



THE ASSEMBLY  
STATE OF NEW YORK  
ALBANY

COMMITTEES  
Banks  
Cities  
Consumer Affairs and Protection  
Environmental Conservation  
Steering

MICAH Z. KELLNER  
65<sup>th</sup> Assembly District

**FOR IMMEDIATE RELEASE**

December 1, 2008

**CONTACT:**

Eliyanna Kaiser, 212-860-4906

# INCREASING DRIVER LICENSE, CAR REGISTRATION FEES COULD RAISE \$550 MILLION FOR CASH-STARVED MTA

*Assembly Member Micah Z. Kellner Urges Governor to Raise Fees to Avoid Fare Hikes, Service Cuts in Wake of Growing Multi Billion-Dollar MTA Budget Gap.*

**New York City** – Assembly Member Micah Z. Kellner (D-WF) is urging Governor David Paterson to include annual car registration and driver license fee increases of at least \$50 each in the 2009 Executive budget.

In a letter to the Governor, Kellner suggests that for 2009 and 2010, new revenue generated from these increases be given to the MTA to put towards its operating deficit, but that in 2011 and beyond, 70% should be dedicated to the MTA's Capital Plan and 30% to the NYS Department of Transportation Five Year Capital Plan – a fund which pays for bridge, tunnel, and highway improvements. Kellner says that if the proposals are not included as part of the Executive Budget, he plans to introduce them as independent legislation.

“Cuts to services, fare increases, and delays in critical capital projects and infrastructure maintenance are now certainties, the question is how deep the cuts go and who is asked to pay to make up the difference” said Assembly Member Kellner. “It goes without saying that this is a major burden on the transit-riding public. But I am also deeply concerned about the broader impact. Our transit system is the lifeblood of the economic health of our region.”

“Early indications suggest that the Ravitch Commission will announce Friday that tolls on the East River bridges are the centerpiece of their recommendations. This is a proposal that has been recycled time and again in each and every fiscal crisis but has always failed to gain the necessary support to be implemented. I don't know why they think this time will be any different, but I am hopeful that the Governor's office will look to other ideas like this one and reinstating the commuter tax as he constructs his Executive budget.”

The MTA is forecasting a rising deficit that will reach \$3 billion by 2012. The authority is expected to increase fares to as much as \$3 in 2009 – the only time it has proposed fare hikes in consecutive years.

The driver license and car registration fee ideas were first proposed by the Citizens Budget Commission (CBC), a not-for-profit civic watchdog group. In September, CBC President Carol

- 834 Legislative Office Building, Albany, NY 12248 • (518) 455-5676, FAX (518) 455-5282
- District Office – 315 East 65 Street, New York, NY 10065 • (212) 860-4906, FAX 212-213-1494

E-mail: [kellnerm@assembly.state.ny.us](mailto:kellnerm@assembly.state.ny.us)

Kellermann testified before the Ravitch Commission that increasing the fees by \$50 each could generate \$550 million dollars in new annual revenue.

“Drivers benefit from the traffic reductions that mass transit provides; think of what traffic would be like if everyone drove to work,” said CBC President Carol Kellermann, “Increasing vehicle registration and drivers license fees is a reasonable way to ensure that drivers pay their fair share for the benefits they derive from a strong and sound MTA.”

In October, City Comptroller William C. Thompson, Jr. outlined a separate proposal to impose a weight-based transit-dedicated assessment of \$100 for vehicle registration. The CBC proposal differs in that it involves a flat fee for all vehicles and would raise driver license fees. New York has the 8<sup>th</sup> lowest annual vehicle registration fees in the country; South Carolina has the lowest at \$12 and Maine has the highest at \$435.

###