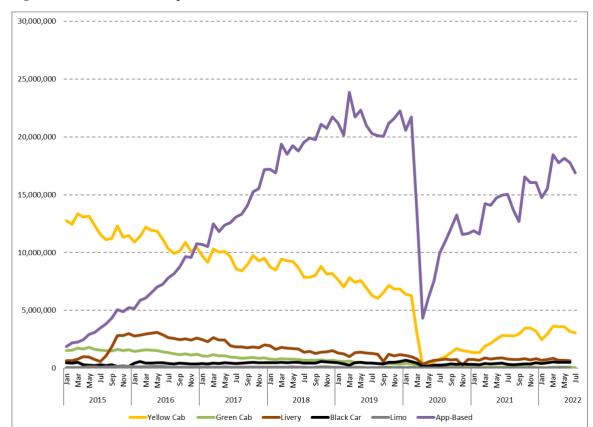


Figure 1. Taxi and FHV Trip Count, 2015-2022

Data Source: TLC Aggregated Reports

How will increased fares through the CBD Tolling Program affect ridership? The amount by which demand for trips changes in response to a price change, otherwise known as price elasticity, is approximately -0.3 for Manhattan core (south of 96th Street) and -1.2 for non-core (above 96th Street in Manhattan and other boroughs). What this means is that a 1% increase in fares reduces passenger demand by 0.3% in Manhattan core and 1.2% elsewhere. Based on the latest data available, the average taxi fare is roughly \$18.83. A toll rate of \$19 would be the equivalent of a fare hike of over 100% in the CBD. Applying the second elasticity coefficient above, this fare increase could potentially reduce demand by 56% for those living in the outer boroughs. This is an alarming proposition, which leads us to the next section and a discussion about taxi and FHV passengers.

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⁴ See NYC TLC, Improving Efficiency and Managing Growth in the For-Hire Vehicle Sector, June 2019, https://www1.nyc.gov/assets/tlc/downloads/pdf/fhv congestion study report.pdf.

⁵ This is calculated by dividing the average daily farebox (\$1,921,789) by the average daily trips (102,052) in July 2022.

⁶ For large changes in price, we usually assume that elasticity is even across the demand curve. Following this assumption, you find new_trips/old_trips = (new_price/old_price)^e. So in this case, new_trips = old_trips * 2^-1.2 = 0.44, or a 56% decline in trips.

C. Taxi and FHV Passengers

The EA does not directly discuss the impact of the CBD Tolling Program on environmental justice populations who travel to and from the CBD by taxi or FHV. As noted above, the EA concluded that the percentage of all commuters travelling by taxi and FHV is relatively small—less than 3.4%—and that number includes "other modes" not limited to taxis. Taxi travel is lumped together with travel by motorcycle, other modes, and people who work at home. That number drops to less than 1.8% for minority populations. Still, the greatest cost would be incurred by those who make frequent journeys to the Manhattan CBD during peak hours. Tolling scenarios that charge every taxi and FHV trip would lead to higher overall prices paid by customers for these trips.

Using examples of taxi and FHV trips into the Manhattan CBD from locations where the median household income is under \$50,000, the increased cost would be substantial:

- The fare for a yellow cab from East New York, Brooklyn to NYU Medical Center on East 34th Street in Manhattan during peak hour is around \$60 currently. After congestion pricing, in the best-case scenario (\$9/vehicle), the fare would be \$69, a fare increase of 15%. In the worst-case scenario (\$19/vehicle), it would be \$83, a fare increase of 38 percent.
- The fare for an UberX from Maspeth, Queens to NYU Medical Center during peak hours is around \$38 currently. After congestion pricing, in the best-case scenario (\$9/vehicle), it would be \$47, a fare increase of 24%. In the worst-case scenario (\$23/vehicle), it would be \$61, a whopping fare increase of 76 percent.

The question that is yet to be addressed by the MTA is whether these low-income passengers can afford the additional fare when there is a real need to use taxi or FHV services.

Based on our analysis, of all the taxi trips that end in Manhattan CBD, 4.6% originate from a Low-Income Housing Tax Credit ("LIHTC") Qualified Census Tract (see Figure 2).⁷ In absolute terms, this is the equivalent of approximately 80,000 trips per month.

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⁷ LIHTCs must have 50% of households with incomes below 60% of the Area Median Gross Income (AMGI) or have a poverty rate of 25% or more. See <u>HUD website</u> for more details.

5.00% 4.69% 4.64% 4.67% 4.59% 4.56% 4.56% 4.46% 4.50% 4.00% 3.50% 3.00% 2.50% 2.00% 1.50% 1.00% 0.50% 0.00% JAN FEB MAR APR MAY JUN AVERAGE

Figure 2. Percentage of Taxi Trips from LIHTC to Manhattan CBD, 2022

While the percentage of taxi trips may seem insignificant, the following findings from Uber raise some serious concerns in light of the company's high market share (by trip volume). For context, Uber commands 58% of the market share in New York City (see Figure 3).

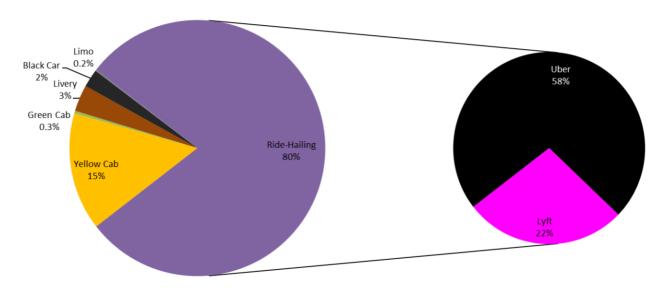


Figure 3. Market Share by Trip Volume, 2022

Of all Uber trips that end in the Manhattan CBD, roughly 15% originate from an LIHTC (see Table 3). This is the equivalent of approximately 166,667 trips per month.

Table 3. Percentage of Uber Trips from LIHTC to Manhattan CBD, 2022

County	% of Trips Ending in CBD That Start in QCT
Bronx	63.16
Brooklyn	18.31
Manhattan	13.99
Queens	4.01
Staten Island	12.22
NYC Total	15.36
Bergen County	0.1
Dutchess County	5.81
Essex County	5.22
Fairfield County	3.37
Hudson County	7.62
Hunterdon County	0
Mercer County	6.2
Middlesex County	10.21
Monmouth County	2.61
Morris County	0
Nassau County	0.82
New Haven County	30.36
Ocean County	12.08
Orange County	2.94
Passaic County	11.89
Putnam County	0
Rockland County	1.74
Somerset County	0
Suffolk County	0.29
Sussex County	0
Union County	3.94
Warren County	4.44
Westchester County	6.16
28 County Total	14.03

Another significant finding is that, of all Uber trips that end in the Manhattan CBD, approximately 20% (216,667 trips per month) originate from a point that is more than 0.5 miles away from the nearest subway station, while 15% (162,333 trips per month) originate from a point that is more a mile from the nearest subway station (see Table 4). In other words, up to one-fifth of those living in transit deserts are dependent on Uber as a mode of transportation.

Table 4. Percentage of Uber Trips from Transit Deserts to Manhattan CBD, 2022

	0.5 Mile Threshold	1 Mile Threshold			
Borough	% of Trips Ending in CBD That Start > 0.5 Miles from Nearest Subway	% of Trips Ending in CBD That Start > 1 Mile from Nearest Subway			
Bronx	20.83	4.09			
Brooklyn	8.33	1.18			
Manhattan	0.89	0.01			
Queens	64.2	57.47			
Staten Island	100	100			
Total	19.72	14.77			

V. Summary of Written Comments on the EA

So far, there are many outside the taxi, limousine, and rideshare industry who have spoken out against the proposed congestion pricing schemes and are advocating for an exemption for taxis and/or FHVs, including New York State Senator Liz Krueger, Manhattan Borough President Mark Levine, and the New York League of Conservation Voters – all of whom submitted written comments on the EA. Others have raised concerns about the impact that it will have on job security among taxi and FHV drivers, including NYC Council Speaker Adrienne Adams, NYC Councilmember Selvena Brooks-Powers (who chairs the Council Transportation & Infrastructure Committee), and the New York Urban League, as well as U.S. Representative Josh Gottheimer (NJ-5).

Several elected officials and organizations have already submitted written comments asking the MTA to exempt taxis and/or for-hire vehicles from the congestion toll because these trips are already subject to the congestion surcharge that applies to trips below 96th Street in Manhattan. NY State Senator Liz Krueger and NYC Councilmember Selvena Brooks-Powers, along with the Association for a Better New York (ABNY), New York League of Conservation Voters, and the Regional Plan Association (RPA), all submitted formal comments to the MTA citing the congestion surcharge as a reason for exempting taxis and FHVs from the toll. At the very least, the taxes currently paid to the MTA must be accounted for in any future congestion pricing plans.

Below are excerpts of written comments pertaining to taxi and/or FHV service submitted in response to the CBD Tolling Program Environmental Assessment:

Adrienne Adams, NYC Council Speaker: "The CBD Tolling Program is also likely to significantly impact the taxi and for-hire vehicle industry. At a time when drivers are already struggling to make ends meet and recover to pre-COVID-19 levels of business, the economic impact of a CBD Tolling Program could potentially be catastrophic to the industry. While the EA proposes some mitigation measures, such as working to connect drivers with licensing, training and job placement with the MTA or its vendors, and

to allow the drivers to use vehicles to provide paratransit trips, the responsible agencies must take steps to prevent potential job displacement in the first place."8

Association for a Better New York (ABNY): "In addition to the traffic, environmental, and economic benefits of the plan, the Metropolitan Transportation Authority (MTA) must ensure there is equity and fairness for all those affected by the plan. Specifically, the impact of congestion pricing on FHVs and the ride-sharing industry should be considered. Data shows ridesharing is an important mitigation for traffic congestion. FHVs that provide this important service are a vital means of transportation for residents and tourists alike. Those who operate the FHVs are vital to the City's workforce, many who are among New York City's residents hit hardest by the pandemic.

"We encourage the MTA and the Traffic Mobility Review Board (TMRB) to continue to think about equity as the plan unfolds. Since 2019, FHVs have paid a congestion fee to the MTA—the only stakeholder to do so prior to the proposed plan. As a result, the MTA has generated \$1 billion in revenue. While FHVs do not currently pay the exact fee to support the MTA as proposed in the discussed scenarios in the environmental impact document, rideshare drivers should not shoulder the responsibility of paying a double fee that will impact their livelihoods. The contributions currently paid should be accounted for in all scenarios proposed for any future congestion pricing plans."

Citizens Budget Commission (CBC): "Limit exemptions to those specified in the law and perhaps to forhire vehicles (FHVs) and taxis, and do not provide credits for MTA or Port Authority of New York and New Jersey tolls." 9

Josh Gottheimer, U.S. Representative (NJ-5): "Can you imagine a hard-working nurse or taxi driver from Jersey having to pay \$23 dollars a day — or \$5,000 a year — on top of the \$16 dollars they pay to go over the GW Bridge? When you add gas and parking, that's \$20,000 a year. ... And let me be clear, every scenario the MTA released will whack drivers with a new tax. That's why there's been such an outcry of opposition — from taxies, Uber, Lyft; small businesses that will get whacked, and so many hard-working families." ¹⁰

Liz Krueger, NY State Senator: "Because taxis and for-hire vehicles already pay a congestion surcharge for entering Manhattan below 96th Street, I am asking that the MTA take steps to try to minimize new impacts on taxis entering the CBD. At [a] minimum, tolls on taxis should be limited to once per day, and a full exemption should be strongly considered."¹¹

Mark Levine, Manhattan Borough President: Levine recommends "that taxis and FHVs be exempted."

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 $^{^{8}\} https://council.nyc.gov/press/wp-content/uploads/sites/56/2022/09/CBD-Tolling-Program-EA-Comment-from-Speaker-Adams.pdf$

⁹ https://cbcny.org/advocacy/testimony-congestion-pricing-environmental-assessment

¹⁰ https://gottheimer.house.gov/news/documentsingle.aspx?DocumentID=3634

 $https://www.nysenate.gov/sites/default/files/article/attachment/senator_krueger_testimony_to_the_mta_regarding_the_cbdtp.pdf$

New York Lawvers for the Public Interest (NYLPI):12

- "[T]here must be ongoing public input into the process of choosing, implementing, and adjusting specific tolling scenarios to ensure that congestion pricing does not have the unintended impact of pitting disadvantaged communities' interests against one another. For instance, scenario G, which is the best for minimizing increased truck traffic would also have the adverse effect of additional taxi and for-hire vehicle ("FHV") tolling costs being passed on to vehicle riders, including riders with disabilities who, due to an inaccessible mass transit system, are left with few options other than taxis and FHVs. The scenario that is best for environmental justice communities must be designed to avoid harm to people with disabilities, especially as these issues are highly intersectional and many New Yorkers with disabilities also live in environmental justice communities."
- "New York City's worsening traffic congestion constantly disrupts the operation of buses and paratransit vehicles, which along with taxis and FHVs are commonly the only forms of accessible mass transit available to the disability community."
- "[The exemption for certain qualifying vehicles providing transportation to people with disabilities] must be expanded to include all vehicles making Access-A-Ride trips including taxis and broker vehicles and the MTA must establish a specific mechanism for identifying and exempting those vehicles[.]"
- "[W]e urge the MTA to expand [the exemption for certain qualifying vehicles providing transportation to people with disabilities] to all wheelchair-accessible taxis and FHVs, regardless of whether they are being utilized by the Access-A-Ride program. Not only would this alleviate the burden on disabled riders, but it would strongly incentivize drivers and owners to purchase and operate additional, urgently needed wheelchair-accessible vehicles. ... If a blanket exemption for wheelchair accessible taxis and FHVs cannot be implemented, these vehicles must at least be exempt from tolling when transporting people with disabilities."
- "If the MTA decides on a tolling scenario that passes the costs of tolls in taxis and FHVs on to riders, persons with disabilities who are transported by such vehicles must be exempted from paying the toll."

New York League of Conservation Voters (NYLCV): "[I]n order for congestion pricing to be maximally fair and effective, exemptions should be limited to only those that are absolutely necessary, such as an exemption accounting for the fact that TLC-licensed vehicles already pay a congestion surcharge on every trip below 96th Street or exemptions that may be necessary to eliminate toll-shopping on the river crossings."

New York Urban League (NYUL): "For-hire vehicle and taxi drivers - the majority of whom are low-income - were hurt across the board. Specifically, the MTA recognizes that implementing a fee as high as \$23 on vehicles traveling south of 60th street in Manhattan will likely lead to massive job loss in the industry. Their solution, as covered recently by the New York Post, is to waive a \$70 fee required to apply to become a bus driver. That is short-sighted and foolish. Many people in the community we represent either drive for Uber and Lyft or benefit from its services. We cannot forget it wasn't long ago that taxis drove by people of color without a second thought, and too many Black and Brown New Yorkers live long distances from the nearest subway and bus stops. ... [A] plan that puts tens-of-thousands of low-income

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 $^{^{12}\} https://www.nylpi.org/resource/comments-submitted-to-the-mta-regarding-the-environmental-assessment-for-the-central-business-district-tolling-program/$

drivers out of work is no plan at all. It's a hastily developed idea that lacks foresight or consideration of the consequences."

Selvena Brooks-Powers, NYC Councilmember: "I have also heard serious concerns from taxi drivers about this proposal. Our network of taxicab, livery, and rideshare vehicles fill key transportation gaps in many communities, and these drivers have already faced serious economic burdens in recent years and already pay a congestion surcharge on trips below 96th Street. We need to consider the vital contributions these drivers make to our network and set tolls accordingly." ¹³

Regional Plan Association (RPA): "[W]e hope the MTA will identify scenarios that limit additional surcharges for taxis and FHVs. Since 2019, customers using taxis and FHVs have been paying a fee for trips south of 96th Street in Manhattan. This has raised hundreds of millions of dollars for transit investment. In our 2019 report, we recommended that the MTA study a small additional fee for trips within the cordon tolling program south of 60th Street. We still believe that this may accomplish traffic reduction and revenue generation without as many unintended consequences." ¹⁴

VI. Recommendations

Based on a review of the CBD Tolling Program and the findings from the EA, below are several recommendations for the TMRB and the MTA.

Taxis and FHVs should not be subject to "double taxation" under the CBD Tolling Program.

Taxis and FHVs should not be burdened with any additional surcharges from the CBD Tolling Program. The existing congestion surcharge for taxi and FHVs has already generated more than \$977 million in revenues for the MTA since its implementation in February 2019. Any additional congestion charge would rightly be labeled as double taxation.

The CBD Tolling Program should be paused and more studies conducted to address the impact on low-income drivers.

As noted above, the EA anticipates that there would be adverse effects on taxi and FHV drivers. It was found that additional fees added to the taxi and FHV trips might lead to a further decrease in trip revenues. At a time when the ground transportation industry is still recovering from dampened ridership due to COVID-19, further reduction in revenues from CBD Tolling Program could spur a second wave of joblessness for many drivers who are considered part of the environmental justice population. As delineated in the previous section, many of the mitigation actions proposed are impractical for the industry.

Additionally, the review of price elasticity shows that demand for those living in the outer boroughs might be affected adversely. The EA should look into this more closely.

The CBD Tolling Program should be paused and more studies conducted to address the impact on low-income passengers.

¹³ https://council.nyc.gov/selvena-brooks-powers/statements/

¹⁴ https://rpa.org/latest/testimony/congestion-pricing-public-hearing

The EA failed to address the potential impact of the CBD Tolling Program on low-income populations who use taxis and FHVs to travel in the Manhattan CBD for purposes other than commuting to work. Although New York City has a robust public transit network, the four other boroughs have transit deserts – many of which are also low-income neighborhoods. For those who would use taxi or FHVs for emergencies – regardless of distance – the tolling would create additional financial burdens that have not been addressed, as required.

As shown in our analyses, the percentage of Uber trips from low-income neighborhoods and/or transit deserts to Manhattan CBD is considerable. In light of this finding, the EA must look into this more closely as well.

Finally, it is clear from the EA that the CBD Tolling Program poses a significant impact on the quality of the human environment. As such, the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321(2)(C), requires the preparation of an environmental impact statement ("EIS"). An agency's decision not to prepare an EIS carries considerable risk because it may be challenged in court. If the court decides that an EIS must be prepared, then the agency will have expended considerable time and resources on the litigation only to find that it is required to prepare an EIS.

Appendix 1: Projected Revenue from CBD Tolling Program

Parameters		Scenario A		Scenario B		Scenario C		Scenario D		Scenario E		Scenario F		Scenario G	
# Daily Taxi/FHV Vehicles		57,711		65,695		61,423		51,777		57,977		64,241		56,056	
Toll Rate (Peak Hour)	\$	9	\$	10	\$	14	\$	19	\$	23	\$	23	\$	12	
Toll Rate (Off Peak)	\$	7	\$	8	\$	11	\$	14	\$	17	\$	17	\$	9	
Toll Rate (Overnight)	\$	5	\$	5	\$	7	\$	10	\$	12	\$	12	\$	7	
Weekday Revenue	\$	464,574	\$	585,110	\$	647,137	\$	870,112	\$	1,001,872	\$	1,306,020	\$	602,882	
Weekend Revenue	\$	431,678	\$	534,317	\$	592,056	\$	806,686	\$	927,458	\$	1,209,016	\$	566,166	
Annual Revenue	\$	166,148,238	\$	208,282,509	\$	230,476,709	\$	310,994,667	\$	357,944,113	\$	466,608,722	\$	216,233,497	

 Max Revenue
 \$ 466,608,722

 Min Revenue
 \$ 166,148,238

 Average Revenue
 \$ 279,526,922

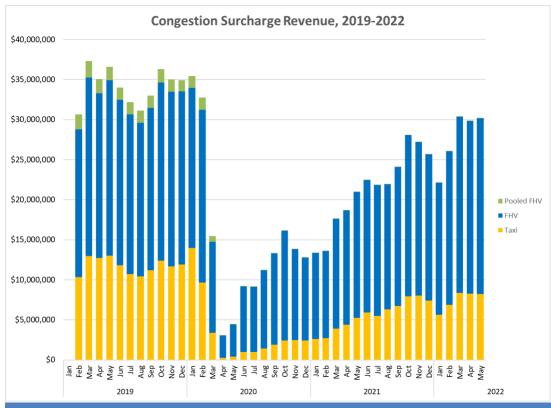
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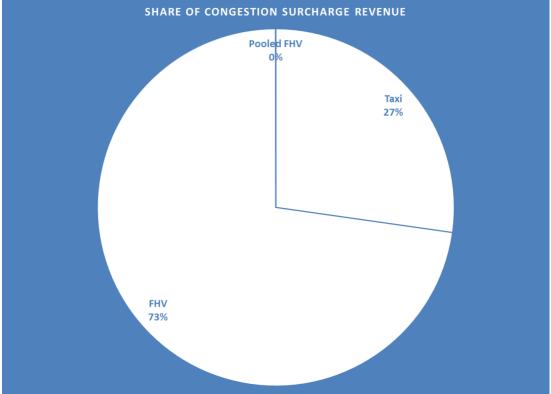
Trips ratio between weekday peak, weekday off-peak, and weekday overnight is 70.5:11.5:18 Trips ratio between weekend peak and weekday overnight is 62:38 Trips ratio between taxis and FHVs is 15:85

Appendix 2: Congestion Surcharge Revenue

Year	Month	Taxi	FHV	Pooled FHV	TOTAL					
	Jan	-	-	-						
	Feb	\$10,322,628	\$18,456,380	\$1,881,031						
	Mar	\$12,966,215	\$22,290,964	\$2,052,717						
	Apr	\$12,753,378	\$20,532,685	\$1,785,668						
	May	\$13,017,405	\$21,887,104	\$1,706,149						
2010	Jun	\$11,827,028	\$20,669,237	\$1,493,475	¢276 405 270					
2019	Jul	\$10,721,225	\$19,908,378	\$1,551,768	\$376,185,379					
	Aug	\$10,447,250	\$19,169,513	\$1,533,267						
	Sep	\$11,219,085	\$20,238,650	\$1,520,786						
	Oct	\$12,415,183	\$22,236,915	\$1,638,296						
	Nov	\$11,661,015	\$21,798,873	\$1,541,995						
	Dec	\$11,926,128	\$21,578,186	\$1,436,807						
	Jan	\$13,957,535	\$20,002,161	\$1,491,011						
	Feb	\$9,684,585	\$21,558,317	\$1,509,293						
	Mar	\$3,367,463	\$11,385,660	\$713,019						
	Apr	\$277,168	\$2,754,373	\$2,773						
	May	\$405,475	\$4,052,683	\$3,114						
2020	Jun	\$1,004,643	\$8,185,262	\$8,751	\$176,843,112					
2020	Jul	\$978,405	\$8,173,679	\$8,648	3170,643,112					
	Aug	\$1,405,855	\$9,774,771	\$9,131						
	Sep	\$1,891,868	\$11,425,406	\$12,371						
	Oct	\$2,420,835	\$13,699,527	\$21,760						
	Nov	\$2,487,513	\$11,368,481	\$16,304						
	Dec	\$2,453,358	\$10,320,593	\$11,326						
	Jan	\$2,600,865	\$10,761,889	\$11,152						
	Feb	\$2,734,233	\$10,868,393	\$10,772						
	Mar	\$3,918,628	\$13,714,000	\$14,205						
	Apr	\$4,382,258	\$14,301,848	\$12,278						
	May	\$5,235,875	\$15,714,630	\$9,373						
2021	Jun	\$5,933,153	\$16,515,763	\$9,852	\$255,777,055					
LULI	Jul	\$5,493,005	\$16,361,202	\$41,879	\$233,777,033					
	Aug	\$6,310,028	\$15,600,258	\$49,838						
	Sep	\$6,762,335	\$17,325,976	\$46,661						
	Oct	\$7,962,925	\$20,086,641	\$47,246						
	Nov	\$8,023,180	\$19,174,744	\$36,194						
	Dec		\$18,288,985	\$22,231						
	Jan		\$16,483,365	\$8,936						
	Feb	\$6,878,215	\$19,173,943	\$10,619						
2022	Mar		\$22,013,852	\$11,870	\$138,621,828					
	Apr		\$21,559,876	\$8,816						
	May	\$8,223,605	\$21,950,541	\$9,007						

Data Source: New York State Department of Taxation and Finance





Appendix 3: About the Author, the UTRC, and Peer Review Committee Members

A. About the Author

Matthew W. Daus, Esq.

Transportation Technology Chair, Transportation Research Center of The City College of New York, City University of New York (CUNY)



Matthew W. Daus, Esq. currently serves as Transportation Technology Chair at the Transportation Research Center of The City College of New York, CUNY where he conducts research, and continues to be extensively published as an expert on ground transportation regulation and technology. As a CUNY Distinguished Lecturer from 2010 - 2018, he taught courses on transportation history, policy, sustainability, for-hire regulation and technology. Mr. Daus also continues to serve since 2009 as President of the International Association of Transportation Regulators (IATR), a non-profit educational and advocacy peer group of government transportation regulators from around the world promoting best regulatory and innovative practice. Commissioner Daus is the longest serving Commissioner/Chair & CEO of the New York City Taxi and Limousine

Commission (TLC), serving for 8½ years. Prior to his tenure as Commissioner, Mr. Daus served in executive and other positions in NYC government for almost 20 years at several agencies including as General Counsel to the TLC and the NYC Community Development Agency, as Special Counsel to the TLC and NYC Trade Waste Commission, as a NYC Human Rights Prosecutor, and as Commissioner of the NYC Civil Service Commission. Mr. Daus is a partner and currently chairs the Transportation Practice Group at Windels Marx Lane & Mittendorf, LLP.

B. About the UTRC

Website: http://www.utrc2.org/

The University Transportation Research Center (UTRC) at City College is one of ten original University Transportation Centers (UTC) established by Congress in 1987 with the recognition that transportation plays a key role in the nation's economy and the quality of life of its citizens. The Center at City College represented USDOT Region II, including New York, New Jersey, Puerto Rico and the U.S. Virgin Islands, and City College functioned as the lead institution of a consortium of twelve universities.

UTRC conducts research in critical areas related to transit, intermodalism, infrastructure and regional funding and pricing. To develop the annual research agenda, UTRC organizes a "Regional Research Conference" which brings together mid-to-upper level agency managers and university researchers to determine regional research needs. Over the years, it has developed stronger relationships with local sponsors by being more responsive to their needs. As a result, state and local transportation agencies are seeking the Center's help, on a regular basis, to deal with research and training problems that require academic inputs, or the application of state-of-the-art technologies.

C. Peer Review Committee Members

Patricia L. Gatling Former Chair of the New York City Human Rights Commission



Hon. Patricia L. Gatling is a human rights lawyer and practicing attorney. She is the longest serving Human Rights Commissioner in the history of New York City. As Commissioner under Mayor Michael Bloomberg and Mayor Bill de Blasio, Ms. Gatling was charged with enforcing the Human Rights Law and combating discrimination in New York City. She also served as the Deputy Secretary for Civil Rights under New York State Governor Andrew M. Cuomo. Ms. Gatling was the Executive Producer of "Fighting for Justice: New York Voices of the Civil Rights Movement," a series of groundbreaking documentary films for the New York City Commission on Human Rights and NYC Media's online Civil Rights Museum. She is currently a Counsel at the law firm of Windels Marx Lane & Mittendorf, LLP.

In addition, Ms. Gatling worked as a senior trainer with John Jay College of Criminal Justice, as part of the U.S. State Department's International Law Enforcement Academy (ILEA), teaching "Human Rights, Human Dignity and the Law" in Botswana, Thailand and Hungary, and at the Dubai Police Academy in the United Arab Emirates. She has served on the New York City Charter Revision Commission and is currently a member of the Board of Trustees for the New York Lawyers' Fund for Client Protection and the Board of Visitors of University of Maryland School of Law.

As the former First Assistant District Attorney at the Kings County District Attorney's Office, Ms. Gatling was in charge of the Major Narcotics Investigations Bureau, the Community Relations Bureau, Legal Hiring, Inter-Agency Training, and Inter-Governmental Affairs, managing the legal and administrative operations of the office. She served as a Special Assistant Attorney General at the Office to Investigate the New York City Criminal Justice System from 1987 to 1990. While in that office, she prosecuted corruption cases involving public officials, police officers, and corrections officers, specializing in the prosecution of police brutality and death-in-custody cases.

Ms. Gatling attributes her interest in law to her days growing up in the south during the Civil Rights Movement. She received her Juris Doctorate from the University of Maryland School of Law and a Bachelor of Arts Degree in International Studies from The Johns Hopkins University. She also attended New York University in Paris, France. Ms. Gatling is the former President of the National Black Prosecutors Association.

Ms. Gatling is an active participant in community outreach programs and a widely respected speaker. She has lectured at the United Nations African Mothers Association Conference, the University of Iowa School of Law, American Women's Economic Development Corporation, the National Association of Black Narcotics Agents, the Practicing Law Institute, and has delivered the John Jay College Lloyd G. Sealy lecture, among others. She has been featured in numerous publications including Black Enterprise, Emerge, Black Elegance, Essence, Sheen, Aramica and major newspapers such as The New York Times, Daily News, New York Post, and Amsterdam News. Ms. Gatling has been a guest on the Oprah Winfrey Show and on Court TV, and featured in A&E documentaries titled "The Prosecutors" and "Second Chance," and in an episode of "She's The Boss," a web series on MadameNoire.com. She has been featured many times on NBC, UPN-9, CBS, and NY1 for her work at the Commission.

Ms. Gatling led a successful campaign to remedy the lack of diversity in the advertising industry, and was subsequently ranked #4 of the "10 Who Made Their Mark," a list in Advertising Age that showcased those who had an impact on the industry in 2006. In 2007, The Network Journal Magazine ranked Ms. Gatling among the "25 Most Influential Black Women in Business" and the National Organization of Black Law Enforcement Executives named Ms. Gatling "Humanitarian of the Year." Ms. Gatling co-authored an article entitled, "Urbanization, Security, and Human Rights," which was published in the journal International Police Executive Symposium / Global Perspectives.

In 2010, Ms. Gatling was co-executive producer of the film "Fighting for Justice: New York Voices of the Civil Rights Movement," which is part of the Commission's online civil rights museum, an initiative developed under Ms. Gatling's administration. The film profiles three New Yorkers whose contributions helped pave the way toward progress for equal justice for African-Americans, and whose stories begin to tell about New York City's formative place in the Civil Rights Movement.

Ms. Gatling is a member of National Black Prosecutors Association (NBPA) and the International Association of Prosecutors. She is admitted to practice law before the Supreme Court of the United States of America, the United States Court of Appeals for the Federal Circuit, the United States District Court, Eastern District of New York and the State of New York.

Ms. Gatling has received many awards throughout her career, including honors from John Jay College of Criminal Justice, 100 Blacks in Law Enforcement, the Association of Black Women Attorneys, Women in Islam, the Caribbean American Chamber of Commerce and Industry, the Drug Enforcement Administration, and the New York County Lawyers Association. She received the Black Law Students Association (BLSA) Alumnus of the Year Award and the Benjamin L. Cardin Public Service Award, both from the University of Maryland School of Law. Recently, Ms. Gatling was honored with the "Woman of the Year" Award by the New Era Democrats, as well as the Metropolitan Black Bar Association Public Service Award and the Victoria Jackson Gray Adams Freedom and Justice Award. Ms. Gatling also served as a member of Harvard University's "Executive Session on Human Rights Commissions and Criminal Justice."

Ms. Gatling resides in Brooklyn with her husband John Coleman.

Dr. Camille Kamga

Director, University Transportation Research Center (UTRC); Associate Professor of Civil Engineering, The City College of New York



Dr. Camille Kamga is an Associate Professor of Civil Engineering at the City College of New York, the flagship institution of The City University of New York (CUNY). He has been the Director of the University Transportation Research Center (UTRC) since 2012; the Acting Director of UTRC since 2009; and the Associate Director of the CUNY Institute for Urban Systems (CIUS) since 2002. A consortium of 19 major U.S. academic institutions, UTRC asserts a significant role in the region and nationally, conducting research and projects on surface transportation, carrying out training and educational programs and actively disseminating the results of its work. CIUS is a multi-campus Institute addressing infrastructure issues that incorporate new

technologies, institutional forms and change and issues of financing.

Since 2010, Dr. Kamga has continued to serve in a leadership capacity as member of the Board of Directors of the Intelligent Transportation Society of New York (ITS-NY) - a professional group providing education and outreach to foster the understanding of ITS applications and technologies. He chairs the education committee of the society. Since 2011, he has been very active with the governance of the International Association of Transportation Regulators (IATR) with the responsibility to develop its educational program. He also serves in many other professional organizations and committees. He is a member of the standing committee on Urban Transportation Data and Information Systems (AED20) and was a member of the standing committee on International Cooperation (A0010). He is the chair of the Research Council for the Urban Transportation Data and Information Systems committee.

Dr. Kamga continues to actively participate in numerous transportation-related projects at UTRC. His research interests include: intelligent transportation system; modeling and traffic simulation; analysis of very large transportation networks; use of real-time information for travel; transportation modeling using mobile sensors; transportation planning and policy, transportation operations; sustainability and environment; and transportation safety.

Dr. Kamga's research has been funded by numerous grants from the U.S. Department of Transportation; the New York State Department of Transportation; the New York Metropolitan Transportation Council; the New York State Energy and Research Development Authority; the New Jersey Department of Transportation; New York City Transit; the Port Authority of New York & New Jersey; the National Science Foundation, and the Volvo Research and Education Foundation.

Jonathan Peters Professor of Finance and Data Analytics, College of Staten Island (CUNY)



Jonathan R. Peters is a professor of finance and data analytics in the Accounting and Finance Department in the Lucille and Jay Chazanoff School of Business at the College of Staten Island of The City University of New York.

He is also a Member of the Doctoral Faculty in the Ph.D. Program in Economics and in the Ph.D. Program in Earth and Environmental Science at the CUNY Graduate School and is a Research Fellow at The University Transportation Research Center at The City College of New York. Dr. Peters has also taught Geospatial Humanities in the CUNY Graduate Center M.A. Program in Digital Humanities.

Dr. Peters has and is serving as an expert and chair on panels at the National Academy of Sciences and is a subject matter expert in the areas of transportation finance, demand management, social justice and road pricing. He is currently a member of the Trucking Research Committee at the Transportation Research Board.

Dr. Peters conducts research in the areas of geospatial analysis, historic trails and roads, regional planning, road and mass transit financing, corporate and public sector performance metrics, social justice, capital costs and performance management.

He has recently published in Transportation Research, the Journal of Public Transportation and the Transportation Research Record of the National Academy of Sciences.