

# ASSEMBLY RESOLUTION No. 61

## STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED FEBRUARY 21, 2012

**Sponsored by:**

**Assemblyman JOHN S. WISNIEWSKI**

**District 19 (Middlesex)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblywoman LINDA STENDER**

**District 22 (Middlesex, Somerset and Union)**

**Assemblyman RUBEN J. RAMOS, JR.**

**District 33 (Hudson)**

**Co-Sponsored by:**

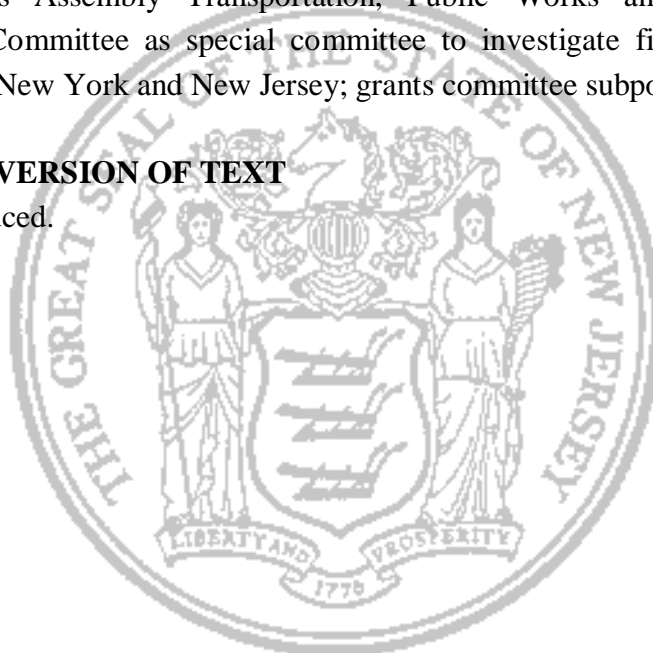
**Assemblyman Giblin, Assemblywoman Caride, Assemblymen Chivukula, Prieto, Mainor, Assemblywoman Wagner, Assemblymen Eustace and Coughlin**

**SYNOPSIS**

Constitutes Assembly Transportation, Public Works and Independent Authorities Committee as special committee to investigate finances of Port Authority of New York and New Jersey; grants committee subpoena power.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 3/16/2012)**

1 **AN ASSEMBLY RESOLUTION** constituting the Assembly  
2 Transportation, Public Works and Independent Authorities  
3 Committee as a special committee of the General Assembly to  
4 investigate the finances of the Port Authority of New York and  
5 New Jersey.  
6  
7 **WHEREAS**, The Port Authority of New York and New Jersey (“Port  
8 Authority”) is a bi-state agency established by compact between the  
9 State of New York and the State of New Jersey; and  
10 **WHEREAS**, On August 5, 2011, the Port Authority proposed a two-  
11 phase toll and fare increase to fully fund a 10-year, \$33 billion  
12 capital plan to address the economic recession, the overall cost of  
13 the World Trade Center rebuilding, and the need for an overhaul of  
14 the authority’s facilities; and  
15 **WHEREAS**, Two weeks later, on August 19, 2011, the Port Authority’s  
16 Board of Commissioners voted unanimously to approve a 10-year,  
17 \$25.1 billion capital plan funded, in part, by a significant toll and  
18 fare increase; and  
19 **WHEREAS**, The approved toll and fare increases imposed a \$1.50  
20 increase on bridge tolls for cars using E-ZPass beginning in  
21 September 2011 and then 75 cents in December each year from  
22 2012 through 2015 for a total increase of \$4.50 over five years,  
23 while trucks using E-ZPass face a \$2 per axle increase in September  
24 2011, and then an additional \$2 per axle in December of each year  
25 from 2012 through 2015. Cars not using E-ZPass will also be  
26 subject to an additional \$2 penalty, while trucks not using E-ZPass  
27 will also be subject to an additional \$3 per axle cash penalty; and  
28 **WHEREAS**, Fares on the Port Authority Trans-Hudson passenger rail  
29 system (“PATH”) will increase 25 cents per year for the next four  
30 years; and  
31 **WHEREAS**, In justifying the toll and fare increases, the Port Authority  
32 noted that it had suffered \$2.6 billion in revenue declines, \$11  
33 billion in costs to rebuild the World Trade Center, and another \$6  
34 billion in required security costs; and  
35 **WHEREAS**, In response to a lawsuit filed against the Port Authority by  
36 AAA of New York and AAA of Northern New Jersey, the Port  
37 Authority contradicted earlier statements that part of the toll and  
38 fare increases would pay for the redevelopment of the World Trade  
39 Center site by stating that the toll and fare increase will pay for  
40 \$10.876 billion in projects involving the Port Authority’s Interstate  
41 Transportation Network, but not the redevelopment of the World  
42 Trade Center site; and  
43 **WHEREAS**, On January 31, 2012, the Port Authority released an  
44 independent audit report conducted by Navigant Consulting, Inc.  
45 which characterized the Port Authority as “a challenged and  
46 dysfunctional organization suffering from a lack of consistent  
47 leadership, a siloed underlying bureaucracy, poorly coordinated  
48 capital planning processes, insufficient cost controls, and a lack of

1 transparent and effective oversight of the World Trade Center  
2 program that has obscured full awareness of billions of dollars in  
3 exposure to the Port Authority;” and

4 **WHEREAS**, The audit report further found fault with how the Port  
5 Authority’s bureaucracy is organized, promoted, and paid, citing  
6 that compensation and excessive overtime have pushed the average  
7 cost of salary and benefits for each of the Port Authority’s 6,900  
8 employees to \$143,000 a year, including more than 24 employees  
9 whose base salary exceeded \$200,000; and

10 **WHEREAS**, Recent requests to the Port Authority by the public for  
11 documents and other information have either gone unanswered or  
12 been met by the Port Authority with a demand of exorbitant fees for  
13 complying with any such request; and

14 **WHEREAS**, In light of the Port Authority’s lack of cooperation in  
15 producing certain documents and information, and reports of fiscal  
16 mismanagement by the authority, the Assembly Transportation,  
17 Public Works and Independent Authorities Committee  
18 (“committee”) invited the Executive Director of the authority to  
19 appear before the committee on February 2, 2012 to speak about  
20 the authority’s finances; and

21 **WHEREAS**, Despite receiving the committee’s invitation, the Executive  
22 Director chose not to attend and did not send a representative in his  
23 place; and

24 **WHEREAS**, It is entirely fitting and proper for this House to investigate  
25 all aspects of the finances of the Port Authority; now, therefore,

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27 **BE IT RESOLVED** by the General Assembly of the State of New  
28 Jersey:

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30 1. The Assembly Transportation, Public Works and  
31 Independent Authorities Committee is constituted as a special  
32 committee of the General Assembly in accordance with the  
33 provisions of chapter 13 of Title 52 of the Revised Statutes. The  
34 membership of the committee as previously constituted is  
35 reconstituted and continued.

36

37 2. The committee shall investigate all aspects of the finances of  
38 the Port Authority of New York and New Jersey, including, but not  
39 limited to, the recently proposed 10-year capital plan, the allocation  
40 of the revenue generated from the recently imposed toll increase  
41 plan and where that revenue is being spent, and the salary,  
42 overtime, and other compensation paid to officers and employees of  
43 the authority.

44

45 3. For the purposes of carrying out its charge under this  
46 resolution, the committee shall have all the powers conferred  
47 pursuant to chapter 13 of Title 52 of the Revised Statutes,  
48 including, but not limited to, the power to issue subpoenas to

1 compel attendance and testimony of persons and the production of  
2 books, papers, correspondence, and other documents.

3

4 4. The committee shall be entitled to call to its assistance and  
5 avail itself of the services of the employees of the State of New  
6 Jersey, any political subdivision of the State, and any agency  
7 thereof, as may be required and as may be available for that  
8 purpose, and to employ any other services as may be deemed  
9 necessary, in order to perform the duties provided herein, and  
10 within the limits of funds appropriated or otherwise made available  
11 for that purpose.

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13 5. This resolution shall take effect immediately and the  
14 committee's powers pursuant to chapter 13 of Title 52 of the  
15 Revised Statutes shall expire 12 months following adoption of this  
16 resolution by the General Assembly.

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STATEMENT

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21 This Assembly resolution constitutes the Assembly  
22 Transportation, Public Works and Independent Authorities  
23 Committee as a special committee of the General Assembly to  
24 investigate all aspects of the finances of the Port Authority of New  
25 York and New Jersey, including, but not limited to, the recently  
26 proposed 10-year capital plan, the allocation of the revenue  
27 generated from the recently imposed toll increase plan and where  
28 that revenue is being spent, and the salary, overtime, and other  
29 compensation paid to officers and employees of the authority.

30 The committee shall have the power to subpoena witnesses and  
31 documents as well as all other powers conferred pursuant to chapter  
32 13 of Title 52 of the Revised Statutes.