

Alert

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New York Note: City Legislation and Congestion Pricing

NYC Council Passes and Introduces Legislation

Last Wednesday, the NYC Council convened a Stated meeting, where they passed and introduced multiple pieces of legislation. The Council passed a bill that will shift the responsibility for broker fee payment to the party that hires the broker (typically landlords). The Council also passed a bill establishing a new Charter Revision Commission, countering the Mayor's own Charter Revision Commission held earlier this year. A bill was introduced that would require retail stores to collect reusable bags, which could then be sanitized and reused for future customers. The Council introduced two bills requiring the Department of Transportation to post progress made on the Streets Master Plan and capital projects under their jurisdiction. You can find all of the legislation that was passed and introduced [here](#).

Hochul Relaunches Congestion Pricing

Governor Hochul announced that she will relaunch congestion pricing, charging most drivers \$9 to enter Manhattan below 60th Street during peak hours, a reduction from the \$15 proposed plan.

In June of 2024, Governor Hochul announced an indefinite pause on the congestion pricing plan, citing concerns about its economic impact and potential effects on upcoming elections. This decision delayed the anticipated mid-2024 rollout and raised questions about the future of the initiative while drawing criticism from supporters of the plan. By law, the pricing scheme must yield \$1 billion in revenue for the city.

Governor Hochul emphasized that the \$9 base toll will still allow the state to accomplish the goals of congestion pricing of funding the MTA and reducing congestion, although it is not clear whether the lower fee will be sufficient to raise \$15 billion for the MTA to repair and upgrade the transit system. During the announcement, Governor Hochul also stressed that a \$15 toll was too much for driving commuters to pay, and that she has directed the MTA to make enhancements to 23 bus routes in the outer boroughs. State officials believe that they will not need to repeat the environmental review process, because the previous review accounted for a range of tolls between \$9 and \$23.

Under the revised plan with a 40% toll reduction, cars would pay an off-peak rate of \$2.25 from 9:00pm to 5:00am on weekdays, and from 9:00pm to 9:00am on weekends. Trucks would be charged \$14.40 or \$21.60 during peak hours, depending on the size of the truck. Passengers would see an additional per-ride surcharge of 75 cents for taxis and \$1.50 for ride-share apps. Passenger cars would also receive a "crossing credit" of \$3 for entering the Central Business District (CBD) via the four Manhattan tunnels (Lincoln, Holland, Hugh L. Carey, and Queens-Midtown) during peak hours.

The updated program is scheduled to begin tolling in January 2025, before President-elect Trump, who has pledged to cancel the program, takes office. The new plan will be fast-tracked for implementation, with the MTA Board expected to vote on the updated plan next week. It is unclear how lawsuits against both the implementation and pause of congestion pricing will proceed.



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