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# *Committee Meeting*

of

## SENATE LEGISLATIVE OVERSIGHT COMMITTEE

*“The Committee will hear testimony on proposed Port Authority of New York and New Jersey reform legislation and on priorities for inclusion in the Port Authority’s revision of its 10-year capital plan”*

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**LOCATION:** Committee Room 4  
State House Annex  
Trenton, New Jersey

**DATE:** September 10, 2015  
10:00 a.m.

### **MEMBERS OF COMMITTEE PRESENT:**

Senator Robert M. Gordon, Chair  
Senator Loretta Weinberg, Vice Chair  
Senator Paul A. Sarlo  
Senator Joseph M. Kyrillos Jr.



### **ALSO PRESENT:**

Patrick Brennan  
Philip M. Mersinger  
*Office of Legislative Services*  
*Committee Aides*

Mark Magyar  
*Senate Majority*  
*Committee Aide*

Frank Dominguez  
*Senate Republican*  
*Committee Aide*

***Meeting Recorded and Transcribed by***  
The Office of Legislative Services, Public Information Office,  
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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ROBERT M. GORDON  
Chairman

LORETTA WEINBERG  
Vice-Chair

M. TERESA RUIZ  
PAUL A. SARLO  
THOMAS H. KEAN, JR.  
JOSEPH M. KYRILLOS, JR.

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## New Jersey State Legislature

SENATE LEGISLATIVE OVERSIGHT COMMITTEE  
STATE HOUSE ANNEX  
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### COMMITTEE NOTICE

TO: MEMBERS OF THE SENATE LEGISLATIVE OVERSIGHT COMMITTEE  
FROM: SENATOR ROBERT M. GORDON, CHAIRMAN  
SUBJECT: COMMITTEE MEETING - SEPTEMBER 10, 2015

*The public may address comments and questions to Michael R. Molimock, Committee Aide, or make bill status and scheduling inquiries to Shirley Link, Secretary, at (609)847-3855, fax (609)292-0561, or e-mail: OLSAideSLO@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.*

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**The Senate Legislative Oversight Committee will meet on Thursday, September 10, 2015 at 10:00 AM in Committee Room 4, 1st Floor, State House Annex, Trenton, New Jersey.**

**The committee will hear testimony on proposed Port Authority of New York and New Jersey reform legislation and on priorities for inclusion in the Port Authority's revision of its 10-year capital plan.**

Issued 9/3/15

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**SENATOR ROBERT M. GORDON (Chair):** Good morning, everyone. The Committee will come to order.

Would you all please rise and join me in the flag salute? (all recite pledge)

May I have a roll call, please?

MR. MERSINGER (Committee Aide): Senator Kyrillos.

SENATOR KYRILLOS: Yes.

MR. MERSINGER: Senator Kean. (no response)

Senator Sarlo. (no response)

Senator Ruiz. (no response)

Vice Chair Weinberg.

**SENATOR LORETTA WEINBERG (Vice Chair):** Here.

MR. MERSINGER: Chairman Gordon.

SENATOR GORDON: Here.

And I understand that Senator Kean and Senator Sarlo are on their way. Okay.

I'd like to make an opening statement.

I'd like to welcome you to the first of several Senate Legislative Oversight Committee hearings on Port Authority reform legislation and on the priorities for the Port Authority's revised 10-year capital plan.

I'd just like to make a housekeeping note. I've gotten a message from the leadership of United Airlines, and they want everyone in the room to know that they have a one-day special offer for 30,000 bonus miles if you join the Mileage-Plus Program today. I just wanted to convey that. (laughter)

SENATOR KYRILLOS: That's all? (laughter)

SENATOR GORDON: That's all.

Seriously, though, the United resignations are a reminder of the significance of the ethics issues that have engulfed the Port Authority, and the need for legislative reforms that will ensure permanent changes in the culture and operations of this major bi-state agency -- an organization whose budget is larger than half the states.

The Senate Legislative Oversight Committee is developing a record for serious investigation of complex policy issues. And it is appropriate that this Committee hold hearings on Port Authority legislation because its membership includes the sponsors of both major Senate bills -- S-3066, which Senate Majority Leader Loretta Weinberg and I had introduced; and S-3048, the bill sponsored by Senate Minority Leader Tom Kean that is identical to the bill that was approved by the New York governor and legislature.

There is considerable debate among those who care for the future of the Port Authority and our region's transportation network about whether we should simply accept the New York bill, with the limited reforms that Governors Cuomo and Christie were willing to accept after a week of backroom negotiations, because it is the best we can do; or whether, alternatively, we should push for further reforms.

We believe it is important to hold public hearings to give transportation experts, commuters, and the general public an opportunity to weigh in on the critical issue of Port Authority reform, because millions of New Jerseyans and New Yorkers rely on this agency to which they pay billions of dollars in bridge and tunnel tolls, rail and bus fares, airport fees, and cargo surcharges on consumer goods. We also believe it is important to

give the public the opportunity to let the Port Authority know what they think the Port Authority's priorities should be in a revised 10-year capital plan. We will forward all testimony from these hearings directly to Port Authority officials for their consideration in developing the new plan.

I'd like to emphasize a particular point. In my view, the greatest risk to New Jersey's economy and that of the metropolitan region in the coming decade is the risk that our infrastructure will prove to be incapable of satisfying the expected demand for trans-Hudson travel at an acceptable price and comfort level. We believe we should be evaluating every capital investment in terms of its contribution to this critical infrastructure.

The legislation that Senator Weinberg and I have proposed incorporates many of the ethics and financial disclosure reforms contained in our original bill -- which was vetoed by Governors Christie and Cuomo last Christmas, but were restored in the New York legislation. It incorporates the suggestions of the Special Panel, chaired by Port Authority Chairman John Degnan, for the hiring of a professional CEO to run the agency -- which the New York bill also does -- and for the elimination of the regional slush funds controlled by the governors, which the New York bill leaves in place.

What our legislation seeks to do more than anything else is to ensure that the Port Authority can meet the transportation needs of the region professionally and efficiently, while providing an opportunity for elected officials, transportation experts, commuters, and the public to exercise proper oversight over an agency whose decision making has, too often, been hidden from view.

Our proposal provides for legislative oversight by requiring senior Port Authority officials to testify before legislative committees; and it gives legislatures and the public an opportunity to provide meaningful comment on capital plan priorities before capital plans are adopted. It makes clear that meeting the region's transportation needs is the Port Authority's chief mission -- not economic development. The Special Panel was right to recommend that the Port Authority get out of the real estate business, yet the most recent capital plan incredibly calls for one-third of the Port Authority's capital budget for 2014-2018 to go to development at the World Trade Center site -- with no funding provided for new rail tunnels or a new Port Authority Bus Terminal.

Our bill provides for quarterly reports on the costs and progress of major capital projects, with independent monitoring of projects over \$500 million. It's important to know if a \$10 billion bus terminal project is coming in on time and on budget.

The bill also requires an independent appraisal and advance notice of any real estate sale -- an important provision if the Port Authority follows the Special Panel's recommendations to sell off up to \$8 billion in real estate.

It gives the Port Authority Inspector General subpoena power and the right to compel witnesses to appear. And it gives each state a voice in the Port Authority's planning process by providing for the appointment of a Policy Liaison, by each state's Transportation Commissioner, to ensure that each state's legitimate transportation policy needs are properly considered.

These provisions represent our best effort at meaningful Port Authority reform. And we will be very interested in hearing the assessment of transportation experts, commuters, and other public officials on what makes sense and what doesn't, and how this legislation can be improved.

Once hearings are completed, we hope to sit down with Governors Christie and Cuomo, with Senator Kean and other colleagues on both sides of the aisle in the Assembly, and the New York legislative leaders from both parties to agree on legislation that meets the needs of the citizens we all represent.

I'd like to open it up for opening statements at this point. I don't know whether-- Senator Weinberg, do you have any comments to make?

SENATOR WEINBERG: No, I'm anxious for the hearing to get started. I identify with all the remarks that you made, Senator Gordon, and hopefully we will, through these series of Legislative Oversight hearings, help to move the ball forward on the issues that are so important to the people we represent -- most particularly, how we get a priority for the tunnel and for the bus station, the two areas that we think should be number one and two -- or number one and one in the Port Authority capital plan.

So thank you for helping to shed light on this, and educating and hearing the citizens of New Jersey.

SENATOR GORDON: Thank you.

Senator Kyrillos, any comments?

SENATOR KYRILLOS: Mr. Chairman, thank you.

And thank you, to you and Senator Weinberg and others, for putting a spotlight to the problems of the Port Authority. You said early on that there were problems. People said there weren't new or unique problems, and issues, and challenges there; and it turns out that they were wrong -- especially with the news that has emerged this week. This is a timely hearing; and it's a timely time in the history of this State and the state of New York to look at this agency and bring about the kind of accountability and transparency that we should demand of all of our public agencies -- especially a big bi-state agency that is seemingly a government unto itself that affects millions of people -- really, hundreds of millions of people who come in and out of our airports, depend on the cargo that comes to our ports, that travel the roadways going back and forth between two great states of America.

Senator MacInnes -- former Senator MacInnes and I were chatting before the hearing; and he and I don't agree with a lot these days, although I think we like each other a lot. But we both agree that one of the great attributes of this state and this region is our location. And so we have to make sure that our transportation infrastructure is world-class, and make sure that we maintain that special asset -- attribute, even as we are challenged in so many other ways. And my constituents, like yours, depend on the assets and operations of the Port Authority of New York and New Jersey. And so we have to make sure that it's well-funded; that the challenges are planned for; and that we can have the right kinds of oversight of this big agency.

In terms of passing the right kind of oversight bill, I congratulate you for your efforts; I congratulate my colleague, Senator

Kean, who I think will arrive at some point this morning. And it would seem to me that we have taken a lot of time in passing a reform. I know that we had one version up, I think, in May if I'm not mistaken -- maybe early June.

SENATOR GORDON: June, I think.

SENATOR KYRILLOS: So quite a bit of time has gone by. And as you know, no bill is perfect; none of us don't vote for bills that we wish we could craft in slightly different ways. And from what I have learned, there's much more in common between the two Senate versions of Port Authority reform than in difference -- though I know there are some differences.

So in as much as one bill has passed not one, but both houses of the New York legislature, and is sitting on Governor Cuomo's desk -- I think if we can't do any kind of reconciliation very, very quickly, we should join suit and pass this bill in New Jersey. And if there are issues to debate, to contend with, there is always opportunity for subsequent legislation. Because that's what we do here; it's a constant ongoing process to perfect or better the public policy, to make our states and its people better.

And so I would say we should not be an obstacle to passing what seems to be, on balance, a pretty good product. And thereafter we can talk about refinements.

So thank you; looking forward to hearing the testimony today.

SENATOR GORDON: Thank you, Senator Kyrillos.

I think we're going to begin with a panel consisting of Anthony Attanasio, representing the Utility and Transportation Contractors Association; Martin Robins, a former Senior Planner at the Port Authority

and New Jersey Transit, and also someone associated with the Voorhees Center of Transportation Policy; and Janna Chernetz, representing the Tri-State Transportation Campaign.

Could the three of you come up and begin your presentations?

**MARTIN E. ROBINS, Esq.:** Senator Gordon, thank you very much for the opportunity to offer comments on S-3066, introduced by you and Senator Weinberg.

As events over the past couple of years indicate, reform of the policies and procedures at the Port Authority of New York and New Jersey is imperative -- especially in dealing with the apparent tendency of the Executive Branch here in New Jersey to ignore the Legislature's rightful desire for information; and countering gubernatorial overreach in influencing the Authority's performance of its mission.

I testified in April 2014 to the Board's Special Oversight Committee that it was important to restore the Port Authority's *equilibrium*. That was the word I used. I likened it to a heavenly body being pulled in different directions by powerful gravitational forces embodied by the Governors. I think 3066 helps to restore that equilibrium.

I'd like to commend a number of the specific proposals that are included in S-3066 and are not in the recently passed New York version. I'd also like to offer comments on two other sections that I think could improve them.

Starting off, I fully agree with Section 3 of the Gordon-Weinberg Act that would defer the future biennial rotation of the Chair between New York and New Jersey until one year after enactment of a reform act. I think this would be a very important step, and contrary to the

New York bill. There is no need to rush a change in leadership as the New York bill does.

Chairman John Degnan is doing a superb job and is involved in many crucial transportation policy issues -- the ones that Senator Weinberg mentioned -- that relate to the Port Authority: the Port Authority Bus Terminal replacement and the Gateway project. Policy direction on these issues should be resolved in a bit more than a year, and a change in the legislation, as this bill proposes, would provide that continuity, which I think is very important.

I believe Section 14 that requires Port Authority leadership to respond to legislative requests of testimony is very warranted. I do not believe that Port Authority officials should be shielded from legitimate requests to share information to explain their policies openly with the public's representatives. I think the precedents that have been set in recent years are deplorable in preventing that from happening.

On the issue of the Port Authority's mission, Section 4 properly tries to clarify that the Port Authority's main mission is provision of transportation infrastructure. So I support that provision. In that vein, Section 21 introduces new procedures by which the legislature is to be notified of the Port Authority's intent to introduce a multi-year capital plan. The capital plan is the Port Authority's vital expression of how it intends to implement its mission. On this critical cluster of decisions, the bill gives the legislature sufficient opportunity to take testimony on the plan and to give an opinion where it may differ from the plan. In my view, it is appropriate at this high policy level for the legislature to be briefed and given an opportunity to at least express its opinions.

On another capital budget issue, Section 24 is on target calling for the abolition in the capital budget of ill-defined allocation projects to the regional development bank. I understand that following the issuance of the Board of Commissioners' Special Report on the Future, and under Chairman Degnan's leadership, this has already occurred -- that that regional development bank is no longer in the capital plan -- but we don't want to see it returning.

The legislatures of both states agree that the position of Deputy Executive Director, as formerly constituted in the past several years, should be eliminated. Now, this has already occurred, following the issuance of the Special Report. Section 25 introduces a different approach for allowing the Governors timely insight into the Port Authority's policy making. It proposes establishing two senior policy officials, each representing a Governor, with considerable access to Port Authority deliberations. I think this is a manageable alternative, maintaining a unified line of command, and does not tangle internal lines of authority that the Deputy Executive Director model had caused, with terrible results.

The provisions not in the New York legislation that I would like to comment upon are Sections 12, calling for independent assessment of Port Authority toll increase proposals; and Section 15, formation of Port Authority subsidiaries. With regard to Section 12, my suggestion is that the independent assessment of a toll increase proposal should include an evaluation of whether the Port Authority has conducted its needs assessment in conformance with controlling legal precedence. The New York AAA lawsuit against the Port Authority asserts that this precedent was

not observed in the much-criticized 2011 round of toll increases. I think that the needs assessment needs just a little bit more structure.

Finally, with regards to Section 15 -- formation of Port Authority subsidiaries -- my reading is that bi-state legislative approval is required to permit the Port Authority to establish any subsidiaries. I think this may be too rigorous a hurdle for the establishment of a subsidiary. A number of observers have been thinking of the need for the Port Authority to form the project delivery apparatus for the urgent Gateway project. We all heard Chairman Coscia say that Amtrak is not capable of project delivery of that very important project, and that a number of observers have been thinking of the need for the Port Authority to form a project delivery apparatus for this project. As we are experiencing, bi-state legislative approval can be a very arduous undertaking.

So I would say that as long as the Port Authority can certify to the legislatures that a subsidiary is being formed -- such as the one I hypothesized -- to promote a transportation objective within its mission, that the certification procedure would provide an efficient safeguard.

Thank you very much for giving me the opportunity to testify on this important bill, and I wish you well in your efforts to advance it.

Thank you very much.

SENATOR GORDON: Thank you very much, Mr. Robins.

SENATOR WEINBERG: Senator Gordon, just--

Mr. Robins, just for the record: We all know it, but maybe people who will be reading this in the future won't know. Could you just give us a little bit about your background?

MR. ROBINS: Okay. In the late 1970s I assisted Lou Gambaccini in the formation of New Jersey Transit, and we're very proud of that institution. I left New Jersey Transit to become the Director of Planning and Development at the Port Authority. I then was in charge of the -- after that, I was in charge of the planning of the Hudson-Bergen Light Rail line, which I look upon as a tremendous achievement, and it's doing a wonderful job in serving in Hudson County. And after, that I went to work at Rutgers University and helped to form the Voorhees Transportation Center, where I was the Director of the Center. And then I left Voorhees in approximately 2010.

SENATOR WEINBERG: Thank you.

You obviously have some pretty good *bona fides* to be here to give us input on this bill. So thank you.

SENATOR GORDON: Thank you.

Either Janna or Anthony.

**ANTHONY ATTANASIO:** Yes, thank you, Chairman.

Anthony Attanasio, Executive Director of the Utility and Transportation Contractors Association.

I don't have quite the CV as my good friend, Martin Robins, (laughter) who is truly a good friend. It's an honor to be up here with him.

SENATOR WEINBERG: You don't have his white hair yet, either. (laughter)

MR. ATTANASIO: But to get the relevant experience out of the way: Prior to my position here, I was Assistant Commissioner at the Department of Transportation; and prior to that, Deputy Chief of Staff at New Jersey Transit. So this subject is near and dear to my heart.

So Chairman and members of the Committee, thank you very much for the opportunity to speak today.

The timing of this -- I think Senator Kyrillos hit on this -- it couldn't be better: the timing of talking about reform at the Port Authority. I am going to focus far more on the capital plan and transportation planning side of things. But the reality is, is that our state is at critical juncture with the transportation needs. And it is because of our location, because of who we are as a state -- we are transportation, and without a robust and reliable infrastructure network, our state will fail. And we're perilously close to that happening. We have a Transportation Trust Fund that is going insolvent in a matter of months. We have infrastructure that, I hate to say, when I leave New Jersey -- we don't exactly brag about the state of our roads and bridges to our neighboring states or to anyone else in the country. And then you have this massive bi-state agency responsible for one of the most critical portions of our transportation network. And I think you've hit on it quite well.

One of the major concerns we have as an industry and as transportation advocates is that the focus of that agency is becoming real estate prospecting and investment, and has skewed a bit away from its core mission -- which is investing in transportation. Economic development versus transportation investment -- the reality is, is that if the Port Authority were properly investing in its transportation assets in coordination with the rest of the state agencies, that would spur the economic development we all thirst for and need as a State.

The World Trade Center -- which was brought up, and the money and time that has gone into that -- I think everyone in this room

knows somebody who was affected on 9/11, and I am fortunate that my uncle who worked in Tower 2 got out, and my father who was at the American Stock Exchange got out. But the reality is, is I want to be sensitive to the need to rebuild the World Trade Center site, but at the same time, I think the overblown costs and the delay in the project delivery of that is an example that the Port Authority is not a real estate developer -- that it should be a transportation agency. And that's what we need to get back to: a reform and a refocus of what it is that our region needs from the Port Authority.

First and foremost, I think what has to happen is there has to be better coordination between the Port Authority, New Jersey DOT, New Jersey Transit, New York DOT, and the MTA. We have a system now where folks are operating in silos; you know, they can say that there's better coordination but, as a former senior leader at the Department, I can tell you there is not enough coordination. And regional transportation planning is suffering as a result.

So examples of that: Spending \$1 billion to raise the Bayonne Bridge. We all know that we need the new class of cargo ships and tankers to get in to Port Newark and Elizabeth to keep it relevant and to keep that commerce flowing. But no one is discussing what's happening when that cargo gets to New Jersey. The current port infrastructure and the road network coming out of the ports is so inadequate and so overloaded that cargo sits for hours, and hours, and hours every day; trucks sit idling for hours and hours every day. I mean, without even getting into the environmental impact -- just purely the flow of goods and services -- it's just a plug; it's a bottleneck.

So we're going to be bringing in all of this new cargo and increasing the volume into the port, yet there's nowhere for it to go. Why aren't we having a discussion about freight rail investment and short line railroads, taking advantage of much of the empty warehousing we have in the state to get the cargo away from the port district before it's distributed by truck? This type of coordination and alignment of capital plans is sorely missed and is needed.

And then we really have to talk about New Jersey's fair share, and making sure that the investments the Port Authority is making is benefitting New Jersey as equally as it is benefitting New York. What's going on right now with the realignment of gates at the Port Authority Bus Terminal -- it's a Band-Aid on a gaping wound. If you want an even more fun analogy, it's moving the deck chairs around on the Titanic. We need a new Port Authority Bus Terminal. The reality is, is that New Jersey provides such an incredible labor pool for the City of New York, yet when it comes to investing in assets that benefit New Jersey there's always a fight -- an unequal fight. I mean, there didn't seem to be much of a fight about the investment that's going into the airports in New York. Meanwhile, we can't get a new Bus Terminal. And our trans-Hudson capacity, which is already overloaded -- we lost the ARC Tunnel; then we had Sandy so the current tunnels -- we all know what state they're in; the PATH system is at capacity. So what happens if we lose one of the current tunnels prior to the Gateway, or whatever project is going to manifest becoming a reality? The reality is, is that New Jersey's economy will suffer. Will New York suffer? Absolutely -- but not equally. We need to make sure that the investments are made equally from state to state. Until that happens--

And I also want to say that there are so many good people who work at the Port Authority -- engineers, planners, police -- folks who want to deliver the best program they can. What we need is better leadership to ensure that they're able to do the job they need to do so that the taxpayers of New Jersey benefit.

Thank you very much, once again, for this time.

SENATOR GORDON: Thank you very much.

Just for the Committee -- I thought we would ask questions when everyone is completed.

SENATOR WEINBERG: Oh, okay. You're the Chair. I'll defer momentarily. (laughter)

SENATOR GORDON: Ms. Chernetz.

**J A N N A C H E R N E T Z, Esq.:** Chairman, thank you for the opportunity to speak here today. And I'm honored to be part of this panel. As Anthony said, to be part of this with Marty Robins is a great honor.

And I should also note that we're all from the same town, so that speaks volumes--

MR. ATTANASIO: That's true. (laughter)

MS. CHERNETZ: --to Westfield.

Clearly the Port Authority has been permitted to divert from its purpose -- and that is transportation. And there are a myriad of reasons why we are here looking at reform. And we can feel free to pick any one of them to stand out as the need; and, certainly, in the aggregate, it is a red flag.

What I'd like to focus on, from the perspective of Tri-State Transportation Campaign, is that of the transportation policy; first and

foremost, capital programming. As Anthony pointed out, there are a number of red flags when it comes to transportation prioritization and capital programming at Port Authority. And that stems from a lack of oversight, I think, by both New York and New Jersey, as well as having substantial commuter and public input in the process. And I'm speaking specifically from my own personal experience as the Senior New Jersey Policy Analyst for Tri-State and somebody who attends, on a regular basis, the Port Authority board meetings and subcommittee meetings that happened before.

I attended those hearings when the 10-year capital program was being approved. And I sat in the room and I listened to the PowerPoint presentation about giving feedback from what was presented in the capital program. And it was pointed out at that time that this glaring void was the Port Authority Bus Terminal. And I listened to the Commissioners -- and the transcript is available online -- that the Commissioners who were present in that room acknowledged that the Port Authority Bus Terminal was not in the \$27.6 billion capital program. A Port Authority Bus Terminal that carries nearly 2.6 million buses and 90 million passengers was absent from the capital program. And they did nothing about it.

It was not until the leadership that's present in this room had a series of hearings that the Port Authority found the \$90 million Quality of Commute program from the existing capital budget. But again, it is -- it's a Band-Aid on a gushing wound; not even a Band-Aid, but just a hand over that gushing wound. And even moving around the gates -- again, that is not addressing the needs of the Port Authority Bus Terminal.

Another large project that is much needed is the Galvin Parking Garage -- the Galvin Plaza Garage. The Port Authority applied for Federal funding; that was denied. It was at that same hearing that the Commissioner said, "Well, if we can't get the money from the Federal government, we're going to have to find it somehow." There's been no mention of where they're going to find the money for Galvin. This is a serious problem because of the buses that sit idle and drive around -- especially to Manhattan's West Side -- the community. It's an issue of safety; it's an issue of health. So this is a much-needed project -- again, absent from the capital program. It was in the 2007-2016 capital program, but it was taken out. So this is another much-needed project.

In addition, there was a lot of talk -- I guess it was two months ago or three months ago -- about another pressing need of the Port Authority: the airport, the monorail; a needed project. Again, that was not in the capital program.

This just demonstrates that there is something missed, there is something wrong with the way these priorities are selected. And as Anthony also pointed out -- PATH. PATH is at capacity; 33rd, Journal Square -- the peak hours of the 33rd line carrying five times as many passengers as the airport line.

These are the needs that are most pressing to our region, and these are the needs that are absent from the discussion of capital programming.

And I believe if there was an oversight or a procedure similar to what goes on with the New Jersey Department of Transportation's capital programming -- where it's vetted through the Legislature -- I think that

would definitely provide much needed oversight and the input to make sure that the capital program priorities are what are needed for the region. And it's equally important to both New Jersey and New York for that to happen because, again, the Port Authority cannot operate in a vacuum. There is not one transportation infrastructure or transportation agency that doesn't connect to another for the commuters' needs. You could take New Jersey Transit and then have to go onto the subway; or you take the bus and you go on the subway. And all the players need to be part of this discussion, so there needs to be representation from New Jersey Transit, from both New York and New Jersey DOT, and the MTA to make sure that everybody is on the same page in how they want to grow this very, very important transportation system.

And as Tom Wright pointed out, the last time I was here before this panel, talking about Gateway -- we need to make sure that New Jersey residents -- speaking specifically from New Jersey's point of view -- have access to the jobs in New York. They're high-paying jobs, and New Jersey needs to have that continued access. You know, we're looking at Gateway that-- We won't see the full effects to Gateway until way into 2030, 2031, 2033. So we need to make sure that the Bus Terminal remains a priority as the buses move more passengers than rail into New York City.

And in terms of leadership -- I took a look at the Board of Commissioners of the Port Authority and I couldn't muster up one year of transportation experience between all of them. I think that is critical, and it's crucial to the future of the Port Authority of New York and New Jersey, and crucial for the return to the main purpose of transportation planning and management.

So with that said, I thank the Committee for the opportunity to speak here today.

SENATOR GORDON: Thank you very much.

I'd like to open it up to questions for all. I have a few. Senator Weinberg, I put you on hold, so let me defer to you.

SENATOR WEINBERG: Thank you.

Just a question, really -- maybe Anthony can answer, or Mr. Robins, or any of you. When you talked about the necessity for getting this disparate MTA, NJ Transit, the two states into a regional planning system: Is there some way that that could be woven into this legislation -- some requirement for that kind of regional meeting?

MR. ATTANASIO: You know, I'll let--

SENATOR WEINBERG: Or do you have any suggestions for that?

MR. ATTANASIO: Marty can-- I'll let Marty speak more to the planning aspect; I would suggest that the leadership of the two administrations-- They should want this; I mean, this should be a priority. New York and New Jersey are not just neighbors; we're partners. And so I would argue that both administrations should be seeking this type of coordination without legislation; in absence of it, possibly through legislation.

SENATOR WEINBERG: Each of you has to turn off your microphones when you're not speaking or it doesn't amplify.

MR. ROBINS: Senator Weinberg, there was a proceeding called -- that the MTA conducted that looked at the future of the MTA, the reinvention of the MTA. And Executive Director Ronnie Hakim of New

Jersey Transit talked eloquently at a hearing of that Reinvention Commission about the need to create some kind of a consortium in the region among the different transportation operators -- the MTA, PATH, and New Jersey Transit. There hasn't been any advance of that idea. I don't know if it's a difficult idea to put into this particular legislation, but the very fact that Executive Director Hakim was moved to make that statement to the MTA's Reinvention Commission tells you that there is something to this problem and that there are many, many issues -- certainly, things like Gateway are indicative of the need to organize a continuing dialogue.

The ARC project, ironically, was formed with a project oversight committee initially. In fact, I was the Executive Director at that time. That was composed of New Jersey Transit, the Port Authority, and the MTA. And it was through that interchange that a considerable number of good ideas came forth; and that the parties were able to work together, up to a point. And I think that that experiment should be revisited, and that there needs to be some kind of replacement for that project oversight committee; and it might very well be that the Gateway project could force that. I think that, as I mentioned in my testimony, that Chairman Coscia has said over and over again that Amtrak does not have the project delivery capability to build that project. That is really frightening, because that project is so, so important. So we have to figure out something in our region that works at that. And I think that idea could be the driving force to bring the agencies together in a coherent, continuing way to plan -- something that is clearly missing in our region.

SENATOR GORDON: If I could just interject a question here.

Senator Schumer has proposed creating a new organizational entity to oversee the Gateway project. Is that the kind of idea we should be pursuing?

MR. ROBINS: Well, it's a seed to plant the tree. One of the things that comes to mind is that the Port Authority is not included in that idea. It's an idea that generally looks at the MTA and New Jersey Transit to try to deal with it. And I think that it has merit, but I think that we need to go deeper. And if we went deeper, and we thought more inclusively and looked for the project delivery capabilities -- looked around, where are they? -- in my mind they are at the Port Authority. And what we could do is refashion Senator Schumer's idea along the lines of a four-party consortium: Port Authority, the MTA, New Jersey Transit, and PATH. The four parties together could, I think, really make a difference and then create something permanent out of that relationship.

SENATOR GORDON: A very interesting idea, and perhaps we can explore that legislatively.

Are you finished, Senator?

SENATOR WEINBERG: Well, again, I keep on thinking of how this legislation might help address that. So what we have written into the legislation, with the policy liaisons from each of the departments of transportation -- from each of the two states -- could that kind of be a moving factor in this?

MR. ROBINS: Well, I think it would be helpful. I commend you for that particular provision because it really turns back the clock in a way -- in a positive way -- because although the positions weren't as clearly defined as the legislation would make it, when I worked at the Port

Authority in the 1980s there was that kind of relationship between people on the Governor's staff -- particularly the New Jersey's Governor's staff -- and the Port Authority staff, and the Port Authority Board of Commissioners. There was not quite the amount of authority that this bill would give that particular position, but there was a recognition then that the Governors needed to know what was going on and needed to be heard at an early stage in deliberations. And there was no harm in that, and it was an interesting, positive back-and-forth.

And so, unfortunately, it evolved into the Deputy Executive Director model -- which went awry. And I think that this is a good way to turn back the clock and to restore the equilibrium I was talking about. But a very useful exchange of information could occur through that position.

Now, whether that position by itself would achieve what you're talking about -- I don't really think that it would do it alone. But it certainly would be helpful.

SENATOR GORDON: This really raises the subject, which is my greatest concern about the bill that emerged from New York -- not surprisingly, at least I considered it a New York-centric bill. And I believe that it does not give New Jersey the voice that it needs at the stage of early policy development, and that the end result will be an allocation of resources to projects like LaGuardia, while we have the problems with the Bus Terminal and PATH at capacity, and little movement on the Gateway tunnel.

We came up with this idea of creating these liaisons based on what had been done in the past at the Port Authority. And the motivation for that was I feel the need to have, as you say, someone from each

Governor's office embedded in the Port Authority organization -- not at the most senior level, but in the middle of the organization; that level at which policies are being developed, ideas are being generated, options are being created for the capital budget -- a critical point in policy development. Because by the time the ideas get to the Commissioners it may be too late. And so I thought that we needed some kind of mechanism to provide the two Governors with an opportunity to have conduits of information to and from the Port Authority.

I'd be interested in whether you have any ideas on what else we might consider. I mean, this was just an idea that I had developed, and certainly it isn't the last word. But are there ways of doing it better?

MR. ROBINS: Well, I think that there are ways of doing it much worse -- much, much worse. (laughter) And I think the Deputy Executive Director model was a very serious mistake which created two lines of authority, confusion, and the opportunity to hide things from the Executive Director. It was absolutely deplorable the way that evolved.

Now, there are people who looked at that model and said, "Oh, well, it might be deplorable, but it's the only way to protect the State of New Jersey if, under the old way of doing business, the Executive Director was chosen by the Governor of New York." Well, the first thing that we had done -- and everybody is in agreement -- that that model of giving the Governor of New York the power to name the Executive Director -- that is no longer going to be the case. Now there's going to be an even-handed selection of the Executive Director. So that's one issue. But there still needs to be some assurance that what is going on in the Port Authority is not opaque, and that there really is an understanding and a communication

both to and from the Governor's Office -- of both states -- to the staff at the Port Authority.

I think that we have had, over the years, the development of Authority offices in the Governor's Office. And that was designed to achieve much of what you are talking about. But what you are doing is raising it to a higher degree of specificity and implanting that person at the Port Authority. I don't see any problem in that; I really don't. I mean, I think that it really is a recognition of the reality that there is this gravitational pull that's going on all the time, and that everybody has to be aware of what's going on at the Port Authority and what the Governors are thinking.

So I think that there's merit to your idea, and it's one of the reasons why these added provisions that you have ought to be seriously considered and advanced.

SENATOR GORDON: Thank you. Just--

MR. ATTANASIO: Senator-- Marty, could you shut your mike off? Thanks.

If I could just add one point to that?

I think one thing that has to remain in focus about this position -- while it's a great idea to start with -- is you can't just move the political appointee down from Deputy Executive Director, down into the middle of the organization. My fear would be if it's still just a political appointee, then what are you really changing? I would just argue that the person should obviously have some type of transportation planning experience -- relevant experience in the region, or anywhere else for that matter. They don't have to be from the region if they have relevant transportation

planning experience, and then they're guided by the will of the administration they represent -- this is a good thing. Moving a political appointee around the structure-- I'm not insinuating that's what was intended; that's a fear of mine.

SENATOR GORDON: Just to clarify: At least what I would envision is someone at the Assistant Commissioner level who is a career transportation planner, transportation policy expert. And the legislation actually, I believe, includes language which says this person shall have no -- will have authority to participate in all the policy discussions, but no authority on personnel or day-to-day operations of the Port Authority, to address some of the problems we've seen over the last couple of years.

I want to just make one point. Some may consider this discussion about New Jersey not having enough influence is a parochial concern. But I think there is certainly real evidence that New Jersey has not had, what I call, *parity of influence* in the policy discussions.

I had an interesting conversation with a member of the Hoboken Council, and that person told me that the Mayor and he had had a meeting with the Executive Director of the Port Authority to talk about the need for increasing PATH capacity, because there are all these residential projects that are going to be coming online in Hoboken. And this Council member had the impression that the Port Authority just wasn't really interested in this. It was just falling on deaf ears. And that's the sort of thing we really need to address. We don't need to dominate the policy-making process; we just need parity with New York so that there is an honest debate over priorities, and that each state's concerns are heard.

Janna, did you want to add anything to that?

MS. CHERNETZ: I think that both Anthony and Marty have addressed all of the concerns. But I did just want to say that Tri-State does support aggressive reform. And I know that the clock is ticking, and I know that the fact that we not only have to move this in New Jersey, we have to move it in New York, adds another layer of complications. But I see this as getting one bite of the apple in th, or even New York, should be choosing a speedy resolution over an adequate resolution. So I do support the amendments that you have in your bill, and I would hope that New York would see those as critical as well.

SENATOR GORDON: An idea I'd like to just throw out: I had a conversation with some Port Authority folks, and they said that another approach to trying to level the playing field would be to -- if the CEO or the First Chair is going to be from New York -- as the plan now calls for -- maybe what you do is you require that the First Chair of the Operations Subcommittee be from New Jersey. And the point was made that this is a particularly influential committee that really deals with all the important stuff. And if you had a New Jersey person there when there was a New York person as the Chair, there would be a way to provide some checks and balances.

You know, Marty, you've been there. Does that have any merit?

MR. ROBINS: I can't really address that because the Operations Committee was not constituted in the same way 30 years ago. And what this person is describing to you may very we'll be an accurate depiction of the way in which the Port Authority internally works today, but I really don't feel competent to tell you if that's sufficient. I think what

we're talking about is a subject of very great significance, and I think what you have to do is -- considering the history -- I think that you want to extend Chairman Degnan's term as Chairman so that he's not swept out as soon as this bill passes, but he's given another year -- one year. And then I think we do have to follow ideas like the one we were just talking about before -- about the policy liaisons. And let the chips fall where they may, in terms of, *a*) the selection of the Executive Director. That is a vital, vital decision, but it really can't be decided by parochial interests; it really has to be decided on the merit. And the Chairmanship -- I think that everybody agrees that there should be a rotation. And so we don't have the control at a certain point in time through the Chairmanship? Well, we'll get it back in two years. And we may lose an opportunity, but we'll gain it back. We'll have a slightly stronger hand in two years.

I think that all of those possibilities are a better way to approach this than constantly tinkering with balancing of power.

SENATOR GORDON: Senator Kyrillos -- question?

SENATOR KYRILLOS: Thank you, Mr. Chairman.

It just occurs to me that the problems of the Port Authority have been known for many years now. The George Washington Bridge was closed down -- the famous closing -- now, two years ago. I think somebody told me the anniversary--

SENATOR WEINBERG: Two years ago yesterday.

SENATOR KYRILLOS: --was yesterday. And I know Senator Gordon produced his original bill maybe a year ago.

SENATOR GORDON: Well, originally 2011.

SENATOR KYRILLOS: You know, we've gone on for a long, long time. And I'm not sure I disagree over this policy position -- the *New Jersey Policy Liaison*, as you call it; it makes some sense. However, you know, we're all realists here, I think, right? We've all done this for a long time, and we know that there's a bill on the governor of New York's desk ready to be signed. This seems to me the kind of position that could be created by the new CEO, advocated for by the Commissioners of the Port Authority, and especially the New Jersey Commissioners. We're forgetting that we do nominate and confirm--

SENATOR WEINBERG: Let me speak to that.

SENATOR KYRILLOS: --New Jersey residents within the Port region to be members of the Board, who are obvious advocates for New Jersey.

So I'm just curious -- from the panel here, representative of the middle -- from a tri-state organization, you have to deal with all these state capitals. Mr. Robins is a legendary figure in this arena, as has been noted. I've heard his name and seen it for many, many years. Would you go to -- have you been to Albany? Have you advocated for this step? Do you think we shouldn't pass a bill because it doesn't have 100 percent of what we want? Or do we want to keep doing this for the next year or more? Because you know that's what it's going to be, right?

So I don't know if anybody wants to comment on it--

SENATOR WEINBERG: Yes, I would like to comment on that.

SENATOR KYRILLOS: --if there is enough difference in these bills that we should stop everything in its tracks to get perfection -- the kind

of which I've never seen in the State House, and certainly not in the New York state house.

SENATOR GORDON: I think Senator Weinberg would like to respond to that.

SENATOR WEINBERG: Yes, on a whole bunch of issues, with all due respect, Senator Kyrillos.

Having spent almost two years going to Port Authority meetings where I expected New Jersey Commissioners to speak up and speak out -- and those who were there, and are still there, were silent, never asked a question. Even if I may bring up the Legislative Select Committee on Investigation -- every document we got, not one showed a New Jersey Commissioner interjecting in any way. They spent more time trying to figure out how not to let me testify than they did to investigate. That's number one.

SENATOR KYRILLOS: Let me interrupt quickly, because I agree with you on this point.

SENATOR WEINBERG: So we can't--

SENATOR KYRILLOS: Which is why I don't think you'll mind my interrupting for this point.

SENATOR WEINBERG: Yes.

SENATOR KYRILLOS: These Commissioners have been lax. This is the current group; there's no question about it. But we're talking now for the expense of time. This is going to be an effort that long lives past this current crowd and Administration. So we can always come back to these other points. That's my only point, Senator. I'm sorry to interrupt you.

SENATOR WEINBERG: No, that's okay. And you make a good point, and I thank you for acknowledging what went on there. That's a big step forward.

But I believe we're only going to get one bite at this apple -- that is to get a bi-state bill. We passed one, remember. We passed it; New York passed it--

SENATOR GORDON: Both states passed it unanimously.

SENATOR WEINBERG: --unanimously. And both Governors vetoed it. So my question: To me-- Well, let me go back a moment, because the original Gordon-Weinberg bill -- and Valarie Huttie bill, in the Assembly -- came out of the toll increase which was put on the hard-working people of New Jersey, mostly -- with hearings held in leaky bus garages, that not one Commissioner from New Jersey ever even attended. So that pre-dates the lane closures. So we've had plenty of experience with trying to get transparency into the Port Authority.

The most important aspect of our bill -- and I'd like to question Governor Cuomo as to why it was taken out -- was legislative oversight. That, to me-- Without it, this bill is almost useless. Because there will be other people sitting here and other people sitting on the Port Authority, and the Legislature will get busy doing--

SENATOR GORDON: Other things.

SENATOR WEINBERG: --whatever the topic--

SENATOR GORDON: Du jour.

SENATOR WEINBERG: --of the next three years, or the next five years, or the next 10 years is. We need to keep the legislatures of both states, on behalf of the public they represent, involved in what goes on in a

place that puts in a budget, we all have heard, bigger than 26 states, and they don't even have to have, really, public hearings on that budget.

So we don't have legislative oversight. That will be the biggest weakness. And I want Governor Cuomo to answer to me, to answer to the residents of New Jersey and New York, why he took that out of the bill.

SENATOR GORDON: I would just--

SENATOR WEINBERG: You know, I don't have to (indiscernible), you have to answer. (laughter)

SENATOR KYRILLOS: Well, you'd have a better chance of asking that through me.

SENATOR GORDON: I would just, just for a little historical perspective--

SENATOR SARLO: I expect to use Senator Kyrillos to answer that. (laughter)

SENATOR GORDON: Just for a little historical perspective-- I mean, I was on the phone with my New York colleagues that week in June when all of this was getting hammered out in some conference room in Albany among a handful of people. And until the very last minute, I believe that legislative oversight provision was in there and, for some reason, the Republican senators in New York wanted it out. And Assemblyman Brennan, I believe, was told, "Well, if you want *this*, you can't get *that*." There was horse trading, but there was something that frightened New Yorkers about that legislative oversight provision. I happen to think that had we had the ability to hold hearings-- And we have had a couple of these in the Assembly Transportation Committee, and we're going to hear from Chairman Degnan and Executive Director Foy at an upcoming

meeting of the Oversight Committee. If we had those kinds of hearings, supported by staff that have the expertise in the Agency and know about what's going on within the inner sanctums of the Agency, I don't think we would have seen a Chairman's flight to Columbia, South Carolina, take place. I mean, there would have been enough public scrutiny to, I think, provide a check against those things. And I really think it's the most important part of the legislation, and I think it's worth fighting for to try to get it into this bill. And I'm hoping we have the opportunity to convince our friends on the other side of the river that this is worth doing and something they could be proud of.

Martin, did you have a--

MR. ROBINS: Yes, I'd like to go, and then Janna also wants to be heard.

Getting back to the initial question that Senator Kyrillos asked -- I think it's a very good question. Reasonable people, very knowledgeable people about this Port Authority reform legislation, disagree about the answer to your question -- whether we should go along and get something done, or try to shoot for something else.

My sense is -- and it was reaffirmed by what Senator Weinberg said -- is that there is a very strong need to assure legislative oversight. And it was kind of shocking that it came out of the bill and that it was stripped away, particularly with the history that has occurred in New Jersey over the last several years of officials being implicitly ordered not to appear -- which I, as a citizen, observed and thought was the wrong thing -- definitely the wrong to be doing. And I think that it is up to the Legislature to make its

mind up what is really, really important, and then answer the question that Senator Kyrillos asked.

SENATOR KYRILLOS: Thank you for that response. And I'm going to think about what you said, and what my colleagues have said. But it seems-- And I'm not exactly sure what is in the legislative oversight provision that we're speaking of, but I do know that we have legislative oversight by virtue of being able to pass a bill like this one already. We have subpoena power, as a State Senate, already. And so it seems to me that there -- we have confirmation responsibility for the Governor's nominees to the Port Authority. We can change where those -- perhaps to some degree; perhaps not -- where they reside. Some are in the Port, some are not in the Port region. And so it seems to me that if we choose to exercise it, we have quite a bit of oversight already. And so I'm not saying that the original provision might not be a good one, and one that can be revisited. But let's-- I don't think we can maintain correctly that we don't have certain powers that we have, frankly, failed to exercise institutionally -- both parties, many legislatures, over many years heretofore.

SENATOR GORDON: Janna, I think that you had a comment you wanted to make.

MS. CHERNETZ: If I may. I think we need to look at-- I mean, very simply looking at this very complicated issue: Who is the Port Authority supposed to be serving? And does this legislation hold the Port Authority accountable to that constituency? And I think the Port Authority is supposed to be serving the residents of New Jersey and the residents of, certainly, downstate New York. And I think that the legislative oversight is necessary and critical to make sure that that service and that

need goes in check. I think the Legislature is accountable to your constituents in the district, and I think that's the best and most powerful way to make sure that the Port Authority is serving its core mission.

So if you ask me, "Is this bill that's been passed in New York ready? Does it serve that core mission? Are those constituent voices heard?" The answer is "no." So therefore, the bill is not ready, and not ready without this important legislative oversight in terms of policy, and capital programming, and meeting the needs of both states.

SENATOR GORDON: Thank you.

Senator Sarlo, did you have a question?

SENATOR SARLO: You know what, Mr. Chairman? I want to move over to talk about a little bit about capital; but if you want to continue on reform, if now is the appropriate time-- I'll wait until you're done with reforms and then I would like to talk to the panel a little bit about their thoughts on the capital program and some of my thoughts on it.

SENATOR GORDON: I think we'll continue with the current line of questioning, Senator.

SENATOR SARLO: And then if we could-- I'll jump in on the capital. Thank you, sir.

SENATOR WEINBERG: Thank you; thank you, both of you.

And I agree with what Senator Kyrillos said. We do have subpoena power -- which we finally exercised, because it was the only way we could get some answers on something that was obviously wrong at the Port Authority.

But the reason for this kind of legislative oversight is -- and I guess I alluded to it a little earlier -- is for when we get distracted, or when

other issues take the forefront, this will require certain times that members of the Port Authority come before the legislature of both states, tell you what's in their capital program, and why the extension -- the Wall Street extension is more important than the tunnel, or more important than the bus. It gives a regular calendar -- a time for that to happen, and a requirement for it to happen.

So this shouldn't be an either/or. We can send over to New York these are the changes we'd like to make. This is our bill; they can amend it. And both Governors can sign it. It's not -- this is not an arduous process. So I think you've heard why some of us feel this aspect is so important. It's not--- Well, we've all been irresponsible institutionally by not having the spotlight over there. Maybe that was the good thing that came out of the four-day horrendous traffic jam. Some positive things are coming of it. But I think it's for the future; I think it's for the future of whoever is sitting here, and whoever is sitting there, so that the residents of both states have an opportunity to know what's really going on there. And this is the only way it will happen.

So that's why I'm so passionate about this particular part of the bill. And again, it's not so arduous. They just have to amend the New York version and send it back over to us; we pass it; and then two Governors have to sign it. It could all be done in a matter of weeks -- especially, they don't even have to have public hearings, apparently. You became more familiar, Senator Gordon, with their process.

SENATOR GORDON: Yes, they have a process called *chapter amendments*. And we send over some of the changes that we'd like to make,

and if they agree, they just pass these chapter amendments and it's -- the process is done.

Any other questions for these witnesses regarding the legislation? (no response)

Seeing none -- Senator Sarlo, did you want to ask about the capital budget?

SENATOR SARLO: Thank you, Mr. Chairman.

And I just want to compliment my colleagues -- Senator Weinberg, Senator Gordon -- on their efforts on the reform. Senator Kean as well; he's worked with you. Although you may not agree on all the particulars, I think everybody recognizes we need to get the Port Authority back to its mission of investing in our infrastructure, in the capital plan, and invested in moving people back and forth between New York and New Jersey.

I just want to talk a little bit about the capital plan and get some of your thoughts. And talk a little bit about one project that is a little bit troubling to me, and maybe you could shed some light on it -- and that's the PATH extension from lower Manhattan to Newark Airport.

But before I do that, the 2014-2023 capital plan summary increases spending for the World Trade Center. The World Trade Center spending plan for 2014 and beyond-- In the 2011 plan, it was \$1.5 billion. Under the 2014 plan, they increase it to \$4.9 billion. So they increased spending from the 2011 to the 2014 -- projected spending in real estate, really -- by over \$3 billion. What are your thoughts on that -- from folks who have studied the Port Authority, and your thoughts on that?

MR. ATTANASIO: Thank you, Senator.

All of us are in agreement on this; we've touched on this before. The Port Authority, as a real estate prospecting and investment firm, has failed and it's time to get back-- I mean, I look at that increase and I say, "There's a good start to a local match on the Gateway project." You know, I think Marty hit it on the head: The Port Authority would be a great agency to lead that project -- when Amtrak itself is saying they can't. So it really gets back to the philosophical issue of what is the purpose of the Port Authority, and that they need to refocus on transportation capital investment. That money should not be going into building buildings; it should be going into building tunnels.

SENATOR SARLO: There is, in the capital plan, what they call a *State of Good Repair*. It's called *SGR spending*; a State of Good Repair. It's a technical term that's used for capital planning and engineering. I clearly recognize the need, under the State of Good Repair -- the two areas, both the physical condition criteria and the operational impact criteria. They lay out the monies -- whether it's the George Washington Bridge suspender cable program, the Lincoln Tunnel, the Helix rehab, Port infrastructure improvements, Bayonne Bridge -- all the various transportation facilities, and the State of Good Repair spending -- they've increased that from the 2011 plan to the 2014 plan.

Under *New Initiatives* -- correct me if I'm wrong -- under New Initiatives, there is no money for the Bus Terminal that Senator Weinberg and others have called for, and there's no funding for the Gateway project. Am I correct in that?

MS. CHERNETZ: If I may, I'm not-- I wouldn't say that there's no funding for it. I think the problem is the project prioritization. I

mean, without specifically saying whether or not the Penn Station-to-Newark Liberty is necessary; that's \$1.5 billion; the Galvin bus garage that I've spoken about that's much needed -- that's \$1 billion. So there is no money for the \$1 billion project that's desperately needed, but there's \$1.5 billion available for the airport project. So I think that the problem is project prioritization -- as well as the Port Authority Bus Terminal.

I mean, I know the capital program is a living document, as we can see, with the \$90 million Quality of Commute program. But that should have been in there to begin with. So it might-- I don't think it's necessarily a lack of funding, but a lack of prioritization -- knowing how to spend the funding that they have.

SENATOR SARLO: So what are your thoughts? Let's talk about this, because it bothers me a little bit. The PATH extension from lower Manhattan -- from the World Trade Center area to Newark Airport, right? And United Airlines has been in the paper now, and we all know that having that extension would be a great benefit to United Airlines. But I don't see what that does for commuters from northern New Jersey who are trying to get into Manhattan to get to work and to commute on a daily basis -- and even on weekends to go and spend disposable income in Manhattan. So from a priority -- what does that really do for moving folks to and from North Jersey or Central Jersey into Manhattan? What does that project really do for us?

MR. ROBINS: If I may. The project has some merit; it's not a boondoggle waste of a project. It does benefit lower Manhattan; and it benefits the city of Jersey City very mightily, as it would provide very improved access to Newark Airport.

It would also benefit the city of Newark, because the current connectivity has its significant defects between downtown Newark and the airport. But the problem with this whole process--

SENATOR SARLO: I'm not going to interrupt you, Marty, but you haven't answered: What about the commuters from the central part of the state to the northern part of the state who are going through difficult situations, back-ups. Is it helping those folks?

MR. ROBINS: I was going to get to that. The answer is, that is not its purpose, and it has to be measured against the other things that, in my mind, inexcusably were left out of the Port Authority's capital plan. The most important -- there are a number of them -- but the most important was to do something appropriate for the Port Authority Bus Terminal -- to replace the Port Authority Bus Terminal. That was actually in the original proposal that went before those hearings that Senator Weinberg described -- if you could call them hearings -- that accompanied the toll increase in 2011. It was originally in that proposal, but when the Governors chose to become heroes and reduce the size of that proposed toll increase, the one major casualty of that process was money that had been set aside for the Port Authority Bus Terminal. That was a mistake of monumental proportions.

The problem right now is that the Port Authority doesn't know what the Bus Terminal project is. They can't define it. And hopefully, within a few months, they'll have an answer to that. But you can't go to them right now and say, "I want you to put X number of billion dollars for the Bus Terminal," when they don't even know what the project would be. But that's something that has to be worked out over the next year.

The other need--

SENATOR SARLO: Before you move on -- so you concur that clearly there's some benefit to, perhaps, the Jersey City area, and Newark area, and to lower Manhattan. But you concur that there's no real benefit of moving folks who are commuting daily into Manhattan from Central and North Jersey -- there's no benefit to them.

SENATOR GORDON: Senator, if I could just interject something.

I had a conversation yesterday with someone from the Port Authority. And they happened to take great exception to the characterization of the project as a *Wall Street-to-Newark Airport* kind of project. What I was told -- I haven't been able to verify it -- is that the Port Authority spent a lot of time looking at this project and saw it as a way to greatly increase the ability to move thousands of people across the Hudson. And what they had envisioned is that people from Bergen County, Hudson, Union -- whatever -- would drive to Newark Airport, where there's apparently surplus parking, or a satellite lot, leave their car there--

SENATOR SARLO: That doesn't work. (laughter)

SENATOR GORDON: --take a jitney to the station, and then take the train into lower Manhattan.

SENATOR SARLO: Okay. If I told the-- And Senator, whoever you spoke to, this is what I would say to them. If I tell the people who live in Wood-Ridge, where I'm the Mayor -- still the Mayor of a small town, "Do me a favor. Get in your car, there's a great parking lot at Newark Airport. They have great coffee, and a great bagel, and then they're going to put you on a PATH station to lower Manhattan--"

SENATOR WEINBERG: No, first a jitney to the PATH station. (laughter)

SENATOR SARLO: So you know what they're going to say to me? Whoever-- That's not a very well thought out plan by a Port Authority employee.

SENATOR GORDON: However, if the tunnels are closed because of the Sandy damage, and we're looking at a tunnel not becoming available until 2025, or the need to increase ferry capacity -- I was told that that rail line could be operational by 2018.

SENATOR SARLO: Let me just--

SENATOR GORDON: I don't discount your comments at all.

SENATOR SARLO: Thank you. Let me just-- Continuing on that line of this, because it is -- I understand there are dollars in here for some engineering, and for looking at the Bus Terminal, and some feasibility studies. But that PATH project just sticks out to me -- that it doesn't make sense for what we're trying to do. As the economy comes back in the northern part of the state, the economy is booming in Manhattan and trying to move people to and from work. And I think I know the answer. The major airline carriers out of LaGuardia and Kennedy are -- is that American and Delta? Do we know that?

MR. ROBINS: I believe that Delta is the major carrier out of LaGuardia Airport.

SENATOR SARLO: Okay. And I believe that American is the major carrier out of Kennedy. So clearly there had to have been some thought process to benefit United -- which is okay, they're a major player here in New Jersey -- to take some of the folks who are going to be leaving

lower Manhattan from the Wall Street area who travel -- to take that away -- who typically, probably will now jump in some type of town car or limousine and shuttle them over to LaGuardia or Kenned; to put them on a PATH and bring them out to Newark Airport to take away some of the business from Kennedy -- from American and Delta. I mean, am I-- Are there any thoughts on that? What are your thoughts on that?

MR. ROBINS: Well, you know--

SENATOR GORDON: You may lose your bonus miles.

MR. ROBINS: There are a lot of ways of looking at all of this. And I think -- I sum up my views this way: I mentioned to you a moment ago that the Port Authority Bus Terminal capital plan item was deleted from the 2011 toll increase. That was a blunder. I think that, to give the Port Authority credit, they held a conference on trans-Hudson needs back in May and it got the ball rolling on a discussion with the Federal government about how the New York-New Jersey area needs to participate in the Gateway project. We don't know what that participation will be, but the Gateway project is a critical project to solve the issues that you're talking about -- along with the Port Authority Bus Terminal.

So what I would say is that what we have is a very-- Although there is in place a capital plan, I believe that it desperately needs to be reviewed and all the questions that you're asking should be addressed to the people who are responsible for formulating that. I don't want to defend it.

SENATOR SARLO: Well, listen, I'm not going to put all of you on the spot. I have a lot of respect for you, Marty, and Anthony, and the whole panel up here. I have a lot of respect for the efforts that you put into transportation planning and policy.

I will just say this. I believe -- and I feel strongly about this -- the Port Authority should suspend spending any further public dollars on that project until United Airlines' internal investigation -- the findings of that become public, until the Federal investigation becomes public. I just think we need -- before we put any more further dollars into that particular project, I think there should just be a suspension of that in light of recent allegations. They are allegations, of course, and accusations. I would just suggest that they suspend any further -- spending any further public dollars on that project, in particular. From my perspective -- taking off my Senate hat and putting on my engineering and planning hat -- I think that \$1.5 billion will be much better spent as an infusion of dollars into the Bus Terminal, an infusion of dollars into the Gateway. It's a much better way of spending our money. Let's get to the bottom of why that project really got to the drawing board, and why it was needed before we spend any further dollars.

Thank you, Mr. Chairman.

SENATOR GORDON: Do we have any other questions for this panel?

SENATOR WEINBERG: Yes.

SENATOR GORDON: Senator Weinberg.

SENATOR WEINBERG: I would add to what Senator Sarlo just said. Or I would like to identify what his last sentence -- about the \$1.5 billion.

I'm not sure exactly where I saw this, but there was an estimate that about 40,000 people a day would be taking this PATH extension through wherever; whereas, there is somewhat over 200,000 people a day

who go through the Bus Terminal. And that's the problem with all of this. It's not whether or not there are some areas of inappropriate behavior around the decision; but how do we set priorities? I believe -- and I hope if any of you disagree you will tell us -- that the two priorities -- and I say *one and one*, because I can't even make it *one and two* -- that affect the most people and will affect our future is the Gateway and the Bus Terminal. Those are the priorities. And before we spend \$1.5 billion on anything else -- which might be very important, and might become number two, three, four, or whatever -- we need to have the money set aside for those two priorities. If in fact any of the three of you disagree that those should be the two top priorities -- at your own peril, please speak up. (laughter)

MR. ATTANASIO: I respectfully decline, Senator. (laughter)

MS. CHERNETZ: I just wanted to clarify. What Tri-State has found was that the PATH extension and the Harrison Station would serve approximately 7,000 (*sic*) riders a day, which still pales in comparison to the volume that goes through the Port Authority Bus Terminal.

Senator Gordon, you were talking about how there was a possibility of somehow utilizing the Newark extension to help people commute. And that clearly demonstrates the disconnect of how a project like the airport extension could help. I mean, clearly adding more vehicles to Route 22, 1, and 9, and the Turnpike is not what New Jersey needs. So it even further demonstrates why there needs to be some sort of liaison and legislative oversight to the capital program prioritization.

SENATOR GORDON: I think the idea was that it would draw people from buses or from New Jersey Transit routes and increase overall capacity for trans-Hudson passengers.

MR. ATTANASIO: Senator, if I could.

There is a real issue with transferring folks from one mode to the other that New Jersey Transit struggles with every day, because there's capacity on certain bus lines and folks don't want to get out of their cars. So if you're talking about taking a certain class of clientele that's used to taking -- whether it's black cars or whatever it is to local airports, and asking them to take a train and, in this case, a PATH train to Newark, New Jersey, I think there's a disconnect there on who their constituents are and how much ridership there would be, as is shown through the disparity in ridership models; and then the backwards side of that, to say that Newark Airport would, in essence, become a park-and-ride for folks to take a PATH train to lower Manhattan.

My father commuted from Westfield to New York for 30-plus years. We all come from either Union County or we're familiar with Bergen. Who in their right mind would sit in that traffic to get to Newark Airport -- into that complex system of cloverleaves and whatnot -- to get yourself into an airport to then take a PATH train? So you're creating a two-, sometimes three-seat ride in order to get to lower Manhattan from northern New Jersey. People won't even take a two-seat ride on current New Jersey Transit trains, which is why Raritan Valley, Pascack Valley, and all the other lines are not at full capacity -- because people don't want to take a two-seat ride. So I just think that it's flawed modeling.

MR. ROBINS: I'd like to add two things, because this conversation-- Some of the things that Senator Gordon has reported that people at the Port Authority have told him are disturbing to me. Number one, the project on the capital plan isn't supposed to start until about 2023.

And for somebody to tell you that it was going to be in place by 2018 is pulling your leg. That is not going to happen. The project hasn't advanced that far so that-- Nobody knows anything about the details of the project.

The second thing is that what that person was trying to address is something that I think we all need to look at again much more globally. And that is that there is a risk -- which Amtrak has, unfortunately, told us all about -- that a tunnel could go out of service or that both tunnels may have to go out of service before the new tunnel -- the Gateway tunnel -- is built. It is definitely a possibility; the damage caused by Superstorm Sandy was significant and continuing. And what we need in this region -- and this gets back to Senator Weinberg's point about coordination -- is, with that information in hand, we need contingency planning on the western side of the Hudson River to figure out what the heck are we going to do if something like that actually happens, and what are the best answers. And not something that comes out of nowhere from some member of the Port Authority staff that you (indiscernible) -- whoever that person is who you described told you that. That doesn't seem to be quite credible. There are many other ideas that need to be on the table, and it needs to be handled in an organized and professional manner. Because it's something that could have a critical, negative effect on our state's economy.

SENATOR GORDON: Thank you.

Any other questions for this panel? (no response)

Well, listen, I want to thank you very much for a very substantive discussion and some good ideas. And again, if you have any thoughts on how the legislation can be changed or improved, please let us know.

I think we're going to hear another panel, which will consist of Somerset County Freeholder Peter Palmer; Tracy Noble of AAA of New Jersey; and Edward Barocas of the ACLU. And I know we have, on deck, former Senator Gordon MacInnes.

MR. MAGYAR (Committee Aide): Senator MacInnes is going to come back another day.

SENATOR GORDON: Okay.

Ms. Noble, would you like to start?

TRACY NOBLE: Certainly.

Thank you, Chairman Gordon and the Committee, for hearing this. I'm here today representing the AAA clubs of New Jersey. And I want to just make note that my colleague, Kathleen Lewis, would have liked to have been here as well, but she is in Texas attending a different meeting.

I'm here representing the clubs of New Jersey and our 2 million New Jersey members, who are also toll payers and commuters. AAA has long advocated that oversight in the Port Authority be strengthened to better ensure that toll revenue is appropriately spent on only needed transportation infrastructure projects.

Over the last several years it has become apparent that increased transparency is needed at the Agency. The Port Authority must balance the needs of the commuters of both New York and New Jersey, and balance the continued pressures of maintaining its aging and deteriorating infrastructure.

While numerous efforts have been made to create changes necessary to bring the accountability and transparency to the Port Authority, they've had little impact. In order to rightfully provide toll

payers with the infrastructure they deserve, systemic changes need to be made.

AAA believes that there are a number of core principles that should guide reform efforts when it comes to the State's tolling authorities. You have the written testimony in front of you; what I'm going to do is just highlight five of those that we believe are extremely important.

One is that new transportation projects must ensure that the system significantly enhances the safety, mobility, and reliability to provide an appropriate return on investment to motorists who will continue to pay most of the costs. That transportation taxes, fees, and other revenue collected from motorists be equitable and transparent. Transportation agencies must demonstrate to the public that transportation resources are managed wisely and efficiently. Motorists and commuters must receive direct and recognizable improvements to their travel experience if they are asked to pay more. Revenues generated from taxes, and fees, and other pricing mechanisms paid by motorists must be dedicated solely to meeting identified transportation needs, and protected from diversion to other uses. And lastly, that all tolling agencies should be required to adhere to open and transparent practices, including, but not limited to, the Open Records law of all states that they serve.

Thank you.

SENATOR GORDON: Thank you very much.

Freeholder Palmer.

**F R E E H O L D E R P E T E R S. P A L M E R:** Thank you very much.

I'm Peter Palmer, Somerset County Freeholder and Chairman of the Raritan Valley Rail Coalition since its creation in 1998 by our late Congressman, Bob Franks.

Thank you for this opportunity to testify regarding the Port Authority's 10-year capital plan. I'm sure I'll be somewhat repetitive of what Marty Robins and Janna Chernetz had said to you, and I certainly appreciate the comments that Senator Sarlo recently made.

The Raritan Valley Rail Coalition -- RVRC for short -- is a bipartisan organization of Hunterdon, Middlesex, Somerset, and Union counties. The line runs from High Bridge through Somerville, Plainfield, Westfield, to Newark. Because it is not electrified, and diesel engines cannot run through the tunnels to Manhattan, it has been the only line with direct connections to the Northeast Corridor which did not have a direct connection to Penn Station in New York. Therefore, our riders must change trains in Newark.

The mission of the RVRC since its inception has been to achieve a full service, one-seat ride to New York. In our advocacy role, we have worked with NJ Transit for 17 years. Most important, NJ Transit has acquired dual-mode locomotives which run as diesels to Newark, where they raise their pantographs and run as electric into Manhattan. We have achieved one-seat ride service from midday weekdays to late evening weekdays. We are currently seeking weekend one-seat service.

While there are fewer trains on the weekend, there is only one of the two tunnels available -- as the other tunnel is shut down for maintenance of the aging infrastructure. Realistically, the only way we can achieve a full schedule of rush hour one-seat ride service is with the

completion of the Gateway project -- doubling the track capacity to New York.

One of the major goals for economic development of New Jersey is to promote *transit-oriented development* -- or TOD for short. The existence of train stations with rush-hour one-seat ride service has proven to be a great boon for the economy and property values of many communities in the state. Numerous towns along the Raritan Valley Line, from High Bridge to Union and points in between, have built or plan such development. We have the development -- we just need the transit.

Beyond the Raritan Valley Line all of North Jersey desperately needs the Gateway project. The two-track segment between Newark and New York contains a 105-year-old moveable bridge which often malfunctions; as well as a 100-year-old tunnels badly damaged by saltwater from Superstorm Sandy and requiring manual removing of icicles from the ceiling in the dead of winter. Estimates for the completion of the project are about 15 years. The probability of at least one of the two tunnels failing within that time is significant. The Hudson Rail tunnels are the lifeline connecting New Jerseyans to the high-paying jobs in Manhattan. They are the essential element allowing the Hudson County waterfront to act effectively as part of the Manhattan Financial District. After a future interconnection in Secaucus, the new tunnels represent the only hope for a one-seat ride for commuters on the Bergen County lines. On an even bigger scale, the existing two tracks between Newark and Manhattan are the Achilles heel of the entire Northeast Corridor between Boston and Washington. The failure of even one of the tunnels would reduce the train

capacity by up to 75 percent and impact economic activity by tens of millions of dollars per day.

Yes, the Gateway project is expensive; the total cost will probably be about \$20 billion. The benefits, however, will be greater than that. Most important, the cost of not doing the project will far exceed that amount.

The majority of funding must come from the Federal government, and Senators Booker and Schumer are leading that effort. The project has been described by President Obama as “the most important rail project in the country.” There must be, however, a local contribution from the two states. The Port Authority, whose basic mission is to support the transportation links between New Jersey and New York -- which Senator Sarlo just pointed out a few minutes ago -- is the obvious entity to channel the efforts of each state to this vital project.

The Port Authority’s 10-year capital plan absolutely must contain the Gateway project as a signature item. We have to get going today to make this happen and get it done in less than 15 years. Remember, JFK called to go to the moon in 10 years, and it only took 8. It can be done faster.

I’d like to leave you with my favorite quote from former NJDOT Commissioner Jack Lettiere that, “Transportation is the game board on which the entire economy is played.”

Thank you.

SENATOR GORDON: Thank you very much.

Mr. Barocas.

**E D W A R D B A R O C A S, Esq.:** Thank you very much, to the Chair and to the members of the Committee, for the opportunity to speak here today about oversight of the Port Authority of New York and New Jersey. Specifically, I'd like to speak about the transparency, the open government component of the various bills.

And I'd like to thank Senators Gordon and Weinberg for taking the lead in this for a number of years; and actually, to members of both parties of the Legislature for having passed S-2183, which subjects the Port Authority of New York and New Jersey to the Open Public Records Act of New Jersey -- to be treated just as other State agencies, and localities, and school districts to ensure that they meet that level of openness regarding records.

What I'd like to speak to you today is about the Open Public Meetings Act provisions in the various bills -- both the New York bill, as well as S-3066. And an important idea to remember is that openness of government breeds trust, and it allows the public to be involved in its governance. When government acts in secret, it leads people to think that they have something to hide. And sadly, that has proven true on more than one occasion.

When looking at the various provisions, both the New York bill and S-3066 actually take some of the main parts -- main provisions of New Jersey's Open Public Meetings Act, which applies to State and local agencies, and carries it over. But there's an essential piece missing, and that's why the New York law cannot be passed as is, and why we're actually hoping to work with the sponsors to add to current proposed bills the

essential element of having an enforcement mechanism. Provisions are only as strong as their enforcement mechanisms. There needs to be teeth in it.

Under the Open Public Meetings Act if my local town acts in secret in violation of the Open Public Meetings Act -- they vote to take land, or build a building, or issue a contract to someone -- if they do that without following the law, I, as a citizen, can go to court and get that voided and make them go back and do it properly. If they continually act to fail to provide notice to the public, a citizen can go to court and ensure -- to get an injunction. These are things that ensure that the provisions are meaningful. That needs to be in place. It's not in the New York bill currently, which is why I think that bill can't simply be passed as is. It's something that is necessary. Basically what we're talking about is a private right of action that would simply subject the Port Authority to the same provisions, the same types of suits for improper action that every State agency, every local municipality, every school district is subject to.

In addition, this is the opportunity-- Senator Weinberg, you noted that this -- we need to get it right the first time. So this is the chance to set the bar high. And while I thank the sponsors of all the bills that have taken the most important elements of the Open Public Meetings Act and placed them in their various bills, I think that we should go back and look to make sure that additional items -- that there should be nothing missing. There should be no reason that the Port Authority is ever subject to fewer requirements of open government in their meetings than we put on local towns and school boards.

And finally I would say that there's one issue that is not unique to the Port Authority; it's an issue that has happened at the State level and,

actually, at the national level -- but it is unique as far as where we've seen it cause the most harm. And that is the use of private e-mail systems and private texts. We have obviously seen that here, causing harm, at the Port Authority. And we had asked, after the closure of the lanes at the George Washington Bridge occurred and the disclosure by a subpoena of the e-mails on private email systems, we asked -- we sent a letter to the Governor and to the Acting Attorney General to ask for regulations to ensure that public officials conduct -- that it be made clear that public officials and employees should only conduct public business on public e-mail systems. And when they're required to do it via private system or text, that it be immediately transferred over, because otherwise, not only is the public not aware that these documents exist, but the records custodians for the agency themselves -- who are supposed to be the repositories of this information, and the gateway to provide this information to the public -- will themselves be unaware that these exist.

So again, we'd like to see that more broadly clarified for every State employee, every local employee. But clearly because of the history of the Port Authority, it should be made clear in a bill to include that provision.

So finally, I would just like to say, once again, strongly that we need enforcement provisions. Without the teeth, the provisions that you pass may be wonderful, but they may not be fully enforceable.

So we strongly support the Port Authority reform, and we urge you to adopt the robust transparency and accountability measures that we've suggested. We are obviously -- we look forward to working with you

to discuss any of these issues. And I believe that I have written testimony that has been provided to each of you.

Thank you.

SENATOR GORDON: Thank you very much, Mr. Barocas.

I share your concern about the lack of enforcement. It was, frankly, something that did not get enough attention when we were drafting the bill. I think it needs to be there; and whether it's added to this bill or to an amendment of 2183, I think it's important that we do that. And I think you have provided a real service by highlighting that omission.

I have a question for Ms. Noble -- really, just a point of clarification.

Is it fair to say that AAA believes that the priority of the Port Authority should be on the development of transportation -- only projects, as opposed to the economic and real estate?

MS. NOBLE: That is correct.

SENATOR GORDON: Okay.

MS. NOBLE: We believe that our commuters, our toll payers, and our motorists deserve adequate transportation -- and that's where the funds should be directed.

SENATOR GORDON: Okay.

A question -- a reaction to Mr. Palmer's comments: I do think that the Federal government does have a major obligation to provide a significant amount of funding for the projects we've been talking about. As has been pointed out in prior meetings of this Committee, New York and New Jersey account for 11 percent of the Gross Domestic Product; the northeast states that encompass the Northeast Corridor account for over 25

percent of GDP. This kind of infrastructure investment really needs to be a Federal priority, and the Federal government has to step up. And this is something that the American people just really need to lobby their legislators and members of Congress about, because I think our economic vitality depends on it.

Senator Weinberg, do you have any questions?

SENATOR WEINBERG: A little comment -- and Ed, thank you for bringing that up -- in fact, Senator Gordon and I kind of looked at one another because the way I remember it now, the Open Public Records and Meeting Act -- the way it was passed by both states is, wherever the request originates from, it's that state's laws that govern.

MR. BAROCAS: Right. And I think-- Yes; the Open Public Records Act bill -- it was easier to do because the way you did it was simply to say that the Port Authority is subject to either of these: New York's bill or New Jersey's. So as a whole, the laws apply and, therefore, the enforcement mechanism in the laws apply. And obviously, if a matter was brought in New Jersey, OPRA would apply; if it was brought in New York, New York's (indiscernible) would apply. Here, you're taking pieces of OPMA -- or the New York Open Public Meetings Act. So I think it might be a little-- The enforcement mechanism might have to be more set forth, and clarified, and be a little more extensive to explain exactly what it is. But again, I think the essential element is that that private right of action be in place -- not only to void actions that are taken in violation of the law; but also, when there are continual violations of the law, that a citizen has a right to go in. And if they can show that there have been continual

violations, to get an injunction to stop the violations from continuing to occur.

SENATOR WEINBERG: Thank you.

SENATOR GORDON: Mr. Palmer.

FREEHOLDER PALMER: Senator Gordon, I'd just like to respond to your comments.

I believe I said the same thing; I couldn't agree with you more -- that certainly the Federal government has to come up with more than half the cost of this project. Senator Sarlo made an interesting comment about the -- I'm sorry -- this real estate deal; from 2011 to 2014 they came up with \$3 billion more that ought to serve as a part of the local match to the total project. But I totally agree that the Federal government has to come up with the majority of the money. And your excellent point about how the two states and the Northeast Corridor account for such a major piece of the national GDP -- that it certainly deserves that support.

SENATOR WEINBERG: May I--

SENATOR GORDON: Senator Weinberg.

SENATOR WEINBERG: I know AAA is involved with the lawsuit against the Port Authority. I -- big smile that I vote. I don't know if there are any updates, or if there is anything you can comment about?

MS. NOBLE: I, unfortunately, cannot comment on it. The AAA club that I represent is not part of the lawsuit.

SENATOR WEINBERG: Okay.

MS. NOBLE: There are four individual AAA clubs in the State of New Jersey; only AAA North Jersey -- that represents Bergen, Hudson,

and Passaic counties -- is party to that. So I am not authorized to speak to that point.

SENATOR WEINBERG: Okay, thank you.

SENATOR GORDON: Do we have any other questions for this panel? (no response)

Okay. I want to thank you very much for your testimony.

As I said in my opening comment, I believe that this need -- provide for the capacity to move people and goods across the Hudson and to have organizations like the Port Authority accountable and transparent to oversee these projects -- is at the very top of the State's priorities and, in fact, our economic survival depends on dealing with this issue.

And given the importance of this issue we are certainly not limiting our conversation to this one hearing. There will be at least two additional hearings on these subjects; the plan is to hold them outside of Trenton. We've tentatively planned one hearing in Bergen County and one in Hudson County -- probably Hoboken. They will be scheduled at times that will be convenient for commuters so that we can get the input of those who are directly affected by the Agency in their daily commute.

We have been assured that we will be hearing from Chairman Degnan and Executive Director Foy at one of these hearings. We're hoping to have representation from other key stakeholders such as the PBA, and the police unions, and others that want to have some input on this.

If there are no other questions or comments, I will--

SENATOR WEINBERG: May I--

SENATOR GORDON: Senator Weinberg.

SENATOR WEINBERG: I would just like to take a moment, first of all, to thank you for spearheading, and keeping us on track, and keeping the schedule going. And then most particularly to thank the staff members.

SENATOR GORDON: Yes.

SENATOR WEINBERG: Between Mark and, with you, Patrick from OLS, this has been and continues to be, I think, a learning process for all of us. And your infinite, seems to me, knowledge about these kind of arcane things -- to be able to translate it into everyday language that people we represent, as well as we, can understand. So I want to particularly thank you for the hard work.

We hosted a third in a series of bus hearings that we had up in Teaneck last night. The audience is lesser than it was in the beginning because of that first town meeting which resulted in -- and, as I said, the Port Authority finding \$90 million in the couch (laughter) to do a little scotch-taping to make life a little less miserable for the more than 200,000 people who go in and out of there every day.

And that's why I feel, again, legislative oversight is so important. Because we have New Jersey Commissioners sitting there -- many of them are still there -- while somehow the Bus Terminal and the tunnel kind of slipped not only to the bottom of the list, but off the list. So if I don't have a lot of confidence in some of the people, it's based upon experience.

So we have to build a way into it -- into this system. That again, I'll repeat: That, in the future, for different people who are sitting here and there -- that the public is still represented.

So thank you; and thank you, particularly, to our staff for the work you've done here. It's been terrific.

SENATOR GORDON: Senator Sarlo, any closing comments?

SENATOR SARLO: I'm good; thank you.

SENATOR GORDON: Okay. I will call the hearing adjourned. Thank you all very much.

**(MEETING CONCLUDED)**