



NEW YORK STATE SENATOR

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New York State Senator Andrew Lanza & New Jersey Assemblywoman Vainieri Huttle Unveil Bi-Partisan, Bi-State Effort to Create Transparency & Accountability at Port Authority

ANDREW J LANZA September 29, 2011

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NY & NJ Lawmakers Announce Overhaul Plans in Wake of Recent Toll Hikes & Audit
(FORT LEE, NJ) – New York State Senator Andrew Lanza (R-NY 24th) and New Jersey Assemblywoman Valerie Vainieri Huttle (D-NJ 37th) on Wednesday unveiled a bi-partisan, bi-state effort to create greater transparency and accountability at the Port Authority of New York and New Jersey.
“The Port Authority bears a tremendous amount of responsibility and has the ability to significantly impact the lives of thousands of commuters every day,” said Vainieri Huttle. “For several years I’ve been pushing for a system of greater accountability to ensure that hard-earned taxpayer dollars are being used efficiently and with the proper amount of oversight. I’m pleased that Senator Lanza is joining with me to help move these efforts forward in a bi-state, bi-partisan fashion.”

“The Port Authority’s most recent round of toll hikes were unwarranted, unreasonable and unfair,” said Senator Andrew Lanza. “New Jersey and New York have the two highest state-local tax burdens in the country and before requiring already overburdened families and businesses to pay more, the Port Authority should have looked harder to find internal savings. Audits issued by New York State Comptroller Tom DiNapoli, as well as other media reports, showed numerous areas where the Port Authority failed to contain costs and appropriately manage its finances. This bi-state partnership with New Jersey Assemblywoman Valerie Vainieri Huttle should send a clear message to the Port Authority that we mean business and they’ve got to stop covering their failures by picking the pockets of our drivers,” said Lanza.

Both lawmakers have called for increased transparency and oversight for some time. However, in light of reports of mismanagement and abuse and the recent toll hikes enacted with little public input, they believe New Jersey and New York must hold the Port Authority accountable and make reform an urgent priority. To that end, they unveiled a proposal today that will create a new system of accountability at the Port Authority. Because laws governing the bi-state agency do not take effect until New Jersey and New York have enacted substantively identical legislation, Vainieri Huttle and Lanza will each sponsor the measure in their respective legislatures. The comprehensive package of reforms is designed to ensure the proper functioning of the Port Authority of New York and New Jersey as an open, transparent, and accountable interstate authority.

Vainieri Huttle pointed out the proposal is designed to crackdown on abuses of taxpayer dollars like those detailed in an August audit report released by the New York Comptroller showing that the Port Authority spent nearly half of a billion dollars in overtime costs over the last five years.

The proposal includes the following reforms:

Increase Public Access and Participation

- Require the port authority to conduct at least 10 public hearings between both states not less than 30 days prior to the adoption of any increase in any fee, toll, charge or fare for the use of the transportation facilities of the authority;
- Require the port authority hold at least one of the public hearings in each affected county in New York and New Jersey to ensure all concerned residents have an opportunity to participate in the public hearing process;
- Require that in the event that amendments are made to the proposed increase, toll, charge or fare, the port authority must conduct a subsequent round of public hearings in accordance with the guidelines for the initial public hearing process;
- Prohibit the subsequent round of public hearings from being held less than 15 days prior to the adoption of the amended proposal;
- Require all port authority commissioners in office at the time to attend each public hearing;
- Require that no more than one public hearing shall be held in a single day;
- Require at least one-half of the public hearings to be scheduled outside of normal business hours to allow commuters and residents with traditional employment schedules to attend;

Transparency and Accountability

- Require an independently conducted and certified annual audit of the port authority;
- Require the results of the independent audit to be published on the port authority's website;
- Require the independent audit to account for overtime usage and expenditures;
- Require an independent need assessment for any proposed increase in fee, toll, charge or fare to be made in accordance with the most recently conducted independent audit;
- Require a periodic efficiency study to be conducted by an independent efficiency expert;
- Institute clearly defined fiduciary responsibilities for commissioners of the port authority; and
- Require certification of financial reports by the chairman, vice-chairman, chief financial officer, executive director, and deputy executive director of the port authority;

Lanza also noted that the proposal is designed to address the rushed and inaccessible manner in which the public hearings were held to address the latest round of toll hikes.

"Despite being home to half of the Port Authority crossings, the Port Authority originally scheduled only one public hearing on Staten Island, early in the morning, in a remote, inaccessible location," said Lanza. "To add insult to injury, the voting members of the Port Authority Board did not even have the decency to present themselves before the people at these hearings, making it clear that they do not consider themselves accountable or answerable to the public whom they serve. Board members should be required to present themselves before the people any time such exorbitant hikes are considered."

"When the Port Authority proposes a toll hike, especially a significant hike like the one that was recently instituted, it has a real bearing on the daily lives of countless commuters," added Vainieri Huttie.

"Significant hikes can even mean the difference between whether a job is even affordable for a person to commute to anymore. The public deserves sufficient opportunity to weigh in and have their concerns heard."

Vainieri Huttie and Lanza were joined today by New Jersey Senators Loretta Weinberg and Bob Gordon and Assembly members Gordon Johnson and Connie Wagner, who will also be sponsoring the bill in their respective houses.

Senator Charles J. Fuschillo, Jr. (R-Merrick), Chairman of the New York Senate Transportation Committee, also lent his support to the proposal. "Residents deserve far more openness and accountability from the Port Authority. The Authority's glaring lack of transparency in adopting the latest toll increase proposal is just as disturbing as the toll increases themselves. In addition, the New York State Comptroller's Office and media reports have shown numerous areas where the Port Authority failed to contain costs and manage their finances. Improving financial accountability, increasing transparency, and giving residents a greater say on rate increases which will affect them are necessary reforms and I'm pleased to support them," said Fuschillo.

Lanza and Vainieri Huttie noted that the proposal is designed to create a better system of accountability over the Port Authority's massive operations, which include Newark, LaGuardia, and Kennedy airports; the Port of New York and New Jersey, which is the leading marine cargo port on the east coast of North

America; the PATH mass transit system; the World Trade Center; and numerous bridges and tunnels, including the George Washington Bridge and the Lincoln and Holland tunnels.

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