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Why PA needs toll hikes

By Lucy Vandenberg

The Port Authority of NY/NJ capped off a busy few weeks on Friday when it approved a toll increase on its bridges, tunnels, and trains. Earlier this month, the Port Authority proposed the controversial new toll increases as part of a new 10-year, \$33 billion capital program to strengthen the region's infrastructure. The proposal unleashed a storm of protest from commuters, but also support from New Jersey residents who stand to benefit from the jobs created. The governors of both NJ and NY initially issued a joint statement criticizing the proposal and urging the Port Authority to tighten their belts like so many families have done during this extended economic downturn.

They also acknowledged, however, that "A downgrade of the Port Authority's bond rating does indeed pose a potentially disastrous result on a transportation network that millions of residents of the states of New Jersey and New York rely on and would be unacceptable."

Since then, there has been a flurry of public hearings, which were well-attended by supporters and opponents, and most recently, a new audit contending that the Port suffers from excessive overtime costs. On Friday morning, the Port responded to criticism by approving a modified approach to the toll increases, lowering the initial increases and phasing in additional increases over time. There is now a ten-day period during which the New York or New Jersey governors may veto the toll increases.

Are these increases necessary? Should the Port instead just rein in its spending? Or do we really need these toll increases to maintain our regional economic edge, improve our infrastructure, and create jobs for our residents?

Let's look at some facts. First, New Jersey now suffers from a 9.5 percent unemployment rate, higher than the national average. We are burdened with the third longest commuting times in the nation. New Jersey received a "C-" on a report card measuring the condition of critical components of the state's infrastructure by the American Society of Civil Engineers. Our roads and bridges received a "D" grade.

Anyone who has traveled on New Jersey's roads into and out of New York knows the time wasted in unpredictable and seemingly endless traffic delays, the public health costs to our children and families from truck exhaust and other pollution sources, and the toll on our automobiles every time we hit a pothole. We also know that increasing our region's economic competitiveness will mean new jobs for people we know: our families, friends, and neighbors.

The Port Authority of NY/NJ's intermodal transportation network is key to the health of our economy and maintenance of our regional infrastructure. The Port serves over 250 million commuters, travelers, and visitors every year. The Port's airports, ports, bridges, roads and transit infrastructure create linkages to world markets which serve as the foundation of our region's economy. The proposed 10-year capital program will create over 185,000 jobs, generate \$10.8 billion in wages and result in \$42.7 billion in sales in the 17-county region.

Keeping our region's transportation infrastructure safe and well-maintained is simply a must.

The proposed Port Authority investments will help spur job creation, ensure our transportation infrastructure is safe and modern, and reduce our daily commuting times.

The capital investment plan will:

- Shorten commutes by up to 45 minutes and improve passenger safety by replacing the Lincoln Tunnel circular roadway entering the tunnel (known as the "helix").
- Reduce bus passenger delays and traffic congestion by adding staging capacity and parking spaces to the Port Authority Bus terminal.
- Improve passenger safety by replacing The George Washington Bridge Suspender ropes. These have never been replaced in the bridge's 80-year life.
- Increase our regional economic competitiveness, reduce truck traffic, and create jobs by raising the Bayonne Bridge to double ship container capacity and expand ship traffic from Panama to key ports in New Jersey and New York.
- Protect New Jersey residents by strengthening security of Port Authority facilities.

What are the consequences of just saying no?

The Port Authority of NY/NJ does not receive tax dollars. If it does not raise revenues through tolls, then it will not have the revenues it needs to make these infrastructure investments, which are essential not just for our efficient movement through the region, but for our safety and security as well.

Nor will it have the funds that it needs to help both New Jersey and New York fund their transportation capital programs for this fiscal year, funds upon which both states rely. That includes \$1.8 billion for New Jersey transportation projects in Fiscal Year 2012 alone. And last but not least, the Port Authority would be at real risk of having its bond rating downgraded, affecting future ability to finance much-needed capital projects. This last item is familiar to all of us as we painfully watched the nation's long-term credit rating take a hit earlier this month.

That being said, the Port should absolutely tighten its belt, eliminate unnecessary overtime and continue all cost-reducing measures. But this will not obviate the need for revenue increases to support the essential 10-year capital plan. Both belt-tightening and revenue increases must be implemented now.

The bottom line is this. Without needed transportation infrastructure investment by the Port, commuters may well face reductions in service, station and lane closures, increased congestion, and poor and potentially unsafe road and rail conditions. Not to mention the fact that New Jersey can ill afford to lose this opportunity to create jobs, bolster our transportation infrastructure, and strengthen our regional economy.

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