

# CONGESTION PRICING

CSS Analysis

---

# CSS ANALYSIS:

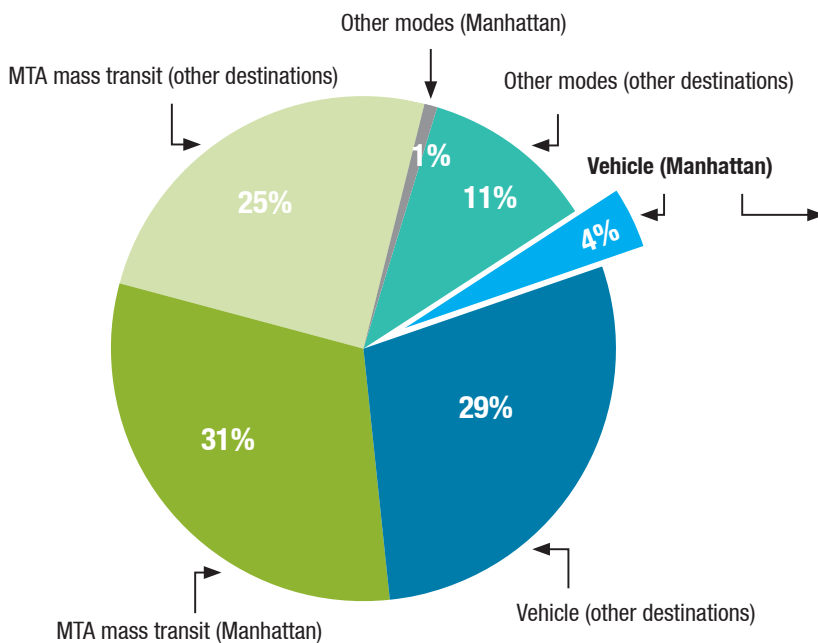
## JUST FOUR PERCENT OF OUTER-BOROUGH RESIDENTS DRIVE TO MANHATTAN FOR WORK; 56 PERCENT TAKE PUBLIC TRANSIT TO JOBS IN MANHATTAN AND ELSEWHERE

Only two percent of the working poor would potentially pay a congestion pricing fee.

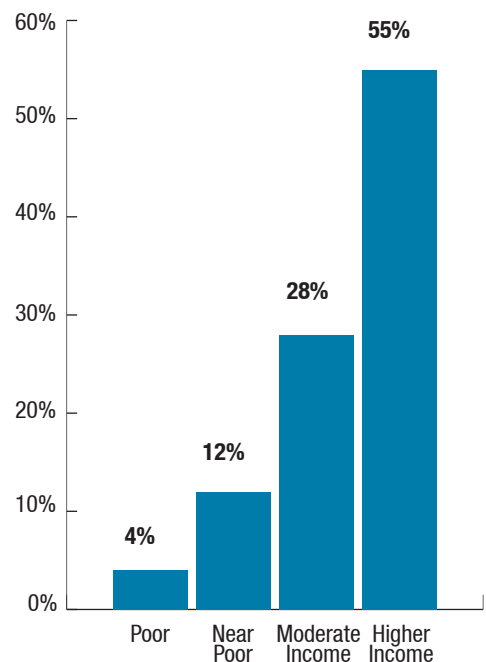
In response to criticism that the needs of the city’s 113-year old subway system were not being adequately addressed by City Hall, Mayor de Blasio this summer proposed creating a recurring revenue stream to pay for much-needed transit upgrades by imposing a modest increase in the state’s “millionaire’s tax” on the city’s wealthiest residents. The mayor also called for using a portion of the proceeds from an expanded millionaire’s tax to fund ‘Fair Fares’ – an initiative advanced by the Community Service Society (CSS), Riders Alliance and supported by a broad coalition of anti-poverty groups, unions, advocates, faith-based leaders and elected officials to provide half-priced bus and subway fares to working-age city residents with incomes at or below poverty.

Following the mayor’s announcement, Gov. Cuomo signaled his administration would revisit the idea of congestion pricing. While there are no details on what the governor’s plan might entail, previous congestion pricing proposals have called for a combination of charging fees to vehicles traveling below 60th Street in Manhattan, placing tolls on Manhattan’s four East River crossings, and other transportation-related fees or taxes to fund transit and infrastructure improvements. Earlier this month the governor announced the creation of an advisory panel to study congestion pricing and produce a report by December.

**How outer-borough residents get to where they work**



**Incomes of outer-borough workers traveling to jobs in Manhattan by vehicle.**

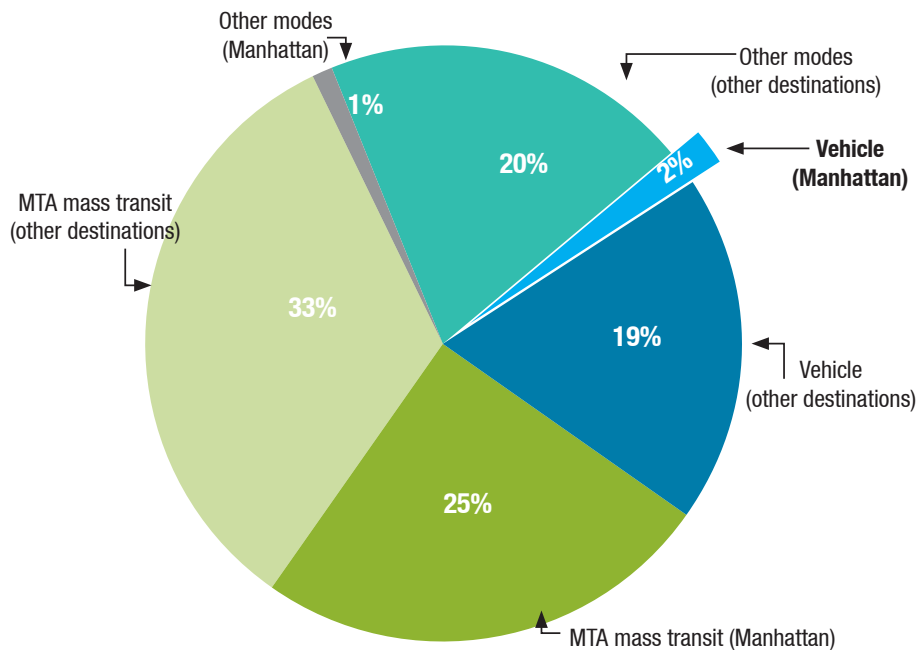


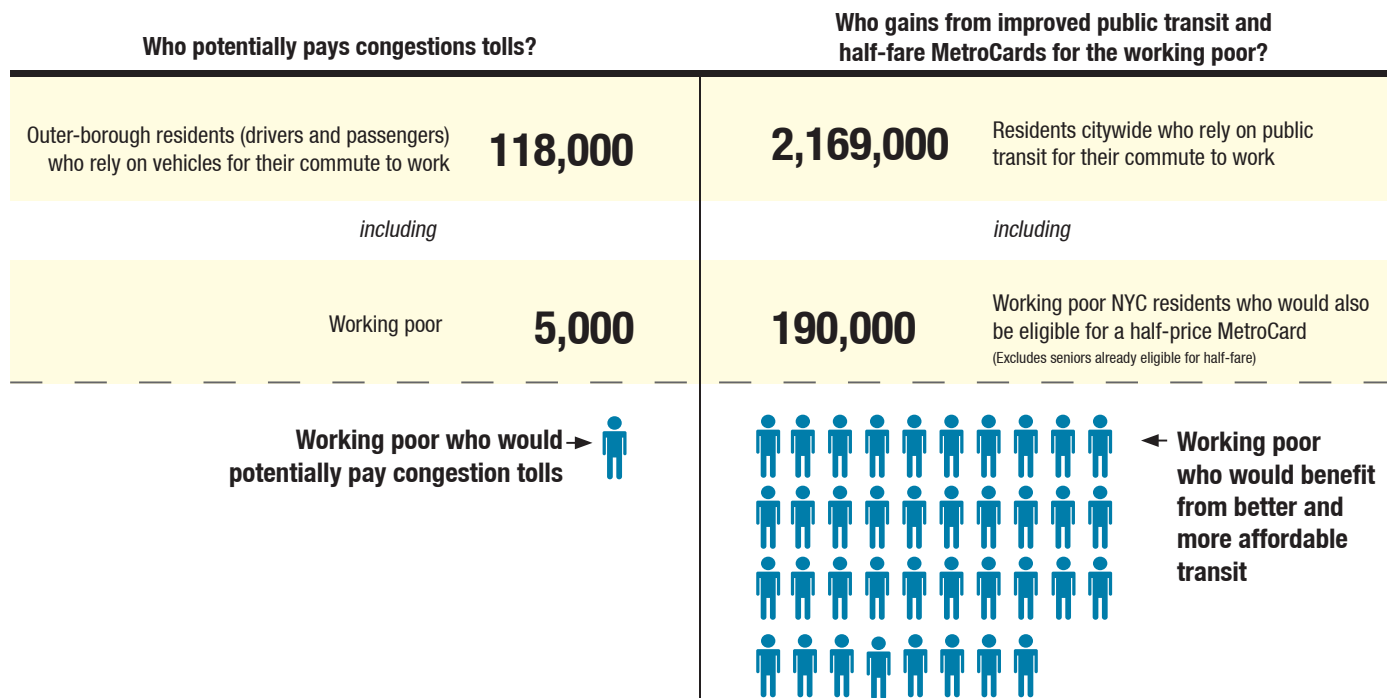
Given the serious interest this approach is drawing, CSS decided to examine the potential impacts of congestion pricing on the working poor. Our analysis found that just four percent of the city’s outer-borough working residents commute to jobs in Manhattan by vehicle and could be subject to a congestion fee. This compares with 56 percent of outer-borough residents who use mass transit to commute to work in Manhattan, the other boroughs or outside the city. Another 29 percent drive to other destinations besides Manhattan for work, 11 percent use other modes of travel to work outside Manhattan, including biking, walking, taking the ferry or working from home. Just one percent walk, bike or take the ferry into Manhattan for work. Of the four percent who drive to jobs in Manhattan, the overwhelming majority have moderate and higher incomes.

CSS also found that only two percent of the city’s outer-borough working poor could potentially pay a congestion fee as part of their daily commute. This compares with 58 percent who rely on public transit and would theoretically benefit from a congestion pricing plan that raises money for both improved transit services and fare discounts.

To the question of who actually gains from improved public transit and half priced fares for the working poor, CSS found that approximately 2.2 million city residents rely on public transit to get to work, including 190,000 working poor who would also be eligible for half-priced MetroCards. Conversely, CSS found that 118,000 outer-borough residents who get to work by driving or as passengers would potentially pay a fee, including 5,000 working poor. Thus, for every New York City outer-borough commuter that would pay the new tolls, 18 would gain from transit upgrades. But the working poor would benefit by a dramatically higher margin of 38 to one from a congestion pricing revenue stream used to fund both transit upgrades and the ‘Fair Fares’ discounts for the lowest-income riders.

### How poor outer-borough residents get to where they work.





18 times more NYC commuters would gain from transit improvements than would likely pay new tolls. More dramatically, the working poor would benefit by a margin of 38 to 1 from congestion pricing that funds both transit upgrades and “Fair Fares” discounts for low-income riders.

CSS President and CEO David R. Jones said, “The high cost of riding the city’s buses and subways is pushing people into poverty. That reality cannot be ignored as we consider solutions for fixing our deteriorating mass transit system and ensuring its viability for the millions who rely on it daily and drive the city’s economy. Whether New York adopts a congestion pricing model to fund subway system upgrades or gets behind the mayor’s millionaire’s tax proposal, we need to think progressively about leveraging resources to make our mass transit system accessible to all New Yorkers.”

MTA Board Member Veronica Vanterpool said, “This analysis continues to debunk the myth that congestion pricing would disproportionately impact the working poor. The most progressive policy simultaneously reduces gridlock on NYC streets while providing a sustainable revenue stream to fix and expand our transit network.”

John Raskin, Executive Director of the Riders Alliance, said, “The data show what beleaguered transit riders already know: that congestion pricing is progressive policy, especially when paired with a measure like ‘Fair Fares’ that would help low-income New Yorkers gain access to public transit. A millionaire’s tax is a fair way to fund public transit, but so is congestion pricing, and Mayor de Blasio should have a close look at the data before opposing an idea that would help millions of his constituents. Thanks to Community Service Society for doing the detailed research to help policymakers choose a fair solution for our transit funding emergency.”

“CSS’s data analysis confirms that the City’s working poor are clear beneficiaries under the Move NY Fair Plan – a highly progressive proposal that will slash traffic and raise over \$1 billion a year to upgrade and expand our mass transit system,” said Alex Matthiessen, Move NY’s campaign director. “If we

are serious about improving outcomes for the lowest income New Yorkers, we need to invest in mass transit and make it easier and more affordable for working people to get to their jobs, look for work or access job training and education programs.”

“CSS’s analysis shows the vast majority of commuters into Manhattan aren’t driving cars--they’re using public transportation to get into the city. That’s especially true for low-income New Yorkers, who need reliable, affordable transit most,” said Nick Sifuentes, Executive Director of the Tri-State Transportation Campaign. “At the same time, our elected officials have consistently underfunded our subways and buses, and the predictable result is delays and breakdowns on a system almost nine million riders depend on every day. The crisis is clear, and smart proposals like a millionaire’s tax, ‘Fair Fares,’ and congestion pricing must all be on the table. As our elected officials get more serious about funding our public transit, the big question for them is: will they kowtow to the four percent of commuters who drive into the most transit-rich neighborhoods in the United States, or support the vast majority of New York City residents who want to see better public transit?”

CSS based its analysis on the 2011-15 American Community Survey (ACS) five-year estimates. Limitations in publicly available data did not allow us to exclude drivers and passengers traveling to jobs in Manhattan outside the Central Business District or who already take tolled tunnels and would not pay additional congestion fees. Both these factors would make our four percent figure an overestimate. We were also unable to identify the number of workers commuting by vehicle through Manhattan’s CBD to reach another destination in another borough or outside of New York City. Accounting for these drivers would underestimate outer-borough working residents who could pay congestion tolls.

For 170 years, the Community Service Society of New York has been the leading voice on behalf of low-income New Yorkers and continues to advocate for the economic security of the working poor in the nation’s largest city. We respond to urgent, contemporary challenges with applied research, advocacy, litigation and innovative program models that help the working poor achieve a better quality of life and promote a more prosperous city.

## COMMUNITY SERVICE SOCIETY OF NEW YORK

### Executive Officers

**David R. Jones**

President and Chief Executive Officer

**Steven L. Krause**

Executive Vice President and Chief Operating Officer

### 2018–2019 Board of Trustees

Deborah M. Sale

**Chairperson**

Nicholas A. Gravante, Jr., Esq.

**Vice Chairperson**

Ralph da Costa Nunez, Ph.D.

**Treasurer**

Micah C. Lasher

**Secretary**

Terry Agriss

Alexander N. Barrett

Karen Y. Bitar, Esq.

Judy Chambers

Sylvia E. DiPietro, Esq.

Richard W. Eaddy

Florence H. Frucher

Patricia Glazer

Hon. Betsy Gotbaum

Khaled Haram

Joseph J. Haslip

Michael Horodniceanu, Ph.D.

Magda Jimenez Train, Esq.

Khary Lazarre-White, Esq.

Mark E. Lieberman

Rosalie Margolis, Esq.

Robert O. McCabe

Joyce L. Miller

Geoffrey Newman

Carol L. O'Neale

Regan Kelley Orillac

David J. Pollak

Margarita Rosa, Esq.

Donald W. Savelson, Esq.

Marla Eisland Sprie, Esq.

Ken Sunshine

Phyllis Taylor

Jeffery J. Weaver

Jerry Webman

Abby Wenzel, Esq.

Mark A. Willis

### Honorary Life Trustees

Stephen R. Aiello, Ph.D.

Hon. David N. Dinkins

Marian S. Heiskell