



NEW YORK STATE SENATOR

Andrew J. Lanza

## Senator Lanza Announces Agreement on Legislation to Codify Comprehensive Reforms to Overhaul the Port Authority of New York and New Jersey

ANDREW J LANZA June 19, 2015

Governor Andrew M. Cuomo, Senate Majority Leader John Flanagan and Assembly Speaker Carl E. Heastie today announced that a three-way agreement has been reached on legislation to codify reforms to the Port Authority of New York and New Jersey.

“The legislation introduced today adopts the comprehensive changes underway as a result of the recommendations made in December by the Bi-State Special Panel on the Future of the Port Authority,” said Governor Andrew M. Cuomo. “By enshrining these improvements into law, we will ensure the Port Authority will ably and effectively serve the people of the New York metropolitan region and return to its original core mission of developing and overseeing regional transportation infrastructure. Enacting these critically important reforms will also ensure a more transparent and effective Port Authority. I want to thank Governor Christie and my partners in the legislature and in New Jersey for working together to guarantee that the Port Authority functions at the highest standards.”

Senate Majority Leader John Flanagan said: “This agreement will usher in necessary reforms to ensure the Port Authority of New York and New Jersey operates with a greater level of transparency and is more accountable to the public. The residents of this state are

demanding that all levels of government do more with less, identify efficiencies wherever they exist and provide more value for their hard-earned money. I thank Senator Andrew Lanza for his work on this long overdue bill that helps us achieve each of those objectives.”

Assembly Speaker Carl Heastie said: “By increasing transparency, improving regulation and instituting more independent oversight, this bill is an important step toward reform. These reforms would strengthen the Port Authority and create greater accountability from within the authority as well as from the public.”

Senator Andrew Lanza, sponsor of the Port Authority reform bill, said: "Port Authority operations impact upon the lives of millions of people on Staten Island and throughout the region. The complexities of this bi-state authority have made reform illusive and heretofore thought to be out of reach. It is therefore particularly gratifying to announce together with Governor Cuomo that we have hammered out a historic Port Authority reform bill which should bring greater accountability, transparency, and efficiency to the Port Authority. I thank in particular Governor Cuomo, Senator Flanagan, and Assemblymembers Brennan and Cusick for their leadership and hard work on this issue”.

Assemblymember James Brennan, chair of the Committee on Corporations, Authorities and Commissions, said: “Accountability, oversight, transparency – these are all key to reform. This bill would establish critical oversight and transparency and allow for a more efficient Port Authority that works on behalf of the people of New York and New Jersey.”

The legislation introduced today would statutorily codify the comprehensive changes that the Port Authority has already undertaken to ensure that its functions are open and transparent. It also includes other reforms recommended by the Bi-State Special Panel on the Future of the Port Authority, which was convened in 2014 by Governor Cuomo and New Jersey Governor Chris Christie.

Specifically, the legislation includes the following actions:

- Codifies a new management structure including:
  - o A new Chief Executive Officer to replace the Executive Director and Deputy Executive Director; and
  - o Rotating the Chairperson and Vice Chairperson between New York and New Jersey every two years, beginning with New York;
- Prohibiting a Commissioner, including the Chairperson, from serving as the Port Authority's Chief Executive Officer or as any other officer while serving as a Commissioner;
- Establishes a Chief Ethics and Compliance Officer who shall enforce compliance with applicable laws and best practices, bolstering the authority of the Port Authority's Inspector General, and establishing a whistle blower access and assistance program;
- Requiring Commissioners to execute a statement declaring their fiduciary obligation to exercise independent judgment and act in the best interest of the Port Authority, its mission, and the public;
- Adopting a Port Authority mission statement designed to meet the critical transportation infrastructure needs of the bi-state region by providing the highest quality and most efficient transportation and port commerce facilities and services to move people and goods within the region, provide access to the nation and the world, and to promote economic development;
- Establishing a clear recusal policy to prevent conflicts of interest, requiring Commissioners, officers, and certain employees to file financial disclosures, and requiring all Commissioners, officers, and employees to maintain records regarding contact with lobbyists;

- Requiring public notice of Port Authority meetings and that such meetings be open to the public;
- Requiring the Port Authority to conduct an independent needs assessment and public hearings before raising tolls and fares; and
- Establishing enhanced annual reports, financial audits, and public availability of the Port Authority's capital plan, financial plans, property disposition.

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