**How to Fix the MTA's Capital Funding Gap:**

**Unpause the Congestion Pricing Pause**

**June 24, 2024**

Good afternoon, I’m Lisa Daglian, Executive Director of the Permanent Citizens Advocacy Committee to the MTA, PCAC.

We should be here celebrating the June 30 start of congestion pricing and the revenue and other benefits it will bring, but instead it’s more funereal. And it’s only going to get worse as the week goes on.

In case there was any doubt, toll revenues are higher than they were in 2019 – because more people are driving than ever before, creating more congestion and adding to the climate crisis. Unfortunately, revenue on transit is lower than anticipated in large part because people still aren’t paying their fares. It is critical that fare evasion be drastically reduced. The farebox revenue is essential for the operating budget that is going to take a hit without congestion pricing – those funds will be needed to pay early debt service.

Way too much money is walking through the slam gates, hopping over turnstiles and breezing past bus drivers – but even if it was all recouped, it wouldn’t be possible to bond that money out and fund the MTA’s capital projects. You can’t bond a fare evasion crackdown. This handy IOU can’t be used either.

While this month’s agenda doesn’t include any actions for capital projects, we are very concerned that the further out we get, the harder those projects will be to get started and restarted. Companies staffed up in anticipation of jobs, but several construction companies were just told to stand down. Obviously, this is not a situation of your doing, or liking, but it’s terrible and riders across the system are going to be the ones to suffer.

As the MTA’s finances suffer, so too will the region. With MTA dollars flowing to every single Congressional and State Senate district, and 147 of 150 Assembly districts, this “pause” is already beginning to have economic development and financial repercussions across the state. We thought the days of angst about the fiscal cliff were over – along with the agita we experienced right before the 2019 vote on the legislation – but it’s déjà vu all over again. Just like then, it’s a pretty easy fix: We need Congestion Pricing Now.