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## IBO Statement on Federal Attempts to Halt Congestion Pricing

**February 21, 2025** – New York City is home to 8.3 million residents, 4.8 million jobs, and a \$1.2 trillion economy. Hosting over 64 million visitors last year, it stands as a global tourist destination. Clogged, motionless streets, polluted air, and crumbling transit infrastructure called for bold solutions. Recognizing this, New York State passed legislation in 2019 to authorize New York City’s congestion pricing program to support \$15 billion in capital projects.

The ability to move cars and people efficiently is the backbone of New York City’s economy and livability. [MTA data](#) indicates that the first six weeks of congestion pricing has already begun to address one of New York City’s long-standing challenges—traffic gridlock. Early findings suggest that traffic speeds have improved, and inbound vehicles from river crossings in New Jersey, Brooklyn, and Queens are experiencing notably quicker trips.

New York City’s public transit system—one of the largest and busiest in the world—moves millions of Americans every day and keeps small businesses running. Nowhere else in the United States are there such extensive options for individual choice to use subways, buses, ferries, and commuter trains as an alternative to personal vehicles. Across the entire city, almost 60% of New Yorkers commute to work by public transit, walking, or bicycling, and another 15% have remote jobs. Driving personal vehicles to commute, specifically into central Manhattan, is not how most residents get to work.

Without reliable, reoccurring funding, New York City’s public transit system faces serious risks. In June, the New York City Independent Budget Office (IBO) [warned](#) that without a long-term alternative to congestion pricing—intended to support \$15 billion in capital improvements—America’s largest transit system could fall into a spiral of financial instability.

That warning is even more urgent now. Last week, IBO [highlighted](#) that the [MTA faces a \\$33.4 billion shortfall](#) in its current 2025-2029 Capital Plan. The potential loss of congestion pricing revenue would deal a further blow into a transit system that already faces issues of breakdowns and slower service due to deferred maintenance. During the “Summer of Hell” in 2017, at the request of then-Brooklyn Borough President Eric Adams, IBO [estimated](#) the negative personal and economic impacts of subway delays.

Traffic and reliable transportation are not just New York City issues. The City is the economic engine of a metropolitan area home to 24 million people and 10.4 million jobs across New York, New Jersey, and Connecticut, representing 10% of the United States GDP. If drivers are stuck in standstill traffic and the transit system falters, the consequences will be felt across the country.

The recent federal action has brought upheaval and uncertainty to individuals, businesses, and the broader economy. Attempts to halt congestion pricing raise serious questions about federal intervention in state decisions. New York State and City elected leaders have been clear—they see this policy as essential to keeping the nation’s largest metropolitan area moving. Revoking federal authorization does not just stall progress—it puts the region’s economy, mobility, and future at risk.

**SOURCES:** U.S. Census Bureau American Community Survey 2023 5-Year Estimates, U.S. Department of Labor Bureau of Labor Statistics, U.S. Bureau of Economic Analysis, New York City Tourism + Conventions, and the New York City Department of City Planning.

