

Testimony to MTA Board Supporting Congestion Pricing

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Good afternoon. I am Rachael Fauss, Senior Policy Advisor for Reinvent Albany. We advocate for more transparent and accountable New York government, including for authorities like the MTA.

Reinvent Albany strongly supports congestion pricing because it is the law, and has been shown globally to reduce motor vehicle congestion, air pollution and travel time for public transit.

Congestion pricing implementation is <u>not</u> a discretionary act of the MTA: congestion pricing was enacted into law by our state elected representatives in 2019 with the support of the NYC Council, the business community, transit experts and environmental advocates.

The current Governor supports congestion pricing, and promised to implement it in her 2023 <u>State of the State address</u>. The <u>"New" New York Panel</u> appointed by the Governor and Mayor Adams also "firmly supports congestion pricing" to ensure "people and goods can get to their destinations faster, more reliably, and more sustainably." At the same time, the Mayor has also made ambivalent statements about the program.

The Governor must show leadership by championing congestion pricing, and working with the Mayor and Governor of NJ to make sure congestion pricing crosses the finish line. Federal signoff is expected in early 2023, and the hard work of determining toll amounts will begin.

The MTA needs the Governor's leadership because it is a difficult task making the case for both congestion pricing AND new state funding for its operating budget. We <u>agree</u> <u>the MTA's fiscal cliff is real</u>, and have asked the state to make good on its historic funding commitments by <u>restoring *at least* \$375 million in annual payments</u> to the MTA through its 18-b program. The state must also adjust PMT "make whole payments" for inflation as part of a bigger MTA funding solution.

At the same time, the state should not raid congestion pricing funds for the operating budget. Congestion pricing is the single largest funding source for the 2020-24 capital

program. To date, <u>only \$9B of the \$55B plan (16%) has been received by MTA</u>, largely from federal funds (\$6B). The MTA cannot afford to make up for lost capital dollars from its own resources, because debt service payments already make up over <u>20% of its</u> <u>recurring operating revenues</u>. Thank you for your consideration.