



## FOR IMMEDIATE RELEASE

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### CONTACT

Felicia Park-Rogers, Director of Regional Infrastructure Projects

[felicia@tstc.org](mailto:felicia@tstc.org)

Liam Blank, Policy & Communications Manager

[liam@tstc.org](mailto:liam@tstc.org)

## MTA Proposes Fare Hike, TSTC Demands Ending NY's Gas Tax Holiday

*At today's monthly board meeting, the MTA announced it will be conducting hearings on a proposal to increase subway, bus, and commuter rail fares by 5.5 percent. The fare increase, in addition to next year's \$2.6 billion deficit, will be included in the budget that is being prepared in December.*

*Earlier this year, Governor Kathy Hochul suspended the collection of roughly 17 cents per gallon in gas taxes until January 2023. The recent increase in gas prices now has a [bipartisan](#) group of legislators calling on the governor to extend the gas tax holiday.*

### **Statement from Renae Reynolds, Executive Director of TSTC:**

"The continued underfunding of the MTA has put the agency in a dire fiscal crisis. Without new revenue sources, fares will have to increase, services will be cut, and workers will be laid off. While these measures will temporarily help close the MTA's budget gap, they will also make it harder for working families and seniors to get around — and make our region less competitive economically.

"Governor Hochul must act now to protect transit riders and essential workers from a fare hike. We're calling on the governor and state lawmakers to immediately end the gas tax holiday and implement new dedicated funding sources for the MTA. To combat the region's crises — including road violence, traffic congestion, and carbon emissions — the state must invest in mass transit rather than making it cheaper and easier to drive a private vehicle.



TSTC@TSTC.ORG



231 W 29TH STREET, SUITE 904  
NEW YORK, NY 10001



(212) 268-7474



“TSTC has long advocated for dedicated transit funding, which would prevent these kinds of crises from happening. This is not a problem that can be resolved overnight, but Governor Hochul and state leaders have failed to enact any meaningful solutions. In fact, the state has actually made things worse by suspending its gas tax; according to [an analysis by the Institute on Taxation and Economic Policy \(NY Focus\)](#), nearly a third of the benefits — up to \$183 million — are retained by fossil fuel companies.

“For every dollar New York loses in gas tax revenue because of the suspension, less than 50 cents go back into state residents' pockets, the analysis found. Only 42 percent of the benefits are going to New Yorkers who were intended as primary beneficiaries, while 22 percent go to out-of-state residents and 6 percent go to New York's richest 5 percent of households.

“Transit has long relied on gas tax revenue, but in recent decades those funds have been drying up significantly. There is a reluctance among politicians to raise the gas tax, and millions of Americans are switching to electric vehicles (EVs) — avoiding the tax entirely and further diminishing the pool of available funds. We are therefore urging Governor Hochul to end the gas tax holiday **and** provide sustainable funding for public transportation. The MTA needs a long-term funding solution — and it needs one as soon as possible.”

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*Tri-State Transportation Campaign is a 501(c)(3) non-profit organization dedicated to promoting sustainable transportation, equitable planning policies and practices, and strong communities in the New York City metro area. Learn more at [tstc.org](https://tstc.org).*



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