**Tolling Inefficiency**

The notion that tolls are somehow a fair, efficient form of taxation is an absurd myth on par with Big Foot or the Loch Ness Monster. Before cashless tolling, about 30% of [revenue](https://www.thenewspaper.com/news/49/4974.asp)  went just to administer and collect the toll. While that number may be a bit lower due to automated cashless tolling, with the sheer volume of errors and violation notices, the inefficiencies are past to the [toll payers](https://newyorktruckstop.com/2019/06/11/e-zpass-is-anything-but-a-motorists-viewpoint/).

New York motorists received some good news towards the end of the 2019 legislative session with the passage of the [Toll Payer Protection Act](https://newyorktruckstop.com/2019/06/13/toll-payer-protection-act-update/), which now awaits the Governor’s signature, but there is still much about tolling costs to raise concerns. First and foremost is that with the approval of cashless tolling on the entire New York State Thruway System for [2020](https://amp.lohud.com/amp/1478866001?__twitter_impression=true) comes massive investments in tolling infrastructure, to the tune of about [$355 million](http://www.wrcr.com/2019/06/20/nys-senate-passes-toll-payer-protection-act/), though as we’ll see, that is a low estimate. The Thruway will need another $79 million to pay for cameras on the gantries and the necessary software to run and maintain them. Also, adding new tolls to the system can cost millions. The last expansion to the Harriman, Spring Valley, Yonkers and New Rochelle plazas cost around $24 million or around $6 million per plaza. 52 plazas will need cashless tolling by 2020. So, it is reasonable to assume that this cost will be in the $315 million neighborhood. Now, we must address the cost of [Conduent's](https://www.nysenate.gov/newsroom/press-releases/david-carlucci/abinanti-and-carlucci-call-cancel-conduent-cashless-tolling) contract, a contract which, when presented to the public was 1/3rd redacted ([Fun Fact:](https://soundcloud.com/user-581750368/new-york-truck-stop-radio-ez-pass-contract-frank-esposito?utm_source=soundcloud&utm_campaign=share&utm_medium=email) Conduent, a private company, also provides a contract redaction service). From 2007-2017 the Thruway Authority paid Conduent a little over $200 million to collect tolls with another $72 million promised from 2018-2020 (that number seems to be closer to $95 million). The thing is though, with so much of the Conduent contract redacted, we don’t know if there are incentives to issue more penalties and fines, play games with sending notices, or other shenanigans. The fact is that tolling is a for profit, big money industry, with their own [lobbying group](https://www.ibtta.org/blog/cuomo-veto-averts-chaos-ny-state-toll-collection) to boot. They see toll payers complaints about a lack of due process, suspended registrations, and extortionary fines on small tolls synonymous with cashless tolling as mere “hiccups”.

Of course, the expansion and cost of cashless tolling is just one piece of the inefficient puzzle. The regressive debt scheme known as [congestion pricing](https://newyorktruckstop.com/2019/01/18/ten-congestion-pricing-lies/) has been approved without an actual plan, other than the requirement that it be used for $15 billion in added MTA debt. If it cost between $300-$500 million to set up and run, and they only collect about $1 billion, well, we’re looking at serious shortfalls right off the bat. Speaking of debt, there is the matter of paying for the estimated $3.9 billion [Mario M Cuomo Bridge](https://www.lohud.com/story/opinion/perspective/2018/12/27/cuomo-bridge-toll-hike/2389852002/), of which about $1.6 billion came from low interest loans from the feds. The Thruway and MTA are not the only ones raising tolls mind you. [The Port Authority of New York and New Jersey](https://www.amny.com/transit/port-authority-fare-changes-1.32949563) is jumping in on the action as well. Bridge and tunnel tolls would increase on Jan. 5, 2020. Cash tolls are pegged to rise from $15 to $16, while E-ZPass tolls for both peak and off-peak travel are slated to jump $1.25. Congestion pricing, full cashless tolling, a brand-new Tappan Zee Bridge, all hitting in 2020 and 2021 is no coincidence. The tolling freeze on the New York State Thruway will be lifted in 2020. So, expect tolls to rise significantly, especially for trucks and commercial activity, which could have a chilling effect on commerce throughout the Northeast corridor, a region already losing a competitive edge, in part due to aggressive [tolling](https://newyorktruckstop.com/2019/04/01/pennsylvania-turnpike-the-road-to-ruin/) and the much beloved Highway Use Tax, which causes carriers to bypass the state if they can. Tolls increase the cost of delivering goods and services, put local businesses at a competitive disadvantage, and increase the cost of living for residents. How is tolling efficient again?