

ASSEMBLY, No. 3993

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED JUNE 30, 2016

Sponsored by:

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

SYNOPSIS

Concerns transfer of PANYNJ contracts related to marine terminals.

CURRENT VERSION OF TEXT

As introduced.



A3993 QUIJANO

2

1 AN ACT concerning marine terminals at the Port Authority of New
2 York and New Jersey and supplementing P.L.1947, c.44 (C.32:1-
3 35.28 et seq.).

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. When the Port Authority enters into or renews a contract or
9 agreement concerning the operation of a marine terminal or the
10 provision of port services, it shall ensure that the contract or
11 agreement contains a provision requiring the prior written approval
12 of the Port Authority before any party transfers its rights and
13 obligations under the contract or agreement to another entity if the
14 transferee entity is not based in the United States and does not have
15 a satisfactory record of prior business dealings with the Port
16 Authority. The provision shall also require that if such a transfer of
17 rights or obligations occurs without the prior written approval of the
18 Port Authority, the Port Authority shall have the right to terminate
19 the contract or agreement.

20

21 2. Before giving its written approval of a transfer of rights or
22 obligations as required by section 2 of P.L. , c. (pending before
23 the Legislature as this bill), the Port Authority shall conduct its
24 own independent security investigation of the transferee entity, its
25 owners, its officers and managers, and any employees with security-
26 sensitive responsibilities.

27

28 3. This act shall take effect upon the enactment into law by the
29 State of New York of legislation having an identical effect with this
30 act; but if the State of New York shall already have enacted such
31 legislation, this act shall take effect immediately. This act shall
32 apply to contracts and agreements entered into or renewed on or
33 after the effective date of this act.

34

35

36

STATEMENT

37

38 The bill requires the Port Authority of New York and New Jersey
39 (“Port Authority”) to include a proviso in its contract ensuring it the
40 right to terminate the contract in the event of an unsatisfactory
41 transfer of its duties and responsibilities. Under the provisions of
42 this bill, the proviso is to specify that the Port Authority must
43 provide written consent prior to the transfer of a contractor’s rights
44 and obligations to another entity if that entity is not based in the
45 United States and does not have a satisfactory record of prior
46 business dealings with the Port Authority. Further, the proviso
47 must provide that in the absence of written approval by the Port

A3993 QUIJANO

3

1 Authority, the Port Authority has the right to terminate the
2 agreement.

3 Finally, the bill provides that the Port Authority may give its
4 written consent to any such transfer only after it has conducted its
5 own independent security investigation of the transferee entity, its
6 owners, its officers and managers, and any employees with security-
7 sensitive responsibilities.

8 The bill will become effective after a bill with identical terms is
9 enacted into law by New York. The bill will apply to contracts
10 entered into or renewed by the Port Authority on or after the bill's
11 effective date.