SENATE, No. 167

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Senator KRISTIN M. CORRADO
District 40 (Bergen, Essex, Morris and Passaic)

SYNOPSIS

Establishes various good governance requirements at certain bi-state authorities.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT establishing various good governance requirements at certain bi-state authorities, amending P.L.1986, c.105 and P.L.1995, c.23, and supplementing Title 32 of the Revised Statutes.

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

1. Section 2 of P.L.1986, c.105 (C.34:19-2) is amended to read as follows:

2. As used in this act:

a. "Employer" means any individual, partnership, association, corporation, or any person or group of persons acting directly or indirectly on behalf of, or in the interest of, an employer with the employer's consent and shall include all branches of State Government, or the **[**several**]** counties and municipalities thereof, or any other political subdivision of the State, or a school district, or any special district, or any authority, commission, or board or any other agency or instrumentality thereof.

b. "Employee" means any individual who performs services for and under the control and direction of an employer for wages or other remuneration.

c. "Public body" means:

(1) the United States Congress, and State legislature, or any popularly-elected local governmental body, or any member or employee thereof;

(2) any federal, State, or local judiciary, or any member or employee thereof, or any grand or petit jury;

(3) any federal, State, or local regulatory, administrative, or public agency or authority, or instrumentality thereof;

(4) any federal, State, or local law enforcement agency, prosecutorial office, or police or peace officer;

(5) any federal, State or local department of an executive branch of government; or

(6) any division, board, bureau, office, committee, or commission of any of the public bodies described in the above paragraphs of this subsection.

d. "Supervisor" means any individual with an employer's organization who has the authority to direct and control the work performance of the affected employee, who has authority to take corrective action regarding the violation of the law, rule or regulation of which the employee complains, or who has been designated by the employer on the notice required under section 7 of **[**this act**]** P.L.1986, c.105 (C.34:19-7).

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

e. "Retaliatory action" means the discharge, suspension, or demotion of an employee, or other adverse employment action taken against an employee in the terms and conditions of employment.

f. "Improper quality of patient care" means, with respect to patient care, any practice, procedure, action or failure to act of an employer that is a health care provider which violates any law or any rule, regulation or declaratory ruling adopted pursuant to law, or any professional code of ethics.

g. “Bi-state authority” means the Port Authority of New York and New Jersey, the Delaware River Port Authority, the Delaware River and Bay Authority, and the Delaware River Joint Toll Bridge Commission.

(cf: P.L.1997, c.98, s.1)

2. Section 5 of P.L.1986, c.105 (C.34:19-5) is amended to read as follows:

5. Upon a violation of any of the provisions of **[**this act**]** P.L.1986, c.105 (C.34:19-1 et seq.), an aggrieved employee or former employee may, within one year, institute a civil action in a court of competent jurisdiction. Upon the application of any party, a jury trial shall be directed to try the validity of any claim under **[**this act**]** P.L.1986, c.105 (C.34:19-1 et seq.) specified in the suit. All remedies available in common law tort actions shall be available to prevailing plaintiffs. These remedies are in addition to any legal or equitable relief provided by **[**this act**]** P.L.1986, c.105 (C.34:19-1 et seq.) or any other statute. The court shall also order, where appropriate and to the fullest extent possible:

a. An injunction to restrain any violation of **[**this act**]** P.L.1986, c.105 (C.34:19-1 et seq.) which is continuing at the time that the court issues its order;

b. The reinstatement of the employee to the same position held before the retaliatory action, or to an equivalent position;

c. The reinstatement of full fringe benefits and seniority rights of the employee;

d. **[**The compensation**]** (1) Compensation to the employee for all lost wages, benefits and other remuneration; or

(2) With respect to an employee or former employee of an authority, compensation in twice the amount of all lost wages, benefits, and other remuneration; and

e. The payment by the employer to the employee of reasonable costs, and attorney's fees.

In addition, the court or jury may order: the assessment of a civil fine of not more than $10,000 for the first violation of **[**the act**]** P.L.1986, c.105 (C.34:19-1 et seq.) and not more than $20,000 for each subsequent violation, which shall be paid to the State Treasurer for deposit in the General Fund; with respect to an

authority, the assessment of a civil fine of not more than $25,000 for the first violation of the P.L.1986, c.105 (C.34:19-1 et seq.) and not more than $50,000 for each subsequent violation, which shall be paid to the State Treasurer for deposit in the General Fund; punitive damages; or both a civil fine and punitive damages. In determining the amount of punitive damages, the court or jury shall consider not only the amount of compensatory damages awarded to the employee, but also the amount of all damages caused to shareholders, investors, clients, patients, customers, employees, former employees, retirees or pensioners of the employer, or to the public or any governmental entity, by the activities, policies, or practices of the employer which the employee disclosed, threatened to disclose, provided testimony regarding, objected to, or refused to participate in.
(cf: P.L.2005, c.329, s.2)

3. Section 1 of P.L.1995, c.23 (C.47:1A-1.1) is amended to read as follows:

1. As used in P.L.1963, c.73 (C.47:1A-1 et seq.) as amended and supplemented:

"Biotechnology" means any technique that uses living organisms, or parts of living organisms, to make or modify products, to improve plants or animals, or to develop micro-organisms for specific uses; including the industrial use of recombinant DNA, cell fusion, and novel bioprocessing techniques.

"Custodian of a government record" or "custodian" means in the case of a municipality, the municipal clerk and in the case of any other public agency, the officer officially designated by formal action of that agency's director or governing body, as the case may be.

"Government record" or "record" means any paper, written or printed book, document, drawing, map, plan, photograph, microfilm, data processed or image processed document, information stored or maintained electronically or by sound-recording or in a similar device, or any copy thereof, that has been made, maintained or kept on file in the course of his or its official business by any officer, commission, agency or authority of the State or of any political subdivision thereof, including subordinate boards thereof, or of the Port Authority of New York and New Jersey, Delaware River Port Authority, Delaware River and Bay Authority, or Delaware River Joint Toll Bridge Commission, or that has been received in the course of his or its official business by any such officer, commission, agency, or authority of the State or of any political subdivision thereof, including subordinate boards thereof, or of the Port Authority of New York and New Jersey, Delaware River Port Authority, Delaware River and Bay Authority, or Delaware River Joint Toll Bridge Commission. The terms shall not

include inter-agency or intra-agency advisory, consultative, or deliberative material.

A government record shall not include the following information which is deemed to be confidential for the purposes of P.L.1963, c.73 (C.47:1A-1 et seq.) as amended and supplemented:

information received by a member of the Legislature from a constituent or information held by a member of the Legislature concerning a constituent, including but not limited to information in written form or contained in any e-mail or computer data base, or in any telephone record whatsoever, unless it is information the constituent is required by law to transmit;

any memorandum, correspondence, notes, report or other communication prepared by, or for, the specific use of a member of the Legislature in the course of the member's official duties, except that this provision shall not apply to an otherwise publicly-accessible report which is required by law to be submitted to the Legislature or its members;

any copy, reproduction or facsimile of any photograph, negative or print, including instant photographs and videotapes of the body, or any portion of the body, of a deceased person, taken by or for the medical examiner at the scene of death or in the course of a post mortem examination or autopsy made by or caused to be made by the medical examiner except:

when used in a criminal action or proceeding in this State which relates to the death of that person,

for the use as a court of this State permits, by order after good cause has been shown and after written notification of the request for the court order has been served at least five days before the order is made upon the county prosecutor for the county in which the post mortem examination or autopsy occurred,

for use in the field of forensic pathology or for use in medical or scientific education or research, or

for use by any law enforcement agency in this State or any other state or federal law enforcement agency;

criminal investigatory records;

victims' records, except that a victim of a crime shall have access to the victim's own records;

any written request by a crime victim for a record to which the victim is entitled to access as provided in this section, including, but not limited to, any law enforcement agency report, domestic violence offense report, and temporary or permanent restraining order;

personal firearms records, except for use by any person authorized by law to have access to these records or for use by any government agency, including any court or law enforcement agency, for purposes of the administration of justice;

personal identifying information received by the Division of Fish and Wildlife in the Department of Environmental Protection in

connection with the issuance of any license authorizing hunting with a firearm. For the purposes of this paragraph, personal identifying information shall include, but not be limited to, identity, name, address, social security number, telephone number, fax number, driver's license number, email address, or social media address of any applicant or licensee;

trade secrets and proprietary commercial or financial information obtained from any source. For the purposes of this paragraph, trade secrets shall include data processing software obtained by a public body under a licensing agreement which prohibits its disclosure;

any record within the attorney-client privilege. This paragraph shall not be construed as exempting from access attorney or consultant bills or invoices except that such bills or invoices may be redacted to remove any information protected by the attorney-client privilege;

administrative or technical information regarding computer hardware, software and networks which, if disclosed, would jeopardize computer security;

emergency or security information or procedures for any buildings or facility which, if disclosed, would jeopardize security of the building or facility or persons therein;

security measures and surveillance techniques which, if disclosed, would create a risk to the safety of persons, property, electronic data or software;

information which, if disclosed, would give an advantage to competitors or bidders;

information generated by or on behalf of public employers or public employees in connection with any sexual harassment complaint filed with a public employer or with any grievance filed by or against an individual or in connection with collective negotiations, including documents and statements of strategy or negotiating position;

information which is a communication between a public agency and its insurance carrier, administrative service organization or risk management office;

information which is to be kept confidential pursuant to court order;

any copy of form DD-214, or that form, issued by the United States Government, or any other certificate of honorable discharge, or copy thereof, from active service or the reserves of a branch of the Armed Forces of the United States, or from service in the organized militia of the State, that has been filed by an individual with a public agency, except that a veteran or the veteran's spouse or surviving spouse shall have access to the veteran's own records;

any copy of an oath of allegiance, oath of office or any affirmation taken upon assuming the duties of any public office, or that oath or affirmation, taken by a current or former officer or employee in any public office or position in this State or in any

county or municipality of this State, including members of the Legislative Branch, Executive Branch, Judicial Branch, and all law enforcement entities, except that the full name, title, and oath date of that person contained therein shall not be deemed confidential; and

that portion of any document which discloses the social security number, credit card number, unlisted telephone number or driver license number of any person; except for use by any government agency, including any court or law enforcement agency, in carrying out its functions, or any private person or entity acting on behalf thereof, or any private person or entity seeking to enforce payment of court-ordered child support; except with respect to the disclosure of driver information by the New Jersey Motor Vehicle Commission as permitted by section 2 of P.L.1997, c.188 (C.39:2-3.4); and except that a social security number contained in a record required by law to be made, maintained or kept on file by a public agency shall be disclosed when access to the document or disclosure of that information is not otherwise prohibited by State or federal law, regulation or order or by State statute, resolution of either or both houses of the Legislature, Executive Order of the Governor, rule of court or regulation promulgated under the authority of any statute or executive order of the Governor.

A government record shall not include, with regard to any public institution of higher education, the following information which is deemed to be privileged and confidential:

pedagogical, scholarly and/or academic research records and/or the specific details of any research project conducted under the auspices of a public higher education institution in New Jersey, including, but not limited to research, development information, testing procedures, or information regarding test participants, related to the development or testing of any pharmaceutical or pharmaceutical delivery system, except that a custodian may not deny inspection of a government record or part thereof that gives the name, title, expenditures, source and amounts of funding and date when the final project summary of any research will be available;

test questions, scoring keys and other examination data pertaining to the administration of an examination for employment or academic examination;

records of pursuit of charitable contributions or records containing the identity of a donor of a gift if the donor requires non-disclosure of the donor's identity as a condition of making the gift provided that the donor has not received any benefits of or from the institution of higher education in connection with such gift other than a request for memorialization or dedication;

valuable or rare collections of books and/or documents obtained by gift, grant, bequest or devise conditioned upon limited public access;

information contained on individual admission applications; and

information concerning student records or grievance or disciplinary proceedings against a student to the extent disclosure would reveal the identity of the student.

"Personal firearms record" means any information contained in a background investigation conducted by the chief of police, the county prosecutor, or the Superintendent of State Police, of any applicant for a permit to purchase a handgun, firearms identification card license, or firearms registration; any application for a permit to purchase a handgun, firearms identification card license, or firearms registration; any document reflecting the issuance or denial of a permit to purchase a handgun, firearms identification card license, or firearms registration; and any permit to purchase a handgun, firearms identification card license, or any firearms license, certification, certificate, form of register, or registration statement. For the purposes of this paragraph, information contained in a background investigation shall include, but not be limited to, identity, name, address, social security number, phone number, fax number, driver's license number, email address, social media address of any applicant, licensee, registrant or permit holder.

"Public agency" or "agency" means any of the principal departments in the Executive Branch of State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department; the Legislature of the State and any office, board, bureau or commission within or created by the Legislative Branch; **[**and**]** any independent State authority, commission, instrumentality or agency<u>; and the Port Authority of New York and New Jersey, Delaware River Port Authority, Delaware River and Bay Authority, or Delaware River Joint Toll Bridge Commission</u>. The terms also mean any political subdivision of the State or combination of political subdivisions, and any division, board, bureau, office, commission or other instrumentality within or created by a political subdivision of the State or combination of political subdivisions, and any independent authority, commission, instrumentality or agency created by a political subdivision or combination of political subdivisions.

"Law enforcement agency" means a public agency, or part thereof, determined by the Attorney General to have law enforcement responsibilities.

"Constituent" means any State resident or other person communicating with a member of the Legislature.

"Member of the Legislature" means any person elected or selected to serve in the New Jersey Senate or General Assembly.

"Criminal investigatory record" means a record which is not required by law to be made, maintained or kept on file that is held by a law enforcement agency which pertains to any criminal investigation or related civil enforcement proceeding.

"Victim's record" means an individually-identifiable file or document held by a victims' rights agency which pertains directly to a victim of a crime except that a victim of a crime shall have access to the victim's own records.

"Victim of a crime" means a person who has suffered personal or psychological injury or death or incurs loss of or injury to personal or real property as a result of a crime, or if such a person is deceased or incapacitated, a member of that person's immediate family.

"Victims' rights agency" means a public agency, or part thereof, the primary responsibility of which is providing services, including but not limited to food, shelter, or clothing, medical, psychiatric, psychological or legal services or referrals, information and referral services, counseling and support services, or financial services to victims of crimes, including victims of sexual assault, domestic violence, violent crime, child endangerment, child abuse or child neglect, and the Victims of Crime Compensation **[**Board**]** Agency or the Victims of Crime Compensation Review Board, established pursuant to **[**P.L.1971, c.317 (C.52:4B-1 et seq.)**]** section 2 of P.L.2007, c.95 (C.52:4B-3.2).

(cf: P.L.2015, c.59, s.1)

4. (New section) The Governor is authorized to enter into a supplemental compact or agreement, on behalf of the State of New Jersey, with the State of New York amending the compact of April 30, 1921, between the states of New York and New Jersey, as amended and supplemented, creating the Port Authority of New York and New Jersey as set forth in sections 5 through 11 of P.L. , c. (C.) (pending before the legislature as this bill).

5. (New section) a. The Port Authority of New York and New Jersey shall adopt a code of ethics applicable to each officer, director, and employee of the port authority that, at a minimum, includes the applicable standards established in the ethics law of both states.

b. Every officer, director, and employee of the port authority shall participate in training approved by the authority’s Inspector General regarding the member’s ethical responsibilities.

6. (New section) a. Every member of the Port Authority of New York and New Jersey’s Board of Commissioners shall perform each of their duties as a board member in good faith and with that degree of diligence, care, and skill which an ordinarily prudent person in like position would exercise under similar circumstances, and may take into consideration the views and policies of any elected official or body, or other person, and ultimately apply independent judgment in the best interest of the authority, its mission, and the public.

b. At the time that the board member takes and subscribes the oath of office, or within 60 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) if the board member has already taken and subscribed the oath of office, execute an acknowledgement in which the board member acknowledges that the board member understands the board member's role, and fiduciary responsibilities as set forth in this section, and acknowledges that the board member understands the board member's duty of loyalty and care to the organization and commitment to the port authority's mission and the public interest.

7. (New section) The Port Authority of New York and New Jersey shall be subject to the provisions of New York's Freedom of Information Law pursuant to NY Pub.Off.Law ss.84-90, and to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.), commonly known as the open public records act, as selected by the person or entity requesting the records.

8. (New section) The Port Authority of New York and New Jersey shall be required to implement the recommendations contained in any independent audit of the port authority. If the Board of Commissioners of the port authority determines that any recommendation contained in the independent audit cannot be reasonably implemented, the board may petition the governors of New York and New Jersey for approval to delay or omit the implementation of any recommendation. The governors shall be required to provide a written response to a petition within 30 days of receipt. If the port authority fails to implement a recommendation contained in an independent audit of the port authority and if it has not been granted approval by the governors of New York and New Jersey to delay or omit the recommendation, the port authority shall be prohibited from issuing any additional bonds or securities until the recommendation has been implemented or has been granted approval by the governors to omit or delay the recommendation.

9. (New section) The Port Authority of New York and New Jersey shall provide on its Internet website a copy of a sworn and duly notarized financial disclosure statement for each member of the Board of Commissioners of the port authority. Each statement shall include the following information:

a. the name and position of the commissioner;

b. any occupation, trade, business, profession, or employment engaged in by the commissioner;

c. a list of all assets having a value of more than $1,000, both tangible and intangible, in which a direct or indirect interest is held as of the date of the statement by the commissioner;

d. A list of all liabilities of the commissioner;

e. A list of all liabilities otherwise subject to disclosure which have been forgiven by the creditor within 12 months of the statement date;

f. A list of all sources of income of the commissioner, including all directorships or other fiduciary positions for which compensation has or will be claimed, all capital gains including a description of the individual sources of such gains, all contractual arrangements producing or expected to produce income, and all honoraria, lecture fees, gifts, and other cash or non-cash gratuities, and other miscellaneous sources of income including, but not limited to, interest, dividends royalties, and rents;

g. A list of any offices, trusteeships, directorships, or positions of any nature, whether compensated or uncompensated, held by the commissioner with any firm, corporation, association, partnership, or business; and

h. For every firm, corporation, association, partnership, or business from which the commissioner has received any compensation, a list of all clients who have paid the firm, corporation, association, partnership, or business more than $10,000.

Each statement shall contain a certification by the commissioner that the commissioner has read the statement, that to the best of the commissioner’s knowledge and belief it is true, correct, and complete, and that the commissioner has not transferred and will not transfer any asset, interest, or property for the purpose of concealing it from disclosure while retaining an equitable interest therein.

10. (New section) The employees of the Port Authority of New York and New Jersey shall be subject to the provisions of the "Conscientious Employee Protection Act," P.L.1986, c.105 (C.34:19-1 et seq.).

11. (New section) a. Within 60 days of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), there shall be established an Office of the Investigator General in, but not of, the Port Authority of New York and New Jersey. Notwithstanding this allocation, the office shall be independent of any supervision or control by the port authority, or the department or by any division, board, office, or other officer thereof. The Investigator General shall report directly to the Governor. The Investigator General shall submit requests for the budget of the office directly to the Governor who shall review the requests and forward them to the Division of Budget and Accounting in the Department of the Treasury;

b. The Office of the Investigator General shall be administered by the Investigator General. The Investigator General shall be appointed by the Governor with the advice and consent of the

Senate. The Investigator General shall be a person qualified by education, training, and prior work experience to direct the work of the office and to perform the duties and functions and fulfill the responsibilities of the position;

c. The Investigator General shall serve for one term of 10 years and until a successor is appointed and has qualified. No person who has served as Investigator General, including an unexpired term, shall again be eligible to serve in the Office of the Investigator General.

d. The Investigator General shall devote full time to the duties and responsibilities of the office and shall receive a salary as shall be provided pursuant to law.

e. During the term of office, the Investigator General may be removed by the Governor only for cause upon notice and opportunity to be heard.

f. A vacancy in the position of Investigator General due to a cause other than the expiration of the term shall be filled for the unexpired term only in the same manner as the original appointment.

g. A person who holds the position of Investigator General shall not be a candidate for, or hold, elective public office for a period of two years immediately following the termination of that person's service as Investigator General. No person who holds the position of Investigator General, or any position of employment as professional staff in the Office of Investigator General, while holding any such office or position, shall:

(1) be a candidate for election to, or hold, any elective public office or any office or position with any political party or club; or

(2) in connection with another individual's candidacy for public office, sign or authorize the use of that person's name in connection with political or campaign literature or material, or print, publish or distribute such political or campaign literature or material.

h. (1) The Office of the Investigator General shall be responsible for conducting, in accordance with subsection l. of this section, routine, periodic, and random audits of the port authority and for conducting assessments of the performance and management of programs of the port authority and the extent to which they are achieving their goals and objectives.

(2) The Investigator General shall establish the internal organizational structure of the office and the bureaus therein in a manner appropriate to carrying out the duties and functions, and fulfilling the responsibilities, of the office. The Investigator General shall have the power to appoint, employ, promote, and remove such assistants, employees, and personnel as the Investigator General deems necessary for the efficient and effective administration of the office. All office assistants, employees, and personnel shall be deemed confidential employees for purposes of the "New Jersey Employer-Employee Relations Act,"

P.L.1941, c.100 (C.34:13A-1 et seq.) and shall serve in the unclassified service of the Civil Service.

i. Within the limits of funds appropriated for such purposes, the Investigator General may obtain the services of certified public accountants, qualified management consultants, and other professionals necessary to independently perform the duties and functions of the office.

j. The Investigator General is authorized to call upon any department, office, or division of the port authority to provide any information, resources, or other assistance deemed necessary to discharge the duties and functions and to fulfill the responsibilities of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill). Each department, office, division of the port authority shall cooperate with the Investigator General and furnish the office with the assistance necessary to accomplish the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).

k. The Investigator General shall consolidate within the Office of the Investigator General the coordination of the internal and external audit functions, including but not limited to economy and efficiency audits in the port authority. The Investigator General is authorized to:

(1) establish a full-time program of audit and performance review, in accordance with subsection 1. of this section, designed to provide increased accountability, integrity, and oversight of the port authority; and

(2) audit and monitor the process of soliciting proposals for, and the process of awarding, contracts made by the port authority that involve a significant consideration or expenditure of funds or are comprised of complex or unique components, or both, as determined by the Investigator General.

l. (1) The Investigator General shall have all the powers necessary to carry out the duties and functions and to fulfill the responsibilities described in this section, including the power to conduct audits and reviews and propose and enforce remediation plans for the port authority, that are found by the Investigator General to have deficient practices or procedures.

(2) The Investigator General shall conduct audits and reviews in accordance with prevailing national and professional standards, rules, and practices relating to such audits and reviews in government environments, including the standards for performance reviews utilized by the United States Government Accountability Office or its successor, and the Investigator General shall ensure that the office remains in compliance with such standards, rules, and practices.

(3) The Investigator General shall undertake analysis and review of the certified financial audits of the port authority and of the procedures used to conduct those audits. When the Investigator

General's analysis and review identifies weaknesses, inadequacies, or failures in the port authority's financial controls or concerns about the quality or independence of the audits, the Investigator General shall be authorized to undertake a financial audit or such other steps as the Investigator General deems appropriate. In determining when to proceed with a financial audit, the Investigator General may also take into account information obtained pursuant to subsection q. of P.L. , c. (C.) (pending before the Legislature as this bill); referrals or recommendations from the port authority; and assessments or evaluations of the port authority's management, performance, or financial condition from federal or State government agencies.

m. The Investigator General shall establish objective criteria for undertaking performance and other reviews authorized by P.L. , c. (C.) (pending before the Legislature as this bill), which criteria shall weigh relevant risk factors, including, but not limited to:

(1) the size of the port authority's budget;

(2) the port authority's past performance;

(3) the frequency, scope, and quality of any audits or reviews that have been performed regarding the port authority's financial condition or performance;

(4) assessments or evaluations of the port authority's management, performance, or financial condition; and

(5) other credible information which suggests the necessity of a review.

n. The Investigator General shall provide guidance to units in the port authority that are required to engage outside auditors regarding procurement of their services, the rotation of the providers of such services, and the avoidance of possible conflicts of interest in the hiring of outside auditors.

o. In carrying out the duties, functions, and responsibilities of the Office of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill), the Investigator General shall not charge any costs incurred by the office against the port authority.

p. (1) The Investigator General shall establish a system that shall ensure that any officers and employees of the port authority who perform audits, investigations, and performance reviews similar or identical to those authorized to be performed by the Investigator General shall conduct their audits, investigations, and reviews with the consultation of, and in coordination and cooperation with, the Investigator General.

(2) For the purpose of establishing and maintaining this system, the Investigator General shall meet at periodic intervals, but at least four times annually, with the officers or employees of the port authority deemed necessary to perform audits, investigations, and performance reviews. The responsibility of all parties during these

meetings shall be to: facilitate communication and exchange information on completed, current, and future audits, investigations, and reviews; avoid duplication and fragmentation of efforts; optimize the use of resources; avoid divisiveness and organizational uncertainty; promote effective working relationships; and avoid the unnecessary expenditure of public funds.

(3) To further ensure the consultation of, and coordination and cooperation with, the Investigator General, the port authority shall promptly notify the Investigator General of any audits that have been submitted to them that reveal any significant deficiencies.

q. (1) In furtherance of the duty of the Investigator General to audit and monitor the process of soliciting proposals for, and the process of awarding, contracts by contracting units which contracts involve a significant consideration or expenditure of funds, the port authority shall provide notice to the Investigator General no later than 20 business days after the award of a contract involving consideration or an expenditure of more than $2,000,000 but less than $10,000,000.

(2) The port authority shall inform the Investigator General in writing, in a form to be determined by the Investigator General, of the commencement of any procurement process involving consideration or an expenditure of $10,000,000 or more at the earliest time practicable as the port authority commences the procurement process, but no later than the time the port authority commences preparation of: any bid specification or request for proposal; concession offering; proposal to purchase, sell, or lease real estate; or other related activities and contracts.

r. The Office of Investigator General shall have the power to issue subpoenas to compel attendance and testimony of persons and the production of books, papers, correspondence, and other documents. For this purpose, the office is empowered to administer oaths and examine witnesses under oath, and compel any person to produce at a specific time and place, by subpoena, any books, papers, correspondence, and other documents that the office reasonably believes may relate to the matter. If any person to whom a subpoena is issued fails to appear or, having appeared, refuses to give testimony, or fails to produce the books, papers, correspondence, and other documents, the office may apply to the Superior Court and the court may order the person to appear and give testimony or produce the books, papers, correspondence, and other documents as applicable. Failure to obey the court's order may be punishable as contempt of court.

s. (1) The Investigator General shall report the findings of audits and reviews performed by the office, and issue recommendations for corrective or remedial action, to the Governor, the President of the Senate, and the Speaker of the General Assembly. The port authority shall fully cooperate with the Investigator General to develop recommendations for a corrective

or remedial action plan. The Investigator General shall monitor the implementation of those recommendations and shall conduct a subsequent review to determine whether there has been full implementation and continued compliance with those recommendations.

(2) The Investigator General shall report promptly to the Governor, the President of the Senate, and the Speaker of the General Assembly if the port authority refuses to cooperate in development of a corrective or remediation plan or to comply with a plan.

(3) The Investigator General shall recommend that the Governor initiate disciplinary proceedings against any official or employee of the port authority who impedes an audit, or who fails or refuses to cooperate in the development of a corrective or remedial action plan or to comply with a plan. The Governor may cause an investigation to be made of the conduct of any such official or employee and may require such official to submit to the Governor a written statement or statements, under oath, of such information as the Governor may call for relating to the official's or the employee's conduct alleged by the Investigator General. After notice, the service of charges and an opportunity to be heard at public hearing, the Governor may remove any such official or employee for cause. Such official or employee shall have the right of judicial review, on both the law and the facts, in such manner as may be provided by law.

(4) The Investigator General shall provide periodic reports to the Governor, and shall issue an annual report to the Governor and submit that report to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), which shall be available to the public. The reports shall include but shall not be limited to the reporting of any programmatic deficiencies and weaknesses that the Investigator General's audits, investigations, and reviews have found, and detailing the efforts by, or the failure of, the port authority to implement a recommended plan for corrective or remedial action.

t. (1) The Investigator General is authorized to refer findings that may constitute alleged criminal conduct to the Attorney General of New Jersey or other appropriate prosecutorial authority. In the course of conducting audits and performance reviews, the Investigator General may refer matters for investigation to the Attorney General of New Jersey or other appropriate authorities for further civil or administrative action, with recommendations to initiate actions to recover monies, to terminate contracts, or temporarily or permanently debar any person from contracting with or receiving funds from the port authority.

(2) When the Investigator General refers a complaint alleging criminal conduct to the Attorney General of New Jersey or other appropriate prosecutorial authority and the Attorney General of New Jersey or prosecutorial authority decides not to investigate or

prosecute the matter, the Attorney General of New Jersey or the prosecutorial authority shall promptly notify the Investigator General. The Attorney General of New Jersey or the prosecutorial authority shall inform the Investigator General as to whether an investigation is ongoing with regard to any matter so referred. The Investigator General shall preserve the confidentiality of the existence of any ongoing criminal investigation.

Upon completion of an investigation or, in a case where the investigation leads to prosecution, upon completion of the prosecution, the Attorney General of New Jersey or the prosecutorial authority shall report promptly the findings and results to the Investigator General. In the course of informing the Investigator General, the Attorney General of New Jersey or prosecutorial authority shall give full consideration to the port authority, duties, functions, and responsibilities of the Investigator General, the public interest in disclosure, and the need for protecting the confidentiality of complainants and informants.

(3) The Investigator General shall maintain a record of all matters referred and the responses received and shall be authorized to disclose information received as appropriate and as may be necessary to resolve the matter referred, to the extent consistent with the public interest in disclosure and the need for protecting the confidentiality of complainants and informants and preserving the confidentiality of ongoing criminal investigations.

u. (1) The port authority shall provide full assistance and cooperation with any audit, performance review, or contract review by the Investigator General.

(2) The Investigator General shall have complete access to all records of the port authority, including all information deemed confidential by the port authority. Provided however, that any information deemed confidential, shall directly relate to a program or expenditure that is the subject of an audit, performance review, or contract review by the Investigator General, and provided further that if the port authority provides the Investigator General with access to information that is subject to a confidentiality agreement, the port authority shall promptly notify the parties to the agreement that the information is being provided to the Investigator General.

(3) Whenever a person requests access to a record that the Investigator General, during the course of an audit, investigation, performance review, or contract review obtained from the port authority, which record was open for public inspection, examination, or copying before the audit, investigation, or review commenced, the port authority shall comply with the request, provided that the request does not in any way identify the record sought by means of a reference to the Investigator General's audit or review or to an investigation by the Investigator General, including, but not limited to, a reference to a subpoena issued pursuant to such investigation.

(4) Private vendors or other persons contracting with or receiving funds from the port authority shall, upon request by the Investigator General, provide the Investigator General with prompt access to all relevant documents and information as a condition of the contract and receipt of public monies. The Investigator General shall not disclose any document or information to which access is provided that is confidential or proprietary. If the Investigator General finds that any person receiving funds from the port authority refuses to provide information upon the request of the Investigator General, or otherwise impedes or fails to cooperate with any audit or performance review, the Investigator General may recommend to the port authority that the person be subject to termination of their contract, or temporarily or permanently debarred from contracting with the port authority.

12. (New section) The Governor is authorized to apply, on behalf of the State of New Jersey, to the Congress of the United States for its consent and approval to the amendments to this compact or agreement provided in sections 4 through 11 of P.L. , c. (C.) (pending before the Legislature as this bill), but in the absence of such consent and approval, the Port Authority of New York and New Jersey referred to in such supplemental compact or agreement shall have all of the powers which the State of New York and the State of New Jersey may confer upon it without the consent and approval of Congress.

13. (New section) The Governor is authorized to enter into a supplemental compact or agreement, on behalf of the State of New Jersey, with the Commonwealth of Pennsylvania supplementing the compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey entitled "Agreement Between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Commission as a body corporate and politic and defining its powers and duties," as set forth in sections 14 through 20 of P.L. , c. (C.) (pending before the Legislature as this bill).

14. (New section) a. The Delaware River Port Authority shall adopt a code of ethics applicable to each officer, director, and employee of the port authority that, at a minimum, includes the applicable standards established in the ethics law of both states.

b. Every officer, director, and employee of the port authority shall participate in training approved by the port authority's Inspector General regarding the person's ethical responsibilities.

15. (New section) a. Every member of the Delaware River Port Authority's Board of Commissioners shall perform each of their duties as a board member in good faith and with that degree of

diligence, care, and skill which an ordinarily prudent person in similar position would exercise under similar circumstances, and may take into consideration the views and policies of any elected official or body, or other person, and ultimately apply independent judgment in the best interest of the port authority, its mission, and the public.

b. At the time that the board member takes and subscribes the oath of office, or within 60 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) if the board member has already taken and subscribed the oath of office, execute an acknowledgement in which the board member acknowledges that the board member understands the board member's role, and fiduciary responsibilities as set forth in this section, and acknowledges that the board member understands the board member's duty of loyalty and care to the organization and commitment to the port authority's mission and the public interest.

16. (New section) The Delaware River Port Authority shall be subject to the provisions of the Pennsylvania Right to Know Law pursuant to 65 P.S. s.67.101 et seq., and to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.), commonly known as the open public records act, as selected by the person or entity requesting the records.

17. (New section) The Delaware River Port Authority shall be required to implement the recommendations contained in any independent audit of the port authority. If the Board of Commissioners of the port authority determines that any recommendation contained in the independent audit cannot be reasonably implemented, the board may petition the governors of Pennsylvania and New Jersey for approval to delay or omit the implementation of any recommendation. The governors shall be required to provide a written response to a petition within 30 days of receipt. If the port authority fails to implement a recommendation contained in an independent audit of the port authority and if it has not been granted approval by the governors of Pennsylvania and New Jersey to delay or omit the recommendation, the port authority shall be prohibited from issuing any additional bonds or securities until the recommendation has been implemented or the port authority has been granted approval by the governors to omit or delay the recommendation.

18. (New section) The Delaware River Port Authority shall provide on its Internet website a copy of a sworn and duly notarized financial disclosure statement for each member of the Board of Commissioners of the port authority. Each statement shall include the following information:

a. the name and position of the commissioner;

b. any occupation, trade, business, profession, or employment engaged in by the commissioner;

c. a list of all assets having a value of more than $1,000, both tangible and intangible, in which a direct or indirect interest is held as of the date of the statement by the commissioner;

d. A list of all liabilities of the commissioner;

e. A list of all liabilities otherwise subject to disclosure which have been forgiven by the creditor within 12 months of the statement date;

f. A list of all sources of income of the commissioner, including all directorships or other fiduciary positions for which compensation has or will be claimed, all capital gains including a description of the individual sources of such gains, all contractual arrangements producing or expected to produce income, and all honoraria, lecture fees, gifts, and other cash or non-cash gratuities, and other miscellaneous sources of income including, but not limited to, interest, dividends royalties, and rents;

g. A list of any offices, trusteeships, directorships, or positions of any nature, whether compensated or uncompensated, held by the commissioner with any firm, corporation, association, partnership, or business; and

h. For every firm, corporation, association, partnership, or business from which the commissioner has received any compensation, a list of all clients who have paid the firm, corporation, association, partnership, or business more than $10,000.

Each statement shall contain a certification by the commissioner that the commissioner has read the statement, that to the best of the commissioner's knowledge and belief it is true, correct, and complete and that the commissioner has not transferred and will not transfer any asset, interest, or property for the purpose of concealing it from disclosure while retaining an equitable interest therein.

19. (New section) The employees of the Delaware River Port Authority shall be subject to the provisions of the "Conscientious Employee Protection Act," P.L.1986, c.105 (C.34:19-1 et seq.).

20. (New section) a. Within 60 days of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), there shall be established an Office of the Investigator General in, but not of, the Delaware River Port Authority. Notwithstanding this allocation, the office shall be independent of any supervision or control by the port authority, or the department or by any division, board, office, or other officer thereof. The Investigator General shall report directly to the Governor. The Investigator General shall submit requests for the budget of the office directly to the Governor

who shall review the requests and forward them to the Division of Budget and Accounting in the Department of the Treasury;

b. The Office of the Investigator General shall be administered by the Investigator General. The Investigator General shall be appointed by the Governor with the advice and consent of the Senate. The Investigator General appointed pursuant to this new section may be the same person appointed by the Governor pursuant to subsection b. of section 38 of P.L. , c. (C.) (pending before the Legislature as this bill) to perform the functions and duties of both positions. The Investigator General shall be a person qualified by education, training, and prior work experience to direct the work of the office and to perform the duties and functions and fulfill the responsibilities of the position;

c. The Investigator General shall serve for one term of 10 years and until a successor is appointed and has qualified. No person who has served as Investigator General, including an unexpired term, shall again be eligible to serve in the Office of the Investigator General.

d. The Investigator General shall devote full time to the duties and responsibilities of the office and shall receive a salary as shall be provided pursuant to law.

e. During the term of office, the Investigator General may be removed by the Governor only for cause upon notice and opportunity to be heard.

f. A vacancy in the position of Investigator General due to a cause other than the expiration of the term shall be filled for the unexpired term only in the same manner as the original appointment.

g. A person who holds the position of Investigator General shall not be a candidate for, or hold, elective public office for a period of two years immediately following the termination of that person's service as Investigator General. No person who holds the position of Investigator General, or any position of employment as professional staff in the Office of Investigator General, while holding any such office or position, shall:

(1) be a candidate for election to, or hold, any elective public office or any office or position with any political party or club; or

(2) in connection with another individual's candidacy for public office, sign or authorize the use of that person's name in connection with political or campaign literature or material, or print, publish or distribute such political or campaign literature or material.

h. (1) The Office of the Investigator General shall be responsible for conducting, in accordance with subsection l. of this subsection, routine, periodic, and random audits of the port authority and for conducting assessments of the performance and management of programs of the port authority and the extent to which they are achieving their goals and objectives.

(2) The Investigator General shall establish the internal organizational structure of the office and the bureaus therein in a manner appropriate to carrying out the duties and functions, and fulfilling the responsibilities, of the office. The Investigator General shall have the power to appoint, employ, promote, and remove such assistants, employees, and personnel as the Investigator General deems necessary for the efficient and effective administration of the office. All office assistants, employees, and personnel shall be deemed confidential employees for purposes of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.) and shall serve in the unclassified service of the Civil Service.

i. Within the limits of funds appropriated for such purposes, the Investigator General may obtain the services of certified public accountants, qualified management consultants, and other professionals necessary to independently perform the duties and functions of the office.

j. The Investigator General is authorized to call upon any department, office, or division of the port authority to provide any information, resources, or other assistance deemed necessary to discharge the duties and functions and to fulfill the responsibilities of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill). Each department, office, division of the port authority shall cooperate with the Investigator General and furnish the office with the assistance necessary to accomplish the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).

k. The Investigator General shall consolidate within the Office of the Investigator General the coordination of the internal and external audit functions, including but not limited to economy and efficiency audits in the port authority. The Investigator General is authorized to:

(1) establish a full-time program of audit and performance review, in accordance with subsection l. of this section, designed to provide increased accountability, integrity, and oversight of the port authority; and

(2) audit and monitor the process of soliciting proposals for, and the process of awarding, contracts made by the port authority that involve a significant consideration or expenditure of funds or are comprised of complex or unique components, or both, as determined by the Investigator General.

l. (1) The Investigator General shall have all the powers necessary to carry out the duties and functions and to fulfill the responsibilities described in this section, including the power to conduct audits and reviews and propose and enforce remediation plans for the port authority, that are found by the Investigator General to have deficient practices or procedures.

(2) The Investigator General shall conduct audits and reviews in accordance with prevailing national and professional standards, rules, and practices relating to such audits and reviews in government environments, including the standards for performance reviews utilized by the United States Government Accountability Office or its successor, and the Investigator General shall ensure that the office remains in compliance with such standards, rules, and practices.

(3) The Investigator General shall undertake analysis and review of the certified financial audits of the port authority and of the procedures used to conduct those audits. When the Investigator General's analysis and review identifies weaknesses, inadequacies, or failures in the port authority's financial controls or concerns about the quality or independence of the audits, the Investigator General shall be authorized to undertake a financial audit or such other steps as the Investigator General deems appropriate. In determining when to proceed with a financial audit, the Investigator General may also take into account information obtained pursuant to subsection q. of P.L. , c. (C.) (pending before the Legislature as this bill); referrals or recommendations from the port authority; and assessments or evaluations of the port authority's management, performance, or financial condition from federal or State government agencies.

m. The Investigator General shall establish objective criteria for undertaking performance and other reviews authorized by P.L. , c. (C.) (pending before the Legislature as this bill), which criteria shall weigh relevant risk factors, including, but not limited to:

(1) the size of the port authority's budget;

(2) the port authority's past performance;

(3) the frequency, scope, and quality of any audits or reviews that have been performed regarding the port authority's financial condition or performance;

(4) assessments or evaluations of the port authority's management, performance, or financial condition; and

(5) other credible information which suggests the necessity of a review.

n. The Investigator General shall provide guidance to units in the port authority that are required to engage outside auditors regarding procurement of their services, the rotation of the providers of such services, and the avoidance of possible conflicts of interest in the hiring of outside auditors.

o. In carrying out the duties, functions, and responsibilities of the Office of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill), the Investigator General shall not charge any costs incurred by the office against the port authority.

p. (1) The Investigator General shall establish a system that shall ensure that any officers and employees of the port authority who perform audits, investigations, and performance reviews similar or identical to those authorized to be performed by the Investigator General shall conduct their audits, investigations, and reviews with the consultation of, and in coordination and cooperation with, the Investigator General.

(2) For the purpose of establishing and maintaining this system, the Investigator General shall meet at periodic intervals, but at least four times annually, with the officers or employees of the port authority deemed necessary to perform audits, investigations, and performance reviews. The responsibility of all parties during these meetings shall be to: facilitate communication and exchange information on completed, current, and future audits, investigations, and reviews; avoid duplication and fragmentation of efforts; optimize the use of resources; avoid divisiveness and organizational uncertainty; promote effective working relationships; and avoid the unnecessary expenditure of public funds.

(3) To further ensure the consultation of, and coordination and cooperation with, the Investigator General, the port authority shall promptly notify the Investigator General of any audits that have been submitted to them that reveal any significant deficiencies.

q. (1) In furtherance of the duty of the Investigator General to audit and monitor the process of soliciting proposals for, and the process of awarding, contracts by contracting units which contracts involve a significant consideration or expenditure of funds, the port authority shall provide notice to the Investigator General no later than 20 business days after the award of a contract involving consideration or an expenditure of more than $2,000,000 but less than $10,000,000.

(2) The port authority shall inform the Investigator General in writing, in a form to be determined by the Investigator General, of the commencement of any procurement process involving consideration or an expenditure of $10,000,000 or more at the earliest time practicable as the port authority commences the procurement process, but no later than the time the port authority commences preparation of: any bid specification or request for proposal; concession offering; proposal to purchase, sell, or lease real estate; or other related activities and contracts.

r. The Office of Investigator General shall have the power to issue subpoenas to compel attendance and testimony of persons and the production of books, papers, correspondence, and other documents. For this purpose, the office is empowered to administer oaths and examine witnesses under oath, and compel any person to produce at a specific time and place, by subpoena, any books, papers, correspondence, and other documents that the office reasonably believes may relate to the matter. If any person to whom a subpoena is issued fails to appear or, having appeared,

refuses to give testimony, or fails to produce the books, papers, correspondence, and other documents, the office may apply to the Superior Court and the court may order the person to appear and give testimony or produce the books, papers, correspondence, and other documents as applicable. Failure to obey the court's order may be punishable as contempt of court.

s. (1) The Investigator General shall report the findings of audits and reviews performed by the office, and issue recommendations for corrective or remedial action, to the Governor, the President of the Senate, and the Speaker of the General Assembly. The port authority shall fully cooperate with the Investigator General to develop recommendations for a corrective or remedial action plan. The Investigator General shall monitor the implementation of those recommendations and shall conduct a subsequent review to determine whether there has been full implementation and continued compliance with those recommendations.

(2) The Investigator General shall report promptly to the Governor, the President of the Senate, and the Speaker of the General Assembly if the port authority refuses to cooperate in development of a corrective or remediation plan or to comply with a plan.

(3) The Investigator General shall recommend that the Governor initiate disciplinary proceedings against any official or employee of the port authority who impedes an audit, or who fails or refuses to cooperate in the development of a corrective or remedial action plan or to comply with a plan. The Governor may cause an investigation to be made of the conduct of any such official or employee and may require such official to submit to the Governor a written statement or statements, under oath, of such information as the Governor may call for relating to the official's or the employee's conduct alleged by the Investigator General. After notice, the service of charges and an opportunity to be heard at public hearing, the Governor may remove any such official or employee for cause. Such official or employee shall have the right of judicial review, on both the law and the facts, in such manner as may be provided by law.

(4) The Investigator General shall provide periodic reports to the Governor, and shall issue an annual report to the Governor and submit that report to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), which shall be available to the public. The reports shall include but shall not be limited to the reporting of any programmatic deficiencies and weaknesses that the Investigator General's audits, investigations, and reviews have found, and detailing the efforts by, or the failure of, the port authority to implement a recommended plan for corrective or remedial action.

t. (1) The Investigator General is authorized to refer findings that may constitute alleged criminal conduct to the Attorney

General of New Jersey or other appropriate prosecutorial authority. In the course of conducting audits and performance reviews, the Investigator General may refer matters for investigation to the Attorney General of New Jersey or other appropriate authorities for further civil or administrative action, with recommendations to initiate actions to recover monies, to terminate contracts, or temporarily or permanently debar any person from contracting with or receiving funds from the port authority.

(2) When the Investigator General refers a complaint alleging criminal conduct to the Attorney General of New Jersey or other appropriate prosecutorial authority and the Attorney General of New Jersey or prosecutorial authority decides not to investigate or prosecute the matter, the Attorney General of New Jersey or the prosecutorial authority shall promptly notify the State Comptroller and the State Inspector General. The Attorney General of New Jersey or the prosecutorial authority shall inform the Investigator General as to whether an investigation is ongoing with regard to any matter so referred. The Investigator General shall preserve the confidentiality of the existence of any ongoing criminal investigation.

Upon completion of an investigation or, in a case where the investigation leads to prosecution, upon completion of the prosecution, the Attorney General of New Jersey or the prosecutorial authority shall report promptly the findings and results to the Investigator General. In the course of informing the Investigator General, the Attorney General of New Jersey or prosecutorial authority shall give full consideration to the port authority, duties, functions, and responsibilities of the Investigator General, the public interest in disclosure, and the need for protecting the confidentiality of complainants and informants.

(3) The Investigator General shall maintain a record of all matters referred and the responses received and shall be authorized to disclose information received as appropriate and as may be necessary to resolve the matter referred, to the extent consistent with the public interest in disclosure and the need for protecting the confidentiality of complainants and informants and preserving the confidentiality of ongoing criminal investigations.

u. (1) The port authority shall provide full assistance and cooperation with any audit, performance review, or contract review by the Investigator General.

(2) The Investigator General shall have complete access to all records of the port authority, including all information deemed confidential by the port authority. Provided however, that any information deemed confidential, shall directly relate to a program or expenditure that is the subject of an audit, performance review, or contract review by the Investigator General, and provided further that if the port authority provides the Investigator General with access to information that is subject to a confidentiality agreement,

the port authority shall promptly notify the parties to the agreement that the information is being provided to the Investigator General.

(3) Whenever a person requests access to a record that the Investigator General, during the course of an audit, investigation, performance review, or contract review obtained from the port authority, which record was open for public inspection, examination, or copying before the audit, investigation, or review commenced, the port authority shall comply with the request, provided that the request does not in any way identify the record sought by means of a reference to the Investigator General's audit or review or to an investigation by the Investigator General, including, but not limited to, a reference to a subpoena issued pursuant to such investigation.

(4) Private vendors or other persons contracting with or receiving funds from the port authority shall, upon request by the Investigator General, provide the Investigator General with prompt access to all relevant documents and information as a condition of the contract and receipt of public monies. The Investigator General shall not disclose any document or information to which access is provided that is confidential or proprietary. If the Investigator General finds that any person receiving funds from the port authority refuses to provide information upon the request of the Investigator General, or otherwise impedes or fails to cooperate with any audit or performance review, the Investigator General may recommend to the port authority that the person be subject to termination of their contract, or temporarily or permanently debarred from contracting with the port authority.

21. (New section) The Governor is authorized to apply, on behalf of the State of New Jersey, to the Congress of the United States for its consent and approval to the amendments to this compact or agreement provided in sections 13 through 20 of P.L. , c. (C.) (pending before the Legislature as this bill), but in the absence of such consent and approval, the Delaware River Joint Commission shall have all of the powers which the Commonwealth of Pennsylvania and the State of New Jersey may confer upon it without the consent and approval of Congress.

22. (New Section) The Governor is authorized to enter into a supplemental compact or agreement, on behalf of the State of New Jersey, with the State of Delaware supplementing the compact or agreement between the State of Delaware and the State of New Jersey known as the “Delaware-New Jersey Compact,” as set forth in sections 23 through 29 of P.L. , c. (C.) (pending before the legislature as this bill).

23. (New section) a. The Delaware River and Bay Authority shall adopt a code of ethics applicable to each officer, director, and

employee of the authority that, at a minimum, includes the applicable standards established in the ethics law of both states.

b. Every officer, director, and employee of the authority shall participate in training approved by the authority's Inspector General regarding the person's ethical responsibilities.

24. (New section) a. Every member of the Delaware River and Bay Authority's Board of Commissioners shall perform each of their duties as a board member in good faith and with that degree of diligence, care, and skill which an ordinarily prudent person in similar position would exercise under similar circumstances, and may take into consideration the views and policies of any elected official or body, or other person, and ultimately apply independent judgment in the best interest of the authority, its mission, and the public.

b. At the time that the board member takes and subscribes the oath of office, or within 60 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) if the board member has already taken and subscribed the oath of office, execute an acknowledgement in which the board member acknowledges that the board member understands the board member's role, and fiduciary responsibilities as set forth in this section, and acknowledges that the board member understands the board member's duty of loyalty and care to the organization and commitment to the authority's mission and the public interest.

25. (New section) The Delaware River and Bay Authority shall be subject to the provisions of Delaware's Freedom of Information Act, 29 Del. Code, Chapter 100, and to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.), commonly known as the open public records act, as selected by the person or entity requesting the records.

26. (New section) The Delaware River and Bay Authority shall be required to implement the recommendations contained in any independent audit of the authority. If the Board of Commissioners of the authority determines that any recommendation contained in the independent audit cannot be reasonably implemented, the board may petition the governors of Delaware and New Jersey for approval to delay or omit the implementation of any recommendation. The governors shall be required to provide a written response to a petition within 30 days of receipt. If the authority fails to implement a recommendation contained in an independent audit of the authority and if it has not been granted approval by the governors of Delaware and New Jersey to delay or omit the recommendation, the authority shall be prohibited from issuing any additional bonds or securities until the recommendation

has been implemented or the authority has been granted approval by the governors to omit or delay the recommendation.

27. (New section) The Delaware River and Bay Authority shall provide on its Internet website a copy of a sworn and duly notarized financial disclosure statement for each member of the board of commissioners of the authority. Each statement shall include the following information:

a. the name and position of the commissioner;

b. any occupation, trade, business, profession, or employment engaged in by the commissioner;

c. a list of all assets having a value of more than $1,000, both tangible and intangible, in which a direct or indirect interest is held as of the date of the statement by the commissioner;

d. A list of all liabilities of the commissioner;

e. A list of all liabilities otherwise subject to disclosure which have been forgiven by the creditor within 12 months of the statement date;

f. A list of all sources of income of the commissioner, including all directorships or other fiduciary positions for which compensation has or will be claimed, all capital gains including a description of the individual sources of such gains, all contractual arrangements producing or expected to produce income, and all honoraria, lecture fees, gifts, and other cash or non-cash gratuities, and other miscellaneous sources of income including, but not limited to, interest, dividends royalties, and rents;

g. A list of any offices, trusteeships, directorships, or positions of any nature, whether compensated or uncompensated, held by the commissioner with any firm, corporation, association, partnership, or business; and

h. For every firm, corporation, association, partnership, or business from which the commissioner has received any compensation, a list of all clients who have paid the firm, corporation, association, partnership, or business more than $10,000.

Each statement shall contain a certification by the commissioner that the commissioner has read the statement, that to the best of the commissioner’s knowledge and belief it is true, correct, and complete, and that the commissioner has not transferred and will not transfer any asset, interest, or property for the purpose of concealing it from disclosure while retaining an equitable interest therein.

28. (New section) The employees of the Delaware River and Bay Authority shall be subject to the provisions of the "Conscientious Employee Protection Act," P.L.1986, c.105 (C.34:19-1 et seq.).

29. (New section) a. Within 60 days of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), there shall be established an Office of the Investigator General in, but not of, the Delaware River and Bay Authority. Notwithstanding this allocation, the office shall be independent of any supervision or control by the authority, or the department or by any division, board, office, or other officer thereof. The Investigator General shall report directly to the Governor. The Investigator General shall submit requests for the budget of the office directly to the Governor who shall review the requests and forward them to the Division of Budget and Accounting in the Department of the Treasury;

b. The Office of the Investigator General shall be administered by the Investigator General. The Investigator General shall be appointed by the Governor with the advice and consent of the Senate. The Investigator General shall be a person qualified by education, training, and prior work experience to direct the work of the office and to perform the duties and functions and fulfill the responsibilities of the position;

c. The Investigator General shall serve for one term of 10 years and until a successor is appointed and has qualified. No person who has served as Investigator General, including an unexpired term, shall again be eligible to serve in the Office of the Investigator General.

d. The Investigator General shall devote full time to the duties and responsibilities of the office and shall receive a salary as shall be provided pursuant to law.

e. During the term of office, the Investigator General may be removed by the Governor only for cause upon notice and opportunity to be heard.

f. A vacancy in the position of Investigator General due to a cause other than the expiration of the term shall be filled for the unexpired term only in the same manner as the original appointment.

g. A person who holds the position of Investigator General shall not be a candidate for, or hold, elective public office for a period of two years immediately following the termination of that person's service as Investigator General. No person who holds the position of Investigator General, or any position of employment as professional staff in the Office of Investigator General, while holding any such office or position, shall:

(1) be a candidate for election to, or hold, any elective public office or any office or position with any political party or club; or

(2) in connection with another individual's candidacy for public office, sign or authorize the use of that person's name in connection with political or campaign literature or material, or print, publish or distribute such political or campaign literature or material.

h. (1) The Office of the Investigator General shall be responsible for conducting, in accordance with subsection l. of this

section, routine, periodic, and random audits of the authority and for conducting assessments of the performance and management of programs of the authority and the extent to which they are achieving their goals and objectives.

(2) The Investigator General shall establish the internal organizational structure of the office and the bureaus therein in a manner appropriate to carrying out the duties and functions, and fulfilling the responsibilities, of the office. The Investigator General shall have the power to appoint, employ, promote, and remove such assistants, employees, and personnel as the Investigator General deems necessary for the efficient and effective administration of the office. All office assistants, employees, and personnel shall be deemed confidential employees for purposes of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.) and shall serve in the unclassified service of the Civil Service.

i. Within the limits of funds appropriated for such purposes, the Investigator General may obtain the services of certified public accountants, qualified management consultants, and other professionals necessary to independently perform the duties and functions of the office.

j. The Investigator General is authorized to call upon any department, office, or division of the authority to provide any information, resources, or other assistance deemed necessary to discharge the duties and functions and to fulfill the responsibilities of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill). Each department, office, division of the authority shall cooperate with the Investigator General and furnish the office with the assistance necessary to accomplish the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).

k. The Investigator General shall consolidate within the Office of the Investigator General the coordination of the internal and external audit functions, including but not limited to economy and efficiency audits in the authority. The Investigator General is authorized to:

(1) establish a full-time program of audit and performance review, in accordance with subsection l. of this section, designed to provide increased accountability, integrity, and oversight of the authority; and

(2) audit and monitor the process of soliciting proposals for, and the process of awarding, contracts made by the authority that involve a significant consideration or expenditure of funds or are comprised of complex or unique components, or both, as determined by the Investigator General.

l. (1) The Investigator General shall have all the powers necessary to carry out the duties and functions and to fulfill the responsibilities described in this section, including the power to

conduct audits and reviews and propose and enforce remediation plans for the authority, that are found by the Investigator General to have deficient practices or procedures.

(2) The Investigator General shall conduct audits and reviews in accordance with prevailing national and professional standards, rules, and practices relating to such audits and reviews in government environments, including the standards for performance reviews utilized by the United States Government Accountability Office or its successor, and the Investigator General shall ensure that the office remains in compliance with such standards, rules, and practices.

(3) The Investigator General shall undertake analysis and review of the certified financial audits of the authority and of the procedures used to conduct those audits. When the Investigator General's analysis and review identifies weaknesses, inadequacies, or failures in the authority's financial controls or concerns about the quality or independence of the audits, the Investigator General shall be authorized to undertake a financial audit or such other steps as the Investigator General deems appropriate. In determining when to proceed with a financial audit, the Investigator General may also take into account information obtained pursuant to subsection q. of P.L. , c. (C.) (pending before the Legislature as this bill); referrals or recommendations from the authority; and assessments or evaluations of the authority's management, performance, or financial condition from federal or State government agencies.

m. The Investigator General shall establish objective criteria for undertaking performance and other reviews authorized by P.L. , c. (C.) (pending before the Legislature as this bill), which criteria shall weigh relevant risk factors, including, but not limited to:

(1) the size of the authority's budget;

(2) the authority's past performance;

(3) the frequency, scope, and quality of any audits or reviews that have been performed regarding the authority's financial condition or performance;

(4) assessments or evaluations of the authority's management, performance, or financial condition; and

(5) other credible information which suggests the necessity of a review.

n. The Investigator General shall provide guidance to units in the authority that are required to engage outside auditors regarding procurement of their services, the rotation of the providers of such services, and the avoidance of possible conflicts of interest in the hiring of outside auditors.

o. In carrying out the duties, functions and responsibilities of the Office of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill), the Investigator

General shall not charge any costs incurred by the office against the authority.

p. (1) The Investigator General shall establish a system that shall ensure that any officers and employees of the authority who perform audits, investigations, and performance reviews similar or identical to those authorized to be performed by the Investigator General shall conduct their audits, investigations, and reviews with the consultation of, and in coordination and cooperation with, the Investigator General.

(2) For the purpose of establishing and maintaining this system, the Investigator General shall meet at periodic intervals, but at least four times annually, with the officers or employees of the authority deemed necessary to perform audits, investigations, and performance reviews. The responsibility of all parties during these meetings shall be to: facilitate communication and exchange information on completed, current, and future audits, investigations, and reviews; avoid duplication and fragmentation of efforts; optimize the use of resources; avoid divisiveness and organizational uncertainty; promote effective working relationships; and avoid the unnecessary expenditure of public funds.

(3) To further ensure the consultation of, and coordination and cooperation with, the Investigator General, the authority shall promptly notify the Investigator General of any audits that have been submitted to them that reveal any significant deficiencies.

q. (1) In furtherance of the duty of the Investigator General to audit and monitor the process of soliciting proposals for, and the process of awarding, contracts by contracting units which contracts involve a significant consideration or expenditure of funds, the authority shall provide notice to the Investigator General no later than 20 business days after the award of a contract involving consideration or an expenditure of more than $2,000,000 but less than $10,000,000.

(2) The authority shall inform the Investigator General in writing, in a form to be determined by the Investigator General, of the commencement of any procurement process involving consideration or an expenditure of $10,000,000 or more at the earliest time practicable as the authority commences the procurement process, but no later than the time the authority commences preparation of: any bid specification or request for proposal; concession offering; proposal to purchase, sell, or lease real estate; or other related activities and contracts.

r. The Office of Investigator General shall have the power to issue subpoenas to compel attendance and testimony of persons and the production of books, papers, correspondence, and other documents. For this purpose, the office is empowered to administer oaths and examine witnesses under oath, and compel any person to produce at a specific time and place, by subpoena, any books, papers, correspondence, and other documents that the office

reasonably believes may relate to the matter. If any person to whom a subpoena is issued fails to appear or, having appeared, refuses to give testimony, or fails to produce the books, papers, correspondence, and other documents, the office may apply to the Superior Court and the court may order the person to appear and give testimony or produce the books, papers, correspondence, and other documents as applicable. Failure to obey the court's order may be punishable as contempt of court.

s. (1) The Investigator General shall report the findings of audits and reviews performed by the office, and issue recommendations for corrective or remedial action, to the Governor, the President of the Senate, and the Speaker of the General Assembly. The authority shall fully cooperate with the Investigator General to develop recommendations for a corrective or remedial action plan. The Investigator General shall monitor the implementation of those recommendations and shall conduct a subsequent review to determine whether there has been full implementation and continued compliance with those recommendations.

(2) The Investigator General shall report promptly to the Governor, the President of the Senate, and the Speaker of the General Assembly if the authority refuses to cooperate in development of a corrective or remediation plan or to comply with a plan.

(3) The Investigator General shall recommend that the Governor initiate disciplinary proceedings against any official or employee of the authority who impedes an audit, or who fails or refuses to cooperate in the development of a corrective or remedial action plan or to comply with a plan. The Governor may cause an investigation to be made of the conduct of any such official or employee and may require such official to submit to the Governor a written statement or statements, under oath, of such information as the Governor may call for relating to the official's or the employee's conduct alleged by the Investigator General. After notice, the service of charges and an opportunity to be heard at public hearing, the Governor may remove any such official or employee for cause. Such official or employee shall have the right of judicial review, on both the law and the facts, in such manner as may be provided by law.

(4) The Investigator General shall provide periodic reports to the Governor, and shall issue an annual report to the Governor and submit that report to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), which shall be available to the public. The reports shall include but shall not be limited to the reporting of any programmatic deficiencies and weaknesses that the Investigator General's audits, investigations, and reviews have found, and detailing the efforts by, or the failure of, the authority to implement a recommended plan for corrective or remedial action.

t. (1) The Investigator General is authorized to refer findings that may constitute alleged criminal conduct to the Attorney General of New Jersey or other appropriate prosecutorial authority. In the course of conducting audits and performance reviews, the Investigator General may refer matters for investigation to the Attorney General of New Jersey or other appropriate authorities for further civil or administrative action, with recommendations to initiate actions to recover monies, to terminate contracts, or temporarily or permanently debar any person from contracting with or receiving funds from the authority.

(2) When the Investigator General refers a complaint alleging criminal conduct to the Attorney General of New Jersey or other appropriate prosecutorial authority and the Attorney General of New Jersey or prosecutorial authority decides not to investigate or prosecute the matter, the Attorney General of New Jersey or the prosecutorial authority shall promptly notify the Investigator General. The Attorney General of New Jersey or the prosecutorial authority shall inform the Investigator General as to whether an investigation is ongoing with regard to any matter so referred. The Investigator General shall preserve the confidentiality of the existence of any ongoing criminal investigation.

Upon completion of an investigation or, in a case where the investigation leads to prosecution, upon completion of the prosecution, the Attorney General of New Jersey or the prosecutorial authority shall report promptly the findings and results to the Investigator General. In the course of informing the Investigator General, the Attorney General or prosecutorial authority shall give full consideration to the authority, duties, functions, and responsibilities of the Investigator General, the public interest in disclosure, and the need for protecting the confidentiality of complainants and informants.

(3) The Investigator General shall maintain a record of all matters referred and the responses received and shall be authorized to disclose information received as appropriate and as may be necessary to resolve the matter referred, to the extent consistent with the public interest in disclosure and the need for protecting the confidentiality of complainants and informants and preserving the confidentiality of ongoing criminal investigations.

u. (1) The authority shall provide full assistance and cooperation with any audit, performance review, or contract review by the Investigator General.

(2) The Investigator General shall have complete access to all records of the authority, including all information deemed confidential by the authority. Provided however, that any information deemed confidential, shall directly relate to a program or expenditure that is the subject of an audit, performance review, or contract review by the Investigator General, and provided further that if the authority provides the Investigator General with access to

information that is subject to a confidentiality agreement, the authority shall promptly notify the parties to the agreement that the information is being provided to the Investigator General.

(3) Whenever a person requests access to a record that the Investigator General, during the course of an audit, investigation, performance review, or contract review obtained from the authority, which record was open for public inspection, examination, or copying before the audit, investigation, or review commenced, the authority shall comply with the request, provided that the request does not in any way identify the record sought by means of a reference to the Investigator General's audit or review or to an investigation by the Investigator General, including, but not limited to, a reference to a subpoena issued pursuant to such investigation.

(4) Private vendors or other persons contracting with or receiving funds from the authority shall, upon request by the Investigator General, provide the Investigator General with prompt access to all relevant documents and information as a condition of the contract and receipt of public monies. The Investigator General shall not disclose any document or information to which access is provided that is confidential or proprietary. If the Investigator General finds that any person receiving funds from the authority refuses to provide information upon the request of the Investigator General, or otherwise impedes or fails to cooperate with any audit or performance review, the Investigator General may recommend to the authority that the person be subject to termination of their contract, or temporarily or permanently debarred from contracting with the authority.

30. (New section) The Governor is hereby authorized to apply on behalf of the State of New Jersey to the Congress of the United States for its consent and approval to the amendments to this compact or agreement provided in sections 22 through 29 of P.L. , c. (C.) (pending before the Legislature as this bill), but in the absence of such consent and approval, the Delaware River and Bay Authority shall have all the powers the State of Delaware and the State of New Jersey may confer upon it without the consent and approval of Congress.

31. (New section) The Governor is authorized to enter into a supplemental compact or agreement, on behalf of the State of New Jersey, with the Commonwealth of Pennsylvania supplementing the compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey entitled “Agreement Between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Toll Bridge Commission as a body corporate and politic and defining its powers and duties,” as set forth in sections 32 through 38 of P.L. , c. (C.) (pending before the Legislature as this bill).

32. (New section) a. Delaware River Joint Toll Bridge Commission shall adopt a code of ethics applicable to each officer, director, and employee of the commission that, at a minimum, includes the applicable standards established in the ethics law of both states.

b. Every officer, director, or employee shall participate in training approved by the commission's Inspector General regarding the person's ethical responsibilities.

33. (New section) a. Every member of the Delaware River Joint Toll Bridge Commission's Board of Commissioners shall perform each of their duties as a board member in good faith and with that degree of diligence, care, and skill which an ordinarily prudent person in similar position would exercise under similar circumstances, and may take into consideration the views and policies of any elected official or body, or other person, and ultimately apply independent judgment in the best interest of the commission, its mission, and the public.

b. At the time that the board member takes and subscribes the oath of office, or within 60 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) if the board member has already taken and subscribed the oath of office, execute an acknowledgement in which the board member acknowledges that the board member understands the board member's role, and fiduciary responsibilities as set forth in this section, and acknowledges that the board member understands the board member's duty of loyalty and care to the organization and commitment to the authority's mission and the public interest.

34. (New section) The Delaware River Joint Toll Bridge Commission shall be subject to the provisions of Pennsylvania's Right to Know Law pursuant to 65 P.S. s.67.101 et seq., and to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.), commonly known as the open public records act, as selected by the person or entity requesting the records.

35. (New section) The Delaware River Joint Toll Bridge Commission shall be required to implement the recommendations contained in any independent audit of the commission. If the Board of Commissioners of the commission determines that any recommendation contained in the independent audit cannot be reasonably implemented, the board may petition the governors of the Commonwealth of Pennsylvania and the State of New Jersey for approval to delay or omit the implementation of any recommendation. The governors shall be required to provide a written response to a petition within 30 days of receipt. If the commission fails to implement a recommendation contained in an independent audit of the commission, and if it has not been granted

approval by the governors of Pennsylvania and New Jersey to delay or omit the recommendation, the commission shall be prohibited from issuing any additional bonds or securities until the recommendation has been implemented or the commission has been granted approval by the governors to omit or delay the recommendation.

36. (New section) The Delaware River Joint Toll Bridge Commission shall provide on its Internet website a copy of a sworn and duly notarized financial disclosure statement for each member of the Board of Commissioners of the commission. Each statement shall include the following information:

a. the name and position of the commissioner;

b. any occupation, trade, business, profession, or employment engaged in by the commissioner;

c. a list of all assets having a value of more than $1,000, both tangible and intangible, in which a direct or indirect interest is held as of the date of the statement by the commissioner;

d. A list of all liabilities of the commissioner;

e. A list of all liabilities otherwise subject to disclosure which have been forgiven by the creditor within 12 months of the statement date;

f. A list of all sources of income of the commissioner, including all directorships or other fiduciary positions for which compensation has or will be claimed, all capital gains including a description of the individual sources of such gains, all contractual arrangements producing or expected to produce income, and all honoraria, lecture fees, gifts, and other cash or non-cash gratuities, and other miscellaneous sources of income including, but not limited to, interest, dividends royalties, and rents;

g. A list of any offices, trusteeships, directorships, or positions of any nature, whether compensated or uncompensated, held by the commissioner with any firm, corporation, association, partnership, or business; and

h. For every firm, corporation, association, partnership, or business from which the commissioner has received any compensation, a list of all clients who have paid the firm, corporation, association, partnership, or business more than $10,000.

Each statement shall contain a certification by the commissioner that the commissioner has read the statement, that to the best of the commissioner’s knowledge and belief it is true, correct, and complete, and that the commissioner has not transferred and will not transfer any asset, interest, or property for the purpose of concealing it from disclosure while retaining an equitable interest therein.

37. (New section) The employees of the Delaware River Joint Toll Bridge Commission shall be subject to the provisions of the "Conscientious Employee Protection Act," P.L.1986, c.105 (C.34:19-1 et seq.).

38. (New section) a. Within 60 days of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), there shall be established an Office of the Investigator General in, but not of, the Delaware River Joint Toll Bridge Commission. Notwithstanding this allocation, the office shall be independent of any supervision or control by the commission, or the department or by any division, board, office, or other officer thereof. The Investigator General shall report directly to the Governor. The Investigator General shall submit requests for the budget of the office directly to the Governor who shall review the requests and forward them to the Division of Budget and Accounting in the Department of the Treasury;

b. The Office of the Investigator General shall be administered by the Investigator General. The Investigator General shall be appointed by the Governor with the advice and consent of the Senate. The Investigator General appointed pursuant to this new section may be the same person appointed by the Governor pursuant to subsection b. of section 38 of P.L. , c. (C.) (pending before the Legislature as this bill) to perform the functions and duties of both positions. The Investigator General shall be a person qualified by education, training, and prior work experience to direct the work of the office and to perform the duties and functions and fulfill the responsibilities of the position;

c. The Investigator General shall serve for one term of 10 years and until a successor is appointed and has qualified. No person who has served as Investigator General, including an unexpired term, shall again be eligible to serve in the Office of the Investigator General.

d. The Investigator General shall devote full time to the duties and responsibilities of the office and shall receive a salary as shall be provided pursuant to law.

e. During the term of office, the Investigator General may be removed by the Governor only for cause upon notice and opportunity to be heard.

f. A vacancy in the position of Investigator General due to a cause other than the expiration of the term shall be filled for the unexpired term only in the same manner as the original appointment.

g. A person who holds the position of Investigator General shall not be a candidate for, or hold, elective public office for a period of two years immediately following the termination of that person's service as Investigator General. No person who holds the position of Investigator General, or any position of employment as

professional staff in the Office of Investigator General, while holding any such office or position, shall:

(1) be a candidate for election to, or hold, any elective public office or any office or position with any political party or club; or

(2) in connection with another individual's candidacy for public office, sign or authorize the use of that person's name in connection with political or campaign literature or material, or print, publish or distribute such political or campaign literature or material.

h. (1) The Office of the Investigator General shall be responsible for conducting, in accordance with subsection l. of this section, routine, periodic, and random audits of the commission and for conducting assessments of the performance and management of programs of the commission and the extent to which they are achieving their goals and objectives.

(2) The Investigator General shall establish the internal organizational structure of the office and the bureaus therein in a manner appropriate to carrying out the duties and functions, and fulfilling the responsibilities, of the office. The Investigator General shall have the power to appoint, employ, promote, and remove such assistants, employees, and personnel as the Investigator General deems necessary for the efficient and effective administration of the office. All office assistants, employees, and personnel shall be deemed confidential employees for purposes of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.) and shall serve in the unclassified service of the Civil Service.

i. Within the limits of funds appropriated for such purposes, the Investigator General may obtain the services of certified public accountants, qualified management consultants, and other professionals necessary to independently perform the duties and functions of the office.

j. The Investigator General is authorized to call upon any department, office, or division of the authority to provide any information, resources, or other assistance deemed necessary to discharge the duties and functions and to fulfill the responsibilities of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill). Each department, office, division of the commission shall cooperate with the Investigator General and furnish the office with the assistance necessary to accomplish the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).

k. The Investigator General shall consolidate within the Office of the Investigator General the coordination of the internal and external audit functions, including but not limited to economy and efficiency audits in the authority. The Investigator General is authorized to:

(1) establish a full-time program of audit and performance review, in accordance with subsection l. of this section, designed to

provide increased accountability, integrity, and oversight of the authority; and

(2) audit and monitor the process of soliciting proposals for, and the process of awarding, contracts made by the commission that involve a significant consideration or expenditure of funds or are comprised of complex or unique components, or both, as determined by the Investigator General.

l. (1) The Investigator General shall have all the powers necessary to carry out the duties and functions and to fulfill the responsibilities described in this section, including the power to conduct audits and reviews and propose and enforce remediation plans for the authority, that are found by the Investigator General to have deficient practices or procedures.

(2) The Investigator General shall conduct audits and reviews in accordance with prevailing national and professional standards, rules, and practices relating to such audits and reviews in government environments, including the standards for performance reviews utilized by the United States Government Accountability Office or its successor, and the Investigator General shall ensure that the office remains in compliance with such standards, rules, and practices.

(3) The Investigator General shall undertake analysis and review of the certified financial audits of the commission and of the procedures used to conduct those audits. When the Investigator General's analysis and review identifies weaknesses, inadequacies, or failures in the authority's financial controls or concerns about the quality or independence of the audits, the Investigator General shall be authorized to undertake a financial audit or such other steps as the Investigator General deems appropriate. In determining when to proceed with a financial audit, the Investigator General may also take into account information obtained pursuant to subsection q. of P.L. , c. (C.) (pending before the Legislature as this bill); referrals or recommendations from the authority; and assessments or evaluations of the authority's management, performance, or financial condition from federal or State government agencies.

m. The Investigator General shall establish objective criteria for undertaking performance and other reviews authorized by P.L. , c. (C.) (pending before the Legislature as this bill), which criteria shall weigh relevant risk factors, including, but not limited to:

(1) the size of the authority's budget;

(2) the authority's past performance;

(3) the frequency, scope, and quality of any audits or reviews that have been performed regarding the authority's financial condition or performance;

(4) assessments or evaluations of the authority's management, performance, or financial condition; and

(5) other credible information which suggests the necessity of a review.

n. The Investigator General shall provide guidance to units in the commission that are required to engage outside auditors regarding procurement of their services, the rotation of the providers of such services, and the avoidance of possible conflicts of interest in the hiring of outside auditors.

o. In carrying out the duties, functions, and responsibilities of the Office of the Investigator General under P.L. , c. (C.) (pending before the Legislature as this bill), the Investigator General shall not charge any costs incurred by the office against the authority.

p. (1) The Investigator General shall establish a system that shall ensure that any officers and employees of the commission who perform audits, investigations, and performance reviews similar or identical to those authorized to be performed by the Investigator General shall conduct their audits, investigations, and reviews with the consultation of, and in coordination and cooperation with, the Investigator General.

(2) For the purpose of establishing and maintaining this system, the Investigator General shall meet at periodic intervals, but at least four times annually, with the officers or employees of the commission deemed necessary to perform audits, investigations, and performance reviews. The responsibility of all parties during these meetings shall be to: facilitate communication and exchange information on completed, current, and future audits, investigations, and reviews; avoid duplication and fragmentation of efforts; optimize the use of resources; avoid divisiveness and organizational uncertainty; promote effective working relationships; and avoid the unnecessary expenditure of public funds.

(3) To further ensure the consultation of, and coordination and cooperation with, the Investigator General, the commission shall promptly notify the Investigator General of any audits that have been submitted to them that reveal any significant deficiencies.

q. (1) In furtherance of the duty of the Investigator General to audit and monitor the process of soliciting proposals for, and the process of awarding, contracts by contracting units which contracts involve a significant consideration or expenditure of funds, the commission shall provide notice to the Investigator General no later than 20 business days after the award of a contract involving consideration or an expenditure of more than $2,000,000 but less than $10,000,000.

(2) The commission shall inform the Investigator General in writing, in a form to be determined by the Investigator General, of the commencement of any procurement process involving consideration or an expenditure of $10,000,000 or more at the earliest time practicable as the commission commences the procurement process, but no later than the time the commission

commences preparation of: any bid specification or request for proposal; concession offering; proposal to purchase, sell, or lease real estate; or other related activities and contracts.

r. The Office of Investigator General shall have the power to issue subpoenas to compel attendance and testimony of persons and the production of books, papers, correspondence, and other documents. For this purpose, the office is empowered to administer oaths and examine witnesses under oath, and compel any person to produce at a specific time and place, by subpoena, any books, papers, correspondence, and other documents that the office reasonably believes may relate to the matter. If any person to whom a subpoena is issued fails to appear or, having appeared, refuses to give testimony, or fails to produce the books, papers, correspondence, and other documents, the office may apply to the Superior Court and the court may order the person to appear and give testimony or produce the books, papers, correspondence, and other documents as applicable. Failure to obey the court's order may be punishable as contempt of court.

s. (1) The Investigator General shall report the findings of audits and reviews performed by the office, and issue recommendations for corrective or remedial action, to the Governor, the President of the Senate, and the Speaker of the General Assembly. The commission shall fully cooperate with the Investigator General to develop recommendations for a corrective or remedial action plan. The Investigator General shall monitor the implementation of those recommendations and shall conduct a subsequent review to determine whether there has been full implementation and continued compliance with those recommendations.

(2) The Investigator General shall report promptly to the Governor, the President of the Senate, and the Speaker of the General Assembly if the commission refuses to cooperate in development of a corrective or remediation plan or to comply with a plan.

(3) The Investigator General shall recommend that the Governor initiate disciplinary proceedings against any official or employee of the commission who impedes an audit, or who fails or refuses to cooperate in the development of a corrective or remedial action plan or to comply with a plan. The Governor may cause an investigation to be made of the conduct of any such official or employee and may require such official to submit to the Governor a written statement or statements, under oath, of such information as the Governor may call for relating to the official's or the employee's conduct alleged by the Investigator General. After notice, the service of charges and an opportunity to be heard at public hearing, the Governor may remove any such official or employee for cause. Such official or employee shall have the right of judicial review, on both the law and the facts, in such manner as may be provided by law.

(4) The Investigator General shall provide periodic reports to the Governor, and shall issue an annual report to the Governor and submit that report to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), which shall be available to the public. The reports shall include but shall not be limited to the reporting of any programmatic deficiencies and weaknesses that the Investigator General's audits, investigations, and reviews have found, and detailing the efforts by, or the failure of, the commission to implement a recommended plan for corrective or remedial action.

t. (1) The Investigator General is authorized to refer findings that may constitute alleged criminal conduct to the Attorney General of New Jersey or other appropriate prosecutorial authority. In the course of conducting audits and performance reviews, the Investigator General may refer matters for investigation to the Attorney General of New Jersey or other appropriate authorities for further civil or administrative action, with recommendations to initiate actions to recover monies, to terminate contracts, or temporarily or permanently debar any person from contracting with or receiving funds from the authority.

(2) When the Investigator General refers a complaint alleging criminal conduct to the Attorney General of New Jersey or other appropriate prosecutorial authority and the Attorney General of New Jersey or prosecutorial authority decides not to investigate or prosecute the matter, the Attorney General or the prosecutorial authority shall promptly notify the State Comptroller and the State Inspector General. The Attorney General of New Jersey or the prosecutorial authority shall inform the Investigator General as to whether an investigation is ongoing with regard to any matter so referred. The Investigator General shall preserve the confidentiality of the existence of any ongoing criminal investigation.

Upon completion of an investigation or, in a case where the investigation leads to prosecution, upon completion of the prosecution, the Attorney General or the prosecutorial authority shall report promptly the findings and results to the Investigator General. In the course of informing the Investigator General, the Attorney General or prosecutorial authority shall give full consideration to the authority, duties, functions, and responsibilities of the Investigator General, the public interest in disclosure, and the need for protecting the confidentiality of complainants and informants.

(3) The Investigator General shall maintain a record of all matters referred and the responses received and shall be authorized to disclose information received as appropriate and as may be necessary to resolve the matter referred, to the extent consistent with the public interest in disclosure and the need for protecting the confidentiality of complainants and informants and preserving the confidentiality of ongoing criminal investigations.

u. (1) The commission shall provide full assistance and cooperation with any audit, performance review, or contract review by the Investigator General.

(2) The Investigator General shall have complete access to all records of the authority, including all information deemed confidential by the authority. Provided however, that any information deemed confidential, shall directly relate to a program or expenditure that is the subject of an audit, performance review, or contract review by the Investigator General, and provided further that if the commission provides the Investigator General with access to information that is subject to a confidentiality agreement, the commission shall promptly notify the parties to the agreement that the information is being provided to the Investigator General.

(3) Whenever a person requests access to a record that the Investigator General, during the course of an audit, investigation, performance review, or contract review obtained from the authority, which record was open for public inspection, examination, or copying before the audit, investigation, or review commenced, the commission shall comply with the request, provided that the request does not in any way identify the record sought by means of a reference to the Investigator General's audit or review or to an investigation by the Investigator General, including, but not limited to, a reference to a subpoena issued pursuant to such investigation.

(4) Private vendors or other persons contracting with or receiving funds from the commission shall, upon request by the Investigator General, provide the Investigator General with prompt access to all relevant documents and information as a condition of the contract and receipt of public monies. The Investigator General shall not disclose any document or information to which access is provided that is confidential or proprietary. If the Investigator General finds that any person receiving funds from the commission refuses to provide information upon the request of the Investigator General, or otherwise impedes or fails to cooperate with any audit or performance review, the Investigator General may recommend to the commission that the person be subject to termination of their contract, or temporarily or permanently debarred from contracting with the authority.

39. (New section) The Governor is hereby authorized to apply on behalf of the State of New Jersey to the Congress of the United States for its consent and approval to the amendments to this compact or agreement provided in sections 31 through 38 of P.L. , c. (C.) (pending before the Legislature as this bill), but in the absence of such consent and approval, the Delaware River Joint Toll Bridge Commission shall have all the powers the Commonwealth of Pennsylvania and the State of New Jersey may confer upon it without the consent and approval of Congress.

40. a. Sections 1 through 3 of this act shall take effect immediately.

b. Sections 4 through 12 of this act shall take effect upon the enactment into law by the State of New York of legislation having an identical effect as sections 4 through 12 of this act; but if the State of New York shall already have enacted such legislation, sections 4 through 12 of this act shall take effect immediately.

c. Sections 13 through 21 of this act shall take effect upon the enactment into law by the Commonwealth of Pennsylvania of legislation having an identical effect as sections 13 through 21 of this act; but if the Commonwealth of Pennsylvania shall already have enacted such legislation, sections 13 through 21 of this act shall take effect immediately.

d. Sections 22 through 30 of this act shall take effect upon the enactment into law by the State of Delaware of legislation having an identical effect AS sections 22 through 30 of this act; but if the State of Delaware shall already have enacted such legislation, sections 22 through 30 of this act shall take effect immediately.

STATEMENT

This bill requires the Port Authority of New York and New Jersey, Delaware River Port Authority, Delaware River and Bay Authority, and Delaware River Joint Toll Bridge Commission to adopt various good governance reforms.

The bill requires the authorities to adopt a code of ethics applicable to each officer, director, and employee of the authority that, at a minimum, includes the applicable standards established in the ethics law of both states. Any person appointed to the authority is required to participate in training approved by the authority's Inspector General regarding the person's ethical responsibilities.

In addition, the bill requires every member of the authority's board of commissioners to execute an acknowledgement that the board member understands the member's role and fiduciary responsibilities and that the member has a duty of loyalty and care to the authority, its mission, and the public interest.

The bill subjects each authority to the freedom of information law of both of the states which created the authority and to New Jersey's Conscientious Employee Protection Act.

Additionally, the bill requires the authorities to implement the recommendations contained in any independent audit of the authority. If the authority determines that any recommendation contained in the independent audit is not reasonably able to be implemented, the authority may petition the governors of the authorizing states for approval to delay or omit the implementation of any recommendation. The governors are required to provide a written response to a petition within 30 days of receipt. If the

authority fails to implement a recommendation contained in an independent audit of the authority, and if it has not been granted approval by both governors to delay or omit the recommendation, the authority is prohibited from issuing any additional bonds or securities until the recommendation has been implemented or the authority has been granted approval by the governors to omit or delay the recommendation.

The bill provides that each authority provide on its internet website a copy of a sworn and duly notarized financial disclosure statement for each member of its board of commissioners. The financial statement is to include, for every entity from which a commissioner has received any compensation, a list of all clients of the entity who have paid it more than $10,000.

Finally, this bill establishes an Office of the Investigator General (office) within each of four bi-state authorities. The office is to be directed by an Investigator General who is to be appointed by the Governor with the advice and consent of the Senate. The Governor may appoint one person to serve as the Inspector General to both the Delaware River Port Authority and the Delaware River Joint Toll Bridge Commission. The Investigator General is to be qualified by education, training, and prior work experience to direct the work of the office and to perform the duties and functions and fulfill the responsibilities of the position. The Investigator General is to serve for one term of 10 years and until a successor is appointed and has qualified. The Investigator General is to devote full time to the duties and responsibilities of the office and shall receive a salary as shall be provided pursuant to law.

The bill provides the powers and duties of the office which is to be responsible for conducting routine, periodic, and random audits of the authority and for conducting assessments of the performance and management of programs of the authority and the extent to which they are achieving their goals and objectives.

The bill authorizes the Investigator General to: 1) establish a full-time program of audit and performance review, designed to provide increased accountability, integrity, and oversight of the authority; and 2) audit and monitor the process of soliciting proposals for, and the process of awarding, contracts made by the authority that involve a significant consideration or expenditure of funds or are comprised of complex or unique components, or both, as determined by the Investigator General.

The bill gives the Investigator General the power to conduct audits and reviews and propose and enforce remediation plans for the authority, that are found by the Investigator General to have deficient practices or procedures. The Investigator General is to conduct audits and reviews in accordance with prevailing national and professional standards, rules, and practices relating to those audits and reviews in government environments, including the standards for performance reviews utilized by the United States

Government Accountability Office or its successor, and the Investigator General shall ensure that the office remains in compliance with those standards, rules, and practices.

The Investigator General is to establish objective criteria for undertaking performance and other reviews authorized by the bill, which criteria shall weigh relevant risk factors, including, but not limited to: (1) the size of the authority's budget, (2) the authority's past performance, (3) the frequency, scope, and quality of any audits or reviews that have been performed regarding the authority's financial condition or performance, (4) assessments or evaluations of the authority's management, performance or financial condition, and (5) other credible information which suggests the necessity of a review.

In carrying out the duties, functions and responsibilities of the office, the Investigator General is not allowed to charge any costs incurred by the office against the authority.

The bill empowers the office to issue subpoenas to compel attendance and testimony of persons and the production of books, papers, correspondence, and other documents in its investigations of any allegations of fraud, corruption, waste, and abuse at the authority.

The Investigator General is to report the findings of audits and reviews performed by the office, and issue recommendations for corrective or remedial action, to the Governor, the President of the Senate and the Speaker of the General Assembly. The authority is to fully cooperate with the Investigator General to develop recommendations for a corrective or remedial action plan. The Investigator General is to monitor the implementation of those recommendations and conduct a subsequent review to determine whether there has been full implementation and continued compliance with those recommendations.