

"Effective and Equitable Congestion Pricing: New York City and Beyond"

(joint with Frank Yang)

Abstract:

In this paper, we argue that the New York City congestion pricing scheme that was launched on January 5, 2025, has a major shortcoming: it has a much more severe impact on the drivers of personal vehicles than on the passengers of taxis and ride-hailing vehicles or on the clients of delivery services. In addition to being inequitable, this shortcoming also makes the congestion pricing scheme relatively ineffective at solving the traffic congestion problem inside the Central Business District, due to the fact that the drivers of personal vehicles constitute a minority of traffic there. We provide empirical evidence from the launch of the current plan and propose a simple modification to the scheme that addresses this shortcoming. An early (pre-launch) version of this paper is available at <https://web.stanford.edu/~ost/papers/nyc.pdf>.