



MEMO OF SUPPORT

[S2901-A \(Comrie\) / A175-A \(Paulin\)](#)

Boosts the transparency and accountability of the Port Authority of NY/NJ

December 5, 2024

TITLE OF BILL

An act to amend chapter 154 of the laws of 1921 relating to the port authority of New York and New Jersey, in relation to port authority organization, appearance and notice.

STATEMENT OF SUPPORT

We ask the Governor to sign this bill because it adds important transparency requirements for the Port Authority of New York and New Jersey (Port Authority) capital programs and will better enable the NY and NJ legislatures to hold the Port Authority accountable through oversight hearings. Many of these new requirements will align Port Authority transparency with what is currently required for the Metropolitan Transportation Authority, such as to publish a capital program dashboard and publish open data on capital projects. Perhaps most importantly, enactment of this legislation by both states will allow reforms passed in 2015 by New York State to finally go into effect.

The Port Authority is a bi-state public authority responsible for managing airports, bridges, seaports, bus terminals, real estate including the World Trade Center, and the PATH train within and between the two states. With a [\\$9.4 billion proposed budget](#) for 2025 (includes \$3.6 billion for capital), it has the [second largest operating budget](#) among NYS public authorities after the Metropolitan Transportation Authority.

After the 2013 Bridgegate scandal called into question the governance and accountability of the Port Authority, there was momentum to pass bi-state reform legislation, but it unfortunately stalled in New Jersey. In 2015, [New York passed a law](#) to codify in state law reforms regarding governance, conflicts of interest, and requirements for public hearings, and conducting a needs assessment before fare and toll increases,

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among other important changes. This legislation was broadly supported by transportation and government watchdogs. However, the law failed to go into effect because identical legislation was not passed in New Jersey.

SUMMARY OF PROVISIONS

This bill would amend the “Port Authority of New York and New Jersey Transparency and Accountability Act of 2015,” which was passed in New York in 2015, but not yet enacted in New Jersey. The legislation updates the 2015 legislation in four main areas:

Governance

- Add four new non-voting commissioners to the Board: two mass transit users recommended by rider groups and two by labor organizations representing both states.
- Requires advice and consent of each state’s senate for members appointed by the governors of New York and New Jersey.
- Requires one of the governor of New York’s appointees to be recommended by the mayor of New York City.
- Requires commissioners to have experience related to Port Authority operations, such as business management, labor relations, capital projects, engineering, etc.
- Establishes a Port Authority Transportation Advisory Committee, made up of various transportation and governmental entities to allow committee members to share information about their agency's upcoming plans and objectives.

Oversight

- The Port Authority is required to appear before the legislatures of New York or New Jersey upon request, with up to two requests each year. At hearings, the Port Authority must be represented by the chair, vice-chair, chief executive officer, or chief financial officer.
- Adds legislative notice 60 days before a subsidiary corporation issues debt, and requires that subsidiaries may not be formed to evade requirements of collective bargaining or replace or remove a certified employee organization.
- Requires retention of an independent engineering consultant to monitor major capital projects (those over \$500 million).
- Adds a “capital status update hearing” at least once every year after the adoption of the capital plan on implementation of their latest capital plans, where the Port Authority must produce:
 - a written description of the status of all capital plan projects and the costs and the expected costs of those projects;

- a financing plan that identifies the source of funding for each project; and
- an analysis that compares actual and target performance measures, and a detailed written explanation of any discrepancies.

Transparency

- Requires capital needs assessments to be published online.
- Requires 10-year capital plans or major revisions to be provided to each state's legislature and posted online at least 60 days prior to approval by the Board. Public comment is also required through a public hearing process.
- Requires creation of a capital project dashboard for projects committed for construction, including release of open data on capital project funding and status.

Miscellaneous

- Allows whistleblower complaints to come in via email and text message, and clarifies that the whistleblower procedures do not limit the rights or remedies of individuals to disclose wrongdoing without retaliation.
- Requires implementation of a minority and women-owned business enterprise program, with release of an annual report with data to measure progress compared to program goals.

The act takes effect when identical legislation is enacted in New Jersey.