

**2020/2021**  
**MTA Fare and Toll Policy Project**  
*MTA Board Briefing*

*February 18, 2021*



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# Financial Plan Targets

- ❑ The February Plan targeted a 4% revenue yield in fares/tolls and reflects the updated "worst case scenario" projections from McKinsey.
- ❑ The 2021 and 2022 revenue targets established for the toll increase as reflected in the Financial Plan are included in the table below. These targets assume a March 2021 implementation for the increase in toll rates.

## February Plan Targets

4% Yield	2021	2022
Toll Target	\$48M	\$78M

- ❑ Prior fare and toll changes:
  - ❑ 2019: 6% yield increase in tolls / 4% yield increase in fares
  - ❑ 2017: 4% yield increase in tolls / 4% yield increase in fares

# Toll Policy Options

- ❑ The Public Notice and State Register sought public comment on the following toll policy options between December 16, 2020 and February 16, 2021. No public comments were received.
- ❑ Feedback was received via the MTA public comment process.

Options
Base Scenarios (Up to 8% yield)
Variable Pricing – Time of Day
Variable Pricing – Corridor
Gridlock Alert Days
Elimination of the VNB Carpool Program
Establish Mid-Tier Rate
Resident Discount Plan Changes

# Toll Policy Recommendation

## Recommendation: 6% Revenue Yield Scenario

- ❑ Applies flat 7.08% increase to all current rates to achieve 6% revenue yield
- ❑ Generates \$116M in 2022

Crossing	NYCSC E-ZPass*	
	Current	New (6%)
Major	<b>\$6.12</b>	<b>\$6.55</b>
Henry Hudson	<b>\$2.80</b>	<b>\$3.00</b>
Cross Bay & Marine Parkway	<b>\$2.29</b>	<b>\$2.45</b>
Crossing	Non-NYCSC E-ZPass/Tolls-By-Mail	
	Current	New (6%)
Major	<b>\$9.50</b>	<b>\$10.17</b>
Henry Hudson	<b>\$7.00</b>	<b>\$7.50</b>
Cross Bay & Marine Parkway	<b>\$4.75</b>	<b>\$5.09</b>



\*Includes non-resident rates at the VNB/ Rockaway Crossings

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# Resident Discounts / Rebates

MTA Verrazzano Bridge Rebate Program	Current SIR Toll in FY2021-22	Increase SIR Toll to Match 6% Yield Increase
E-ZPass SIR Toll	\$3.44*	\$3.68
Rebated Amount	(\$0.69)	(\$0.73)
Post- Rebate Toll (VNB <b>All trips</b> )**	<b>\$2.75</b>	<b>\$2.95</b>
*Current toll rate for higher frequency customers **Trip thresholds for SIR Discount Rate eliminated		

- ❑ The Cross Bay Bridge toll would continue to be fully rebated for Rockaway/Broad Channel residents



# Toll Policy Recommendations

## Additional Policy Recommendations

- ❑ Introduce New Mid-Tier Rate
  - ❑ Incentivizes customer to mount tag appropriately
  - ❑ Reduces operating expenses: \$4.9M in 2019
  - ❑ Opportunities for alternative payment methods (e.g., apps & 3rd party)
  - ❑ Potential Revenues: Additional \$12M-\$24M (75%-50% adoption of tags)
  
- ❑ Eliminate Verrazzano-Narrows Bridge Carpool Discount
  - ❑ Current carpool toll is \$1.70 each way (SI residents only)
  - ❑ Carpool elimination reduces operating expenses by \$1.4M per year
  - ❑ Eliminates complex program from a pre-cashless environment
  - ❑ 18,000 active users in 2019 and 13,000 active users in 2020
  - ❑ Potential additional revenue: \$2M