

# SENATE, No. 550

## STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

**Sponsored by:**

**Senator KRISTIN CORRADO**

**District 40 (Bergen, Essex, Morris and Passaic)**

**Senator KEVIN J. O'TOOLE**

**District 40 (Bergen, Essex, Morris and Passaic)**

**SYNOPSIS**

Establishes “Bi-State Commission to Recommend Reforms to the Port Authority of New York and New Jersey.”

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 10/6/2017)**

1 AN ACT establishing a “Bi-State Commission to Recommend  
2 Reforms to the Port Authority of New York and New Jersey.”

3

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

6

7 1. The States of New York and New Jersey find and declare  
8 that:

9 a. The Port Authority of New York and New Jersey operates  
10 and maintains infrastructure critical to trade, transportation, and the  
11 economy in New York and New Jersey and throughout the  
12 surrounding region including four bridges, two tunnels, a rail  
13 system, three bus terminals, ferry services, marine terminals and  
14 ports, five airports, and the World Trade Center;

15 b. Since the Port Authority is a bi-state authority established by  
16 compact between the State of New York and the State of New  
17 Jersey, reforms to address the internal structure of the Port  
18 Authority and to increase its accountability and transparency are  
19 required to be included in substantially identical legislation enacted  
20 by both states; and

21 c. It is in the best interests of the residents of New York and  
22 New Jersey that an independent bi-state commission study the  
23 current structure of the Port Authority and submit to the legislatures  
24 of New York and New Jersey recommendations to address problems  
25 at the Port Authority and to protect the public’s investment in the  
26 region’s transportation infrastructure.

27

28 2. There is hereby created a commission to be known as the  
29 “Bi-State Commission to Recommend Reforms to the Port  
30 Authority of New York and New Jersey.”

31

32 3. a. The commission shall consist of 12 members, of whom  
33 six shall be appointed by the State of New York and six shall be  
34 appointed by the State of New Jersey in the manner determined by  
35 the legislatures of each state respectively.

36 b. The members appointed pursuant to the provisions of  
37 P.L. , c. (pending before the Legislature as this bill) shall be  
38 independent public administration and transportation experts,  
39 policymakers, and practitioners, but shall not be current  
40 commissioners, officers, directors, or employees of the Port  
41 Authority.

42 c. The members shall be appointed within 30 days of the  
43 effective date of P.L. , c. (pending before the Legislature as this  
44 bill).

45

46 4. The commission shall organize no later than 30 days after  
47 the appointment of the majority of its members, and shall select a  
48 chairperson and vice-chairperson from among its members. The

1 chairperson shall appoint a secretary, who need not be a member of  
2 the commission. The commission shall meet at the call of the  
3 chairperson and hold hearings at the times and in the places it may  
4 deem appropriate and necessary to fill its charge. The members  
5 shall serve without compensation.

6  
7 5. The commission shall be entitled to call to its assistance and  
8 avail itself of the services of the employees of any State department,  
9 board, bureau, commission, agency, authority, or other entity, as it  
10 may require and as may be available, and to employ stenographic  
11 and clerical assistance and incur traveling and other miscellaneous  
12 expenses as may be necessary in order to perform its duties, within  
13 the limits of funds available to it for its purpose.

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15 6. a. The purpose of the commission shall be to study the  
16 current structure, management, and oversight of the Port Authority  
17 and to recommend legislation in a report to the legislatures of the  
18 State of New Jersey and the State of New York to reform the Port  
19 Authority of New York and New Jersey.

20 b. The report shall include findings, conclusions,  
21 recommendations, or legislative proposals supported by a majority  
22 of the members of the commission including, but not limited to:

23 (1) Policies to address divisions between the Port Authority's  
24 New York and New Jersey counterparts and an analysis of whether  
25 the Port Authority could be restructured to resolve the two state's  
26 divergent goals and objectives;

27 (2) Policies to address operational, structural, and management  
28 issues at the Port Authority;

29 (3) Policies to address terms and method of appointment for  
30 Port Authority commissioners and senior leadership;

31 (4) Policies establishing a formal and transparent process  
32 concerning non-emergency operational changes at the Port  
33 Authority, including an advance study of the proposed change, an  
34 internal approval process, and local government notification  
35 requirements; and

36 (5) An analysis of the reforms implemented through New  
37 York's Public Authorities Report Act of 2009 and a determination  
38 of whether similar reforms should be implemented at the Port  
39 Authority.

40 c. The report may also include, in a separate section, any  
41 finding, conclusion, recommendation, or legislative proposal that  
42 receives the support of a minority of commissioners.

43  
44 7. The commission shall prepare and submit a report containing  
45 its findings, conclusions, recommendations, and legislative  
46 proposals to the governors and legislatures of New York and New  
47 Jersey no later than 12 months after the date of its initial meeting.

1 8. The New Jersey members of the commission shall be  
2 appointed as follows: two by the Senate President; two by the  
3 Speaker of the General Assembly; one by the Minority Leader of  
4 the Senate; and one by the Minority Leader of the General  
5 Assembly.

6  
7 9. Sections 1 through 7 of this act shall take effect upon  
8 enactment of substantially similar legislation by the State of New  
9 York, provided that if the State of New York has already enacted  
10 such legislation, sections 1 through 7 of this act shall take effect  
11 immediately. Section 8 of this act shall take effect upon the  
12 effective date of sections 1 through 7 of this act.

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15 STATEMENT  
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17 This bill establishes a “Bi-State Commission to Recommend  
18 Reforms to the Port Authority of New York and New Jersey.”

19 The commission is to consist of 12 members, of whom six are to  
20 be appointed by the State of New York and six are to be appointed  
21 by the State of New Jersey. The New Jersey members of the  
22 commission are to be appointed as follows: two by the Senate  
23 President; two by the Speaker of the General Assembly; one by the  
24 Minority Leader of the Senate; and one by the Minority Leader of  
25 the General Assembly. The New York legislature will determine  
26 how the New York members are to be appointed. All members are  
27 to be independent public administration and transportation experts,  
28 policymakers, and practitioners, but may not be current  
29 commissioners, officers, directors, or employees of the Port  
30 Authority.

31 The purpose of the commission is to study the current structure,  
32 management, and oversight of the Port Authority and to recommend  
33 legislation to the legislatures of the State of New Jersey and the  
34 State of New York to reform the Port Authority. The report shall  
35 include, but not be limited to:

36 1) policies to address divisions between the Port Authority’s  
37 New York and New Jersey counterparts and an analysis of whether  
38 the Port Authority could be restructured to resolve the two state’s  
39 divergent goals and objectives;

40 2) policies to address operational, structural, and management  
41 issues at the Port Authority;

42 3) policies to address terms and method of appointment for Port  
43 Authority commissioners and senior leadership;

44 4) policies establishing a formal and transparent process for non-  
45 emergency operational changes at the Port Authority including an  
46 advance study and approval process and local government  
47 notification requirements; and

1       5) an analysis of the reforms implemented through New York's  
2 Public Authorities Report Act of 2009 and a determination of  
3 whether similar reforms should be implemented at the Port  
4 Authority.

5       The commission is to submit a report of its findings and  
6 legislative proposals to the governors and legislatures of both states  
7 within 12 months of its first meeting.