

Mobilizing the Region

A Weekly Bulletin from the Tri-State Transportation Campaign

Number 430

September 22, 2003

NEWS

Nassau Triggers L.I. Bus Crisis, as Usual

The budget proposed last week by Nassau County Executive Thomas Suozzi continues the process of **eliminating county support** for Long Island Bus, downstate New York's most successful suburban bus system. Suozzi proposes to reduce the county's contribution to the agency by \$4.8 million. The cut would amount to over 50% of the county's contribution to the bus system this year, and about 4.7% of the system's annual \$101 million operating budget.

This spring, the Tri-State Transportation Campaign, and other civic, labor, and environmental groups urged County Executive Suozzi to put the County's **surplus back into Long Island** bus operations to make up for the \$2 million the county cut from the agency in anticipation of the MTA fare increase. The request was ignored, and LI Bus riders saw a fare hike with no increase in service. In essence, the **County "stole"** the fare hike, relying on bus riders to help balance the county budget.

Suozzi's budget moves are a continuation of his predecessor's attempt to get the county out of the bus business. In 2001, County Executive Thomas Gulotta cut county aid to Long Island Bus by \$7 million. Thanks to hard work by state legislators and local transit, environmental, and labor groups, emergency funding was secured from Albany and bus service was saved. In July of 2001, in response to the cuts, Suozzi vowed that if he was elected County Executive he would **"support LI Bus 100%"** (MTR #326).

It may or may not be fair for county governments to withdraw from previous mass transit funding commitments. In any case, however, it would be more constructive for them to do it in **consultation and negotiation** with the affected agencies and the state legislators who will be left holding the bag. Saying the "MTA can afford it" is easy, but MTA operating funds are earmarked for LIRR, NYC Transit and Metro-North and would need to come from somewhere. Where is Suozzi's proposal to keep **Long Island Bus whole**? Albany lawmakers who have pulled the agency's fat out of the fire in the past say they've already gone to the limit. A spokesperson from Senator Dean Skelos' office told *Newsday* last week that "Quite frankly, there is no more money from the state." ❖

Fossella Pushes MTA, Port Authority on High-Speed Tolls

Staten Island Congressman Vito Fossella has written to the Metropolitan Transportation Authority and the Port Authority, urging faster implementation of high-speed, or "open road" tolling at Staten Island bridges.

The congressman's letter to the MTA, covered by the S.I. *Advance* last week, argued that "It is self-evident that keeping the toll plaza and **mechanical arms** in place and mandating a 5 mph speed limit **diminishes the very benefits inherent in the E-ZPass system.**"

Although the Port Authority has announced plans for open road tolling at the Outerbridge Crossing, and at the Goethals Bridge when that span is refurbished or replaced (see MTR #429), Fossella wants the PA to speed things up. The Outerbridge currently features several lanes that permit vehicles to roll through at 25mph. Port Authority planners intend to have open road toll lanes functioning at the span by 2005.

The MTA is much further behind — indeed, it is not even in the game. The agency, which controls all the toll bridges within New York City, has no plans to remove its toll booth barrier arms and speed up its toll lanes. Its spokespeople have developed a **litany of excuses** for inaction on the issue. In recent years, the MTA has told the Tri-State Campaign that the arms are necessary to prevent revenue loss, and that MTA toll plazas are not key bottlenecks because the city is generally congested. Speaking last week to the *Advance*, a spokesperson said open road tolls might not work at the Verrazano Bridge because of weaving and lane merge issues. In fact, every issue raised by the MTA has been successfully addressed by other agencies in the region and the country. ❖

Congress at Work on TEA-2½

With lawmakers and the White House still unable to reach a compromise on TEA-21 reauthorization, and less than two weeks to go before TEA-21 expires on September 30th, Congress is working **around the clock to pass an extension bill** granting authority for expenditures from the U.S. Highway Trust Fund. Without an extension bill, FHWA

and FTA would essentially close shop and state and local agencies would be unable to expend funds recently passed in the 2004 appropriations bill.

Though lawmakers say the extension will be “clean” — with no substantive policy changes — there is still plenty to fight about. House Transportation and Infrastructure (T&I) Committee Chairman Don Young’s initial proposal for a six-month extension bill stirred the ire of House GOP leadership because its timing would push the reauthorization debate up against a pending March debate on the FY 2005 budget resolution. This would give Congressman Young a prime opportunity to use the budget as leverage for his reauthorization proposal.

After a week of wrangling with House leaders, Young introduced **both five-month and six-month** extensions on Sept. 16. Meanwhile the Senate Finance Committee reported a five-month bill the next day. That measure will be combined with bills proposed by the Environment and Public Works (authorizing highway funding) and Banking committees (the transit title) during markup this week.

The Finance Committee’s bill includes a proposal by **Chairman Charles Grassley and Senator Baucus** to restructure lower taxes currently levied on ethanol fuel. Under the plan, ethanol-blended fuel, commonly known as gasohol, would be taxed at the **18.4-cent gasoline rate** (gasohol is now taxed at about 13.2 cents per gallon). To mute their opposition, gasohol producers would receive a 5.2-cent tax credit, reducing General Fund revenue. All together, the Grassley proposal is expected to increase Highway Trust Fund revenue by \$2 billion annually.

The Grassley proposal has caused some anxiety among transportation reformers who worry it will **boost highway spending** without helping transit. While this is worth keeping an eye on, the overall amount of additional revenue is small in national terms. A bigger concern is that both the Senate and House extension bills give states the right to transfer funds among the various FHWA programs (CMAQ, Surface Transportation, NHS, Bridge, etc.), making federal highway aid essentially a large transportation block grant. The problem here is that state DOTs will have more leeway to push highway projects to the exclusion of other types of investments, and the “sub-allocations” that helped guarantee proportionate levels of investment in metropolitan areas will not be in effect.

The bill does require a “reconciliation” of spending among the various accounts required once a full reauthorization bill is passed, meaning that spending would have to catch up in shortchanged programs. However, observers do not believe this reconciliation was enforced by federal agencies following the extension bill that filled the gap between ISTEA and

TEA-21 in 1997-1998. In a recent letter, Congressman **Earl Blumenauer** of Oregon noted that spending in some programs fell dramatically during the interim period: “Overall, obligated funds to CMAQ fell by 13 percent, obligated funds to Enhancements fell by 16 percent, and obligated funds to STP’s suballocated program fell by more than one-half.”

Most observers doubt Congress will be able to hammer out a full reauthorization in the 5 months this extension will buy them. Instead, it is likely that at least one more extension will be required, and its timing will be immensely complicated by the looming 2004 national election. While states are unlikely to lose any money during the process, they are also unlikely to get more aid. Big projects that may need special earmarks to get started or move ahead may particularly suffer, which is bad news for our region. ❖

JFK AirTrain Coming this Fall, With High Fares

According to the Port Authority, it is on track to open the entire JFK AirTrain system in November of this year. The service will connect JFK to the **A train at Howard Beach** and the J,M, Z subways and **LIRR at Jamaica**.

The Port Authority says the one-way fare for the **JFK AirTrain will be \$5**, from both Jamaica and Howard Beach. On the LIRR, this means about a \$10-\$12 airport fare. On the subway, it would mean a \$7 trip, not counting MetroCard discounts. JFK parking fees, on the other hand, run \$10 a day in long term lots, with a free AirTrain ride to terminals. If it will not offer lower fares, the Port Authority needs to consider significant **parking rate increases** to make the AirTrain more competitive. Monthly Airtrain passes will be available for \$40.

Riders of Newark Airport’s Airtrain pay about \$11 one-way to get to terminals from NYC’s Penn Station and up to \$8 from Newark Penn Station, while drivers pay only \$8 a day for parking and ride the monorail free. Early on, the Newark AirTrain **exceeded ridership estimates**, but it is unclear if ridership has continued to grow since 2001, especially given recent air travel trends.

Regular Newark riders, such as airport workers, can use “**SmartLink**,” a monthly card that combines NJ Transit and AirTrain fares, at a significant discount. For example, the monthly cost to ride from Penn Station, Newark on NJ Transit to Newark Airport (including both the NJ Transit and Airtrain rides) would be \$96 with the SmartLink card, compared to the full price of \$272. ❖

The Tri-State Transportation Campaign web site:

www.tstc.org

Tri-State Campaign new address:

The Tri-State Campaign has relocated to new offices. Our address is:

350 West 31st Street #802, NYC 10001

Telephone and fax numbers and internet address remain unchanged.

Plan for Meadowlands Rail Link Take Form, but Funding Questions Remain

Earlier this month, the *Bergen Record* reported that NJ state officials have a preliminary plan for a rail link connecting the Meadowlands arena site to the new Secaucus Transfer station. The link could help with existing traffic problems, along with those that will result from the **Mills Corp** plan to build a gigantic recreational complex, **Xanadu**, on the site.

The link would be built in two phases. The first, estimated to cost \$150 million, would construct a 1.5 mile long track to connect the Pascack Valley line directly to the site and build a station in between the Meadowlands Racetrack, Continental Arena, and Giants Stadium. The second phase, at a cost of \$244 million, would connect to the Bergen Line and **Secaucus Transfer** with a 1-mile track.

In February, the Mills Corp's plan to build the 206-acre Xanadu was approved by the NJ Sports Authority. Funding a rail link was not part of the **agreement**, although the Mills Corp has since said that they would be willing to provide some funding for it. Another private development in the Meadowlands area that may become involved in the rail project is Encap, which plans to bring golf courses to a 950 acres site in the Meadowlands.

It will be interesting to see how financing for the project pans out. Recent news stories in the *Record* and *Commuter Week* have pointed to a combination of state, federal, and private funding.

If NJ Transit is left to foot the bill, the rail link will be added to an **already long list** of important transportation projects that need scarce mass transit capital funds. NJ Transit director George Warrington has made "**back to basics**" his watchword and put many long-discussed rail system expansion projects on the back burner. At the same time, Trenton has failed to keep pace with Transit's growth, forcing the agency to rely more and more on its capital budget to pay for day-to-day operating expenses.

It would be hard to imagine that NJ Transit can afford to allocate much, if any, to a rail link in the Meadowlands. Mills Corp is already planning on spending \$65 million on transportation on the site, but most of this will go to road improvements. According to *Commuter Week*, Encap also wants a train station at its site, so may be involved in larger rail plans for the Meadowlands site. ❖

New Jersey's Truck Rule on Trial: ATA v. Whitman Wraps Up

Over the last two weeks, a federal judge in Trenton heard expert testimony from the American Trucking Association and the State of New Jersey. The case is the ATA's suit against the NJ DOT and former Gov. Whitman for adopting, in 1999, what ATA claims is a truck route restriction that **burdens interstate commerce** in violation of the U.S. Constitution. Though a ruling may be several weeks off, the proceedings provided a fascinating look at goods movement and **road pricing dynamics** across the Garden State.

The regulation in question routed 102" wide trucks (the largest of all tractor-trailers) off most state, county and local highways unless they had a pick-up or delivery in New Jersey. The DOT claimed it was done to **reduce truck-related crashes** and fatalities (of which there have been many spectacular ones in NJ), to protect quality of life in residential communities along those roads, and to keep the largest trucks in the fleet on highways specifically designed to haul interstate commerce (i.e. the interstate highways and toll roads). But the phrase "pick-up or delivery in NJ" means that NJ-based trucking firms could use **any road they liked**, whether appropriate for 102" wide trucks or not, if they started or ended a run in-state.

The trial judge had already ruled that the regulation was not discriminatory on its face, so the trial was to resolve whether it favored in-state economic interests, and if so, whether it could be justified solely on the basis of safety (where states are given deference) or as having minimal effect.

The ATA's expert, Professor Alan Kornhauser of Princeton University and the inventor of "PC Miler," a software tool for routing trucks, testified that an additional 22.7 million truck-miles were driven and the NJ Turnpike collected an additional **\$6.34 million in tolls** because of the route restriction. Martin Labbe, a second ATA expert, adjusted Kornhauser's estimates down to 13.1 million additional truck miles and \$3.66 million in NJ Turnpike tolls. He put total cost of the regulation to the trucking industry at \$19.64 million.

At the end of the ATA's argument, the Judge thought seriously about granting the State's motion to dismiss because the ATA failed to prove that the regulation, which treats all 102" wide trucks making purely interstate trips equally regardless of their citizenship, favored in-state trucking interests. All ATA proved was the cost of re-routing a certain segment of interstate trucking.

The State presented its chief NJ DOT planner, Dennis Keck, who claimed the regulation was **fair and reasonable**, but he could not specifically rebut

the idea that DOT could have applied the regulation equally to all 102" wide trucks.

The State's expert, **Prof. Lazar Spasovic**, of NJIT, testified that there are five primary freight/truck flows in NJ. Two east-west flows, on I-80 and I-78, were unaffected by the route restriction, as were two north-south flows oriented to the NYC area. The affected flow originates or passes through Philadelphia or Bucks County, PA and travels to Rockland County and further into NY State.

Dr. Spasovic's testimony showed that the regulation's impact actually came down to just one road — Route 31 — from which it removed about **700 trucks per day**. That is just under half of those that previously used the route. The Turnpike saw a corresponding increase in trucks after the regulation was adopted. Spasovic analyzed routes and shipments with cargo and toll data rather than the model used by Dr. Kornhauser. He found **the regulation caused a net benefit to the trucking industry** and to New Jersey generally by reducing crashes, air pollution and congestion. He said trucking firms should be seeing reduced costs due to use of a superior, albeit sometimes tolled, roadway network.

Ironically, of all the origin-destination pairs Dr. Spasovic examined, only four showed a net loss due to the truck rule. These used exclusively untolled roads. Thus, the issue is reducible to tolls. If NJ DOT had issued a Route 31 ban affecting all trucks, or alternatively, imposed truck tolls there, it could have achieved the same effect, collected some revenue, and perhaps avoided court. With **open road tolling** soon to be implemented in several places around the state, that should be NJ DOT's next step, particularly if the regulation is struck down.

The Judge seemed a devotee of **classical economics**. He took to heart the 2.3% profit margin of the very competitive trucking industry. His questions painted truckers as economically rational beings that, given good information, would not choose to drive a road like Route 31 if it was not in their economic interest. But early evidence adduced at trial showed that **truckers are paid by the mile**. Dr. Spasovic pointed out that truckers could extract extra profit beyond the mileage pay formula if they avoided tolls or took shorter, if possibly more congested routes like two-lane or four-lane roads rather than large interstates that caused lengthier trips. National trucking giant US Express was a plaintiff, but no individual trucker had joined the case.

We predict that the Judge will swallow hard and **keep trucks on nationally designated truck routes**, where they belong. The ATA never rebutted

the State's safety extrapolations, which showed that about 21 truck crashes have been avoided due to the regulation. Accident rates involving trucks are **three times higher** on lower classification roads like Route 31 than interstates; fatalities involving trucks are twice as likely on undivided highways as interstates. At bottom, we find it hard to understand why there is a commerce clause claim here — New Jersey has issued a rule for state, county and local highways. That is an area Congress has clearly allowed states to regulate. TEA-3 Congressional committees ought to examine this subject and allow states more latitude to regulate on local roads. ❖

Calendar

September 23, 6pm. "Rail Transit Strategies for Lower Manhattan." Speaker: John Pettit West III, Transportation Planner, 104 Washington St., Manhattan. 212-475-3394, www.auto-free.org.

September 24, 6pm. MTA public meeting on South Ferry Terminal Project. Alexander Hamilton US Custom House, One Bowling Green, Manhattan. Lower Level Auditorium. www.mta.info

September 25, Noon. NYC Transit Riders Council meeting, Harvey Poris and Michael Chubak discuss proposed 2004 MTA budget, 347 Madison Ave, 5th Floor, Manhattan. 212-878-7087, <http://www.pcac.org>.

September 29, 11am, Grand Opening and Dedication Ceremony for Senator Frank Lautenberg Transportation Opportunity Center, 32 Spruce Street, Paterson. 973-225-0555.

October 21, 6:30pm, West Harlem Environmental Action 15th Anniversary Celebration. International House, 500 Riverside Drive, Manhattan. 212-961-1000, www.weact.org

[more calendar entries at www.tstc.org](http://www.tstc.org)

TRI-STATE TRANSPORTATION CAMPAIGN



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