

BUSINESS AND INDUSTRY & 7 OTHERS

Murphy threatens 'nuclear option' on congestion pricing

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New Jersey Gov. Phil Murphy speaks during a news conference. | AP Photo/Seth Wenig

PARSIPPANY-TROY HILLS — New Jersey Gov. Phil Murphy threatened to hold up business at the bi-state agency overseeing the East Coast's largest port and the region's major airports unless New York officials back down from a plan to increase tolls on New Jersey commuters going into Manhattan.

Murphy and other New Jersey politicians have objected to the New York Metropolitan Transportation Authority's "congestion pricing" plan to add a new toll that could range from \$9 to \$23 dollars for anyone driving into Manhattan's central business district, south of 60th Street.

Asked about congestion pricing at a Thursday "meet the candidate" event hosted by the Morris County Chamber of Commerce, Murphy said, "we're not going to relent if New Jersey commuters are discriminated against, period."

Congestion pricing would appear to align with Murphy's oft-stated ambition of reducing greenhouse gas emissions. The goal of the plan is to discourage driving in Manhattan and get more people onto public transit — but the revenue goes entirely to the MTA, which operates the city subways and New York's commuter rails.

Murphy, who is up for reelection this fall, went on to make a specific threat aimed at New York Gov. Kathy Hochul, using one of the few points of leverage a New Jersey governor has over a governor of New York: the Port Authority of New York and New Jersey.

Murphy said he has "methods" to use against New York "that we will use if we have to and I hope we don't have to — including vetoing the minutes of the Port Authority, which is kind of a nuclear option, but if we have to, we'll do it."

Those vetoes would block any decision made by the Port Authority's board from taking effect, meaning Murphy could effectively stop all budgets, contracts and other actions — potentially creating a logistical nightmare throughout the region.

Former New Jersey Gov. Chris Christie threatened to veto the Port Authority minutes before, and he and Murphy have both vetoed the minutes of other agencies to get their points across.

Hochul's office didn't react specifically to Murphy's threat.

"We will continue to work with stakeholders and our partners in government to implement congestion pricing effectively and efficiently," Hazel Crampton-Hays, Hochul's press secretary, said in an email.

The pandemic has upended commuting patterns in New York with only a fraction of the people who used to use mass transit getting on commuter trains and subways. At the same time, vehicle-related fatalities have spiked in New York City with increased automobile traffic. With 275 deaths over the past fiscal year, they were up 30 percent over the year previous and were actually higher than the year before Mayor Bill de Blasio took office and vowed to end pedestrian deaths in New York.

In 2018, Murphy vetoed the minutes of the South Jersey Port Corporation — a 50-yearold agency that operates marine shipping terminals across seven counties and was stacked with allies of Senate President Steve Sweeney — after the directors refused Murphy's request to cut ties with the agency's general counsel.

The so-called nuclear option at the bi-state Port Authority has been available to Murphy for years, but his Thursday threat, however tentative, was more specific than in the past as tensions heat up over the congestion pricing plan.

Rep. Josh Gottheimer (D-N.J.), an outspoken critic of congestion pricing, praised the governor's remarks, which he said were consistent with what the governor has said in private.

"It's great, I love that he's out there swinging," Gottheimer told POLITICO.

Murphy's office declined to elaborate on the governor's threat or what would cause or prevent a veto. A lengthy delay in the Port Authority to conduct business could hurt the credit rating of one of the most expansive transit and shipping agencies in the country.

"The Governor will explore every possible avenue to prevent New Jerseyans from being double tolled as a part of any congestion pricing scheme, including the Governor's oversight of Port Authority minutes," Murphy spokesperson Michael Zhadanovsky said in an email.

Rick Cotton, the Port Authority's executive director who is appointed by New York, suggested that Murphy was picking a fight with the wrong agency.

"It's totally 100 percent in the hands of the MTA," Cotton said Thursday.

Kevin O'Toole, the chairman of the Port Authority's board who is appointed by the New Jersey side, declined to discuss his conversations with the governor.

Short of getting rid of the congestion pricing plan entirely, there appear to be some compromises, such as giving commuters credit for the tolls they pay to cross the George Washington Bridge, an idea among those floated by the Regional Plan Association, which otherwise supports congestion pricing. In a scenario like that, a bridge crossing toll of \$12.50 would be deducted from the new toll for Manhattan. If the congestion price were \$15 a day, a New Jersey commuter who crossed the bridge would end up paying perhaps \$2.50 more each day, rather than \$15 more.

Other scenarios that New Jersey boosters have floated involve splitting up the revenue that congestion pricing would collect. That wouldn't reduce the amount a commuter pays, but it would allow funding for public transit systems other than MTA, such as New Jersey Transit and PATH trains.

Danny Pearlstein, policy and communications director at the Riders Alliance, said congestion pricing was a win for the region — not just New York.

"Congestion pricing will produce enormous benefits for New Jersey as well as New York," he said. "The success and growth of towns and cities in North Jersey hinge on the success of New York City. If our subway falls apart, they will feel it too."

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