STATE OF NEW YORK

6754

2019-2020 Regular Sessions

IN ASSEMBLY

March 19, 2019

Introduced by M. of A. PAULIN, SEAWRIGHT, D'URSO -- Multi-Sponsored by -- M. of A. COOK, GLICK -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to repeal chapter 154 of the laws of 1921 relating to the port authority of New York and New Jersey; to repeal chapter 43 of the laws 1922 relating to the development of the port of New York; to repeal chapter 47 of the laws of 1931 relating to bridges and tunnels in New York and New Jersey; to repeal chapter 700 of the laws of 1927 relating to the veto power of the governor; to repeal chapter 48 of the laws of 1931 regulating the use of revenues received by the port of New York authority from or in connection with the operation of terminal and transportation facilities relating thereto; to repeal chapter 553 of the laws of 1931 relating to payment of a fair and reasonable sum by the port authority; to repeal chapter 876 of the laws of 1935 relating to the payment of a fair and reasonable sum for a change in grade; to repeal chapter 203 of the laws of 1938 relating to the sale of real property acquired by the port authority; to repeal chapter 163 of the laws of 1945 relating to motor truck terminals; to repeal chapter 352 of the laws of 1946 relating to monies for preliminary studies upon the interstate vehicular bridges known as the Outerbridge crossing, the Goethals bridge and the Bayonne bridge; to repeal chapter 443 of the laws of 1946 relating to the financing and effectuating of a motor bus terminal by the port authority; to repeal chapter 631 of the laws of 1947 relating to the development of marine terminals by the port authority; to repeal chapter 802 of the laws of 1947 relating to the financing of air terminals by the port authority; to repeal chapter 819 of the laws of 1947 relating to the port authority's ability to exercise the right of eminent domain; to repeal chapter 301 of the laws of 1950 relating to suits against the port authority; to repeal chapter 774 of the laws of 1950 relating to the rules and regulations governing traffic on vehicular crossings operated by the port authority; to repeal chapter 206 of the laws of 1951 relating to traffic regulations for air and marine terminals; to repeal chapter 207 of the laws of 1951 relating to penalties for violation of rules and regu-

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD08750-01-9

lations; to repeal chapter 142 of the laws of 1953 relating to smoking regulations for air and marine terminals; to repeal chapter 143 of the laws of 1953 relating to suits on leases at International Airport; to repeal chapter 808 of the laws of 1955, relating to the Narrows bridge; to repeal chapter 444 of the laws of 1956 relating to New Jersey turnpike connections; to repeal chapter 638 of the laws of 1959, relating to the purchase, financing and rental of commuter railroad cars by the port of New York authority and agreeing with the state of New Jersey with respect thereto; to repeal chapter 209 of the laws of 1962, relating to the financing and effectuation by the port of New York authority of a port development project, consisting of the Hudson tubes, the Hudson tubes extensions and a world trade center; to repeal chapter 665 of the laws of 1964, relating to the operation within the state of New York of the Hudson tubes and the Hudson tubes extensions; to repeal chapter 474 of the laws of 1971, relating to the authorization of the port of New York authority to provide access by mass transportation facilities to air terminals; to repeal chapter 651 of the laws of 1978, relating to the further coordination, facilitation, promotion, preservation and protection of trade and commerce in and through the port of New York district through the financing and effectuation of industrial development projects therein by the port authority of New York and New Jersey, and agreeing with the state of New Jersey with respect thereto; to repeal chapter 12 of the laws of 1979, relating to the acquisition, development, financing and transfer of buses and related facilities by the port authority of New York and New Jersey and the utilization thereof; to repeal chapter 882 of the laws of 1953 relating to waterfront employment and air freight industry regulation; and relating to constituting chapter 28 of the consolidated laws, in relation to the interstate authorities law

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Chapter 154 of the laws of 1921, constituting the Port of New York Authority, is REPEALED.

§ 2. Chapter 43 of the laws of 1922 relating to the development of the port of New York is REPEALED.

§ 3. Chapter 47 of the laws of 1931 relating to bridges and tunnels in New York and New Jersey is REPEALED.

§ 4. Chapter 700 of the laws of 1927 relating to the veto power of the governor is REPEALED.

§ 5. Chapter 48 of the laws of 1931 regulating the use of revenues received by the port of New York authority from or in connection with the operation of terminal and transportation facilities is REPEALED.

§ 6. Chapter 553 of the laws of 1931 relating to the payment of a fair and reasonable sum by the port authority is REPEALED.

§ 7. Chapter 876 of the laws of 1935 relating to the payment of a fair and reasonable sum for a change in grade is REPEALED.

§ 8. Chapter 203 of the laws of 1938 relating to the sale of real property acquired by the port authority is REPEALED.

§ 9. Chapter 163 of the laws of 1945 relating to motor truck terminals is REPEALED.

§ 10. Chapter 352 of the laws of 1946 relating to monies for preliminary studies upon the interstate vehicular bridges known as the Outerbridge crossing, the Goethals bridge and the Bayonne bridge is REPEALED.

§ 11. Chapter 443 of the laws of 1946 relating to the financing and effectuating of a motor bus terminal by the port authority is REPEALED.

§ 12. Chapter 631 of the laws of 1947 relating to the development of marine terminals by the port authority is REPEALED.

§ 13. Chapter 802 of the laws of 1947 relating to the financing of air terminals by the port authority is REPEALED.

§ 14. Chapter 819 of the laws of 1947 relating to the port authority's ability to exercise the right of eminent domain is REPEALED.

§ 15. Chapter 301 of the laws of 1950 relating to suits against the port authority is REPEALED.

§ 16. Chapter 774 of the laws of 1950 relating to the rules and regulations governing traffic on vehicular crossings operated by the port authority is REPEALED.

§ 17. Chapter 206 of the laws of 1951, relating to traffic regulations for air and marine terminals, is REPEALED.

§ 18. Chapter 207 of the laws of 1951, relating to penalties for violation of rules and regulations, is REPEALED.

§ 19. Chapter 142 of the laws of 1953, relating to smoking regulations for air and marine terminals, is REPEALED.

§ 20. Chapter 143 of the laws of 1953, relating to suits on leases at International Airport, is REPEALED.

§ 21. Chapter 808 of the laws of 1955, relating to the Narrows bridge, is REPEALED.

§ 22. Chapter 444 of the laws of 1956, relating to New Jersey turnpike connections, is REPEALED.

§ 23. Chapter 638 of the laws of 1959, relating to the purchase, financing and rental of commuter railroad cars by the port of New York authority and agreeing with the state of New Jersey with respect thereto, is REPEALED.

§ 24. Chapter 209 of the laws of 1962, relating to the financing and effectuation by the port of New York authority of a port development project, consisting of the Hudson tubes, the Hudson tubes extensions and a world trade center, is REPEALED.

§ 25. Chapter 665 of the laws of 1964, relating to the operation within the state of New York of the Hudson tubes and the Hudson tubes extensions, is REPEALED.

§ 26. Chapter 474 of the laws of 1971, relating to the authorization of the port of New York authority to provide access by mass transportation facilities to air terminals, is REPEALED.

§ 27. Chapter 651 of the laws of 1978, relating to the further coordination, facilitation, promotion, preservation and protection of trade and commerce in and through the port of New York district through the financing and effectuation of industrial development projects therein by the port authority of New York and New Jersey, and agreeing with the state of New Jersey with respect thereto, is REPEALED.

§ 28. Chapter 12 of the laws of 1979, relating to the acquisition, development, financing and transfer of buses and related facilities by the port authority of New York and New Jersey and the utilization thereof, is REPEALED.

§ 29. Chapter 882 of the laws of 1953 relating to waterfront employment and air freight industry regulation is REPEALED.

§ 30. Chapter 28 of the consolidated laws is added to read as follows:

CHAPTER 28 OF THE CONSOLIDATED LAWS
INTERSTATE AUTHORITIES LAW

Article
1. Port Authority of New York and New Jersey
2. The Waterfront and Airport Commission of New York and New Jersey Compact

Article 1 - PORT AUTHORITY OF NEW YORK AND NEW JERSEY
TABLE OF CONTENTS

Part I. General Provisions (§§101-124)
Part II. Development of the Port of New York (§§201-206)
Part III. Bridges and tunnels in New York and New Jersey (§§301-309)
Part IV. Approval or veto power of the Governor (§§401-404)
Part V. Motor truck terminals (§§501-502)
Part VI. Payment and acceptance of a fair and reasonable sum (§§601-602)
Part VII. Payment and acceptance of a fair and reasonable sum for a change in grade (§701)
Part VIII. The sale of real property acquired by the Port Authority (§§801-802)
Part IX. Moneys for preliminary studies (§§901-907)
Part X. Motor bus terminal (§§1001-1005)
Part XI. Marine terminals (§§1101-1108)
Part XII. Air terminals (§§1201-1216)
Part XIII. Eminent domain (§§1301)
Part XIV. Suits against the Port Authority (§§1401-1411)
Part XV. Traffic regulations for vehicular crossings (§§1501-1519)
Part XVI. Rules and regulations governing traffic on highways in Port Authority air and marine terminals (§§1601-1613)
Part XVII. New York - New Jersey agreement (§§1701-1702)
Part XVIII. Smoking regulation for terminals (§§1801-1802)
Part XIX. Suits on lease at International Airport (§§1901-1905)
Part XX. Narrows bridge (§§2001-2014)
Part XXI. New Jersey turnpike connections (§§2101-2103)
Part XXII. Commuter railroad cars (§2201)
Part XXIII. World trade center (§2301)
Part XXIV. Suits against the Port Authority (§§2401-2402)
Part XXV. Rules and regulations governing operation of Hudson tubes (§2501)
Part XXVI. Mass transportation facilities to air terminals (§§2601)
Part XXVII. Industrial development projects and facilities (§§2701-2703)
Part XXVIII. Bus transportation (§§2801-2803)
Part XXIX. General reserve fund (§§2901-2903)

Article 2 - THE WATERFRONT AND AIRPORT COMMISSION OF NEW YORK AND NEW JERSEY COMPACT
TABLE OF CONTENTS

Part I. The waterfront and airport commission of New York and New Jersey compact (§§3001-3017)
Part II. Waterfront commission compact (§§3101-3123)
Part III. Commission established for New York state (§§3201-3204)
Part IV. Compact (§§3301-3311)
Part V. Officers and employees; civil penalties and enforcement (§§3401-3410)

ARTICLE I
PORT AUTHORITY OF NEW YORK AND NEW JERSEY

PART I
GENERAL PROVISIONS

Section 101. Short title.
102. Legislative intent.
103. Definitions.
104. Port authority of New York and New Jersey.
105. Port of New York district.
106. Commissioners and officers.
107. Power of the port authority.
108. Open meetings.
109. Copy of minutes.
110. Needs assessment.
111. Subsidiaries of the port authority.
112. Annual reporting.
113. Property disposition, debt issuance, capital plan and operating budget.
114. State of emergency; domestic companion animal.
115. Public meetings.
116. Minutes of public meetings.
117. Jurisdiction.
118. Powers of municipalities to develop or improve.
119. Comprehensive development.
120. Recommendations.
121. Expense of operations.
122. Port authority as an agency.
123. Notice of claim.
124. Regulations.

§ 101. Short title. This chapter shall be known and may be cited as the "port authority of New York and New Jersey act".

§ 102. Legislative intent. William R. Willcox, Eugenius H. Outerbridge and Murray Hulbert, or any two of them, commissioners heretofore appointed under chapter four hundred and twenty-six of the laws of nineteen hundred and seventeen of the state of New York, together with the attorney-general of the state of New York, are hereby authorized as commissioners upon the part of the state of New York to enter into, with the state of New Jersey, by and through the commissioners appointed or who may be appointed under or by virtue of a law of the legislature of the state of New Jersey, an agreement or compact in the form following, that is to say:

Whereas, In the year eighteen hundred and thirty-four the states of New York and New Jersey did enter into an agreement fixing and determining the rights and obligations of the two states in and about the waters between the two states, especially in and about the bay of New York and the Hudson river; and

Whereas, Since that time the commerce of the port of New York has greatly developed and increased and the territory in and around the port has become commercially one center or district; and

Whereas, It is confidently believed that a better co-ordination of the terminal, transportation and other facilities of commerce in, about and through the port of New York, will result in great economies, benefiting the nation, as well as the states of New York and New Jersey; and

Whereas, The future development of such terminal, transportation and other facilities of commerce will require the expenditure of large sums

of money and the cordial co-operation of the states of New York and New Jersey in the encouragement of the investment of capital, and in the formulation and execution of the necessary physical plans; and

Whereas, Such result can best be accomplished through the co-operation of the two states by and through a joint or common agency.

Now, therefore, the said states of New Jersey and New York do supplement and amend the existing agreement of eighteen hundred and thirty-four in the following respects.

They agree to and pledge, each to the other, faithful co-operation in the future planning and development of the port of New York, holding in high trust for the benefit of the nation the special blessings and natural advantages thereof.

§ 103. Definitions. The following terms shall have the following meanings unless otherwise provided:

1. "Board" means the board of commissioners of the port authority of New York and New Jersey.

2. "Committee" or "committees" means any standing committee established by the board tasked with, including, but not limited to, the audit responsibility, governance responsibility and finance responsibility required to be established pursuant to this chapter.

3. "Consent, approval or recommendation of municipality" means wherever the consent, approval or recommendation of a "municipality" is required, the word "municipality" shall be taken to include any city or incorporated village within the port district, and in addition in the state of New Jersey any borough, town, township or any municipality governed by an improvement commission within the district. Such consent, approval or recommendation whenever required in the case of the city of New York shall be deemed to have been given or made whenever the board of estimate and apportionment of said city or any body hereafter succeeding to its duties shall by a majority vote pass a resolution expressing such consent, approval or recommendation; and in the case of any municipality now or hereafter governed by a commission, whenever the commission thereof shall by majority vote pass such a resolution; and in all other cases whenever the body authorized to grant consent to the use of the streets or highways of such municipality shall by a majority vote pass such a resolution.

4. "Facility" shall include all works, buildings, structures, appliances and appurtenances necessary and convenient for the proper construction, equipment, maintenance and operation of such facility or facilities or any one or more of them.

5. "To lease" shall include to rent or to hire.

6. "Meeting" means any gathering, whether corporeal or by means of communication equipment, which is attended by, or open to, the board, held with the intent, on the part of the board members present, to discuss or act as a unit upon the specific public business of the authority. "Meeting" does not mean a gathering (a) attended by less than an effective majority of the board, or (b) attended by or open to all the members of three or more similar public bodies at a convention or similar gathering.

7. "News media" means persons representing major wire services, television news services, radio news services and newspapers, whether located in the state of New York or New Jersey or any other state.

8. "Personal property" shall include choses in action and all other property now commonly or legally defined as personal property or which may hereafter be so defined.

9. "Public business" means matters which relate in any way, directly or indirectly, to the performance of the functions of the port authority of New York and New Jersey or the conduct of its business.

10. "Railroads" shall include railways, extensions thereof, tunnels, subways, bridges, elevated structures, tracks, poles, wires, conduits, power houses, substations, lines for the transmission of power, car-barns, shops, yards, sidings, turn-outs, switches, stations and approaches thereto, cars and motive equipment.

11. "Real property" shall include land under water, as well as uplands, and all property either now commonly or legally defined as real property or which may hereafter be so defined.

12. "Rule or regulation", until and unless otherwise determined by the legislatures of both states, shall mean any rule or regulation not inconsistent with the constitution of the United States or of either state, and, subject to the exercise of the power of congress, for the improvement of the conduct of navigation and commerce within the district, and shall include charges, rates, rentals or tolls fixed or established by the port authority; and until otherwise determined as aforesaid, shall not include matters relating to harbor or river pollution. Wherever action by the legislature of either state is herein referred to, it shall mean an act of the legislature duly adopted in accordance with the provisions of this chapter.

13. "Transportation facility" shall include railroads, steam or electric, motor truck or other street or highway vehicles, tunnels, bridges, boats, ferries, car-floats, lighters, tugs, floating elevators, barges, scows or harbor craft of any kind, air craft suitable for harbor service, and every kind of transportation facility now in use or hereafter designed for use for the transportation or carriage of persons or property.

14. "Terminal facility" shall include wharves, piers, slips, ferries, docks, dry docks, bulkheads, dock-walls, basins, car-floats, float-bridges, grain or other storage elevators, warehouses, cold storage, tracks, yards, sheds, switches, connections, overhead appliances, and every kind of terminal or storage facility now in use or hereafter designed for use for the handling, storage, loading or unloading of freight at steamship, railroad or freight terminals.

§ 104. Port authority of New York and New Jersey. There is hereby continued "the port authority of New York and New Jersey" ("port authority"), which shall be a body corporate and politic, having the powers and jurisdiction hereinafter enumerated, and such other and additional powers as shall be conferred upon it by the legislature of either state concurred in by the legislature of the other, or by act or acts of congress, as hereinafter provided.

§ 105. Port of New York district. To that end the two states do agree that there shall be created and they do hereby create a district to be known as the "port of New York district" (hereinafter referred to as "the district") which shall embrace the territory bounded and described as follows:

The district is included within the boundary lines located by connecting points of known latitude and longitude. The approximate courses and distances of the lines enclosing the district are recited in the description, but the district is determined by drawing lines through the points of known latitude and longitude. Beginning at a point A of latitude forty-one degrees and four minutes north and longitude seventy-three degrees and fifty-six minutes west, said point being about sixty-five-hundredths of a mile west of the westerly bank of the Hudson river

and about two and one-tenth miles northwest of the pier at Piermont, in the county of Rockland, state of New York; thence due south one and fifteen-hundredths miles more or less to a point B of latitude forty-one degrees and three minutes north and longitude seventy-three degrees and fifty-six minutes west; said point being about one and three-tenths miles northwest of the pier at Piermont, in the county of Rockland, state of New York; thence south fifty-six degrees and thirty-four minutes west six and twenty-six-hundredths miles more or less to a point C of latitude forty-one degrees and no minutes north and longitude seventy-four degrees and two minutes west, said point being about seven-tenths of a mile north of the railroad station at Westwood, in the county of Bergen, state of New Jersey; thence south sixty-eight degrees and twenty-four minutes west nine and thirty-seven-hundredths miles more or less to a point D of latitude forty degrees and fifty-seven minutes north and longitude seventy-four degrees and twelve minutes west, said point being about three miles northwest of the business center of the city of Paterson, in the county of Passaic, state of New Jersey; thence south forty-seven degrees and seventeen minutes west eleven and eighty-seven-hundredths miles more or less to a point E of latitude forty degrees and fifty minutes north and longitude seventy-four degrees and twenty-two minutes west, said point being about four and five-tenths miles west of the borough of Caldwell, in the county of Morris, state of New Jersey; thence due south nine and twenty-hundredths miles more or less to a point F of latitude forty degrees and forty-two minutes north and longitude seventy-four degrees and twenty-two minutes west, said point being about one and two-tenths miles southwest of the passenger station of the Delaware, Lackawanna and Western railroad in the city of Summit, in the county of Union, state of New Jersey; thence south forty-two degrees and twenty-four minutes west, seven and seventy-eight-hundredths miles more or less to a point G of latitude forty degrees and thirty-seven minutes north and longitude seventy-four degrees and twenty-eight minutes west, said point being about two and two-tenths miles west of the business center of the city of Plainfield, in the county of Somerset, state of New Jersey; thence due south twelve and sixty-five-hundredths miles more or less on a line passing about one mile west of the business center of the city of New Brunswick to a point H of latitude forty degrees and twenty-six minutes north and longitude seventy-four degrees and twenty-eight minutes west, said point being about four and five-tenths miles southwest of the city of New Brunswick, in the county of Middlesex, state of New Jersey; thence south seventy-seven degrees and forty-two minutes east ten and seventy-nine-hundredths miles more or less to a point I of latitude forty degrees and twenty-four minutes north and longitude seventy-four degrees and sixteen minutes west, said point being about two miles southwest of the borough of Matawan, in the county of Middlesex, state of New Jersey; thence due east twenty-five and forty-eight-hundredths miles more or less, crossing the county of Monmouth, state of New Jersey, and passing about one and four-tenths miles south of the pier of the Central Railroad of New Jersey at Atlantic Highlands to a point J of latitude forty degrees and twenty-four minutes north and longitude seventy-three degrees and forty-seven minutes west, said point being in the Atlantic ocean; thence north eleven degrees fifty-eight minutes east twenty-one and sixteen-hundredths miles more or less to a point K, said point being about five miles east of the passenger station of the Long Island railroad at Jamaica and about one and three-tenths miles east of the boundary line of the city of New York, in the county of Nassau, state of New York; thence in a

northeasterly direction passing about one-half mile west of New Hyde Park and about one and one-tenth miles east of the shore of Manhasset bay at Port Washington, crossing Long Island sound to a point L, said point being the point of intersection of the boundary line between the states of New York and Connecticut and the meridian of seventy-three degrees, thirty-nine minutes and thirty seconds west longitude, said point being also about a mile northeast of the village of Port Chester; thence northwesterly along the boundary line between the states of New York and Connecticut to a point M, said point being the point of intersection between said boundary line between the states of New York and Connecticut and the parallel of forty-one degrees and four minutes north latitude, said point also being about four and five-tenths miles northeast of the business center of the city of White Plains; thence due west along said parallel, of forty-one degrees and four minutes north latitude, the line passing about two and one-half miles north of the business center of the city of White Plains and crossing the Hudson river to the point A, the place of beginning.

The boundaries of said district may be changed from time to time by the action of the legislature of either state concurred in by the legislature of the other.

§ 106. Commissioners and officers. 1. The port authority shall consist of twelve commissioners, six resident voters from the state of New York, at least four of whom shall be resident voters of the city of New York, and six resident voters from the state of New Jersey, at least four of whom shall be resident voters within the New Jersey portion of the district, the New York members to be chosen by the state of New York and the New Jersey members by the state of New Jersey in the manner and for the terms fixed and determined from time to time by the legislature of each state respectively, except as provided in this part. Each commissioner may be removed or suspended from office as provided by the law of the state from which he or she shall be appointed.

2. a. The officers of the port authority shall be a chairperson, a vice chairperson, a chief executive officer, a general counsel, a chief financial officer, a chief ethics and compliance officer, an inspector general, a treasurer, a comptroller, and a secretary. Beginning upon the next hiring of a chief executive officer but no later than a year from the effective date of this article, the positions of chairperson and vice chairperson shall be rotated for a term of two years among commissioners appointed by New York and New Jersey, with a chairperson elected first from among those commissioners appointed by the governor of New York and a vice chairperson elected first from among those commissioners appointed by the governor of New Jersey, after which the next chairperson shall be elected from among those appointed by the governor of New Jersey and the next vice chairperson shall be elected from among those appointed by the governor of New York and thereafter the positions of chairperson and vice chairperson shall rotate every two years in the same order as established herein provided that the failure of the board of commissioners to elect a new chairperson and vice chairperson shall not prevent the rotation of the positions of chairperson and vice chairperson to the next succeeding state.

b. No commissioner, including the chairperson, shall serve as the port authority's chief executive officer, general counsel, chief financial officer, chief ethics and compliance officer, inspector general, or comptroller, or hold any other equivalent position while serving as a commissioner.

3. a. The commissioners shall promulgate a commissioner's oath of office in consultation with the chief ethics and compliance officer.

b. At the time that a commissioner of the port authority takes and subscribes the commissioner's oath of office, or within sixty days after the effective date of this subdivision if the commissioner has already taken and subscribed the commissioner's oath of office, the commissioner shall execute a statement declaring that the commissioner understands the commissioner's independence and fiduciary obligation to perform duties and responsibilities to the best of the commissioner's abilities, in good faith and with proper diligence and care which an ordinarily prudent person in like position would use under similar circumstances and may take into consideration the views and policies of any elected officials or bodies and ultimately apply independent judgment in the best interest of the port authority, its mission, and the public, consistent with the enabling compact, mission, and by-laws of the port authority and the applicable laws of both states; and that the fiduciary duty to the port authority is derived from and governed by its mission.

c. Individuals appointed to the board of commissioners shall participate in training approved by the chief ethics and compliance officer in consultation with the inspector general of the port authority regarding their legal, fiduciary, financial and ethical responsibilities as directors of an authority within six months of appointment to the authority. The commissioners shall participate in continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of public authorities and to adhere to the highest standards of responsible governance.

d. (1) A commissioner shall not vote on or participate in any board or committee discussions or decisions with respect to an item if the commissioner, a member of the commissioner's immediate family, or a business in which the commissioner has an interest has a direct or indirect financial involvement that may reasonably be expected to impair the commissioner's objectivity or independent judgment or that may reasonably create the appearance of impropriety. A commissioner shall report such a need for recusal to the general counsel when it arises. The public shall be informed of any recusals prior to any board action and the minutes shall clearly reflect that recusal.

(2) For the purposes of this subdivision, the terms:

(i) "immediate family" shall mean: a spouse, parent, child, or sibling; and

(ii) "interest" shall mean: (A) if the business organization is a partnership, the board member or the board member's immediate family is a partner or owner of ten percent or more of the assets of the partnership, or (B) if the business organization is a corporation, the board member or the board member's immediate family owns or controls ten percent or more of the stock of the corporation, or serves as a director or officer of the corporation.

e. (1) Notwithstanding any other provision of law to the contrary, the commissioners, officers, and employees of the port authority shall file annual financial disclosure statements as provided in this section.

(2)(i) The commissioners appointed by the governor of the state of New York shall file annual financial disclosure statements pursuant to section 73-a of the public officers law.

(ii) The commissioners appointed by the governor of the state of New Jersey shall file annual financial disclosure statements as required by New Jersey state law or executive order.

(iii) In addition to the financial disclosures required of the commissioners, financial disclosures of employees shall, at a minimum, be required of the chief executive officer, the chief ethics and compliance officer, the chief financial officer, the general counsel, the comptroller, treasurer, and the inspector general, employees who hold policy-making positions as determined by the general counsel of the port authority, and employees whose base salary, either in the current or previous year, exceeds $150,000, which amount shall be adjusted for inflation annually in accordance with the consumer price index for all urban wage earners and clerical workers (CPI-W) as calculated by the federal government. These financial disclosures shall be updated not less than annually and shall be made available on the port authority's website.

f. The board of commissioners shall:

(1) adopt a mission statement that the port authority's mission is to meet the critical transportation infrastructure needs of the bi-state region's people, businesses, and visitors by providing the highest quality and most efficient transportation and port commerce facilities and services to move people and goods within the region, provide access to the nation and the world, and promote the region's economic development;

(2) adopt a code of conduct applicable to commissioners, employees, and vendors and other contractors with the port authority based upon the recommendations of the chief ethics and compliance officer that shall, at minimum, include the applicable standards established by law in each state;

(3) establish a whistleblower access and assistance program protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate conduct based upon the recommendations of the chief ethics and compliance officer;

(4) establish a policy requiring all commissioners, officers, and employees with decision-making authority to maintain records regarding contact with lobbyists. As used in this subsection: (i) "contact" means any conversation, in person or by telephonic or other electronic means, or correspondence between any lobbyist engaged in the act of lobbying and any person within the port authority who can make or influence a decision on the subject of the lobbying on the behalf of the port authority, and shall include, at a minimum, all members of the board of commissioners and all officers of the port authority, (ii) "lobbyist" shall have the same meaning as defined in the laws or, rules or regulations of either state, and (iii) "lobbying" shall mean and include any attempt to influence: (a) the adoption or rejection of any rule or regulation having the force and effect of law by the port authority, (b) the outcome of any proceeding by the port authority to establish, levy or collect fees, tolls, charges or fares, and (c) the authorization, approval or award of any agreements, contracts or purchase orders, including any settlement of port authority claims, or any extension, amendment or modification of any existing agreement, contract or order; and

(5) have an efficiency study of the port authority and its operations conducted by an independent entity within three years of the effective date of this section and thereafter upon the request of the governors of New York and New Jersey, and if no request is made, no later than three years after the most recent efficiency study was conducted.

4. a. The board of commissioners shall establish a committee structure that shall include, but need not be limited to, the following responsibilities:

(1) a governance responsibility to be assigned to a committee comprised of not fewer than three commissioners, who shall constitute a majority on the committee, and who shall possess the necessary skills to undertake the governance duties and functions. It shall be the responsibility of the members of this committee to: keep the board informed of current best governance practices; review corporate governance trends; update the port authority's corporate governance principles; examine ethical and conflict of interest issues; perform board self-evaluations; investigate term limits, reappointments, and board responsibilities; develop by-laws which include rules and procedures for the conduct of board business; and advise the port authority on the skills and experiences required of potential commissioners;

(2) an audit responsibility to be assigned to a committee comprised of not fewer than three commissioners, who shall constitute a majority on the committee, and who shall possess the necessary skills to undertake the audit duties and functions. It shall be the responsibility of the members of this committee to: recommend to the board the hiring of an independent firm of certified public accountants to audit the financial statements of the port authority; establish the compensation to be paid to the accounting firm; and provide direct oversight of the annual independent financial audit performed by the accounting firm hired for auditing purposes. Members of this committee shall be familiar with corporate financial and accounting practices and shall be financially literate about applicable financial laws, rules, regulations, and standard industry practices; and

(3) a finance responsibility to be assigned to a committee comprised of not fewer than three commissioners, who shall constitute a majority on the committee, and who shall possess the necessary skills to undertake the finance duties and functions. It shall be the responsibility of the members of this committee to oversee and approve the issuance of debt that the port authority or its subsidiaries issue.

b. Every committee established by the board of commissioners shall promulgate a written charter to be approved by the board. Each charter promulgated in accordance with this subdivision shall be made available to the public and posted on the port authority's website.

5. a. The chief ethics and compliance officer shall recommend to the board of commissioners a whistleblower access and assistance program to be administered by the inspector general which shall include, but not be limited to:

(1) establishing toll-free telephone and facsimile lines available to employees;

(2) offering advice regarding employee rights under applicable state and federal laws and advice and options available to all persons; and

(3) offering an opportunity for employees to identify concerns regarding any issue at the port authority. Any communication between an employee and the inspector general pursuant to this section shall be held strictly confidential by the inspector general, unless the employee specifically waives in writing the right to confidentiality, except that such confidentiality shall not exempt the inspector general from disclosing such information, where appropriate, to the board of commissioners and/or any law enforcement authority.

b. The port authority shall not fire, discharge, demote, suspend, threaten, harass, or discriminate against an employee because of the

employee's role as a whistleblower, insofar as the actions taken by the employee are legal.

c. As used in this subdivision:

(1) "Employees" means those persons employed at the port authority, including but not limited to: full-time and part-time employees, those employees on probation, and temporary employees.

(2) "Whistleblower" means any employee of the port authority who discloses information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the port authority, concerning the port authority's investments, travel, acquisition of real or personal property, the disposition of real or personal property, or the procurement of goods and services.

6. a. The inspector general shall be responsible for receiving and investigating, where appropriate, all complaints regarding fraud, waste, and abuse by commissioners, officers, and employees of the port authority or third-parties doing business with the port authority. The inspector general shall also be responsible for conducting investigations upon the inspector general's own initiative, as the inspector general shall deem appropriate.

b. The inspector general shall inform the board of commissioners and the chief executive officer of allegations received by the inspector general and the progress of investigations related thereto, unless special circumstances require confidentiality;

c. The inspector general shall determine with respect to allegations received by the inspector general whether disciplinary action or civil prosecution by the port authority is appropriate, and whether the matter should be referred to an appropriate governmental agency for further action;

d. The inspector general shall prepare and make available to the public written reports of completed investigations, as appropriate and to the extent permitted by law, subject to redactions to protect a need for confidentiality. The release of all or portions of reports may be deferred to protect the confidentiality of ongoing investigations.

e. The inspector general shall have the power to:

(1) administer oaths or affirmations and examine witnesses under oath;

(2) require the production of any books and papers deemed relevant or material to any investigation, examination or review;

(3) notwithstanding any law to the contrary, examine and copy or remove documents or records of any kind prepared, maintained or held by the port authority and its subsidiaries;

(4) interview any officer or employee of the port authority or its subsidiaries on any matter related to the performance of such officer or employee's official duties. To the extent that any portion of this paragraph is inconsistent with any current contractual obligations of the port authority, this paragraph shall not be applicable to those obligations until the earliest expiration of those terms under the contract;

(5) monitor the implementation by the port authority of any recommendations made by the inspector general; and

(6) perform any other functions that are necessary or appropriate to fulfill the duties and responsibilities of office.

7. The commissioners shall, for the purpose of doing business, constitute a board and may adopt suitable by-laws for its management.

8. The port authority shall elect a chair, vice-chair, and may appoint such officers and employees as it may require for the performance of its duties, and shall fix and determine their qualifications and duties.

§ 107. Power of the port authority. 1. The port authority shall constitute a body, both corporate and politic, with full power and authority to purchase, construct, lease and/or operate any terminal or transportation facility within said district; and to make charges for the use thereof: and for any of such purposes to own, hold, lease and/or operate real or personal property, to borrow money and secure the same by bonds or by mortgages upon any property held or to be held by it. No property now or hereafter vested in or held by either state, or by any county, city, borough, village, township or other municipality, shall be taken by the port authority, without the authority or consent of such state, county, city, borough, village, township or other municipality, nor shall anything herein impair or invalidate in any way any bonded indebtedness of such state, county, city, borough, village, township or other municipality, nor impair the provisions of law regulating the payment into sinking funds of revenues derived from municipal property, or dedicating the revenues derived from any municipal property to a specific purpose.

2. The powers granted in this part shall not be exercised by the port authority until the legislatures of both states shall have approved of a comprehensive plan for the development of the port as hereinafter provided.

3. The port authority shall have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of either state concurred in by the legislature of the other. Unless and until otherwise provided, it shall make an annual report to the legislature of both states, setting forth in detail the operations and transactions conducted by it pursuant to this agreement and any legislation thereunder. The port authority shall not pledge the credit of either state except by and with the authority of the legislature thereof.

§ 108. Open meetings. 1. All meetings of the port authority shall be open to the public and members of the news media, individually and collectively, for the purpose of observing the full details of all phases of the deliberation, policy-making, and decision-making of the board, except for an executive session initiated upon a majority vote taken in an open meeting pursuant to a motion. The board of commissioners may exclude the public only from that portion of a meeting at which the board of commissioners discusses any:

a. matter in which the release of information would impair a right to receive funds from government of the United States;

b. material the disclosure of which would constitute an unwarranted invasion of individual or personal privacy;

c. collective bargaining agreement, or the terms and conditions which are proposed for inclusion in any collective bargaining agreement, including the negotiation of the terms and conditions thereof with employees or representatives of employees of the port authority;

d. matter involving the purchase, lease, or acquisition of real property with port authority funds, the proposed acquisition of securities, the sale or exchange of securities held by the port authority, or the investment of port authority funds, if public discussion of the matter would adversely affect the public interest;

e. matter which would imperil the public safety if disclosed;

f. pending or anticipated litigation or contract negotiation in which the port authority is, or may become, a party, or matters falling within the attorney-client privilege, to the extent that confidentiality is

required for the attorney to exercise the attorney's ethical duties as a lawyer;

g. contract negotiations disclosure of which would imperil the port authority's position or an outcome in the best interest of the authority, its mission, and the public;

h. matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance of, promotion or disciplining of any specific prospective officer or employee or current officer or employee employed or appointed by the port authority, unless all the individual employees or appointees whose rights could be adversely affected request in writing that the matter or matters be discussed at a public meeting; or

i. deliberation of the port authority occurring after a public hearing that may result in the imposition of a specific civil penalty upon the responding party or the suspension or loss of a license or permit belonging to the responding party as a result of an act of omission for which the responding party bears responsibility.

2. The port authority shall make meeting agendas available to the public at least 72 hours before each meeting of the board and each meeting of each committee. In addition, the port authority shall send via electronic mail the agenda and public documents pertaining to a board or committee meeting to the public information office of each state's legislature at least 72 hours before the meeting. Public notice of the time and place of a meeting shall be provided to appropriate media outlets, shall be conspicuously posted in one or more designated areas, and shall be conspicuously posted via the port authority's official website at least five business days before the meeting.

3. The port authority shall make available to the public documents in the following manner: the agenda and public documents pertaining to a board or committee meeting shall be available for public inspection at an office of the port authority; and the agenda and public documents pertaining to a board or committee meeting shall be posted on the port authority's website.

4. At each public meeting of the board and at each public meeting of each committee, the public shall be allotted at least 30 minutes to speak on any topic on the agenda. The board or committee shall expand the comment time when necessary to provide a reasonable opportunity for the public to comment. The public speaking period shall take place prior to any board or committee action.

5. The port authority shall keep reasonably comprehensible minutes of all its meetings showing the time and place, the members present, the subjects considered, the actions taken, and the vote of each member. The minutes shall be available to the public within two weeks from the date of the meeting to the extent that public disclosure shall not be inconsistent with subdivision one of this section. The minutes shall indicate for each item on the agenda the vote or recusal of each board member in attendance at an open meeting, or an executive session of the board or a committee of the board. Each item on the agenda shall be voted on separately.

6. The port authority shall make or cause to be made all reasonable efforts to ensure that meetings are held in facilities that permit barrier-free physical access to people with disabilities. If the board determines to use video conferencing or similar technology to conduct its meeting, it shall provide an opportunity for the public to attend, listen and observe such a meeting.

§ 109. Copy of minutes. 1. The port authority shall file with the temporary president and minority leader of the senate and the speaker and minority leader of the assembly, the chairman of the assembly ways and means committee and the chairman of the senate finance committee of the state of New York and the president, minority leader and secretary of the senate and the speaker, minority leader and clerk of the general assembly of the state of New Jersey a copy of the minutes of any action taken at any public meeting of the port authority. Such filing shall be made on the same day such minutes are transmitted to the governor of each state for review; and notice of such filing shall be provided to the governor of each state at the same time. Failure to effectuate any such filing shall not impair the ability of the authority to act pursuant to a resolution of its board. Such filing shall not apply to any minutes required to be filed pursuant to section twenty of former chapter six hundred fifty-one of the laws of nineteen hundred seventy-eight.

2. The temporary president and minority leader of the senate, the speaker and minority leader of the assembly, the chairman of the assembly ways and means committee and the chairman of the senate finance committee of the state of New York and the speaker and minority leader of the general assembly and the president and the minority leader of the senate of the state of New Jersey, or representatives designated by them in writing for this purpose, may by certificate filed with the secretary of the port authority waive the foregoing filing requirement with respect to any specific minutes.

§ 110. Needs assessment. 1. The port authority shall require that a needs assessment be conducted by an independent entity prior to any increase in tolls for the use of any port authority bridge or tunnel, or fares for the use of the port authority trans-Hudson corporation rail system. The assessment shall be presented by the independent entity to the board of commissioners at a public meeting to be held at least ninety days prior to any meeting of the board of commissioners to vote to any increase in the tolls for the use of any port authority bridge or tunnel, or fares for the use of the port authority trans-Hudson corporation rail system.

2. Not less than 30 days and not more than 90 days prior to any vote or action taken by the board of commissioners relating to any increase in the tolls for the use of any port authority bridge or tunnel, or fares for the use of the port authority trans-Hudson corporation rail system, the port authority shall conduct at least six public hearings in the manner prescribed as follows:

a. Locations for public hearings shall be selected in such a way as to be geographically accessible to a majority of users of the facility or facilities to be impacted by the toll or fare increase, as determined by port authority data, provided that at least one hearing shall be held in each state.

b. At least 72 hours before the first hearing held pursuant to this section, the port authority shall make the following information available to the public, including posting on the port authority's official website:

(1) a written explanation of why the increase in tolls or fares is necessary;

(2) the amount of revenue expected to be generated from the increase in tolls or fares; and

(3) a detailed explanation of how the revenues raised from the increase in tolls or fares is expected to be spent.

c. Each hearing shall be attended by at least two commissioners from New York and two commissioners from New Jersey in office at the time of the hearing.

d. The port authority shall hold no more than one public hearing in a single day, and at least one-half of the public hearings shall be scheduled to begin after 6:30 p.m., eastern standard time, on a weekday.

e. The port authority shall ensure that each of the requirements set forth in this subdivision shall be complied with before placing on the meeting agenda of the board of commissioners any item or matter relating to an increase in tolls or fares.

§ 111. Subsidiaries of the port authority. 1. The port authority shall provide notice to the governor of each state, the majority leader of each house of the legislature of each state, the chair of the finance committee of New York, the chair of the senate budget and appropriations committee of New Jersey, the chair of assembly ways and means committee of New York, and the chair of the budget committee of New Jersey that it will be creating a subsidiary no less than 60 days prior to the formation of the subsidiary.

2. The creation of a subsidiary corporation shall be approved by the board of commissioners.

3. On or before the first day of January, two thousand sixteen, and annually thereafter, any subsidiary corporation, in cooperation with the port authority, shall provide to the governor and legislature of each state a report on the subsidiary corporation. Such report shall include for each subsidiary:

a. The complete legal name, address and contact information of the subsidiary;

b. The structure of the organization of the subsidiary, including the names and titles of each of its members, directors and officers, as well as a chart of its organizational structure;

c. The complete by-laws and legal organization papers of the subsidiary;

d. A complete report of the purpose, operations, mission and projects of the subsidiary; and

e. Any other information the subsidiary corporation deems important to include in such report.

§ 112. Annual reporting. 1. The port authority shall publish a comprehensive annual financial report, submitted annually to the governors and state legislatures of New York and New Jersey and made available on the port authority's website within 120 days after the end of its fiscal year. The annual report shall include the agency's financial statements, statistical and other regional data, and a narrative of the agency's activities during the year of the report. The annual report shall include:

a. an introductory section including: (1) a letter of transmittal to the governors of New York and New Jersey; (2) information regarding the board of commissioners, port authority officers and executive management; (3) a letter to the board of commissioners from the chief executive officer of the port authority highlighting important developments; (4) a description of major agency activities undertaken during the prior year; and (5) a letter to the board of commissioners from the chief financial officer of the port authority with respect to the consolidated financial statements of the port authority.

b. a financial section including: (1) an independent auditor's report; (2) management's discussion and analysis; (3) financial statements; (4) its financial reports certified by the chair and vice-chair of the

board, chief executive officer, and chief financial officer of the port authority, including (a) audited financials in accordance with generally accepted accounting principles, known as GAAP, and the accounting standards issued by the governmental accounting standards board, known as GASB, (b) grant and subsidy programs, (c) current ratings, if any, of its bonds issued by recognized bond rating agencies and notice of changes in such ratings, and (d) long-term liabilities, including leases and employee benefit plans; (5) a schedule of its bonds and notes outstanding at the end of its fiscal year, together with a statement of the amounts redeemed and incurred during such fiscal year as part of a schedule of debt issuance that includes the date of issuance, term, amount, interest rate and means of repayment including all refinancings, calls, refundings, defeasements and interest rate exchange or other such agreements; and (6) at a minimum a four-year financial plan, including (a) a current and projected capital budget, and (b) an operating budget report, including an actual versus estimated budget, with an analysis and measurement of financial and operating performance.

c. a statistical section presenting additional information as context for further understanding of the information in the financial statements, note disclosures and schedules, including (1) financial trends; (2) debt capacity; (3) operating and service data; (4) information on port authority operating results; (5) information on port authority capital program components; (6) information on port authority facility traffic; and (7) selected statistical, demographic and economic data on the New York-New Jersey metropolitan region.

d. a corporate information section providing: (1) a list of all real property of the port authority; (2) a list and full description of real property and personal property that has a sale price of over $10,000 disposed of during the period, including the price received by the port authority and the name of the purchaser for all property sold by the port authority during the period; (3) a compensation schedule that shall include, by position, title and name of the person holding such position or title, the salary, compensation, allowance and/or benefits provided to any officer, director or employee in a decision making or managerial position of such authority whose base salary is in excess of $150,000; (4) biographical information, not including confidential personal information, for all directors and officers and employees for whom salary reporting is required; (5) a description of the authority and its board structure, including (a) names of committees and committee members, (b) lists of board meetings and attendance, (c) descriptions of major authority units, subsidiaries, and (d) number of employees; (6) its mission statement, charter, if any, and by-laws; and (7) a description of any material pending litigation in which the port authority is involved as a party during the reporting year.

2. a. The port authority shall prepare financial statements on an annual basis, in accordance with generally accepted accounting principles, known as GAAP, and the accounting standards issued by the governmental accounting standards board, known as GASB.

b. The audit committee of the board of commissioners of the port authority shall arrange for an independent firm of certified public accountants to perform an audit of the financial statements of the port authority each year, in accordance with generally accepted accounting principles and standards referenced in paragraph a of this subdivision. Each independent firm of certified public accountants that performs any audit required by this article shall timely report to the audit committee of the port authority: (1) all critical accounting policies and

practices to be used; and (2) other material written communications, that is not privileged or confidential, between the independent firm of certified public accountants and the management of the port authority, including the management letter along with management's response or plan of corrective action, material corrections identified or schedule of unadjusted differences.

c. Every financial statement prepared pursuant to this subdivision shall be approved by the board of commissioners. As a condition to the issuance of the annual financial statements of the port authority, the chief executive officer and the chief financial officer of the port authority shall be required to make a written certification to that effect that, to the best of their knowledge and belief, the financial and other information in the consolidated financial statements is accurate in all material respects and has been reported in a manner designed to present fairly the port authority's net assets, changes in net assets, and cash flows, in accordance with generally accepted accounting principles and standards referenced in paragraph a of this subdivision; and, that on the basis that the cost of internal controls should not outweigh their benefits, the port authority has established a comprehensive framework of internal controls to protect its assets from loss, theft, or misuse, and to provide reasonable (rather than absolute) assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with generally accepted accounting principles and standards referenced in paragraph a of this subdivision.

d. Notwithstanding any other provision of law to the contrary, the port authority shall not contract with an independent firm of certified public accountants for audit services to the authority if the lead or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for the two previous fiscal years of such authority.

e. The port authority shall not contract with the independent firm of certified public accountants performing the port authority's audit for any non-audit services to such authority contemporaneously with the audit, unless receiving previous written approval by the audit committee including: (1) bookkeeping or other services related to the accounting records or financial statements of such authority; (2) financial information systems design and implementation; (3) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (4) actuarial services; (5) internal audit outsourcing services; (6) management functions or human services; (7) broker or dealer, investment advisor, or investment banking services; and (8) legal services and expert services unrelated to the audit.

f. The port authority shall not contract with an independent firm of certified public accountants for any audit service if the chief executive officer, comptroller, chief financial officer, treasurer, or any other person serving in an equivalent position for the authority, was employed by that independent firm of certified public accountants and participated in any capacity in the audit of the authority during the one year period preceding the date of the initiation of the audit.

3. The port authority shall make accessible to the public via its website an executive summary of its most recent independent audit report unless such information is exempt from disclosure pursuant to either state's freedom of information laws.

§ 113. Property disposition, debt issuance, capitol plan and operating budget. 1. Any sale of real property by the port authority shall be

undertaken and conducted pursuant to the provisions of the existing laws governing the sale of real property by the port authority in the state in which such real property is located and by approval of the board of commissioners.

a. No disposition of real property, or any interest in real property, shall be made unless an appraisal of the value of such real property has been made by an independent appraiser and included in the record of the transaction, and, provided further, that no disposition of any other real property, which because of its unique nature or the unique circumstances of the proposed transaction is not readily valued by reference to an active market for similar real property, shall be made without a similar appraisal.

b. Disposal of real property for less than fair market value. No property owned, leased, or otherwise in the control of the port authority may be sold, leased, or otherwise alienated for less than its fair market value unless:

(1) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the real property will remain with the government or any other public entity; or

(2) the purpose of the transfer is within the purpose, mission, or governing statute of the port authority and a written determination is made by the board of commissioners that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer, prior to board approval of such a transfer.

c. The board shall adopt, within six months of the effective date of this article, appropriate rules and regulations concerning disposition, acquisition, and transfer of real property or any interest in real property by the port authority which shall, at a minimum, include a requirement that the following information be made available to the board of commissioners at the meeting where approval of such a disposition, acquisition or transfer is scheduled:

(1) a full description of the property;

(2) a description of the purpose of the disposition, acquisition, or transfer;

(3) a statement of the value to be received from such a disposition, acquisition, or transfer;

(4) the names of any private parties participating in the disposition, acquisition, or transfer; and

(5) in the case of a property disposition for less than fair market value, an explanation and a written determination by the board of commissioners that there is no reasonable alternative to the proposed below-market value that would achieve the same purpose of such disposition.

d. Not less than ten days in advance of any meeting of the board of commissioners of the port authority at which the board of commissioners is to consider an action to authorize the sale of real property owned by the port authority, the chief executive officer of the port authority shall provide public notice of such proposed action along with relevant material terms and provisions of such sale including, but not limited to, the information made available pursuant to paragraph c of this subdivision, by posting on the port authority's website.

e. The chief executive officer may authorize or arrange for contracts for the sale of personal property owned by the port authority or arrange for contracts for the sale of personal property owned by the port authority upon such terms and conditions as the chief executive officer

may deem proper and execute the same on behalf of the port authority where the value of such personal property is not in excess of one million dollars; provided, however, that personal property valued at more than $250,000 shall not be sold by authority of the chief executive officer other than to the highest bidder after public advertisement. Where the value of such personal property is in excess of $1,000,000, the sale of such property must be authorized by the board of commissioners of the port authority upon such terms as the board of commissioners may deem proper.

f. The port authority may retain brokers or third-party vendors that facilitate online auctions, or assist in disposing of surplus real and personal property of the port authority.

2. a. The issuance of any bonds, notes or other instruments of indebtedness by the port authority shall be undertaken in a manner consistent with applicable laws governing the port authority and covenants with the holders of the port authority's bonds, notes or other instruments of indebtedness.

b. At least sixty days prior to the end of its fiscal year, the port authority shall submit to the governor, state comptroller, and legislature of each state a statement of intent in regards to the issuance of and overall amount of bonds, notes, or other debt obligations anticipated, at the time the statement is submitted, during the next fiscal year.

3. The port authority shall adopt a ten-year capital plan that is developed using a comprehensive planning process and risk-based prioritization that considers asset condition, operational and revenue impact, threat assessment, customer service, regional benefit, and regulatory or statutory requirements. The capital plan shall be dependent upon the availability of sufficient funding and other resources to pursue the capital projects proposed for the ten-year period. Performance progress and revisions to reflect changes in programs, policies and projects and the environment in which the port authority operates shall be reviewed regularly by a committee designated by the board of commissioners, and the capital plan shall be revised periodically as necessary and appropriate, and shall be reviewed with the board of commissioners annually. The port authority shall publish an annual report on the status of the capital program and such report shall be made publicly available on the port authority's website. Prior to adoption of a capital plan, the port authority shall make such proposed plan available for public review and comments on its public website for at least two weeks prior to approval, and all comments received are to be distributed to the board of commissioners for review prior to consideration of the capital plan.

4. The port authority shall prepare a detailed annual operating budget beginning with the fiscal year after the enactment into law legislation having identical effect by the state of New Jersey. A preliminary annual operating budget shall be made publicly available on the port authority's website in July of every fiscal year and a final annual operating budget shall be made publicly available in February of each fiscal year.

§ 114. State of emergency; domestic companion animal. 1. a. For the purposes of this section:

(1) "Domestic companion animal" means a companion animal or pet as defined in section three hundred fifty of the agriculture and markets law and shall also mean any other domesticated animal normally maintained in or near the household of the owner or person who cares for such other domesticated animal. "Pet" or "companion animal" shall not

include a "farm animal," as defined in section three hundred fifty of the agriculture and markets law.

(2) "Public transportation or public transportation service" means rail passenger service, motorbus regular route service, paratransit service, motorbus charter service, and ferry passenger service.

b. (1) In the event that a state of emergency has been declared and an evacuation of any region of the state is in progress, the owner of a domestic companion animal shall be permitted to board any public transportation or public transportation service with the domestic companion animal so long as that animal is under the owner's control by use of a leash or tether, or is properly confined in an appropriate container or by other suitable means, provided that such boarding is authorized by and consistent with the provisions of state disaster emergency plans or local state of emergency plans pertaining to the needs of animals and individuals with an animal under their care. The provisions of this article shall only apply to the owners of domestic companion animals who are evacuating from a region of the state affected by the emergency or local disaster emergency as defined in section twenty of the executive law, or a local state of emergency, as defined in section twenty-four of the executive law.

(2) A domestic companion animal may be refused permission to board any public transportation or public transportation service, even if the animal is under the owner's control or properly confined in accordance with this paragraph if there is reasonable cause to believe that, due to attendant circumstances, permitting the animal to board would pose a health or safety hazard.

c. All passengers with service animals shall be given priority seating on all means of transportation regulated by this article in accordance with the federal "Americans with Disabilities Act of 1990" (42 U.S.C. s.12101 et seq.). For the purposes of this article, "service animal" shall have the same meaning as set forth in the federal "Americans with Disabilities Act of 1990" (42 U.S.C. s.12101 et seq.) and any regulations under the act.

d. All passengers on any public transportation or public transportation service shall be provided seating before a domestic companion animal may be placed in a seat.

2. The port authority is hereby authorized to make and enforce such rules and regulations necessary for the implementation of this section.

§ 115. Public meetings. 1. The legislature finds and declares that the right of the public to be present at meetings of the port authority of New York and New Jersey, and to witness in full detail all phases of the deliberation, policy formulation, and decision making of the authority, is vital to the enhancement and proper functioning of the democratic process, and that secrecy in public affairs undermines the faith of the public in government and the public's effectiveness in fulfilling its role in a democratic society; and declares it to be the public policy of this state to insure the right of its citizens to have adequate advance notice of and the right to attend all meetings of the authority at which any business affecting the public is discussed or acted upon in any way except only in those circumstances where otherwise the public interest would be clearly endangered or the personal privacy of guaranteed rights of individuals would be clearly in danger of unwarranted invasion.

2. The board shall, within six months of the enactment into law of legislation having an identical effort by the state of New Jersey, adopt appropriate rules and regulations concerning proper notice to the public

and the news media of its meetings and the right of the public and the news media to be present at meetings of the authority. The board may incorporate in its rules and regulations conditions under which it may exclude the public from a meeting or a portion thereof.

3. Any rules or regulations adopted hereunder shall become a part of the minutes of the port authority of New York and New Jersey and shall be subject to the approval of the governor of New Jersey and the governor of New York.

4. Unless and until otherwise determined by the action of the legislatures of the two states, no action of the port authority shall be binding unless taken at a meeting at which at least three of the members from each state are present, and unless a majority of the members from each state present at such meeting but in any event at least three of the members from each state, shall vote in favor thereof. Each state reserves the right to provide by law for the exercise of a veto power by the governor thereof over any action of any commissioner appointed therefrom.

§ 116. Minutes of public meetings. 1. The port authority shall file with the temporary president and minority leader of the senate and the speaker and minority leader of the assembly, the chairman of the assembly ways and means committee and the chairman of the senate finance committee of the state of New York and the president, minority leader and secretary of the senate and the speaker, minority leader and clerk of the general assembly of the state of New Jersey a copy of the minutes of any action taken at any public meeting of the port authority. Such filing shall be made on the same day such minutes are transmitted to the governor of each state for review; and notice of such filing shall be provided to the governor of each state at the same time. Failure to effectuate any such filing shall not impair the ability of the authority to act pursuant to a resolution of its board. Such filing shall not apply to any minutes required to be filed pursuant to section twenty of former chapter six hundred fifty-one of the laws of nineteen hundred seventy-eight and continued by part XXVII of this article.

2. The temporary president and minority leader of the senate, the speaker and minority leader of the assembly, the chairman of the assembly ways and means committee and the chairman of the senate finance committee of the state of New York and the speaker and minority leader of the general assembly and the president and the minority leader of the senate of the state of New Jersey, or representatives designated by them in writing for this purpose, may by certificate filed with the secretary of the port authority waive the foregoing filing requirement with respect to any specific minutes.

§ 117. Jurisdiction. Unless and until otherwise provided, all laws now or hereafter vesting jurisdiction or control in the public service commission, or the public utilities commission, or like body, within each state respectively, shall apply to railroads and to any transportation, terminal or other facility owned, operated, leased or constructed by the port authority, with the same force and effect as if such railroad, or transportation, terminal or other facility were owned, leased, operated or constructed by a private corporation.

§ 118. Powers of municipalities to develop or improve. Nothing contained in this agreement shall impair the powers of any municipality to develop or improve port and terminal facilities.

§ 119. Comprehensive development. 1. The legislatures of the two states, prior to the signing of this agreement, or thereafter as soon as

may be practicable, will adopt a plan or plans for the comprehensive development of the port of New York.

2. The port authority shall from time to time make plans for the development of the port of New York district, supplementary to or amendatory of any plan theretofore adopted, and when such plans are duly approved by the legislatures of the two states, they shall be binding upon both states with the same force and effect as if incorporated in this chapter.

3. The port authority may petition any interstate commerce commission (or like body), commissioner of transportation, public utilities commission (or like body), or any other federal, municipal, state or local authority, administrative, judicial or legislative, having jurisdiction in the premises, after the adoption of the comprehensive plan as provided for in subdivision one of this section, for the adoption and execution of any physical improvement, change in method, rate of transportation, system of handling freight, warehousing, docking, lightering or transfer of freight, which, in the opinion of the port authority, may be designed to improve or better the handling of commerce in and through the port of New York district, or improve terminal and transportation facilities therein. It may intervene in any proceeding affecting the commerce of the port.

§ 120. Recommendations. The port authority may from time to time make recommendations to the legislatures of the two states or to the congress of the United States, based upon study and analysis, for the better conduct of the commerce passing in and through the port of New York, the increase and improvement of transportation and terminal facilities therein, and the more economical and expeditious handling of such commerce.

§ 121. Expense of operations. 1. Unless and until the revenues from operations conducted by the port authority are adequate to meet all expenditures, the legislatures of the two states shall appropriate, in equal amounts, annually, for the salaries, office and other administrative expenses, such sum or sums as shall be recommended by the port authority and approved by the governors of the two states, but each state obligates itself hereunder only to the extent of one hundred thousand dollars in any one year.

2. Unless and until otherwise determined by the action of the legislatures of the two states, the port authority shall not incur any obligations for salaries, office or other administrative expenses, within the provisions of subdivision one of this section, prior to the making of appropriations adequate to meet the same.

§ 122. Port authority as an agency. Notwithstanding any law to the contrary, the port authority shall be deemed an "agency" and treated as such under the laws of New York, for all purposes under articles six and six-A of the public officers law, and shall be deemed a "public agency" and treated as such under New Jersey, P.L. 1963, c. 73 (C.47:1A-1 et seq.), pertaining to the disclosure of government records.

§ 123. Notice of claim. Notwithstanding any other provision of law to the contrary, every action against the authority for damages or injuries to real or personal property, or for the destruction thereof, or for personal injuries or wrongful death shall not be commenced unless a notice of claim shall have been served on the authority in the manner provided for in the state where the action is commenced, and in compliance with the pertinent statutes of the state relating generally to actions commenced against that state and in compliance with all the requirements of the laws of that state. Where such state's law permits service upon a department of that state in lieu of service upon the

public entity, service may be made pursuant to such law. Except in an action for wrongful death against such an entity, an action for damages or for injuries to real or personal property, or for the destruction thereof, or for personal injuries, alleged to have been sustained, shall not be commenced more than one year and ninety days after the cause of action therefor shall have accrued or within the time period otherwise prescribed by any special provision of law of that state, whichever is longer.

§ 124. Regulations. 1. The port authority is hereby authorized to make suitable rules and regulations not inconsistent with the constitution of the United States or of either state, and subject to the exercise of the power of congress, for the improvement of the conduct of navigation and commerce, which, when concurred in or authorized by the legislatures of both states, shall be binding and effective upon all persons and corporations affected thereby.

2. The two states shall provide penalties for violations of any order, rule or regulation of the port authority, and for the manner of enforcing the same.

PART II

DEVELOPMENT OF THE PORT OF NEW YORK

Section 201. Development of the port of New York.
202. Investigations.
203. Hearings.
204. Orders.
205. Terminal stations.
206. Preference.

§ 201. Development of the port of New York. 1. Pursuant to subdivision two of section one hundred seven of this article the following be and is hereby adopted as the comprehensive plan for the development of the port of New York:

(a) That terminal operations within the port district, so far as economically practicable, should be unified;

(b) That there should be consolidation of shipments at proper classification points so as to eliminate duplication of effort, inefficient loading of equipment and realize reduction in expenses;

(c) That there should be the most direct routing of all commodities so as to avoid centers of congestion, conflicting currents and long truck-hauls;

(d) That terminal stations established under the comprehensive plan should be union stations, so far as practicable;

(e) That the process of coordinating facilities should so far as practicable adapt existing facilities as integral parts of the new system, so as to avoid needless destruction of existing capital investment and reduce so far as may be possible the requirements for new capital; and endeavor should be made to obtain the consent of local municipalities within the port district for the coordination of their present and contemplated port and terminal facilities with the whole plan.

(f) That freight from all railroads must be brought to all parts of the port wherever practicable without cars breaking bulk, and this necessitates tunnel connection between New Jersey and Long Island, and tunnel or bridge connections between other parts of the port;

(g) That there should be urged upon the federal authorities improvement of channels so as to give access for that type of waterborne commerce adapted to the various forms of development which the respective shorefronts and adjacent lands of the port would best lend themselves to;

(h) That highways for motor truck traffic should be laid out so as to permit the most efficient inter-relation between terminals, piers and industrial establishments not equipped with railroad sidings and for the distribution of building materials and many other commodities which must be handled by trucks; these highways to connect with existing or projected bridges, tunnels and ferries.

(i) That definite methods for prompt relief should be devised which can be applied for the better coordination and operation of existing facilities while larger and more comprehensive plans for future development are being carried out.

2. The bridges, tunnels and belt lines forming the comprehensive plan are generally and in outline indicated on maps filed by the port of New York authority in the offices of the secretaries of the states of New York and New Jersey and are hereinafter described in outline.

3. (a) A tunnel or tunnels connecting the New Jersey shore and the Brooklyn shore of New York to provide through line connection between the transcontinental railroads now having their terminals in New Jersey with the Long Island railroad and the New York connecting railroad on Long Island and with the New York Central and Hudson River railroad and the New York, New Haven and Hartford railroad in the Bronx, and to provide continuous transportation of freight between the Queens, Brooklyn and Bronx sections of the port to and from all parts of the westerly section of the port, for all of the transcontinental railroads.

(b) A bridge and/or tunnel across or under the Arthur kill, and/or the existing bridge enlarged, to provide direct freight carriage between New Jersey and Staten Island.

(c) The location of all such tunnels or bridges to be at the shortest, most accessible and most economical points practicable, taking account of existing facilities now located within the port district and providing for and taking account of all reasonably foreseeable future growth in all parts of the district.

4. The island of Manhattan to be connected with New Jersey by bridge or tunnel, or both, and freight destined to and from Manhattan to be carried underground, so far as practicable, by such system, automatic electric as hereinafter described or otherwise, as will furnish the most expeditious, economical and practicable transportation of freight, especially meat, produce, milk and other commodities comprising the daily needs of the people. Suitable markets, union inland terminal stations and warehouses to be laid out at points most convenient to the homes and industries upon the island, the said system to be connected with all the trans-continental railroads terminating in New Jersey and by appropriate connection with the New York Central and Hudson River railroad, the New York, New Haven and Hartford and the Long Island railroads.

5. The numbers hereinafter used correspond with the numbers which have been placed on the map of the comprehensive plan to identify the various belt lines and marginal railroads.

(a) Number 1. Middle belt line. Connects New Jersey and Staten Island and the railroads on the westerly side of the port with Brooklyn, Queens, the Bronx and the railroads on the easterly side of the port. Connects with the New York Central railroad in the Bronx; with the New York, New Haven and Hartford railroad in the Bronx; with the Long Island railroad in Queens and Brooklyn; with the Baltimore and Ohio railroad near Elizabethport and in Staten Island; with the Central Railroad Company of New Jersey at Elizabethport and at points in Newark and Jersey City; with the Pennsylvania railroad in Newark and Jersey City; with the Lehigh Valley railroad in Newark and Jersey City; with the

Delaware, Lackawanna and Western railroad in Jersey City and the Secaucus meadows; with the Erie railroad in Jersey City and the Secaucus meadows; with the New York, Susquehanna and Western, the New York, Ontario and Western and the West Shore railroads on the westerly side of the Palisades above the Weehawken tunnel.

The route of the middle belt line as shown on said map is in general as follows: Commencing at the Hudson river at Spuyten Duyvil running easterly and southerly generally along the easterly side of the Harlem river, utilizing existing lines so far as practicable and improving and adding where necessary, to a connection with Hell Gate bridge and the New Haven railroad, a distance of approximately seven miles; thence continuing in a general southerly direction, utilizing existing lines and improving and adding where necessary, to a point near Bay Ridge, a distance of approximately eighteen and one-half miles; thence by a new tunnel under New York bay in a northwesterly direction to a portal in Jersey City or Bayonne, a distance of approximately five miles, to a connection with the tracks of the Pennsylvania and Lehigh Valley railroads; thence in a generally northerly direction along the easterly side of Newark bay and the Hackensack river at the westerly foot of the Palisades, utilizing existing tracks and improving and adding where necessary, making connections with the Jersey Central, Pennsylvania, Lehigh Valley, Delaware, Lackawanna and Western, Erie, New York, Susquehanna and Western, New York, Ontario and Western, and West Shore railroads, a distance of approximately ten miles. From the westerly portal of the Bay tunnel and from the line along the easterly side of Newark bay by the bridges of the Central railroad of New Jersey (crossing the Hackensack and Passaic rivers) and of the Pennsylvania and Lehigh Valley railroads (crossing Newark bay) to the line of the central railroad of New Jersey running along the westerly side of Newark bay and thence southerly along this line to a connection with the Baltimore and Ohio railroad south of Elizabethport, utilizing existing lines so far as practicable and improving and adding where necessary, a distance of approximately twelve miles; thence in an easterly direction crossing the Arthur kill, utilizing existing lines so far as practicable and improving and adding where necessary, along the northerly and easterly shores of Staten Island to the new city piers and to a connection, if the city of New York consent thereto, with the tunnel under the Narrows to Brooklyn provided for under chapter seven hundred of the laws of the state of New York for nineteen hundred and twenty-one.

(b) Number 2. A marginal railroad to the Bronx extending along the shore of the East river and Westchester creek connecting with the middle belt line (number one), and with the New York, New Haven and Hartford railroad in the vicinity of Westchester.

(c) Number 3. A marginal railroad in Queens and Brooklyn extending along Flushing creek, Flushing bay, the East river and the upper New York bay. Connects with the middle belt line (number one), by lines number four, number five, number six and directly at the southerly end at Bay Ridge. Existing lines to be utilized and improved and added to and new lines built where lines do not now exist.

(d) Number 4. An existing line to be improved and added to where necessary. Connects the middle belt line (number one), with the marginal railroad number three near its northeasterly end.

(e) Number 5. An existing line to be improved and added to where necessary. Connects the middle belt line (number one), with the marginal railroad number three in Long Island City.

(f) Number 6. Connects the middle belt line (number one), with the marginal railroad number three in the Greenpoint section of Brooklyn. The existing portion to be improved and added to where necessary.

(g) Number 7. A marginal railroad surrounding the northerly and westerly shores of Jamaica bay. A new line. Connects with the middle belt line (number one).

(h) Number 8. An existing line, to be improved and added to where necessary. Extends along the southeasterly shore of Staten Island. Connects with middle belt line (number one).

(i) Number 9. A marginal railroad extending along the westerly shore of Staten Island and a branch connection with number eight. Connects with the middle belt line (number one), and with a branch from the outer belt line (number fifteen).

(j) Number 10. A line made up mainly of existing lines, to be improved and added to where necessary. Connects with the middle belt line (number one) by way of marginal railroad number eleven. Extends along the southerly shore of Raritan bay and through the territory south of the Raritan river reaching New Brunswick.

(k) Number 11. A marginal railroad extending from a connection with the proposed outer belt line (number fifteen) near New Brunswick along the northerly shore of the Raritan river to Perth Amboy, thence northerly along the westerly side of the Arthur kill to a connection with the middle belt line (number one) south of Elizabethport. The portion of this line which exists to be improved and added to where necessary.

(l) Number 12. A marginal railroad extending along the easterly shore of Newark bay and the Hackensack river and connects with the middle belt line (number one). A new line.

(m) Number 13. A marginal railroad extending along the westerly side of the Hudson river and the Upper New York bay. Made up mainly of existing lines----the Erie Terminals, Jersey Junction, Hoboken Shore, and National Docks railroads. To be improved and added to where necessary. To be connected with middle belt line (number one).

(n) Number 14. A marginal railroad connecting with the middle belt line (number one), and extending through the Hackensack and Secaucus meadows.

(o) Number 15. An outer belt line, extending around the westerly limits of the port district beyond the congested section. Northerly terminus on the Hudson river at Piermont. Connects by marginal railroads at the southerly end with the harbor waters below the congested section. By spurs connects with the middle belt line (number one) on the westerly shore of Newark bay and with the marginal railroad on the westerly shore of Staten Island (number nine).

(p) Number 16. The automatic electric system for serving Manhattan Island. Its yards to connect with the middle belt line and with all the railroads of the port district. A standard gauge underground railroad deep enough in Manhattan to permit of two levels of rapid transit subways to pass over it. Standard railroad cars to be brought through to Manhattan terminals for perishables and food products in refrigerator cars. Cars with merchandise freight to be stopped at its yards. Freight from standard cars to be transferred onto wheeled containers, thence to special electrically propelled cars which will bear it to Manhattan. Freight to be kept on wheels between the door of the standard freight car at the transfer point and the tail board of the truck at the Manhattan terminal or the store door as may be elected by the shipper or consignee, eliminating extra handling.

Union terminal stations to be located on Manhattan in zones as far as practicable of equal trucking distance, as to pickups and deliveries, to be served by this system. Terminals to contain storage space and space for other facilities. The system to bring all the railroads of the port to Manhattan.

6. The determination of the exact location, system and character of each of the said tunnels, bridges, belt lines, approaches, classification yards, warehouses, terminals or other improvements shall be made by the port authority after public hearings and further study, but in general the location thereof shall be as indicated upon said map, and as herein described.

7. The right to add to, modify or change any part of the foregoing comprehensive plan is reserved by each state, with the concurrence of the other.

8. The port of New York authority is hereby authorized and directed to proceed with the development of the port of New York in accordance with said comprehensive plan as rapidly as may be economically practicable and is hereby vested with all necessary and appropriate powers not inconsistent with the constitution of the United States or of either state, to effectuate the same, except the power to levy taxes or assessments. It shall request the congress of the United States to make such appropriations for deepening and widening channels and to make such grants of power as will enable the said plan to be effectuated. It shall have power to apply to all federal agencies, including the interstate commerce commission, the war department, and the United States shipping board, for suitable assistance in carrying out said plan. It shall cooperate with the state highway commissioners of each state so that trunk line highways as and when laid out by each state shall fit in with said comprehensive plan. It shall render such advice, suggestion and assistance to all municipal officials as will permit all local and municipal port and harbor improvements, so far as practicable, to fit in with said plan. All municipalities within the district are hereby authorized and empowered to cooperate in the effectuation of said plan, and are hereby vested with such powers as may be appropriate or necessary so to cooperate. The bonds or other securities issued by the port authority shall at all times be free from taxation by either state. The port authority shall be regarded as the municipal corporate instrumentality of the two states for the purpose of developing the port and effectuating the pledge of the states in the said compact, but it shall have no power to pledge the credit of either state or to impose any obligation upon either state, or upon any municipality, except as and when such power is expressly granted by statute, or the consent by any such municipality is given.

§ 202. Investigations. 1. (a) To facilitate the determination of the economic practicability of any step in the comprehensive plan, or of any other fact or matter which the port authority is authorized and empowered to decide or determine, the port authority may conduct investigations, inquiries or hearings at such place or places and at such times as it shall appoint. Such investigations, inquiries or hearings may be held by or before one or more of the commissioners of the port authority, or by or before any person or persons appointed as its representative, and when ratified, approved or confirmed by the port authority on its action shall be and be deemed to be the investigation, inquiry or hearing of the port authority.

(b) For the purpose of such investigations, inquiries or hearings, and of such other action or powers as the port authority may be authorized

or empowered to take or exercise, it shall have jurisdiction of any and all persons, associations, or corporations, residing in, or acting or existing under or by virtue of the laws of, or owning property or coming within this state.

2. The port authority shall have the power to compel the attendance of witnesses and the production of any papers, books or other documents, and to administer oaths to all witnesses who may be called before it. Subpoenas issued by the port authority shall be signed by a commissioner or by the secretary of the port authority. No witness subpoenaed at the instance of parties other than the port authority shall be entitled to compensation therefrom for attendance or travel, but the cost thereof shall be borne by the party at whose instance the witness is summoned, unless the port authority otherwise orders. A subpoena issued under this section shall be regulated by the civil practice law and rules of the state of New York.

§ 203. Hearings. 1. All hearings before the port authority, including the taking of testimony, shall be governed by rules to be adopted and prescribed by it.

2. In any investigation, inquiry or hearing before the port authority, a commissioner or an officer conducting the investigation, inquiry or hearing may confer immunity in accordance with the provisions of section 50.20 of the criminal procedure law of the state of New York.

3. No commissioner or employee of the port authority shall be required to give testimony in any civil suit to which the port authority is not a party with regard to information obtained by him in the discharge of his or her official duty.

§ 204. Orders. 1. Every order of the port authority shall be served upon every person, association or corporation to be affected thereby, either by personal delivery of a certified copy thereof, or by mailing a certified copy thereof, in a sealed package with postage prepaid, to the person to be affected thereby; or in the case of a corporation to any officer or agent thereof upon whom a summons might be served, either within or without the state, in accordance with law. It shall be the duty of every person, association or corporation, to notify the port authority forthwith, in writing, of the receipt of the certified copy of every order so served, and in the case of a corporation such notification must be signed and acknowledged by a person or officer duly authorized by the corporation to admit such service. Within a time specified in the order of the port authority, such person, association or corporation, upon whom it is served, must, if so required in the order, notify the port authority in like manner whether the terms of the order are accepted and will be obeyed. Every order of the port authority shall take effect at a time therein specified and shall continue in force either for a period which may be designated therein, or until changed or abrogated by the port authority, unless such order be unauthorized by law, or be in violation of a provision of the constitution of the state, or of the United States.

2. No order staying or suspending an order of the port authority shall be made by any court otherwise than upon notice and after hearing, and if the order of the port authority is suspended, the order suspending the same shall contain a specific finding based upon evidence submitted to the court and identified by reference thereto that great and irreparable damage would otherwise result to the petitioner and specifying the nature of the damage.

3. (a) Whenever the port authority shall be of the opinion that any person, association or corporation subject to its jurisdiction is fail-

ing or omitting, or about to fail or omit to do anything required of it by the laws governing the development and regulation of the port of New York, or by its order, or is doing or is about to do anything, or permitting, or about to permit anything to be done contrary to, or in violation of, such law or orders, it shall direct its legal representative to commence an action or proceeding in the name of the port authority, in an appropriate court having jurisdiction, for the purpose of having such violations, or threatened violations, stopped and prevented either by mandamus or injunction. Such an action or proceeding may be brought in the supreme court of this state, and the said court shall have and is hereby given the necessary and appropriate jurisdiction to grant mandamus or injunction, as the case may require, or any other relief appropriate to the case.

(b) Failure of such person, association or corporation to notify the port authority, as required in the preceding section, of its acceptance of and willingness to obey any order of the port authority shall be and be deemed to be prima facie proof that such person, association or corporation is guilty of such violation, or threatened violation. The legal representative of the port authority shall begin such action or proceeding by a petition to the appropriate court, alleging the violation complained of and praying for appropriate relief by way of mandamus or injunction. If the petition is directed to a court of this state, it shall thereupon be the duty of the court to specify the time, not exceeding twenty days after the service of a copy of the petition, within which the person, association or corporation complained of must answer the petition. In case of default in answer, or after answer, the court shall immediately inquire into the facts and circumstances, in such manner as the court shall direct, without other or formal pleadings and without respect to any technical requirement. Such other persons, associations or corporations as the court shall deem necessary or proper to join as parties, in order to make its order, judgment or writs effective, may be joined as parties upon application of the legal representative of the port authority. The final judgment in any such action or proceeding shall either dismiss the action or proceeding, or direct that a writ of mandamus, or an injunction, or both, issue as prayed for in the petition, or in such modified or other form as the court may determine will afford the appropriate relief.

4. (a) Whenever the port authority, after opportunity to the parties affected or to be affected thereby to be heard, shall determine any fact or matter which it is authorized by any law to hear or determine, or that any step in the effectuation of the comprehensive plan is or in the near future will be economically practicable, it shall make its findings in writing, setting forth its reasons therefor, and such findings shall be and be deemed to be a determination by the port authority, under and pursuant to law. Upon such determination an appropriate order may be entered by the port authority and be made effective and may be enforced as herein provided.

(b) If such findings or determination shall require the use of existing facilities or any part thereof described in the law, owned or operated by any carrier or carriers, then the port authority may order and require the carrier or carriers owning or operating said railroad facilities or part thereof to permit the use of such facilities or part thereof upon the payment of reasonable compensation therefor. If the carrier or carriers affected or to be affected by such order shall not be able, within the time to be specified in its order by the port authority, to agree among themselves upon the compensation to be paid by a user to a

proprietor or operator for the use of such existing facilities or part thereof, then the port authority shall make determination of the amount to be paid by the user to the proprietary carrier or carriers, taking all the facts and circumstances into account, including the public use to which such facilities have been put; or, at its option, the port authority may apply to the supreme court of this state, either in a separate proceeding or in proceedings by mandamus or injunction to enforce its order, to fix and determine the fair and reasonable compensation to be paid by the user to the proprietary carrier or carriers for such use. If any carrier shall be dissatisfied with the findings of the port authority in the matter of the compensation to be paid for the use of any existing facility, it shall have the right to review the same in the supreme court of this state by taking appropriate proceedings for such review within sixty days from the service of the order of the port authority, but pending such review the order for the use of such facilities shall be operative, the determination of the compensation by the court to relate back to the time of the commencement of such user, unless the court shall for good and proper reasons enjoin the operation of such order.

§ 205. Terminal stations. If, in the determination of steps to effectuate the comprehensive plan, the port authority shall determine that one or more union terminal stations are then, or in the near future, economically practicable, it shall call a conference of all the carriers affected or to be affected by the use of such terminal stations or station and shall submit to them a plan or plans for the construction, maintenance and use thereof. If the carriers or any of them shall fail or refuse to agree upon such plan, the port authority shall make and certify its findings and conclusions to the supreme court of this state, and the said court is vested with appropriate and adequate jurisdiction to determine whether or not such plan or plans for a union station or stations effectuate the comprehensive plan, and to make such conditions and impose such terms as will carry out the same in accordance with the principles embraced in the comprehensive plan and the laws governing the same.

§ 206. Preference. All actions and proceedings to which the port authority may be a party and in which any question arises under the laws relating to the port authority, or under or concerning any of its orders or actions, shall be preferred over all other civil causes, except election causes, in all courts of this state and shall be heard and determined in preference to all other civil business pending therein, except election causes, irrespective of position on the calendar. The same preference shall be granted upon application of the legal representative of the port authority, in any action or proceeding in which he or she may be allowed to intervene.

PART III
BRIDGES AND TUNNELS IN NEW YORK AND NEW JERSEY

Section 301. Legislative intent.
302. Tunnels.
303. Bridges.
304. Studies and reporting.
305. Inspections.
306. Construction, maintenance and operation.
307. Rules and regulations relating to tunnels and bridges.
308. Bonds.
309. Compact.

§ 301. Legislative intent. The state of New Jersey by appropriate legislation concurring herein, the states of New York and New Jersey hereby declare and agree that the vehicular traffic moving across the interstate waters within the port of New York district, created by the compact of April thirty, nineteen hundred twenty-one, between the said states, which said phrase "interstate waters" as used in this part shall include the portion of the Hudson river within the said port of New York district north of the New Jersey state line, constitutes a general movement of traffic which follows the most accessible and practicable routes, and that the users of each bridge or tunnel over or under the said waters benefit by the existence of every other bridge or tunnel since all such bridges and tunnels as a group facilitate the movement of such traffic and relieve congestion at each of the several bridges and tunnels. Accordingly the two said states, in the interest of the users of such bridges and tunnels and the general public, hereby agree that the construction, maintenance, operation and control of all such bridges and tunnels, heretofore or hereafter authorized by the two said states, shall be unified under the port authority, to the end that the tolls and other revenues therefrom shall be applied so far as practicable to the costs of the construction, maintenance and operation of said bridges and tunnels as a group and economies in operation effected, it being the policy of the two said states that such bridges and tunnels shall as a group be in all respects self-sustaining.

§ 302. Tunnels. 1. In furtherance of the policy stated in section three hundred one of this part, and in partial effectuation of the comprehensive plan adopted by the two said states for the development of the said port of New York district pursuant to this chapter, the control, operation, tolls and other revenues of the vehicular tunnel, known as the Holland tunnel, under the Hudson river between the city of Jersey City and the city of New York, shall be vested in the port authority as hereinafter provided; and the port authority is hereby authorized and empowered to construct, own, maintain and operate an interstate vehicular crossing under the Hudson river to consist of three tubes (hereinafter called the Midtown Hudson tunnel), together with such approaches thereto and connections with highways as the port authority may deem necessary or desirable.

2. The entrances, exits and approaches to the said Midtown Hudson tunnel, on the New York side, shall be between West Thirty-fifth street and West Forty-first street and in the vicinity of Ninth avenue and to the west thereof, in the borough of Manhattan, city of New York. The approaches to the said Midtown Hudson tunnel on the New Jersey side shall be so located and constructed as to permit tunnel traffic to pass over or under the tracks of the New York, Susquehanna and Western Railroad Company and the Northern Railroad Company of New Jersey, immediately west of the Palisades, without crossing the said tracks at grade, and as to permit connections with New Jersey state highway routes in the vicinity of the said tracks. The said Midtown Hudson tunnel shall have an appropriate entrance and exit in the township of Weehawken, county of Hudson, state of New Jersey.

3. The control, operation, tolls and other revenues of the said Holland tunnel and its entrance and exit plazas and of all real and personal property appurtenant thereto or used in connection therewith, shall vest in the port authority upon the making of the following payments by the port authority to each of the said two states:

(a) An amount equal to the moneys contributed by such state toward the cost of construction of the said Holland tunnel, with interest thereon

at the rate of four and one-quarter per centum per annum from the date or dates on which such moneys were contributed by such state to the date of the payment to such state;

(b) Less, however, the share of such state in the net revenues of the said tunnel to the date of the said payment, and less interest on such net revenues at the rate of four and one-quarter per centum per annum from the dates on which the said net revenues were received by such state to the date of the said payment;

(c) And in the case of the payment to the state of New York, less an amount equal to the moneys which the said state has agreed to advance to the port authority (but which have not as yet been advanced to the port authority) in aid of bridge construction, during the fiscal years commencing in nineteen hundred thirty-one and nineteen hundred thirty-two, pursuant to chapter seven hundred and sixty-one of the laws of New York of nineteen hundred twenty-six and chapter three hundred of the laws of New York of nineteen hundred twenty-seven and acts amendatory thereof and supplemental thereto, discounted, however, in the case of each advance at the rate of four and one-quarter per centum per annum, from the date of the said payment to the state of New York to the date upon which such advance is to be available pursuant to the aforesaid statutes.

In computing interest as aforesaid upon the moneys contributed by each of the said two states toward the cost of construction of the said Holland tunnel, such moneys shall be deemed to have been contributed by such state upon the first day of the month following the month during which there were presented to the comptroller of such state for audit and payment, the schedules and vouchers pursuant to which such moneys were paid. In computing interest as aforesaid upon the net revenues received by each of the said two states, such net revenues shall be deemed to have been received by such state upon the date when such revenues were credited to such state or to the commission of such state pursuant to paragraph eleven of article fourteen of the compact of December thirty, nineteen hundred nineteen, between the two said states.

4. If the amount paid by the port authority to the state of New Jersey pursuant to subdivision three of this section shall be less than an amount which, together with the moneys then in the sinking fund established by chapter three hundred and fifty-two of the laws of New Jersey of nineteen hundred twenty and chapter two hundred and sixty-two of the laws of New Jersey of nineteen hundred twenty-four, hereinafter called the New Jersey Camden bridge-Holland tunnel sinking fund (other than moneys set apart to pay interest for the then current year upon the bonds of the state of New Jersey authorized by the aforesaid acts of the state of New Jersey, hereinafter called New Jersey Camden bridge-Holland tunnel bonds), will be equal to the principal amount of the then outstanding New Jersey Camden bridge-Holland tunnel bonds, then and in such event, the port authority shall in addition pay to the state of New Jersey an amount which, together with the amount paid under and pursuant to the preceding section hereof and the moneys then in said New Jersey Camden bridge-Holland tunnel sinking fund, will be equal to the principal amount of the then outstanding New Jersey Camden bridge-Holland tunnel bonds; and shall, moreover, pay to the state of New York a like amount.

5. The amount payable by the port authority to the state of New York pursuant to subdivisions three and four of this section shall be paid by the port authority into the treasury of the state of New York upon the thirtieth day of June, nineteen hundred thirty-one, or at an earlier

date at the option of the port authority on five days' notice to the comptroller of the state of New York, upon a voucher signed and audited by the said comptroller, who is hereby authorized to consummate the said transaction.

6. The amount payable by the port authority to the state of New Jersey pursuant to subdivisions three and four of this section shall be paid by the port authority to the sinking fund commission created by said chapter three hundred and fifty-two of the laws of New Jersey of nineteen hundred twenty and said chapter two hundred and sixty-two of the laws of New Jersey of nineteen hundred twenty-four, hereinafter called the New Jersey Camden bridge-Holland tunnel sinking fund commission upon the thirtieth day of June, nineteen hundred thirty-one, or such other date as may be agreed upon by the said sinking fund commission and the port authority, upon a voucher signed and audited by the said sinking fund commission, which said commission is hereby authorized to consummate said transaction; and the said moneys shall be deposited in the said New Jersey Camden bridge-Holland tunnel sinking fund, and shall for all purposes be deemed to be a part thereof and subject to the appropriation of the moneys in the said sinking fund, made by the aforesaid statutes of the state of New Jersey.

7. The income and interest received from or accruing upon the moneys in the aforesaid New Jersey Camden bridge-Holland tunnel sinking fund, and from the investment thereof, shall be set apart and held by the said New Jersey Camden bridge-Holland tunnel sinking fund commission for the payment of interest on New Jersey Camden bridge-Holland tunnel bonds, and shall be subject to the appropriation made of moneys so set apart and held, by the aforesaid statutes of the state of New Jersey, and shall be applied to the payment of such interest.

8. Upon the making of the foregoing payments by the port authority to the two said states, the provisions of the compact of December thirty, nineteen hundred nineteen, between the said two states, relating to the construction and operation of the said Holland tunnel, as amended, so far as inconsistent herewith or with the rules, practice and procedure or general authority of the port authority, shall be and shall be deemed to be abrogated; and chapter four hundred and twenty-one of the laws of New York of nineteen hundred thirty, and chapter two hundred and forty-seven of the laws of New Jersey of nineteen hundred thirty, making the port authority the agent of the two states in connection with the operation of the said Holland tunnel shall cease to be effective.

§ 303. Bridges. 1. Except as may be agreed upon between the port authority and the municipality in which they shall be located, the approaches to the George Washington bridge hereafter constructed on the New York side shall be located as follows: between Amsterdam avenue and Pinehurst avenue, the approaches shall be located between West One hundred seventy-eighth street and West One hundred seventy-ninth street; between Pinehurst avenue and Cabrini boulevard, the approaches shall be between West One hundred seventy-eighth street and West One hundred eightieth street; between Cabrini boulevard and Haven avenue, the approaches shall be between West One hundred seventy-seventh street and the line parallel to the northerly side of West One hundred eightieth street and one hundred twenty-five feet north of the building line on the north side thereof; between Haven avenue and Service street north of the George Washington bridge, the approaches shall be between the bridge and an extension of the building line on the northerly side of West One hundred eightieth street. Except as so limited, the port authority may effectuate such approaches, connections, highway extensions or highway

improvements as it shall deem necessary or desirable in relation to the George Washington bridge, located in or extending across the counties in which such bridge is located, and, in its discretion, may do so by agreement with any other public agency; such agreement may provide for the construction, ownership, maintenance or operation of such approaches, connections or highway extensions or highway improvements by such other public agency.

2. The port authority is hereby authorized and empowered, in its discretion, to construct, own, maintain and operate in Washington Heights in the borough of Manhattan, New York city, as an addition and improvement to the vehicular bridge over the Hudson river at Fort Lee, known as and hereinafter in this section referred to as the George Washington bridge, a bus passenger facility, by which is meant a facility consisting of one or more buildings, structures, improvements, loading or unloading areas, parking areas or other facilities necessary, convenient or desirable in the opinion of the port authority for the accommodation of omnibuses and other motor vehicles operated by carriers engaged in the transportation of passengers, or for the loading, unloading, interchange or transfer of such passengers or their baggage, or otherwise for the accommodation, use or convenience of such passengers or such carriers or their employees and for purposes incidental thereto.

3. Nothing herein contained shall be deemed to prevent the port authority from establishing, levying and collecting tolls and other charges in connection with such bus passenger facility in addition to and other than the tolls or charges established, levied and collected in connection with the George Washington bridge or any other bridge or tunnel.

§ 304. Studies and reporting. The port authority shall from time to time make studies, surveys and investigations to determine the necessity and practicability of vehicular bridges and tunnels over or under interstate waters within the port of New York district, in addition to the Midtown Hudson tunnel and Holland tunnel and to the George Washington bridge, Goethals bridge, Outerbridge Crossing and Bayonne bridge, and report to the governors and legislatures of the two states thereon. The port authority shall not proceed with the construction of any such additional vehicular bridges and tunnels over or under said interstate waters until hereafter expressly authorized by the two said states, but the second deck of the George Washington bridge shall be considered an addition and improvement to the said bridge and not such an additional vehicular bridge, and the port authority's power and authorization to construct, own, maintain and operate said second deck for highway vehicular or rail rapid transit traffic or both is hereby acknowledged and confirmed.

§ 305. Inspections. The port authority shall inspect bridges located within the state of New York and under the authority's jurisdiction in accordance with criteria established for other publicly-owned bridges within the state.

§ 306. Construction, maintenance and operation. 1. The port authority shall, so far as it deems it practicable, treat as a single unified operation the construction, maintenance and operation of the said Midtown Hudson tunnel, the Holland tunnel, the two vehicular bridges over the Arthur Kill, the vehicular bridge over the Kill van Kull, the vehicular bridge over the Hudson river at Fort Lee, and any other vehicular bridges or tunnels which it may construct or operate, raising moneys for the construction thereof and for the making of additions and improvements thereto in whole or in part upon its own obligations, and

establishing and levying such tolls and other charges as it may deem necessary to secure from all of such bridges and tunnels as a group, at least sufficient revenue to meet the expenses of the construction, maintenance and operation of such bridges and tunnels as a group, and to provide for the payment of the interest upon and amortization and retirement of and the fulfillment of the terms of all bonds and other securities and obligations which it may have issued or incurred in connection therewith.

2. The additions and improvements to bridges and tunnels constructed or operated by it which the port authority is hereby authorized to effectuate shall include but not be limited to parking facilities, by which is meant transportation facilities consisting of one or more areas, buildings, structures, improvements, or other accommodations or appurtenances necessary, convenient or desirable in the opinion of the port authority for the parking or storage of motor vehicles of users of such bridges and tunnels and other members of the general public and for the transfer of the operators and passengers of such motor vehicles to and from omnibuses and other motor vehicles operated by carriers over or through such bridges or tunnels, and for purposes incidental thereto.

3. Nothing herein contained shall be deemed to prevent the port authority from establishing, levying and collecting tolls and other charges in connection with any parking facility in addition to and other than the tolls or charges established, levied and collected in connection with the bridge or tunnel to which such parking facility is an addition and improvement or any other bridge or tunnel.

4. The port authority shall not proceed with the construction of any parking facility as an addition and improvement to any bridge or tunnel other than a parking facility in the township of North Bergen in the state of New Jersey at or in the vicinity of the Midtown Hudson tunnel and its approaches and connections, except as heretofore or hereafter expressly authorized.

5. The plans of the connections with state or municipal highways of any vehicular bridge or tunnel which the port authority may hereafter construct (including the plans of any additional connections of existing bridges or tunnels with state or municipal highways), shall be subject to the approval of the governor of the state in which such connections shall be located. Either state may require by appropriate legislation that such connections shall be subject to the approval of the municipality of that state in which they shall be located; and in such event, the approval of such municipality shall be given as provided in subdivision two of section one hundred three of this article. Except as limited herein, the port authority shall determine all matters pertaining to such bridges and tunnels.

6. The construction, maintenance and operation of vehicular bridges and tunnels within the said port of New York district (including the said Holland tunnel and the said Midtown Hudson tunnel), are and will be in all respects for the benefit of the people of the states of New York and New Jersey, for the increase of their commerce and prosperity and for the improvement of their health and living conditions; and the port authority shall be regarded as performing an essential governmental function in undertaking the construction, maintenance and operation thereof and in carrying out the provisions of law relating thereto, and shall be required to pay no taxes or assessments upon any of the property acquired or used by it for such purposes.

7. If for any of the purposes of this part (including temporary construction purposes, and the making of additions or improvements to

bridges or tunnels already constructed), the port authority shall find it necessary or convenient to acquire any real property as herein defined, whether for immediate or future use, the port authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for a public use, and upon such determination, the said property shall be and shall be deemed to be required for such public use until otherwise determined by the port authority; and with the exceptions hereinafter specifically noted, the said determination shall not be affected by the fact that such property has theretofore been taken for, or is then devoted to, a public use; but the public use in the hands or under the control of the port authority shall be deemed superior to the public use in the hands of any other person, association or corporation.

8. The port authority may acquire and is hereby authorized to acquire such property, whether a fee simple absolute or a lesser interest, by the exercise of the right of eminent domain under and pursuant to the provisions of the eminent domain procedure law of the state of New York, in the case of property located in such state, and revised statutes of New Jersey, Title 20:1-1 et seq., in the case of property located in such state, or at the option of the port authority as provided in section fifteen of chapter forty-three of the laws of New Jersey of nineteen hundred forty-seven, as amended, for the condemnation of real property for air terminal purposes, in the case of property located in such state, or pursuant to such other and alternate procedure as may be provided by law.

9. Where a person entitled to an award in the proceedings to acquire any real property for any of the purposes of this part, remains in possession of such property after the time of the vesting of title in the port authority, the reasonable value of his use and occupancy of such property subsequent to such time, as fixed by agreement or by the court in such proceedings or by any court of competent jurisdiction, shall be a lien against such award, subject only to liens of record at the time of the vesting of title in the port authority.

10. Nothing herein contained shall be construed to prohibit the port authority from bringing any proceedings to remove a cloud on title or such other proceedings as it may, in its discretion, deem proper and necessary, or from acquiring any such property by negotiation or purchase.

11. Anything in this act to the contrary notwithstanding, no property now or hereafter vested in or held by any county, city, borough, village, township or other municipality shall be taken by the port authority, without the authority or consent of such county, city, borough, village, township or other municipality as provided in part one of this article, provided that the state in which such county, city, borough, village, township or other municipality is located may authorize such property to be taken by the port authority by condemnation or the exercise of the right of eminent domain without such authority or consent; nor shall anything herein impair or invalidate in any way any bonded indebtedness of the state, or such county, city, borough, village, township or other municipality, nor impair the provisions of law regulating the payment into sinking funds of revenue derived from municipal property, or dedicating the revenues derived from municipal property, to a specific purpose. The port authority is hereby authorized and empowered to acquire from any such county, city, borough, village, township or other municipality, or from any other public agency or commission having jurisdiction in the premises, by agreement therewith,

and such county, city, borough, village, township, municipality, public agency or commission, notwithstanding any contrary provision of law, is hereby authorized and empowered to grant and convey upon reasonable terms and conditions, any real property, which may be necessary for the construction, operation and maintenance of such bridges and tunnels, including such real property as has already been devoted to a public use. Each of the two said states hereby consent to the use and occupation of the real property of such state necessary for the construction, operation and maintenance of bridges and tunnels constructed or operated pursuant to the provisions of this part, including lands of the state lying under water.

12. The port authority and its duly authorized agents and employees may enter upon any land in this state for the purpose of making such surveys, maps, or other examinations thereof as it may deem necessary or convenient for the purposes of this part.

13. The term "real property" as used in this section is defined to include lands, structures, franchises, and interests in land, including lands under water and riparian rights, and any and all things and rights usually included within the said term, and includes not only fees simple absolute but also any and all lesser interests, such as easements, rights of way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms of years, and liens thereon by way of judgments, mortgages or otherwise, and also claims for damage to real estate.

14. Nothing herein contained shall be construed to authorize or permit the port authority to undertake the construction of any vehicular bridge or tunnel over or under the Arthur Kill, unless or until adequate provision has been made by law for the protection of those advancing money upon the obligations of the port authority for the construction of the bridges mentioned in chapter two hundred and ten of the laws of nineteen hundred twenty-five, or the construction of any vehicular bridge or tunnel over or under the Hudson river, at or north of Sixtieth street in the borough of Manhattan, city of New York, unless or until adequate provision has been made by law for the protection of those advancing money upon the obligations of the port authority for the construction of the bridge mentioned in chapter seven hundred and sixty-one of the laws of nineteen hundred twenty-six, or the construction of any vehicular bridge or tunnel over or under the Kill van Kull unless or until adequate provision has been made by law for the protection of those advancing money upon the obligations of the port authority for the construction of the bridge mentioned in chapter three hundred of the laws of nineteen hundred twenty-seven.

§ 307. Rules and regulations relating to tunnels and bridges. 1. The port authority is hereby authorized to make and enforce such rules and regulations and to establish, levy and collect such tolls and other charges in connection with any vehicular bridges and tunnels which it may now or hereafter be authorized to own, construct, operate or control (including the said Holland tunnel and the said Midtown Hudson tunnel), as it may deem necessary, proper or desirable, which said tolls and charges shall be at least sufficient to meet the expenses of the construction, operation and maintenance thereof, and to provide for the payment of, with interest upon, and the amortization and retirement of bonds or other securities or obligations issued or incurred for bridge or tunnel purposes. There shall be allocated to the cost of the construction, operation and maintenance of such bridges and tunnels,

such proportion of the general expenses of the port authority as it shall deem properly chargeable thereto.

2. The moneys in the general reserve fund of the port authority (authorized by chapter five of the laws of New Jersey of nineteen hundred thirty-one, as amended, and chapter forty-eight of the laws of New York of nineteen hundred thirty-one, as amended and continued by part XXIX of this article) may be pledged in whole or in part by the port authority as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds or other securities or obligations issued or incurred from time to time for any of the purposes of this part or secured in whole or in part by the pledge of the revenues of the port authority from any bridge or tunnel or both so issued or incurred and so secured; and the moneys in said general reserve fund may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of any such bonds, securities or other obligations.

3. Subject to prior liens and pledges (and to the obligation of the port authority to apply revenues to the maintenance of its general reserve fund in the amount prescribed by the said statutes authorizing said fund), the revenues of the port authority from facilities established, constructed, acquired or effectuated through the issuance or sale of bonds of the port authority secured by a pledge of its general reserve fund may be pledged in whole or in part as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds or other securities or obligations issued or incurred from time to time for any of the purposes of this part or secured in whole or in part by the pledge of the revenues of the port authority from any bridge or tunnel or both so issued or incurred and so secured, and said revenues may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of such bonds, securities or other obligations.

In the event that at any time the balance of moneys theretofore paid into the general reserve fund and not applied therefrom shall exceed an amount equal to one-tenth of the par value of all bonds legal for investment, as defined and limited in the said statutes authorizing said fund, issued by the port authority and currently outstanding at such time, by reason of the retirement of bonds or other securities or obligations issued or incurred from time to time for any of the purposes of this part or secured in whole or in part by the pledge of the revenues of the port authority from any bridge or tunnel or both so issued or incurred and so secured, the par value of which had theretofore been included in the computation of said one-tenth, then the port authority may pledge or apply such excess for and only for the purposes for which it is authorized by the said statutes authorizing said fund to pledge the moneys in the general reserve fund and such pledge may be made in advance of the time when such excess may occur.

§ 308. Bonds. 1. The two said states covenant and agree with each other and with the holders of any bonds or other securities or obligations of the port authority, issued or incurred for bridge or tunnel purposes and as security for which there may or shall be pledged the tolls and revenues or any part thereof of any vehicular bridge or tunnel (including the said Holland tunnel and the said Midtown Hudson tunnel), that the two said states will not, so long as any of such bonds or other obligations remain outstanding and unpaid, diminish or impair the power of the port authority to establish, levy and collect tolls and other charges in connection therewith; and that the two said states will not,

so long as any of such bonds or other obligations remain outstanding and unpaid, authorize the construction of any vehicular bridges or tunnels over or under interstate waters as herein defined within the said port of New York district, by any person or body other than the port authority, in competition with those whose tolls or other revenues are pledged as aforesaid; provided that nothing herein contained shall be deemed to refer to the bridge authorized by the act of congress of July eleven, eighteen hundred ninety, chapter six hundred and sixty-nine, and acts amendatory thereof and supplemental thereto; and provided further that nothing herein contained shall preclude the authorization of the construction of such competitive tunnels or bridges by other persons or bodies if and when adequate provision shall be made by law for the protection of those advancing money upon such obligations.

2. The bonds or other securities or obligations which may be issued or incurred by the port authority pursuant to this part, or as security for which there may be pledged the tolls and other revenues or any part thereof of any vehicular bridge or tunnel (including the said Holland tunnel and the said Midtown Hudson tunnel) now or hereafter authorized by the two said states or both so issued or incurred and so secured, are hereby made securities in which all state and municipal officers and bodies, all banks, bankers, trust companies, savings banks, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest any funds, including capital, belonging to them or within their control; and said bonds or other securities or obligations are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency for any purpose for which the deposit of bonds or other obligations of this state is now or may hereafter be authorized.

§ 309. Compact. 1. This section and the preceding sections of this part, constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirty, nineteen hundred twenty-one, and amendatory thereof, and shall be liberally construed to effectuate the purposes of said compact and of the comprehensive plan heretofore adopted by the two states, and any powers granted to the port authority by this part shall be deemed to be in aid of and supplementary to and in no case a limitation upon the powers heretofore vested in the port authority by the two said states and/or by congress, except as herein otherwise provided.

2. Any declarations contained in this part with respect to the governmental nature of bridges and tunnels and to the exemption of bridge and tunnel property from taxation and to the discretion of the port authority with respect to bridge and tunnel operations shall not be construed to imply that other port authority property and operations are not of a governmental nature, or that they are subject to taxation, or that the determinations of the port authority with respect thereto are not conclusive.

3. The powers vested in the port authority herein (including but not limited to the powers to acquire real property by condemnation and to make or effectuate additions, improvements, approaches and connections) shall be continuing powers and no exercise thereof shall be deemed to exhaust them or any of them.

4. Nothing herein contained shall be construed to affect, diminish or impair the rights and obligations created by, or to repeal any of the provisions of chapter three hundred and fifty-two of the laws of New Jersey of nineteen hundred twenty and chapter two hundred and sixty-two of the laws of New Jersey of nineteen hundred twenty-four.

5. If, however, any loss shall be suffered by or accrue to the said sinking fund, and if, after the making of the payment by the port authority to the state of New Jersey as hereinbefore provided, the moneys in the said sinking fund shall at any time be or become less than an amount equal to the principal amount of the then currently outstanding New Jersey Camden bridge-Holland tunnel bonds, or if the income and interest currently received from or currently accruing upon the moneys in the said sinking fund shall be or become insufficient to pay the interest currently accruing upon or currently payable in connection with the aforesaid New Jersey Camden bridge-Holland tunnel bonds, the state of New Jersey represents and agrees that it will make good such deficits out of sources other than revenues from the said Holland tunnel.

6. The said payment by the port authority to the state of New Jersey constitutes repayment for all moneys contributed by the said state toward the cost of construction of the said Holland tunnel, including the moneys diverted and appropriated by chapter three hundred and nineteen of the laws of New Jersey of nineteen hundred twenty-six and chapter fifty-eight of the laws of New Jersey of nineteen hundred twenty-seven from the road fund, created by chapter fifteen of the laws of New Jersey of nineteen hundred seventeen. The requirement of chapter fifty-eight of the laws of New Jersey of nineteen hundred twenty-seven that the said moneys diverted and appropriated by the said statutes of the state of New Jersey shall be returned and credited to the said road fund, with interest, shall be and shall be deemed to be satisfied and discharged so far as it relates to the revenues arising from the operation of the said Holland tunnel.

7. The provisions of this section shall constitute a covenant and agreement by the state of New York with the state of New Jersey, the port authority and the holders of any bonds or other obligations of the port authority, as security for which the tolls and revenues of said Holland tunnel may be pledged.

8. Nothing herein contained shall be construed to impair in any way the obligation of the port authority to repay to the two states any or all advances made by them to the port authority in aid of bridge construction.

PART IV
APPROVAL OR VETO POWER OF THE GOVERNOR

Section 401. Approval or veto power.
402. Procurement.
403. Effect of veto.
404. Exception to reporting requirement.

§ 401. Approval or veto power. Except as provided by this part, no action taken at any meeting of the port authority by any commissioner appointed from the state of New York shall have force or effect until the governor of the state of New York shall have an opportunity to approve or veto the same under the provisions of article sixteen of the port compact or treaty entered into between the states of New York and New Jersey, dated April thirtieth, nineteen hundred and twenty-one and

continued by subdivision four of section one hundred fifteen of this article.

§ 402. Procurement. For the purpose of procuring such approval or veto, the secretary or other officer of the port authority in charge of the minutes of the proceedings of that body shall transmit to the governor at the executive chamber in Albany a certified copy of the minutes of every meeting of the port authority as soon after the holding of such meeting as such minutes can be written out. The governor shall, within ten days, Saturdays, Sundays and public holidays excepted, after such minutes shall have been delivered at the executive chamber as aforesaid, cause the same to be returned to the port authority either with his approval or with his veto of any action therein recited as having been taken by any commissioner appointed from the state of New York, provided, however, that if the governor shall not return the said minutes within the said period then at the expiration thereof any action therein recited will have full force and effect according to the wording thereof.

§ 403. Effect of veto. If the governor within the said period returns the said minutes with a veto against the action of any commissioner from New York as recited therein, then such action of such commissioner shall be null and void.

§ 404. Exception to reporting requirement. The governor may by order filed with the secretary of the port authority relieve the commissioners from the duty of procuring his approval of their action upon any particular matter or class of matters, and thereupon the secretary or other officer in charge of the minutes of the proceedings of that body shall be relieved from reporting the same to him.

PART V
MOTOR TRUCK TERMINALS

Section 501. Motor truck terminals.
502. Acquisition of real property for public use.

§ 501. Motor truck terminals. The bonds or other obligations which may be issued by the port authority from time to time to provide funds for the establishment, acquisition and rehabilitation of motor truck terminals (by which are meant terminals consisting of one or more platforms, sheds, buildings, structures, facilities or improvements necessary, convenient or desirable in the opinion of the port authority for the accommodation of motor trucks for the loading or unloading of freight upon or from motor trucks or the receipt, delivery, storage or handling of freight transported or to be transported by motor trucks or the interchange or transfer thereof between carriers) located at such point or points within the port of New York district as the port authority may deem to be desirable and in the public interest, or for the acquisition of real or personal property in connection therewith, or for any other purpose in connection with the establishment, acquisition, construction, rehabilitation, maintenance or operation of such truck terminals or any of them, are hereby made securities in which all state and municipal officers and bodies, all banks, bankers, trust companies, savings banks, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever, who are now or may hereafter be authorized to invest in

bonds or other obligations of the state, may properly and legally invest any funds, including capital, belonging to them or within their control; and said obligations are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency for any purpose for which the deposit of bonds or other obligations of this state is now or may hereafter be authorized.

§ 502. Acquisition of real property for public use. If, for the purpose of effectuating, acquiring, constructing, rehabilitating or improving any motor truck terminal, the port authority shall find it necessary or convenient to acquire any real property, as herein defined in this state, whether for immediate or future use, the port authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for public use, and upon such determination, the said property shall be and shall be deemed to be required for such public use until otherwise determined by the port authority.

If the port authority is unable to agree for the acquisition of any such real property for any reason whatsoever, then the port authority may acquire and is hereby authorized to acquire such property, whether a fee simple absolute or a lesser interest, by the exercise of the right of eminent domain under and pursuant to the provisions of the eminent domain procedure law.

The power of the port authority to acquire real property hereunder shall be a continuing power, and no exercise thereof shall be deemed to exhaust it.

Anything in this part to the contrary notwithstanding, no property now or hereafter vested in or held by the state or any county, city, borough, village, township or other municipality shall be taken by the port authority, without the authority or consent of the state or of such county, city, borough, village, township or other municipality as provided in the compact of April thirty, nineteen hundred twenty-one, between the states of New York and New Jersey and continued by part I of this article, nor shall anything herein impair or invalidate in any way any bonded indebtedness of the state, or such county, city, borough, village, township or other municipality, nor impair the provisions of law regulating the payment into sinking funds of revenue derived from municipal property, or dedicating the revenues derived from municipal property, to a specific purpose. Moreover, no property devoted to public use by any railroad or railway corporation, or public utility corporation, or by any other corporation, shall be taken by the port authority without the authority or consent of such corporation. The port authority is hereby authorized and empowered to acquire from any such county, city, borough, village, township or other municipality, or from any other public agency or commission having jurisdiction in the premises, or from any such corporation, by agreement therewith, and such county, city, borough, village, township, municipality, public agency, commission, or corporation, notwithstanding any contrary provision of law, is hereby authorized and empowered to grant and convey upon reasonable terms and conditions any real property, which may be necessary for the establishment, construction, acquisition, rehabilitation, maintenance and operation of such truck terminals, including such real property as has already been devoted to a public use.

The port authority and its duly authorized agents and employees may, in the case of land situate in the state of New York subject to the provisions of the eminent domain procedure law and in any other case as provided by law, enter upon any land in this state for the purpose of

making such surveys, maps, or other examinations thereof as it may deem necessary or convenient for the purposes of this part.

The term "real property" as used in this part is defined to include lands, structures, franchises and interests in land, including lands under water and riparian rights, and any and all things and rights usually included within the said term, and includes not only fees simple absolute but also any and all lesser interests, such as easements, rights of way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms of years, and liens thereon by way of judgments, mortgages or otherwise, and also claims for damages to real estate.

PART VI
PAYMENT AND ACCEPTANCE OF A FAIR AND REASONABLE SUM

Section 601. Payment of a fair and reasonable sum.
602. Acceptance of payment.

§ 601. Payment of a fair and reasonable sum. To the end that counties, cities, boroughs, villages, towns, townships and other municipalities in the port of New York district, may not suffer undue loss of taxes and assessments by reason of the acquisition and ownership of property therein by the port authority, the port authority is hereby authorized and empowered, in its discretion, to enter into a voluntary agreement or agreements with any county, city, borough, village, town, township or other municipality in said port district, whereby it will undertake to pay a fair and reasonable sum or sums annually in connection with any marine or inland terminal property owned by it, not in excess of the sum last paid as taxes upon such property prior to the time of its acquisition by the port authority. Such payment or payments which the port authority is hereby authorized and empowered to make, shall be in such amount or amounts and shall be payable at such time or times and under such terms and conditions as shall be agreed upon by and between the port authority and such county, city, village, borough, town, township or other municipality concerned.

§ 602. Acceptance of payment. Every county, city, village, borough, town, township or other municipality in the port of New York district aforesaid is hereby authorized and empowered to enter into such agreement or agreements with the port authority to accept the payment or payments which the port authority is hereby authorized and empowered to make. The sums so received by any county, city, village, borough, town, township or other municipality shall be devoted to purposes to which taxes may be applied, unless and until otherwise directed by the law of the state in which such municipality is located.

PART VII
PAYMENT AND ACCEPTANCE OF A FAIR AND REASONABLE SUM FOR A CHANGE IN GRADE

Section 701. Change of grade.

§ 701. Change of grade. To the end that the owners of property in the port of New York district abutting upon streets, avenues or other highways, the grade of which will be changed by reason of the construction by the port authority of any public improvement in the port of New York district, may not suffer undue loss and injury by reason of such change of grade, the authority is hereby authorized and empowered, in its discretion, to enter into voluntary agreements with such abutting owners

of property which is built upon or otherwise improved in conformity with the grade of any street, avenue or other highway established by lawful authority in the port of New York district, whereby it will undertake to pay a fair and reasonable sum to such abutting owners for the damage occasioned by such change of grade to the buildings and improvements on such property. The term "owners" as used in this section shall include all persons having any estate, interest, or easement in such property, or any lien, charge or encumbrance thereon. Such payments which the authority is hereby authorized and empowered to make, shall be in such amounts and shall be payable at such times and under such terms and conditions as shall be agreed upon by and between the authority and such owners concerned.

PART VIII
THE SALE OF REAL PROPERTY ACQUIRED BY THE PORT AUTHORITY

Section 801. Procedure.
802. Conveyances.

§ 801. Procedure. Whenever the port authority shall determine to sell any real property which may have been acquired by the port authority by purchase, condemnation or otherwise, pursuant to any of its powers and authorities, but which real property is no longer required for such purposes, the following procedure shall be followed:

1. A map shall be made of such real property so determined as no longer required, which map shall be filed in the office of the port authority.

2. There shall be annexed to such map a certificate executed by the chief engineer of the port authority stating that such real property is no longer required for such purposes.

3. All or any portion of said real property may be sold at either private or public sale, and all deeds of conveyance therefor shall be by bargain and sale and shall be executed by the chairman, or the vice chairman, or the general manager, or an assistant general manager of the port authority and attested by the secretary thereof.

§ 802. Conveyances. The validity of all conveyances heretofore made by the port authority is hereby ratified and confirmed.

PART IX
MONEYS FOR PRELIMINARY STUDIES

Section 901. Moneys advanced.
902. Delivery of bonds and/or moneys.
903. Direct and general obligations of the port authority.
904. Securities.
905. Initial reimbursement of moneys advanced by the states.
906. Further reimbursement of moneys advanced by the states.
907. Deposit of bonds or moneys by the comptroller.

§ 901. Moneys advanced. The states of New York and New Jersey having heretofore advanced sums aggregating one hundred forty-nine thousand, nine hundred eighteen dollars and twenty cents and one hundred fifty thousand dollars, respectively, to the port authority for preliminary studies upon the interstate vehicular bridges now known as the Outerbridge crossing, the Goethals bridge and the Bayonne bridge, pursuant to agreements between the two states that said moneys should be paid back when the construction debt has been amortized, and said two states having advanced further sums aggregating four million dollars each in

aid of the construction of said bridges pursuant to agreements between the two states that said moneys should be paid back out of bridge revenues in specified annual installments, if and when earned over prior charges, and the revenues from said bridges having been insufficient to permit any such payments up to the present time but the port authority being in a position to fund its obligations to pay back said appropriations, now, therefore, upon the concurrence of the state of New Jersey as provided in section eight hereof, the states of New York and New Jersey hereby agree that the obligations of the port authority to pay back said moneys may be satisfied and discharged by the delivery to the two states of bonds or moneys, or both, in an aggregate principal amount equal to said appropriations, as hereinafter provided.

§ 902. Delivery of bonds and/or moneys. Bonds, or moneys, or both, in an aggregate principal amount of two million fifty thousand dollars shall be delivered to each state within three months after the date on which chapter three hundred fifty-two of the laws of nineteen hundred forty-six and the concurrent article of the state of New Jersey take effect. Within fifteen months after the date on which chapter three hundred fifty-two of the laws of nineteen hundred forty-six and the concurrent article of the state of New Jersey take effect, an additional two million ninety-nine thousand nine hundred eighteen dollars and twenty cents in aggregate principal amount of bonds or moneys, or both, shall be delivered to the state of New York and an additional two million one hundred thousand dollars in aggregate principal amount of bonds, or moneys, or both shall be delivered to the state of New Jersey provided, that if, in the opinion of the commissioners of the port authority, financial conditions are such as to make it desirable to postpone such delivery, then delivery of said additional amounts shall be postponed in whole or in part until such time, not later than five years from the effective date of chapter three hundred fifty-two of the laws of nineteen hundred forty-six, as in the judgment of said commissioners financial conditions permit such delivery.

The port authority shall determine whether payments made pursuant to this part and the concurrent article of the state of New Jersey shall be made by delivery of bonds or of moneys, or both, and, if both, in what proportions. The moneys may, at the option of the port authority, be paid in cash or by check. Delivery of bonds or moneys to the state of New York shall be made by delivering or tendering delivery thereof to the comptroller of the state of New York at his office at Albany during regular business hours. Delivery of bonds or moneys to the state of New Jersey shall be made by delivering or tendering delivery thereof to the state treasurer at his office at Trenton during regular business hours.

§ 903. Direct and general obligations of the port authority. The bonds delivered to the two states pursuant to this part and the concurrent article of the state of New Jersey shall be direct and general obligations of the port authority, and its full faith and credit shall be pledged for the prompt payment of the principal and interest thereof. The payment of the principal and interest thereof shall be secured by the general reserve fund of the port authority, authorized by chapter forty-eight of the laws of New York of nineteen hundred and thirty-one and continued by part XXIX of this article, and chapter five of the laws of New Jersey of nineteen hundred and thirty-one; and said general reserve fund shall be pledged as security for the payment of the principal and interest of said bonds and for the fulfillment of other undertakings assumed by the port authority to or for the benefit of the holders of said bonds. Such pledge, however, shall be subject to the right

of the port authority to pledge said general reserve fund as security for any other bonds, notes or evidences of indebtedness whatsoever hereafter issued by the authority as security for which it may at the time be authorized to pledge the said general reserve fund, and also subject to the right of the port authority to use the moneys in said general reserve fund to meet, pay or otherwise fulfill any of its obligations under or in connection with any bonds, notes or other evidences of indebtedness as security for which said general reserve fund has heretofore been or is now pledged or for which said general reserve fund may hereafter be pledged. Moreover, no greater rights in or to said general reserve fund shall be granted to or conferred upon the holders of the bonds delivered to the two states pursuant to this part and the concurrent article of the state of New Jersey than have been granted to and conferred upon the holders of general and refunding bonds of the port authority issued pursuant to the resolution of the port authority adopted March eighteenth, nineteen hundred and thirty-five, and amended March twenty-fifth, nineteen hundred and thirty-five and September sixteenth, nineteen hundred and forty-three.

The bonds delivered to the two states pursuant to chapter three hundred fifty-two of the laws of nineteen hundred forty-six and continued by this part and the concurrent article of the state of New Jersey shall be dated as of a date not more than thirty days subsequent to the date on which delivery is made or tendered, shall mature forty years from their date, and shall bear interest at the rate of one and one-half per centum per annum. Said bonds shall be subject to redemption at the option of the port authority, in whole or in part, on any interest payment date or dates at one hundred percent of their par value, plus accrued interest to the date set for redemption.

Except as hereinbefore specifically provided, the port authority shall, by resolution, determine the form, characteristics and all other matters in connection with said bonds, including without limiting the generality hereof, the denominations in which they shall be issued, provisions with respect to the exchange of bonds of one denomination into bonds of another denomination, provisions with respect to the issuance of temporary bonds and the exchange thereof for definitive bonds, provisions with respect to the establishment of a sinking fund or sinking funds and for the use of the moneys in sinking fund to purchase or redeem bonds prior to their maturity, provisions with respect to the place of payment, provisions with respect to notice of redemption, provisions with respect to the paying agent or the registrar and provisions with respect to the method of signature.

§ 904. Securities. The bonds delivered by the port authority to either or both states pursuant to this part and the concurrent article of the state of New Jersey, and any bonds, notes or other evidences of indebtedness issued by the authority to provide moneys with which to make payments to either or both states pursuant to this part and the concurrent article of the state of New Jersey, are hereby made securities in which all state and municipal officers and bodies of both states, all banks, bankers, trust companies, savings banks, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever, who are now or may hereafter be authorized by either state to invest in bonds or other obligations of such state, may properly and legally invest any funds,

including capital, belonging to them or within their control; and said obligations are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either state for any purpose for which the deposit of bonds or other obligations of such state is now or may hereafter be authorized.

§ 905. Initial reimbursement of moneys advanced by the states. The first two million fifty thousand dollars paid to each state pursuant to this part and the concurrent article of the state of New Jersey shall be deemed to be on account of the moneys advanced by such state for preliminary studies upon and in aid of the construction of the Bayonne bridge (formerly known as the Kill von Kull bridge); and from and after the date on which the port authority shall have delivered to each state pursuant to this part and the concurrent article of the state of New Jersey, bonds or moneys or both in the aggregate principal amount of two million fifty thousand dollars, the duty and obligation of the port authority to pay back to the two states the moneys advanced for preliminary studies upon and in aid of the construction of said bridge by chapter two hundred seventy-nine of the laws of New York of nineteen hundred and twenty-six, chapter ninety-seven of the laws of New Jersey of nineteen hundred and twenty-five, chapter three hundred of the laws of New York of nineteen hundred and twenty-seven and chapter three of the laws of New Jersey of nineteen hundred and twenty-seven, together with the claims of the two states and of each of them for such repayment, shall be and shall be deemed to be fully satisfied and discharged, and any lien or claim of the two states or either of them upon the tolls and revenues of the said bridge arising out of, under or because of the aforesaid statutes shall be and shall be deemed to be void and without force or effect.

§ 906. Further reimbursement of moneys advanced by the states. After the payment of the first two million fifty thousand dollars to each state, the further amounts paid to each state pursuant to this part and the concurrent article of the state of New Jersey shall be deemed to be on account of the moneys advanced by such state for preliminary studies upon and in aid of the construction of the Outerbridge crossing (formerly known as the Perth Amboy-Tottenville bridge) and the Goethals bridge (formerly known as the Elizabeth-Howland Hook bridge); and from and after the date on which pursuant to this part and the concurrent article of the state of New Jersey the port authority shall have delivered bonds or moneys, or both, to the state of New York in the aggregate principal amount of two million ninety-nine thousand nine hundred eighteen dollars and twenty cents and to the state of New Jersey in the aggregate principal amount of two million one hundred thousand dollars, in each case in addition to the first two million fifty thousand dollars paid to such state under and pursuant to this part and the concurrent article of the state of New Jersey, then the duty and obligation of the port authority to pay back to the two states the moneys advanced for preliminary studies upon and in aid of the construction of said two bridges by chapters one hundred eighty-six and two hundred thirty of the laws of New York of nineteen hundred twenty-four, chapters one hundred twenty-five and one hundred forty-nine of the laws of New Jersey of nineteen hundred twenty-four, chapter two hundred ten of the laws of New York of nineteen hundred twenty-five and chapter thirty-seven of the laws of New Jersey of nineteen hundred twenty-five, together with the claims of the two states and of each of them for such repayment, shall be and shall be deemed to be fully satisfied and discharged, and any lien or claim of

the two states or either of them upon the tolls and revenues of said bridges arising out of, under or because of the aforesaid statutes shall be and shall be deemed to be void and without force or effect.

§ 907. Deposit of bonds or moneys by the comptroller. All bonds or moneys, or both, delivered by the port authority to the comptroller of the state of New York pursuant to this part shall be deposited by him in the post-war reconstruction fund in the state treasury.

PART X
MOTOR BUS TERMINAL

Section 1001. Establishment.
1002. Funding.
1003. Maintenance and operation.
1004. Powers.
1005. Acquisition of real property.

§ 1001. Establishment. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey hereby agree that the moneys in the general reserve fund of the port authority, authorized by chapter forty-eight of the laws of New York of one thousand nine hundred thirty-one and chapter five of the laws of New Jersey of one thousand nine hundred thirty-one, as amended, may be pledged in whole or in part by the port authority as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds, notes or other obligations or evidences of indebtedness, issued by it from time to time to provide funds for the establishment, acquisition or rehabilitation of a motor bus terminal (by which is meant a terminal consisting of one or more buildings, structures, improvements, loading or unloading areas, parking areas or other facilities, necessary, convenient or desirable in the opinion of the port authority for the accommodation of omnibuses and other motor vehicles operated by carriers engaged in the transportation of passengers, or for the loading, unloading, interchange or transfer of such passengers or their baggage, or otherwise for the accommodation, use or convenience of such passengers or such carriers or their employees) or for purposes incidental thereto; and that the moneys in said general reserve fund may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of any of such bonds; and the two said states further agree that the port authority may acquire by condemnation or the right of eminent domain such real property in each state as it may from time to time deem necessary for or in connection with the establishment, acquisition and rehabilitation of such motor bus terminal.

§ 1002. Funding. The bonds, notes or other obligations or evidences of indebtedness issued by the port authority to provide funds for the establishment, acquisition and rehabilitation of such motor bus terminal are hereby made securities in which all state and municipal officers and bodies of both states, all banks, bankers, trust companies, savings banks, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever, who are now or may hereafter be authorized by either state to invest in bonds or other obligations of such state, may properly and legally invest any funds, including capital, belonging to them or within their

control; and said obligations are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either state for any purpose for which the deposit of bonds or other obligations of such state is now or may hereafter be authorized.

§ 1003. Maintenance and operation. The establishment, maintenance and operation of such motor bus terminal within the port of New York district is and will be in all respects for the benefit of the people of the states of New York and New Jersey, for the increase of their commerce and prosperity and for the improvement of their health and living conditions; and the port authority shall be regarded as performing an essential governmental function in undertaking the construction, maintenance and operation thereof and in carrying out the provisions of law relating thereto.

§ 1004. Powers. Any powers granted to the port authority by this part and the concurrent act of the state of New Jersey shall be regarded as in aid of and supplemental to and in no sense as a limitation upon any of the other powers vested in it by the two states or either of them; and the port authority shall be authorized not only to establish, acquire, rehabilitate, maintain, operate and from time to time improve such motor bus terminal, but also to make incidental uses of properties acquired for or in connection with such motor bus terminal.

§ 1005. Acquisition of real property. If, for the purpose of effectuating, acquiring, constructing, rehabilitating or improving such motor bus terminal, the port authority shall find it necessary or convenient to acquire any real property, as herein defined, in this state, whether for immediate or future use, the port authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for public use, and upon such determination, the said property shall be and shall be deemed to be required for such public use until otherwise determined by the port authority; and with the exceptions hereinafter specifically noted, the said determination shall not be affected by the fact that such property has theretofore been taken for, or is then devoted to, a public use; but the public use in the hands or under the control of the port authority shall be deemed superior to the public use in the hands of any other person, association or corporation.

If the port authority is unable to agree for the acquisition of any such real property for any reason whatsoever, then the port authority may acquire and is hereby authorized to acquire such property whether a fee simple absolute or a lesser interest, by the exercise of the right of eminent domain under and pursuant to the provisions of the eminent domain procedure law.

Anything in this part to the contrary notwithstanding, no property now or hereafter vested in or held by the state or any county, city, borough, village, township or other municipality shall be taken by the port authority, without the authority or consent of the state or of such county, city, borough, village, township, or other municipality as provided in the compact of April thirtieth, nineteen hundred twenty-one and continued by part I of this article, between the states of New York and New Jersey, nor shall anything herein impair or invalidate in any way any bonded indebtedness of the state, or such county, city, borough, village, township or other municipality, nor impair the provisions of law regulating the payment into sinking funds of revenue derived from municipal property, or dedicating the revenues derived from municipal property to a specific purpose. The port authority is hereby authorized

and empowered to acquire from any such county, city, borough, village, township or other municipality, or from any other public agency or commission having jurisdiction in the premises, by agreement therewith, and such county, city, borough, village, township, municipality, public agency or commission, notwithstanding any contrary provision of law, is hereby authorized and empowered to grant and convey upon reasonable terms and conditions, any real property, which may be necessary for the establishment, construction, acquisition, rehabilitation, operation and maintenance of such motor bus terminal, including such real property as has already been devoted to a public use.

The port authority and its duly authorized agents and employees may pursuant to the provisions of the eminent domain procedure law enter upon any land in this state for the purpose of making such surveys, maps, or other examination thereof as it may deem necessary or convenient for the purposes of this part.

The term "real property" as used in this part is defined to include lands, structures, franchises and interests in land, including lands under water and riparian rights, and any and all things and rights usually included within the said term, and includes not only fees simple absolute but also any and all lesser interests, such as easements, rights of way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms of years, and liens thereon by way of judgments, mortgages or otherwise, and also claims for damages to real estate.

PART XI
MARINE TERMINALS

Section 1101. Authorization.
1102. Restrictions.
1103. Definitions.
1104. Municipality consent; legal process.
1105. Agreement between the states.
1106. Acquisition of land by eminent domain or condemnation.
1107. Unappropriated lands.
1108. Funding; bonds.

§ 1101. Authorization. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey hereby agree that municipalities, as hereinafter defined, located within the Port of New York district shall be and they hereby are authorized to cooperate with the Port Authority in the development of marine terminals, and the two said states further agree that the state of New Jersey may authorize the Port Authority to acquire by condemnation or the exercise of the right of eminent domain real property in the state of New Jersey necessary, convenient or desirable for marine terminal purposes, under and pursuant to the revised statutes of New Jersey, title 20:1-1, et. seq., or at the option of the Port Authority, pursuant to such other or alternate procedure as may be provided by law by such state, and that the state of New York may authorize the Port Authority to acquire real property in the state of New York necessary, convenient or desirable for marine terminal purposes, under and pursuant to the eminent domain procedure law of that state, or at the option of the Port Authority pursuant to such other or alternate procedure as may be provided by law by such state.

§ 1102. Restrictions. Nothing herein contained shall be construed to authorize the Port Authority to acquire any marine terminal owned or operated by any municipality or any other property now or hereafter

vested in or held by any municipality, without the authority or consent of such municipality as provided in the compact of April thirtieth, nineteen hundred twenty-one and continued by part I of this article, between the states of New York and New Jersey, nor shall anything herein impair or invalidate in any way any bonded indebtedness of the state, or any municipality, nor impair the provisions of law regulating the payment into sinking funds of revenue derived from municipal property, or dedicating the revenues derived from municipal property to a specific purpose.

§ 1103. Definitions. The following terms as used herein shall mean:

1. "Marine terminals" shall mean developments, consisting of one or more piers, wharves, docks, bulkheads, slips, basins, vehicular roadways, railroad connections, side tracks, sidings or other buildings, structures, facilities or improvements, necessary or convenient to the accommodation of steamships or other vessels and their cargoes or passengers and shall also mean waterfront development projects. It shall also include such highway projects in the vicinity of a marine terminal providing improved access to such marine terminal as shall be designated in legislation adopted by the two states. Notwithstanding any contrary provision of law, general, special or local, it shall also mean railroad freight projects related or of benefit to a marine terminal or which are necessary, convenient or desirable in the opinion of the port authority for the protection or promotion of the commerce of the port district, consisting of railroad freight transportation facilities or railroad freight terminal facilities; and any equipment, improvement, structure or facility or any land, and any building, structure, facility or other improvement thereon, or any combination thereof, and all real and personal property in connection therewith or incidental thereto, deemed necessary or desirable in the opinion of the port authority, whether or not now in existence or under construction, for the undertaking of such railroad freight projects.

2. "Marine terminal purposes" shall mean the effectuation, establishment, acquisition, construction, rehabilitation, improvement, maintenance or operation of marine terminals.

3. "Municipality" shall mean a county, city, borough, village, township, town, public agency, public authority or political subdivision.

4. "Real property" shall mean lands, structures, franchises and interests in land, including waters, lands under water and riparian rights, and any and all things and rights usually included within the said term, and includes not only fees simple absolute but also any and all lesser interests, including but not limited to easements, rights-of-way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way or judgments, mortgages or otherwise.

5. "Waterfront development projects" shall mean projects for the revitalization and economic development of waterfront property which is (a) not in use for the handling of water-borne cargoes, or (b) directly or indirectly related to the water-borne movement of passengers and their vehicles. Such projects shall include but not be limited to hotels, marinas, commercial offices, including the installation of a fiber optic cable within its boundaries, or facilities which serve conference, convention, recreation or entertainment purposes or are retail service establishments, parking, technical, satellite antenna, similar communication or other facilities related to any of the foregoing and associated improvements necessary to provide public access to such waterfront development projects. Notwithstanding the above, a waterfront develop-

ment project authorized by this part shall not contain any technical, satellite antenna or similar telecommunications facility unless such facility is directly used by, and for the sole benefit of, end users located on the site of the project. Furthermore, no port authority money shall be used directly or indirectly in the financing or construction of said telecommunications facility.

§ 1104. Municipality consent; legal process. 1. Notwithstanding any contrary provision of law, any municipality located within the Port of New York district is authorized and empowered to consent to the use by the Port Authority of any marine terminal owned by such municipality or of any real or personal property owned by such municipality and necessary, convenient or desirable in the opinion of the Port Authority for marine terminal purposes, including such real property as has already been devoted to a public use, and as an incident to such consent, to grant, convey, lease or otherwise transfer to the Port Authority any such marine terminal or real or personal property, upon such terms as may be determined by the Port Authority and such municipality. Every such municipality is also authorized and empowered to vest in the Port Authority the control, operation, maintenance, rents, tolls, charges and any and all other revenues of any marine terminal now owned by such municipality, the title to such marine terminal remaining in such municipality. Such consent shall be given, and the execution of any agreement, deed, lease, conveyance or other instrument evidencing such consent or given as an incident thereto shall be authorized in the manner provided in article twenty-two of the compact of April thirtieth, nineteen hundred twenty-one between the two states creating the Port Authority and continued by subdivision two of section one hundred three of this article.

2. The states of New York and New Jersey hereby consent to suits, actions or proceedings of any form or nature in law, equity or otherwise by any municipality against the Port Authority upon, in connection with or arising out of any such agreement, agreements or any modification thereof or supplement thereto, for the following types of relief and for such purposes only:

(a) for money damages for breach thereof;

(b) for money damages for torts arising out of the operation of the municipal marine terminal;

(c) for rent;

(d) for specific performance;

(e) for reformation thereof;

(f) for an accounting;

(g) For declaratory judgment;

(h) for judgments, orders or decrees restraining or enjoining the Port Authority from transferring title to real property to third persons in cases where it has contracted with such municipality to transfer such title to such municipality; and

(i) for judgments, orders or decrees restraining or enjoining the Port Authority from committing or continuing to commit other breaches of such agreements with such municipality, provided that such judgment, order or decree shall not be entered except upon two days' prior written notice to the Port Authority of the proposed entry thereof and provided further, that upon an appeal taken by the Port Authority from such judgment, order or decree the service of the notice of appeal shall perfect the appeal and shall stay the execution of such judgment, order or decree appealed from, without an undertaking or other security.

3. When rules of venue are applicable, the venue of any such suit, action or proceeding shall be laid in the county or judicial district in which the marine terminal, which is the subject matter of such agreement between the Port Authority and such municipality, or any part thereof, is located.

4. If any clause, sentence, paragraph, or part of this subdivision or the application thereof to any person or circumstances, shall, for any reason, be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this subdivision, and the application thereof to any other person or circumstances, but shall be confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person or circumstances involved.

§ 1105. Agreement between the states. This section and the preceding sections hereof constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirtieth, nineteen hundred twenty-one, and amendatory thereof and continued by part I of this article and shall be liberally construed to effectuate the purposes of said compact and of the comprehensive plan heretofore adopted by the two states pursuant thereto, and the powers vested in the Port Authority hereby shall be construed to be in aid of and supplemental to and not in limitation or derogation of any of the powers heretofore conferred upon or delegated to the Port Authority.

§ 1106. Acquisition of land by eminent domain or condemnation. Subject to the limitation provided for in section eleven hundred two of this part that the Port Authority may not acquire any marine terminal owned or operated by any municipality or any other property vested in or held by any municipality without the authority or consent of such municipality, the Port Authority may, at its option, exercise the right of eminent domain or condemnation to acquire real property in the state of New York for marine terminal purposes as set forth in this section:

1. If for any of the purposes of this part (including temporary construction purposes, and the making of additions, extensions, or improvements to marine terminals already constructed) the Port Authority shall find it necessary, convenient or desirable to acquire any real property as herein defined, whether for immediate or future use, the Port Authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for a public use, and upon such determination, the said real property shall be and shall be deemed to be required for such public use until otherwise determined by the Port Authority; and, subject to the limitation hereinbefore specifically noted, the said determination shall not be affected by the fact that such property has theretofore been taken for, or is then devoted to, a public use; but the public use in the hands or under the control of the Port Authority shall be deemed superior to the public use in the hands of any other person, association or corporation, provided, however, that nothing herein contained shall be construed to permit the taking by exercise of the right of eminent domain by the Port Authority of any property owned by any railroad or railway corporation and devoted to use by such corporation in its operations, or acquired prior to the effective date of this part and held for such use, without the authority or consent of such corporation.

The Port Authority may acquire and is hereby authorized to acquire such property, whether a fee simple absolute or a lesser interest, by

the exercise of the right of eminent domain under and pursuant to the provisions of the eminent domain procedure law of the state of New York.

2. Unless and until the state of New York otherwise provides by law, the Port Authority shall not have the power to acquire real property in the state of New York for marine terminal purposes by condemnation or the right of eminent domain except for real property within the two tracts in the borough of Brooklyn, county of Kings, city and state of New York, hereinafter bounded and described, necessary, convenient or desirable, in the opinion of the Port Authority, for the purpose of making additions, extensions or improvements to the Port Authority marine terminal known as the Brooklyn-Port Authority piers:

(a) TRACT I

BEGINNING at a point formed by the intersection of the centerline of Fulton Street and the centerline of Furman Street running thence (1) southwesterly along the centerline of Furman Street to the northeasterly side of Joralemon Street; thence (2) northwesterly along the northeasterly side of Joralemon Street three hundred twenty five and twenty-five one hundredths feet more or less, to the point of intersection of said northeasterly side of Joralemon Street with the southeasterly boundary of the land granted by the people of the state of New York to New York Dock Company by grant dated April 1, 1902 and recorded in the office of the Regster of Kings county on April 19, 1902 in liber 16, section 1 of conveyances, page 52; thence (3) southwesterly along said southeasterly boundary of the grant to New York Dock Company thirty feet to the point of intersection of said southeasterly boundary of the grant to New York Dock Company with the northeasterly boundary of the grant made by the people of the state of New York to John Schenck and others dated August 2, 1851 and recorded in the office of the Register of Kings county in liber 532 of conveyances at page 310; thence (4) northwesterly along the northeasterly boundary line of said grant to Schenck and others, forty-three and eighty-nine one-hundredths feet to the point of intersection of said course number (4) with a line drawn parallel with and distant one and eighty-five one-hundredths feet northwesterly from the northwesterly boundary (or a northeasterly projection of said boundary) of lands conveyed by New York Dock Company to New York Dock Trade Facilities Corporation by deed dated August 1, 1928 and recorded in the office of the Register of Kings county in liber 4957 of conveyances at page 239; thence (5) southwesterly along said line above-mentioned parallel with the northwesterly boundary (or a northeasterly projection of said boundary) of said lands conveyed to New York Dock Trade Facilities Corporation, thirty-three and seventy one-hundredths feet to the point of intersection of said course number (5) with the southwesterly face of the column standing at the northwesterly corner of the building known as the Trade Facilities Building; thence (6) southeasterly at right angles to said course no. (5) along the southwesterly face of the above-mentioned column, one and eighty-five one-hundredths feet to the point of intersection of said course number (6) with the northwesterly boundary of the above-mentioned lands conveyed by New York Dock Company to New York Dock Trade Facilities Corporation; thence (7) southwesterly along said northwesterly boundary of lands conveyed to New York Dock Trade Facilities Corporation, three hundred sixty-nine and seventy one-hundredths feet, to the point of intersection of said course number (7) with the southwesterly boundary of lands granted by the people of the state of New York to Harriet D. Talmage by grant dated August 2, 1851 and recorded in the office of the Register of Kings county in liber 4937 of conveyances at page 185; thence (8) northwesterly along said south-

westerly boundary of the land of Harriet D. Talmage and along the southwesterly boundary of grant made by the people of the state of New York to Franklin Woodruff by deed dated November 22, 1881 and recorded in the office of the Register of Kings county in liber 1445 of conveyances at page 247; and along the southwesterly boundary line of lands granted by the people of the state of New York to New York Dock Company by grant dated April 1, 1902 and recorded in the office of the Register of Kings county in liber 16, section 1 of conveyances, page 52, for a total distance of seven hundred sixty-six and seventeen one-hundredths feet, more or less, as measured along said southwesterly boundary lines of the aforesaid grants to the point of intersection of said southwesterly boundary line of lands granted to New York Dock Company by grants dated April 1, 1902 and November 14, 1907 with the exterior pierhead line established by the New York Harbor Line Board on November 4, 1897 and confirmed by chapter 776 of the laws of 1900; thence (9) northeasterly along said exterior pierhead line to the intersection thereof with the centerline of Fulton Street projected westerly; thence (10) southeasterly along the centerline of Fulton Street as projected to the intersection thereof with the centerline of Furman Street at the point or place of beginning.

(b) TRACT II

BEGINNING at a point formed by the intersection of the southerly line of Atlantic Avenue and the centerline of Columbia Street running thence (1) southwesterly along the centerline of Columbia Street to the intersection thereof with the centerline of Kane Street; thence (2) northwesterly along the centerline of Kane Street to the intersection thereof with the centerline of Van Brunt Street; thence (3) southwesterly along the centerline of Van Brunt Street to the intersection thereof with the centerline of Summit Street; thence (4) northwesterly along the centerline of Summit Street to the intersection thereof with the centerline of Imlay Street; thence (5) southwesterly along the centerline of Imlay Street to a point where said centerline of Imlay Street intersects the centerline of Bowne Street (sixty feet wide) projected northwesterly across Imlay Street and the line of lands conveyed by New York Dock Company to Imlay Corporation by deed dated July 28, 1950; thence (6) northwesterly along said centerline of Bowne Street projected northwesterly from the centerline of Imlay Street a distance of one hundred thirty-three feet seven inches more or less; thence (7) southwesterly parallel with the northwesterly side of Imlay Street five hundred twenty feet to a point in a line which is the center line of Commerce Street projected northwesterly from the northwesterly side of Imlay Street; thence (8) northwesterly along said line which is the center line of Commerce Street projected northwesterly from the northwesterly side of Imlay Street twenty-three feet six inches; thence (9) southwesterly parallel with the northwesterly side of Imlay Street four hundred fifty-seven feet eight inches; thence (10) northwesterly parallel with the northeasterly side of Verona Street projected northwesterly across Imlay Street four feet eight inches; thence (11) southwesterly parallel with the northwesterly side of Imlay Street ninety-two feet four inches to the intersection of said course number (11) with the southwesterly side of Verona Street projected northwesterly across Imlay Street; thence (12) northwesterly along the southwesterly side of Verona Street projected northwesterly from the northwesterly side of Imlay Street forty-three feet three inches to the southeasterly boundary of Commercial Wharf; thence (13) southwesterly along the southeasterly boundary of Commercial Wharf four hundred ninety feet to

the centerline of Pioneer Street (sixty feet wide); thence (14) northwesterly along the centerline of Pioneer Street ten feet to the centerline of Conover Street as extended; thence (15) southwesterly along the centerline of Conover Street two hundred sixty feet more or less to the intersection thereof with the centerline of King Street; thence (16) northwesterly along the centerline of King Street five hundred sixty feet more or less to the intersection thereof with the centerline of Ferris Street; thence (17) southwesterly along the centerline of Ferris Street one hundred forty-four feet more or less; thence (18) northwesterly and parallel with the centerline of Sullivan Street four hundred twenty-six feet; thence (19) northeasterly parallel with the northwesterly side of Ferris Street three hundred thirty-one feet three and one half inches; thence (20) northwesterly along a line forming an exterior angle of ninety-nine degrees fifty-four minutes and forty-one seconds with course number (19) hereof, two hundred thirty-eight feet two inches to the United States pierhead line thence (21) northeasterly along the United States pierhead line to the point of intersection of said pierhead line with a line drawn in continuation of the southerly side of Atlantic Avenue; thence (22) southeasterly along said line drawn in continuation of the southerly side of Atlantic Avenue and along the said southerly side of Atlantic Avenue, one thousand three hundred seventy-five and sixty-seven one-hundredths feet, more or less to the point or place of beginning.

3. The foregoing limitations shall not be construed to limit, affect or impair the power of the Port Authority to acquire real property at any time or place for marine terminal purposes by negotiation or in any manner other than by condemnation or the exercise of the right of eminent domain.

§ 1107. Unappropriated lands. In the event that the Port Authority shall find it necessary or desirable to acquire any unappropriated state land or lands under water in the state of New York for marine terminal purposes, the commissioner of general services may grant, transfer or convey such unappropriated state land or lands under water to the Port Authority under such terms and conditions as may be determined by said commissioner.

§ 1108. Funding; bonds. The obligations issued by the port authority to provide funds for any marine terminal purpose are hereby made securities in which all state and municipal officers and bodies of both states, all trust companies and banks other than savings banks, all building and loan associations, savings and loan associations, investment companies and other persons carrying on a commercial banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons and legal entities whatsoever (other than savings banks), who are now or may hereafter be authorized by either state to invest in bonds of such state, may properly and legally invest any funds, including capital, belonging to them or within their control, and said obligations are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either state for any purpose for which the deposit of bonds of such state is now or may hereafter be authorized. The obligations issued by the port authority to provide funds for any marine terminal purpose as security for which the general reserve fund of the port authority authorized by chapter forty-eight of the laws of New York of nineteen hundred thirty-one as amended and continued by part XXIX of this arti-

cle, shall have been pledged in whole or in part are hereby made securities in which all savings banks also may properly and legally invest any funds, including capital, belonging to them or within their control.

PART XII
AIR TERMINALS

Section 1201. Authorization.
1202. Restrictions.
1203. Definitions.
1204. Purpose.
1205. Operation of air terminals; noise prohibition.
1206. Taxes; assessments.
1207. General reserve fund; repayment.
1208. Bonds.
1209. Municipality consent.
1210. Acquisition limitations.
1211. Federal aid.
1212. Lands under water.
1213. Repayment of bonds and obligations.
1214. Contrary declarations.
1215. Agreement between the states.
1216. Federal aid procedure; application.

§ 1201. Authorization. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey declare and agree that each air terminal within the Port of New York District serves the entire district, and that the problem of furnishing proper and adequate air terminal facilities within the district is a regional and interstate problem, and that it is and shall be the policy of the two states to encourage the integration of such air terminals so far as practicable in a unified system.

Accordingly, in furtherance of said policy and in partial effectuation of the comprehensive plan, heretofore adopted by the two states for the development of terminal and transportation facilities in the Port of New York District, the states of New York and New Jersey agree that the port authority shall be authorized to effectuate, establish, acquire, construct, rehabilitate, improve, maintain and operate air terminals, as hereinafter defined, within the Port of New York District, and the two said states further agree that all cities and other state and local agencies shall be and they hereby are authorized to cooperate with the port authority in the development of air terminals, as hereinafter provided.

§ 1202. Restrictions. Nothing herein contained shall be construed to authorize the port authority to acquire any air terminal owned or operated by any city or other municipality or public authority, or any other property now or hereafter vested in or held by any city or other municipality or public authority, without the authority or consent of such city or other municipality or public authority, as provided in the compact of April thirtieth, nineteen hundred twenty-one, and continued by part I of this article, between the states of New York and New Jersey, nor shall anything herein impair or invalidate in any way any bonded indebtedness of the state, or any city or other municipality or public authority, nor impair the provisions of law regulating the payment into sinking funds of revenue derived from municipal property, or dedicating the revenues derived from municipal property to a specific purpose.

§ 1203. Definitions. The following terms as used herein shall mean:

1. "Air terminals" shall mean developments consisting of runways, hangars, control towers, ramps, wharves, bulkheads, buildings, structures, parking areas, improvements, facilities or other real property necessary, convenient or desirable for the landing, taking off, accommodation and servicing of aircraft of all types, including but not limited to airplanes, airships, dirigibles, helicopters, gliders, amphibians, seaplanes, or any other contrivance now or hereafter used for the navigation of or flight in air or space, operated by carriers engaged in the transportation of passengers or cargo, or for the loading, unloading, interchange or transfer of such passengers or their baggage, or such cargo, or otherwise for the accommodation, use or convenience of such passengers, or such carriers or their employees (facilities and accommodations at sites removed from landing fields and other landing areas, however, except as otherwise provided in this section, to be limited to ticket stations and passenger stations for air passengers, to express and freight stations for air express and air freight, and to beacons and other aids to air navigation), or for the landing, taking off, accommodation and servicing of aircraft owned or operated by persons other than carriers. It shall also mean facilities providing access to an air terminal, consisting of rail, rapid transit or other forms of mass transportation which furnish a connection between the air terminal and other points in the port district, including appropriate mass transportation terminal facilities at and within the air terminal itself and suitable offsite facilities for the accommodation of air passengers, baggage, mail, express, freight and other users of the connecting facility. It shall also mean such highway project or projects in the vicinity of an air terminal providing improved access to such air terminal as shall be designated in legislation adopted by the two states. Notwithstanding any contrary provision of law, general, special or local, it shall also mean railroad freight projects related or of benefit to an air terminal or which are necessary, convenient or desirable in the opinion of the port authority for the protection or promotion of the commerce of the port district, consisting of railroad freight transportation facilities or railroad freight terminal facilities; and any equipment, improvement, structure or facility or any land, and any building, structure, facility or other improvement thereon, or any combination thereof, and all real and personal property in connection therewith or incidental thereto, deemed necessary or desirable in the opinion of the port authority, whether or not now in existence or under construction, for the undertaking of such railroad freight projects.

2. "Air terminal bonds" shall mean bonds issued by the port authority for air terminal purposes.

3. "Air terminal purposes" shall mean the effectuation, establishment, acquisition, construction, rehabilitation, improvement, maintenance or operation of air terminals owned, leased or operated by the port authority of New York and New Jersey (including airports operated under revocable permits) or operated by others pursuant to agreements with the port authority.

4. "Bonds" shall mean bonds, notes, securities or other obligations or evidences of indebtedness.

5. "General reserve fund" shall mean the general reserve fund of the port authority authorized by chapter forty-eight of the laws of New York of nineteen hundred thirty-one as amended and continued by part XXIX of this article, and chapter five of the laws of New Jersey of nineteen hundred thirty-one, as amended.

6. "General reserve fund statutes" shall mean chapter forty-eight of the laws of New York of nineteen hundred thirty-one as amended and continued by part XXIX of this article, and chapter five of the laws of New Jersey of nineteen hundred thirty-one, as amended.

7. "Municipality" shall mean a county, city, borough, village, township, town, public agency, public authority or political subdivision.

8. "Real property" shall mean lands, structures, franchises and interests in land, including air space and air rights, waters, lands under water and riparian rights, and any and all things and rights included within the said term, and includes not only fees simple absolute but also any and all lesser interests, including but not limited to easements, rights of way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages or otherwise.

§ 1204. Purpose. The effectuation, establishment, acquisition, construction, rehabilitation, improvement, maintenance and operation of air terminals by the port authority is and will be in all respects for the benefit of the people of the states of New York and New Jersey, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions; and the port authority shall be regarded as performing an essential governmental function in undertaking the effectuation, establishment, acquisition, construction, rehabilitation, improvement, maintenance or operation thereof, and in carrying out the provisions of law relating thereto.

§ 1205. Operation of air terminals; noise prohibition. 1. The port authority shall not permit or contract for the landing or takeoff of any aircraft which emits a noise in excess of 108 EPNdB as measured as set forth herein at any airport it maintains or operates; provided, however, in any case of emergency involving the possible saving of human life, the prohibition of this subdivision may be temporarily suspended.

2. Measurement. For purposes of this section, aircraft noise is to be measured at the following points:

(a) For takeoff, at a point 3.5 nautical miles from the start of the takeoff roll on the extended centerline of the runway;

(b) For approach, at a point one nautical mile from the threshold on the extended centerline of the runway; and

(c) For the sideline, at the point, on a line parallel to and 0.25 nautical miles from the extended centerline of the runway, where the noise level after liftoff is greatest, except that, for airplanes powered by more than three turbojet engines, this distance must be 0.35 nautical miles.

3. Exceptions. Notwithstanding the requirements of subdivisions one and two of this section the port authority in its discretion may, up to a maximum noise level not exceeding 112 PNdB on takeoff, as measured by the port authority in the manner used by the port authority to make such measurements on the effective date of this section, grant an exception thereto to any classification of aircraft built prior to the effective date of this part and which has heretofore used the airport facilities of the port authority, even though said aircraft does not comply with subdivisions one and two of this section, upon a showing that (a) the aircraft is capable of being equipped with retrofit equipment to reduce the noise thereof to comply with the foregoing requirements of the airport operator, and, in addition, (b) that such modification by way of retrofit to reduce its noise shall be accomplished upon such terms and conditions to assure compliance as the port authority, as airport opera-

tor, may require, within five years of the date of application for an exception hereunder but in no event later than June first, nineteen hundred eighty-one.

§ 1206. Taxes; assessments. The port authority shall be required to pay no taxes or assessments upon any of the property acquired or used by it for air terminal purposes; but this shall not be construed to prevent the port authority and municipalities from entering into agreements for the payment of fair and reasonable sums by the port authority annually in accordance with legislation heretofore adopted by the two states, to the end that such municipalities may not suffer undue loss of taxes and assessments by reason of the acquisition and ownership of property by the port authority for air terminal purposes.

§ 1207. General reserve fund; repayment. The moneys in the general reserve fund of the port authority may be pledged in whole or in part by the port authority as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds issued by it from time to time to provide funds for air terminal purposes; and the moneys in said general reserve fund may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of any such bonds.

Subject to prior liens and pledges, (and to the obligation of the port authority to apply revenues to the maintenance of its general reserve fund in the amount prescribed by the general reserve fund statutes), the revenues of the port authority from facilities established, constructed, acquired or effectuated through the issuance or sale of bonds of the port authority secured by a pledge of its general reserve fund may be pledged in whole or in part as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds issued by it to provide funds for air terminal purposes, and said revenues may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of such bonds.

§ 1208. Bonds. The bonds issued by the port authority to provide funds for air terminal purposes are hereby made securities in which all state and municipal officers and bodies of both states, all banks, bankers, trust companies, savings banks, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever, who are now or may hereafter be authorized by either state to invest in bonds or other obligations of such state, may properly and legally invest any funds, including capital, belonging to them or within their control; and said bonds are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either state for any purpose for which the deposit of bonds or other obligations of such state is now or may hereafter be authorized.

§ 1209. Municipality consent. 1. Notwithstanding any contrary provision of law, every municipality in the Port of New York District is authorized and empowered to consent to the use by the port authority of any air terminal owned by such municipality or of any real or personal property owned by such municipality and necessary, convenient or desirable in the opinion of the port authority for air terminal purposes, including such real property as has already been devoted to a public use, and as an incident to such consent, to grant, convey, lease, or

otherwise transfer to the port authority any such air terminal or real or personal property, upon such terms as may be determined by the port authority and such municipality. Every such municipality is also authorized and empowered as an incident to such consent to vest in the port authority the control, operation, maintenance, rents, tolls, charges and any and all other revenues of any air terminal now owned by such municipality, the title to such air terminal remaining in such municipality. Such consent shall be given and the execution of any agreement, deed, lease, conveyance, or other instrument evidencing such consent or given as an incident thereto shall be authorized in the manner provided in article twenty-two of the compact of April thirtieth, nineteen hundred twenty-one, and continued by part I of this article, between the two states creating the port authority.

2. Notwithstanding any contrary provision of law, every municipality outside the port district is authorized and empowered to consent to the use of real property owned by such municipality and necessary, convenient or desirable in the opinion of the port authority for beacons or other aids to navigation, or to the use of any air space over real property owned by such municipality; and as an incident to such consent, to grant, lease, convey or otherwise transfer to the port authority such real property or air space.

Such consent shall be given and the execution of any agreement, deed, lease, conveyance or other instrument evidencing such consent or given as an incident thereto, shall be given by the officer, board or body authorized by law to convey such property, or if no officer, board or body be otherwise authorized so to do, by the governing body of such municipality.

3. The states of New York and New Jersey hereby consent to suits, actions or proceedings of any form or nature in law, equity or otherwise by any city or other municipality against the port authority upon, in connection with or arising out of any such agreement, agreements, or any modification thereof or supplement thereto, for the following types of relief and for such purposes only:

(a) For money damages for breach thereof,

(b) For money damages for torts arising out of the operation of the municipal air terminal,

(c) For rent,

(d) For specific performance,

(e) For reformation thereof,

(f) For accounting,

(g) For declaratory judgment,

(h) For judgments, orders or decrees restraining or enjoining the port authority from transferring title to real property to third persons in cases where it has contracted with such city or other municipality to transfer such title to such city or municipality, and

(i) For judgments, orders or decrees restraining or enjoining the port authority from committing or continuing to commit other breaches of such agreements with such municipality, provided that such judgment, order or decree shall not be entered except upon two days' prior written notice to the port authority of the proposed entry thereof and provided further, that upon an appeal taken by the port authority from such judgment, order or decree the service of the notice of appeal shall perfect the appeal and shall stay the execution of such judgment, order or decree appealed from, without an undertaking or other security.

4. When rules of venue are applicable, the venue of any such suit, action or proceeding shall be laid in the county or judicial district in

which the air terminal, which is the subject matter of such agreement between the port authority and the city or other municipality, or any part thereof, is located.

5. If any clause, sentence, paragraph, or part of this subdivision, or the application thereof to any person or circumstances, shall, for any reason, be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this subdivision, and the application thereof to any other person or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person or circumstances involved.

§ 1210. Acquisition limitations. The powers hereinafter granted to the port authority to acquire real property by condemnation or the right of eminent domain shall be subject to the limitations set forth in section twelve hundred two of this part, and also to the following further limitations:

1. Unless and until the state of New York otherwise provides by law, the port authority shall not have power to acquire real property in that state for air terminal purposes by condemnation or the right of eminent domain except for the purpose of making additions, extensions and improvements to the three air terminals in New York city known as La Guardia airport, John F. Kennedy international airport (formerly known as Idlewild airport), and Floyd Bennett airport, for the purpose of acquiring air rights or preventing or removing actual or potential hazards to air navigation within three miles of the runways at said air terminals as such runways may now or hereafter exist, and for the purpose of establishing or maintaining beacons and other aids to air navigation in connection with said three air terminals, whether or not within three miles of said runways. The port authority shall not have power to acquire by condemnation or the right of eminent domain real property in or under the waters of Jamaica Bay for the purpose of adding to, expanding, extending or constructing runway extensions, or incorporating such lands into the airport operation; however, this section shall not prohibit the port authority from acquiring such lands for installing flight control and safety equipment to service its existing runways, nor from installing anti-pollution devices and equipment in accordance with its anti-pollution program adopted for the air terminals in New York city known as John F. Kennedy international airport or Floyd Bennett airport.

2. Unless and until the state of New Jersey otherwise provides by law, the port authority shall not have the power to acquire real property in the state of New Jersey for air terminal purposes by condemnation or the right of eminent domain except for the purpose of making additions, extensions and improvements to the air terminal known as Newark airport (including additions, extensions and improvements thereto located in the city of Elizabeth), for the purpose of acquiring air rights or preventing or removing actual or potential hazards to air navigation within three miles of the runways at said air terminal as such runways may now or hereafter exist, and for the purpose of establishing or maintaining beacons and other aids to air navigation in connection with said air terminal, whether or not within three miles of said runways.

3. Unless otherwise provided by law by the state in which such real property is located, the port authority shall not have power to acquire for air terminal purposes by condemnation, acquisition pursuant to the provisions of the eminent domain procedure law, or the right of eminent

domain subsequent to June thirtieth, nineteen hundred fifty-two, any real property taken for and actually devoted to a public use, provided, that this limitation shall not apply to real property a proceeding for the acquisition of which was initiated prior to that date.

4. The foregoing limitations shall not be construed to limit, affect or impair the power of the port authority to acquire real property at any time and place for air terminal purposes by negotiation or in any other manner than by condemnation, acquisition pursuant to the provisions of the eminent domain procedure law, or by the exercise of the right of eminent domain.

5. Subject to the foregoing limitations, if the port authority shall find it necessary or convenient to acquire any real property for air terminal purposes, whether for immediate or future use, the port authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for a public use, and upon such determination the said property shall be and shall be deemed to be required for such public use until otherwise determined by the port authority, and such determination shall not be affected by the fact that such property has theretofore been taken for and is then devoted to a public use; but the public use in the hands or under the control of the port authority shall be deemed superior to the public use in the hands of any other person, association or corporation except a municipality within or without the port district. The port authority may acquire and is hereby authorized to acquire such property, whether a fee simple absolute or a lesser estate, by the exercise of the right of eminent domain under and pursuant to the eminent domain procedure law of the state of New York, in the case of property located in such state, and revised statutes of New Jersey, Title 20:1-1 et seq., in the case of property situated in such state, or at the option of the port authority pursuant to such other and alternate procedure in each state as may be provided by law by such state. The port authority shall have such power of eminent domain not only in respect to real property located within the Port of New York District but also as to any real property located outside of the port district which is necessary, incidental or convenient for the effectuation, establishment, acquisition, construction, rehabilitation or improvement, and maintenance and operation of air terminals within the port district. Nothing herein contained shall be construed to prevent the port authority from bringing any proceedings to remove a cloud on title or such other proceedings as it may, in its discretion, deem proper and necessary, or acquiring any such property by negotiation or purchase.

§ 1211. Federal aid. The port authority may make application directly to the proper federal officials or agencies for federal loans or grants in aid of air terminals owned or operated by it; provided, that if either state shall have or adopt general legislation governing applications for federal aid for air terminals by municipalities of such state, or the receipt or disbursement of such federal aid by or on behalf of such municipalities, then such legislation shall at the option of such state apply to applications by the port authority for federal aid for air terminals located in such state and to the receipt and disbursement of such federal aid by or on behalf of the port authority, in the same manner and to the same extent as other municipalities of such state. Except as above provided, no agency or commission of either state shall have jurisdiction over any air terminals under the control of the port authority, and all details of financing, construction, leasing, charges, rates, tolls, contracts and the operation of air terminals owned or

controlled by the port authority shall be within its sole discretion and its decision in connection with any and all matters concerning such air terminals shall be controlling and conclusive. The local laws, resolutions, ordinances, rules and regulations of a municipality within which an air terminal is situated shall apply to such air terminal, if so provided in any agreement between the port authority and such municipality, and to the extent provided in such agreement.

§ 1212. Lands under water. In the event that the port authority shall find it necessary or desirable to acquire any unappropriated state lands or lands under water in the state of New York for air terminal purposes, the commissioner of general services of that state may grant, transfer or convey such unappropriated state lands or lands under water to the port authority upon such consideration, terms and conditions as may be determined by said commissioner, except that no lands under the waters of Jamaica Bay may be granted, transferred or conveyed to the port authority for air terminal purposes by said commissioner except as provided in paragraph one of section twelve hundred ten of this part.

In the event that the port authority shall find it necessary or desirable to acquire any lands under water in the state of New Jersey for air terminal purposes, the division of navigation of the department of conservation of that state may grant, transfer or convey such lands under water to the port authority in accordance with the statutes of that state governing the making of riparian grants and leases, upon such terms and conditions as may be determined by said division.

In the event that the port authority shall find it necessary or desirable to acquire any real property required or used for state highway purposes in the state of New Jersey, the state highway department of the state of New Jersey may grant, transfer or convey such real property to the port authority upon such terms and conditions as may be determined by said state highway department.

§ 1213. Repayment of bonds and obligations. The two states covenant and agree with each other and with the holders of any bonds of the port authority issued or incurred for air terminal purposes and as security for which there may or shall be pledged (directly or indirectly, or through the medium of its general reserve fund or otherwise), the revenues, or any part thereof, of any air terminal or other facility owned or operated by the port authority, that the two states will not, so long as any of such bonds or other obligations remain outstanding and unpaid, diminish or impair the power of the port authority to establish, levy and collect landing fees, charges, rents, tolls or other fees in connection therewith.

§ 1214. Contrary declarations. Any declarations contained herein and in the concurrent act of the state of New Jersey with respect to the governmental nature of air terminals and to the exemption of air terminal property from taxation and to the discretion of the port authority with respect to air terminal operations shall not be construed to imply that other port authority property and operations are not of a governmental nature, or that they are subject to taxation, or that the determinations of the port authority with respect thereto are not conclusive.

§ 1215. Agreement between the states. This section and the preceding sections of this part constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirtieth, nineteen hundred twenty-one, and amendatory thereof, and continued by part I of this article, and shall be liberally construed to effectuate the purposes of said compact and of the comprehensive plan heretofore adopted by the two states, and the powers vested

in the port authority hereby shall be construed to be in aid of and supplemental to and not in limitation of or in derogation of any of the powers heretofore conferred upon or delegated to the port authority.

§ 1216. Federal aid procedure; application. The state of New York hereby elects to exercise the option reserved to each state by section twelve hundred eleven of this part (and by the corresponding section of the New Jersey statute concurring herein); and accordingly, if by the effective date of chapter 802 of the laws of 1947, this state has adopted, or if thereafter it shall adopt general legislation governing applications for federal aid for air terminals by municipalities of this state or the receipt or disbursement of such federal aid by or on behalf of such municipalities, such legislation shall apply to applications by the port authority for federal aid for air terminals located in this state in the same manner and to the same extent as other municipalities of this state, provided, that if such legislation shall require such applications for federal aid to be approved by any officer, board, commission, department or other agency of this state or shall require the consent of any such agency of this state to the submission thereof to the federal government, or shall require any such agency of this state to be designated by municipalities as their agent to collect or disburse such federal aid, or shall contain any other requirement vesting any such agency of this state with power or discretion with respect to the making of such applications for federal aid or the receipt or disbursement thereof, then such officer, board, commission, department or other agency of this state shall have power to waive such requirement in whole or in part temporarily or permanently insofar as the port authority is concerned.

PART XIII
EMINENT DOMAIN

Section 1301. Right of eminent domain.

§ 1301. Right of eminent domain. The powers granted to the port authority by this part shall be deemed to be in aid of and supplemental to and not in limitation or derogation of the powers otherwise conferred upon it; and nothing herein contained shall be construed to prevent the port authority from exercising the right of eminent domain under and pursuant to the eminent domain procedure law of the state of New York, or any other applicable law of this state, in any case where it is authorized so to do.

PART XIV
SUITS AGAINST THE PORT AUTHORITY

Section 1401. Suits against the port authority.
1402. Prior causes of action.
1403. Contract causes of action.
1404. Civil suits; statutory penalties.
1405. Further restrictions.
1406. Venue.
1407. Statute of limitations.
1408. Notice of claim.
1409. Limits of liability.
1410. Other suits, actions or proceedings.
1411. Agreement between the states.

§ 1401. Suits against the port authority. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey consent to suits, actions or proceedings of any form or nature at law, in equity or otherwise (including proceedings to enforce arbitration agreements) against the port authority, and to appeals therefrom and reviews thereof, except as hereinafter provided in sections fourteen hundred two through fourteen hundred five of this part, inclusive.

§ 1402. Prior causes of action. The foregoing consent does not extend to suits, actions or proceedings upon any causes of action whatsoever accruing before the effective date of chapter 301 of the laws of 1950, other than causes of actions upon, in connection with, or arising out of notes, bonds or other obligations or securities secured by a pledge of the general reserve fund of the port authority.

§ 1403. Contract causes of action. The foregoing consent does not extend to suits, actions or proceedings upon any causes of action whatsoever, upon, in connection with, or arising out of any contract, express or implied, entered into or assumed by or assigned to the port authority before the effective date of this part (including any supplement to, or amendment, extension or renewal of any such contract, even if such supplement, amendment, extension or renewal is made on or after the effective date of chapter 301 of the laws of 1950), regardless of whether such cause of action accrued before or after that date, other than causes of action upon, in connection with or arising out of notes, bonds or other obligations or securities secured by a pledge of the general reserve fund of the port authority.

§ 1404. Civil suits; statutory penalties. The foregoing consent does not extend to civil suits, actions or proceedings for the recovery of statutory penalties.

§ 1405. Further restrictions. The foregoing consent does not extend to suits, actions or proceedings for judgments, orders or decrees restraining, enjoining or preventing the port authority from committing or continuing to commit any act or acts, other than suits, actions or proceedings by the attorney general of New York or by the attorney general of New Jersey--each of whom is hereby authorized to bring such suits, actions or proceedings in his discretion on behalf of any person or persons whatsoever who requests him so to do except in the cases excluded by sections fourteen hundred two, fourteen hundred three and fourteen hundred four of this part; provided, that in any such suit, action or proceeding, no judgment, order or decree shall be entered except upon at least two days' prior written notice to the port authority of the proposed entry thereof.

§ 1406. Venue. The foregoing consent is granted upon the condition that venue in any suit, action or proceeding against the port authority shall be laid within a county or a judicial district, established by one of said states or by the United States, and situated wholly or partially within the port of New York district. The port authority shall be deemed to be a resident of each such county or judicial district for the purpose of such suits, actions or proceedings. Although the port authority is engaged in the performance of governmental functions, the said two states consent to liability on the part of the port authority in such suits, actions or proceedings for tortious acts committed by it and its agents to the same extent as though it were a private corporation.

§ 1407. Statute of limitations. The foregoing consent is granted upon the condition that any suit, action or proceeding prosecuted or maintained under this part shall be commenced within one year after the cause of action therefor shall have accrued, and upon the further condi-

tion that in the case of any suit, action or proceeding for the recovery or payment of money, prosecuted or maintained under this part, a notice of claim shall have been served upon the port authority by or on behalf of the plaintiff or plaintiffs at least sixty days before such suit, action or proceeding is commenced. The provisions of this section shall not apply to claims arising out of provisions of any workmen's compensation law of either state.

§ 1408. Notice of claim. The notice of claim required by section fourteen hundred seven of this part shall be in writing, sworn to by or on behalf of the claimant or claimants, and shall set forth (1) the name and post office address of each claimant and of his attorney, if any, (2) the nature of the claim, (3) the time when, the place where and the manner in which the claim arose, and (4) the items of damage or injuries claimed to have been sustained so far as then practicable. Such notice may be served in the manner in which process may be served, or in lieu thereof, may be sent by registered mail to the port authority at its principal office. Where the claimant is a person under the age of eighteen years or is mentally or physically incapacitated and by reason of such disability no notice of claim is filed or suit, action or proceeding commenced within the time specified in section fourteen hundred seven of this part, or where a person entitled to make a claim dies and by reason of his death no notice of claim is filed or suit, action or proceeding commenced within the time specified in section fourteen hundred seven of this part then any court in which such suit, action or proceeding may be brought may in its discretion grant leave to serve the notice of claim and to commence the suit, action or proceeding within a reasonable time but in any event within three years after the cause of action accrued. Application for such leave must be made upon an affidavit showing the particular facts which caused the delay and shall be accompanied by a copy of the proposed notice of claim if such notice has not been served, and such application shall be made only upon notice to the port authority.

§ 1409. Limits of liability. The commissioners, officers or employees of the port authority shall not be subject to suits, actions or proceedings for judgments, orders or decrees restraining, preventing or enjoining them in their official or personal capacities from committing or continuing to commit any act or acts on behalf of the port authority other than suits, actions and proceedings brought by the attorney general of New York or by the attorney general of New Jersey or by the port authority itself--each of said attorneys general being hereby authorized to bring such suits, actions or proceedings in his discretion on behalf of any person or persons whatsoever who requests him so to do except in the cases excluded by sections fourteen hundred two, fourteen hundred three and fourteen hundred four of this part; provided, that in any such suit, action or proceeding brought by either attorney general, no judgment, order or decree shall be entered except upon at least two days' notice to the defendant of the proposed entry thereof.

§ 1410. Other suits, actions or proceedings. Nothing herein shall be deemed to revoke, rescind or affect any consents to suits, actions or proceedings against the port authority heretofore given by the two said states in chapter eight hundred two of the laws of New York of nineteen hundred forty-seven, as amended, and continued by part XII of this article, and chapter forty-three of the laws of New Jersey of nineteen hundred forty-seven, as amended; chapter six hundred thirty-one of the laws of New York of nineteen hundred forty-seven, as amended, and continued by part XI of this article; chapter forty-four of the laws of

New Jersey of nineteen hundred forty-seven, as amended, and chapter five hundred thirty-four of the laws of New York of nineteen hundred forty-eight, and continued by part XI of this article, and chapter ninety-seven of the laws of New Jersey of nineteen hundred forty-eight.

§ 1411. Agreement between the states. This part together with the act of the state of New Jersey concurring herein, shall constitute an agreement between the states of New York and New Jersey supplementary to and amendatory of the compact between the two said states dated April thirtieth, nineteen hundred twenty-one and continued by part I of this article.

PART XV
TRAFFIC REGULATIONS FOR VEHICULAR CROSSINGS

Section 1501. Governing authority.
1502. Tolls; other charges.
1503. Operation restrictions.
1504. Port authority police force.
1505. Driving procedure.
1506. Operation requirements.
1507. Accident protocol.
1508. Transport restrictions.
1509. Violations.
1510. Definitions.
1511. Severability.
1512. Repeal of previous rules and regulations.
1513. Agreement between the states.
1514. Compliance with state law.
1515. Felonies.
1516. Misdemeanors.
1517. Owner liability for failure of operator to comply with toll collection regulations of the port authority.
1518. Imposition of liability for failure of operator to comply with toll collection regulations of the port authority.
1519. Adjudication of liability.

§ 1501. Governing authority. To the end that the interstate vehicular crossings operated by the port authority, pursuant to the compact of April thirtieth, nineteen hundred twenty-one between the states of New York and New Jersey creating the port authority, may be efficiently and safely operated in the interest of the people of the states of New York and New Jersey and of the nation, the following rules and regulations governing traffic on vehicular crossings operated by the port authority, set forth in sections fifteen hundred two through fifteen hundred eight of this part, are hereby adopted by the legislatures of the two states, and are declared to be binding upon all persons and corporations affected thereby.

§ 1502. Tolls; other charges. No traffic shall be permitted in or upon vehicular crossings except upon the payment of such tolls and other charges as may from time to time be prescribed by the port authority. It is hereby declared to be unlawful for any person to refuse to pay, or to evade or to attempt to evade the payment of such tolls or other charges.

§ 1503. Operation restrictions. No vehicle shall be operated carelessly or negligently, or in disregard of the rights or safety of others, or without due caution and circumspection, or at a speed or in a manner so as to endanger unreasonably or to be likely to endanger unreasonably persons or property, or while the operator thereof is under the

influence of intoxicating liquors or any narcotic or habit-forming drug, nor shall any vehicle be so constructed, equipped or loaded as to endanger unreasonably or to be likely to endanger unreasonably persons or property.

§ 1504. Port authority police force. All persons in or upon vehicular crossings must at all times comply with any lawful order, signal or direction by voice or hand of any member of the port authority police force. When traffic is controlled by traffic lights, signs or by mechanical or electrical signals, such lights, signs and signals shall be obeyed unless a port authority police officer directs otherwise.

§ 1505. Driving procedure. Unless otherwise directed, vehicles shall at all times stay to the right of the center of all roadways except in the case of one-way roadways; slow-moving vehicles shall remain as close as possible to the right-hand edge or curb of the roadway; and where a roadway is marked with traffic lanes vehicles shall not cross markings.

§ 1506. Operation requirements. No person shall operate a motor vehicle in or upon any part of a vehicular crossing unless he is duly authorized to operate motor vehicles in the state in which such part of the vehicular crossing is located. No motor vehicle shall be permitted in or upon any part of a vehicular crossing which is not registered in accordance with the provisions of the law of the state in which such part of the vehicular crossing is located.

§ 1507. Accident protocol. The operator of any vehicle involved in an accident resulting in injury or death to any person or damage to any property shall immediately stop such vehicle at the scene of the accident, render such assistance as may be needed, and give his name, address, and operator's license and registration number to the person injured or to any officer or witness of the injury. The operator of such vehicle shall make a report of such accident in accordance with the law of the state in which such accident occurred.

§ 1508. Transport restrictions. No person shall transport in or upon a vehicular crossing, any dynamite, nitroglycerin, black powder, fireworks, blasting caps or other explosives, gasoline, alcohol, ether, liquid shellac, kerosene, turpentine, formaldehyde or other inflammable or combustible liquids, ammonium nitrate, sodium chlorate, wet hemp, powdered metallic magnesium, nitro-cellulose film, peroxides or other readily inflammable solids or oxidizing materials, hydrochloric acid, sulfuric acid or other corrosive liquids, prussic acid, phosgene, arsenic, carbolic acid, potassium cyanide, tear gas, lewisite or any other poisonous substances, liquids or gases, or any compressed gas, or any radio-active article, substance or material, at such time or place or in such manner or condition as to endanger unreasonably or as to be likely to endanger unreasonably persons or property.

§ 1509. Violations. Violations of the rules and regulations set forth in sections fifteen hundred two through fifteen hundred eight of this part committed within the territorial limits of either state shall be punishable as may be provided by the laws of such state but the penalties prescribed by either state shall not preclude the port authority from excluding from vehicular crossings permanently or for a specified time, all vehicles violating any of the said rules and regulations, as well as other vehicles owned or operated by the owner or operator of such vehicle.

§ 1510. Definitions. The following terms as used herein shall have the indicated meanings:

1. "Traffic" shall include pedestrians, ridden animals, herded animals and vehicles whether moved by human power or otherwise.

2. "Vehicular crossings" shall include not only bridges and tunnels operated by the port authority, but also their plazas and approaches, but shall not include any lands granted by the port authority to the states of New York or New Jersey or to a municipality for street or highway purposes even though such street or highway constitutes a means of access to or egress from such vehicular crossing.

§ 1511. Severability. If any term or provision of this part shall be declared unconstitutional or ineffective in whole or in part by a court of competent jurisdiction, then to the extent that it is not unconstitutional or ineffective, such term or provisions shall be enforced and effectuated, nor shall such determination be deemed to invalidate the remaining terms or provisions thereof.

§ 1512. Repeal of previous rules and regulations. The two said states agree that chapter two hundred fifty-one of the laws of New York of nineteen hundred thirty-four, entitled "An act establishing rules and regulations for the control of traffic on the interstate bridges and tunnels operated by the Port of New York Authority and prescribing proceedings and penalties for their violations", and chapter one hundred forty-six of the pamphlet laws of New Jersey, nineteen hundred thirty-two, entitled "An act establishing rules and regulations for the control of traffic on the inter-state bridges and tunnels operated by the Port of New York Authority and prescribing proceedings and penalties for their violations", shall be and are repealed as of the date this part takes effect.

§ 1513. Agreement between the states. This section and the preceding sections of this part, together with the corresponding sections of the act of the state of New Jersey concurring herein, shall constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirtieth, nineteen hundred twenty-one, and amendatory thereof, and shall be liberally construed to effectuate the purposes of said compact and of the agreements of the two states amendatory thereof or supplemental thereto; and shall be construed to be in aid of and supplemental to and not in limitation of or in derogation of the powers heretofore conferred upon or delegated to the port authority.

§ 1514. Compliance with state law. If the violation within the state of any of the rules and regulations set forth in sections fifteen hundred two through fifteen hundred eight of this part including but not limited to those regarding the payment of tolls, would have been a felony, misdemeanor or other punishable offense if committed on any public road, street, highway or turnpike in the municipality in which such violation occurred, it shall be tried and punished in the same manner as if it had been committed on such public road, street, highway or turnpike.

§ 1515. Felonies. Notwithstanding the provisions of section fifteen hundred fourteen of this part, if the violation within the state of the rule and regulation set forth in section fifteen hundred nine of this part shall result in injury or death to a person or persons or damage to property in excess of the value of five thousand dollars, such violation shall constitute a felony.

§ 1516. Misdemeanors. Except as provided in sections fifteen hundred fourteen and fifteen hundred fifteen of this part, any violation within the state of any of the rules and regulations set forth in sections fifteen hundred two through fifteen hundred eight of this part including but not limited to those regarding the payment of tolls, shall constitute a misdemeanor and shall be punishable as an offense triable in a

magistrate's court by a fine not exceeding five hundred dollars or by imprisonment not exceeding sixty days or by both such fine and imprisonment.

§ 1517. Owner liability for failure of operator to comply with toll collection regulations of the port authority. Notwithstanding any other provision of law and in accordance with the provisions of section fifteen hundred eighteen of this part, an owner of a vehicle may be held liable for failure of an operator thereof to comply with the toll collection regulations of the port authority of New York and New Jersey (hereinafter called port authority). The owner of a vehicle shall be liable pursuant to this section if such vehicle was used or operated with the permission of the owner, express or implied, in violation of the toll collection regulations of the port authority, and such violation is evidenced by information obtained from a photo-monitoring system, provided, however, that no owner of a vehicle shall be liable where the operator of such vehicle has been convicted of a violation of those toll collection regulations for the same incident.

§ 1518. Imposition of liability for failure of operator to comply with toll collection regulations of the port authority. The liability set forth in section fifteen hundred seventeen of this part, shall be imposed upon an owner for a violation by an operator of the toll collection regulations of the port authority occurring within the territorial limits of the state of New York in accordance with the following:

1. For the purposes of this section, the term "owner" shall mean any person, corporation, partnership, firm, agency, association, lessor, or organization who, at the time of the violation in any city in which a vehicle is operated: (a) is the beneficial or equitable owner of such vehicle; or (b) has title to such vehicle; or (c) is the registrant or co-registrant of such vehicle which is registered with the department of motor vehicles of this state or any other state, territory, district, province, nation or other jurisdiction; or (d) subject to the limitations set forth in subdivision six of this section, uses such vehicle in its vehicle renting and/or leasing business; and includes (e) a person entitled to the use and possession of a vehicle subject to a security interest in another person. For the purposes of this section, the term "operator" shall mean any person, corporation, firm, partnership, agency, association, organization or lessee that uses or operates a vehicle with or without the permission of the owner, and an owner who operates his or her own vehicle. For purposes of this section, the term "photo-monitoring system" shall mean a vehicle sensor installed to work in conjunction with a toll collection facility which automatically produces one or more photographs, one or more microphotographs, a videotape or other recorded images of each vehicle at the time it is used or operated in violation of the toll collection regulations of the port authority. For purposes of this section, the term "toll collection regulations of the port authority" shall refer to the traffic regulations for interstate vehicular crossings operated by the port authority as set forth in this part and in chapter one hundred ninety-two of the laws of New Jersey of nineteen hundred fifty, and specifically that section of the laws which prohibits traffic in or upon vehicular crossings operated by the port authority except upon the payment of such tolls and other charges as may from time to time be prescribed by the port authority and which further makes it unlawful for any person to refuse to pay, or to evade or to attempt to evade the payment of such tolls or other charges. For purposes of this section, the term "vehicle" shall mean every device in, upon, or by which a person or property is or may be transported or

drawn upon a highway, except devices used exclusively upon stationary rails or tracks.

2. A certificate, sworn to or affirmed by an agent of the port authority, or a facsimile thereof, based upon inspection of photographs, microphotographs, videotape or other recorded images produced by a photo-monitoring system shall be prima facie evidence of the facts contained therein and shall be admissible in any proceeding charging a violation of toll collection regulations of the port authority, provided that any photographs, microphotographs, videotape or other recorded images evidencing such a violation shall be available for inspection and admission into evidence in any proceeding to adjudicate the liability for such violation.

3. An imposition of liability pursuant to this section shall be based upon a preponderance of evidence as submitted. An imposition of liability pursuant to this section shall not be deemed a conviction of an operator and shall not be made part of the motor vehicle operating record, furnished pursuant to section three hundred fifty-four of the vehicle and traffic law of the state of New York, of the person upon whom such liability is imposed nor shall it be used for insurance purposes in the provision of motor vehicle insurance coverage.

4. (a) A notice of liability shall be sent by first class mail to each person alleged to be liable as an owner for a violation pursuant to this section of the toll collection regulations of the port authority. Such notice shall be mailed no later than thirty days after the alleged violation. Personal delivery on the owner shall not be required. A manual or automatic record of mailing prepared in the ordinary course of business shall be prima facie evidence of the mailing of the notice.

(b) A notice of liability shall contain the name and address of the person alleged to be liable as an owner for a violation of the toll collection regulations of the port authority pursuant to this section, the registration number of the vehicle involved in such violation, the location where such violation took place, the date and time of such violation and the identification number of the photo-monitoring system which recorded the violation or other document locator number.

(c) The notice of liability shall contain information advising the person charged of the manner and the time in which he may contest the liability alleged in the notice. Such notice of liability shall also contain a warning to advise the persons charged that failure to contest in the manner and time provided shall be deemed an admission of liability and that a default judgment may be entered thereon.

(d) The notice of liability shall be prepared and mailed by the port authority or its duly authorized agent.

5. If an owner receives a notice of liability pursuant to this section for any time period during which the vehicle was reported to the police department as having been stolen, it shall be a valid defense to an allegation of liability for a violation of the toll collection regulations of the port authority that the vehicle had been reported to the police as stolen prior to the time the violation occurred and had not been recovered by such time. If an owner receives a notice of liability pursuant to this section for any time period during which the vehicle was stolen, but not as yet reported to the police as having been stolen, it shall be a valid defense to an allegation of liability for a violation of toll collection regulations of the port authority pursuant to this section that the vehicle was reported as stolen within two hours after discovery of the theft by the owner. For purposes of asserting the defense provided by this subdivision, it shall be sufficient that a

certified copy of the police report on the stolen vehicle be sent by first class mail to the court or other entity having jurisdiction.

6. An owner, as defined in paragraph (a) of subdivision one of this section, who is a lessor of a vehicle to which a notice of liability was issued pursuant to subdivision four of this section shall not be liable pursuant to this section for the violation of the toll collection regulations of the port authority provided that he or she sends to the port authority serving the notice of liability and to the court or other entity having jurisdiction a copy of the rental, lease or other such contract document covering such vehicle on the date of the violation, with the name and address of the lessee clearly legible, within thirty days after receiving from the port authority or its duly authorized agent the original notice of liability. Failure to send such information within such thirty day time period shall render the lessor liable for the penalty prescribed by this section. Where the lessor complies with the provisions of this subdivision, the lessee of such vehicle on the date of such violation shall be deemed to be the owner of such vehicle for purposes of this section and shall be subject to liability for the violation of toll collection regulations of the port authority provided that the port authority or its duly authorized agent mails a notice of liability to the lessee within ten days after the court, or other entity having jurisdiction, deems the lessee to be the owner. For purposes of this subdivision the term "lessor" shall mean any person, corporation, firm, partnership, agency, association or organization engaged in the business of renting or leasing vehicles to any lessee under a rental agreement, lease or otherwise wherein the said lessee has the exclusive use of said vehicle for any period of time. For the purposes of this subdivision, the term "lessee" shall mean any person, corporation, firm, partnership, agency, association or organization that rents, leases or contracts for the use of one or more vehicles and has exclusive use thereof for any period of time.

7. Except as provided in subdivision six of this section, if a person receives a notice of liability pursuant to this section it shall be a valid defense to an allegation of liability for a violation of toll collection regulations of the port authority that the individual who received the notice of liability pursuant to this section was not the owner of the vehicle at the time the violation occurred. If the owner liable for a violation of the toll collection regulations of the port authority pursuant to this section was not the operator of the vehicle at the time of the violation, the owner may maintain an action for indemnification against the operator. The operator of the vehicle may apply to the court or other entity having jurisdiction to adjudicate the liability imposed under this section to accept responsibility for the violation and satisfactorily discharge all applicable tolls, charges, and penalties related to the violation.

8. "Electronic toll collection system" shall mean a system of collecting tolls or charges which is capable of charging an account holder the appropriate toll or charge by transmission of information from an electronic device on a motor vehicle to the toll lane, which information is used to charge the account the appropriate toll or charge. In adopting procedures for the preparation and mailing of a notice of liability, the port authority or its duly authorized agent shall adopt guidelines to ensure adequate and timely notice to all electronic toll collection system account holders to inform them when their accounts are delinquent. An owner who is an account holder under the electronic toll collection system shall not be found liable for a violation of this

section unless such authority has first sent a notice of delinquency to such account holder and the account holder was in fact delinquent at the time of the violation.

9. Nothing in this section shall be construed to limit the liability of an operator of a vehicle for any violation of the toll collection regulations of the port authority. Nothing in this section shall authorize or preclude the port authority from excluding from any of its facilities, in its sole discretion, any or all vehicles found liable under this section as well as other vehicles owned or operated by the owner or operator of such vehicle.

10. Notwithstanding any other provision of law, all photographs, microphotographs, videotape or other recorded images prepared pursuant to this section shall be for the exclusive use of the port authority in the discharge of its duties under this section and shall not be open to the public nor be used in any court in any action or proceeding pending therein unless such action or proceeding relates to the imposition of or indemnification for liability pursuant to this section. The port authority or its duly authorized agent shall not sell, distribute or make available in any way, the names and addresses of electronic toll collection system account holders, or any information compiled from transactions with such account holders, without such account holders' consent to any entity that will use such information for any commercial purpose provided that the foregoing restriction shall not be deemed to preclude the exchange of such information between any entities with jurisdiction over and or operating a toll highway bridge and/or tunnel facility.

§ 1519. Adjudication of liability. Adjudication of the liability imposed upon an owner by section fifteen hundred seventeen of this part for a violation of the toll collection regulations of the port authority occurring within the territorial limits of the state of New York shall be in accordance with sections two hundred thirty-five, two hundred thirty-six, two hundred thirty-seven, two hundred thirty-nine, two hundred forty, two hundred forty-one, five hundred ten and eighteen hundred nine of the vehicle and traffic law, or by such entity having jurisdiction over violations of the toll collection regulations of the port authority occurring within the territorial limits of the state of New York, provided that all violations shall be heard and determined in the county in which the violation is alleged to have occurred, or by consent of both parties, in any county in the state of New York in which the port authority operates or maintains a facility. An owner found liable for a violation of toll collection regulations pursuant to this section shall for a first violation thereof be liable for a monetary penalty not to exceed fifty dollars or two times the toll evaded whichever is greater; for a second violation thereof both within eighteen months be liable for a monetary penalty not to exceed one hundred dollars or five times the toll evaded whichever is greater; for a third or subsequent violation thereof all within eighteen months be liable for a monetary penalty not to exceed one hundred fifty dollars or ten times the toll evaded whichever is greater.

PART XVI

RULES AND REGULATIONS GOVERNING TRAFFIC ON HIGHWAYS IN PORT AUTHORITY AIR AND MARINE TERMINALS

Section 1601. Definitions.
1602. Vehicle operation.

1603. Adherence to traffic signs and signals.
1604. Requiring use of right side of roadway.
1605. Authorization for operation.
1606. Procedures in case of causing injury.
1607. Prohibited items.
1608. Parking.
1609. Prosecution for violations.
1610. Felony for transport of prohibited items.
1611. Misdemeanor for certain violations.
1612. Exclusion of vehicles in violations.
1613. Reserve clause.

§ 1601. Definitions. The following terms as used herein shall have the indicated meanings:

"Air terminals" shall mean developments operated by the port authority consisting of runways, hangars, control towers, ramps, wharves, bulkheads, buildings, structures, parking areas, improvements, facilities or other real property necessary, convenient or desirable for the landing, taking off, accommodation and servicing of aircraft of all types, including but not limited to airplanes, airships, dirigibles, helicopters, gliders, amphibians, seaplanes, or any other contrivance now or hereafter used for the navigation of or flight in air or space, operated by carriers engaged in the transportation of passengers or cargo, or for the loading, unloading, interchange or transfer of such passengers or their baggage, or such cargo, or otherwise for the accommodation, use or convenience of such passengers, or such carriers or their employees, or for the landing, taking off, accommodation and servicing of aircraft owned or operated by persons other than carriers.

"Air terminal highway" shall mean and include those portions of an air terminal designated and made available temporarily or permanently by the port authority to the public for general or limited highway use.

"Marine terminals" shall mean developments operated by the port authority consisting of one or more piers, wharves, docks, bulkheads, slips, basins, vehicular roadways, railroad connections, side tracks, sidings or other buildings, structures, facilities or improvements, necessary or convenient to the accommodation of steamships or other vessels and their cargoes or passengers.

"Marine terminal highway" shall mean and include those portions of a marine terminal designated and made available temporarily or permanently by the port authority to the public for general or limited highway use.

"Traffic" shall mean and include pedestrians, animals and vehicles.

§ 1602. Vehicle operation. No vehicle shall be operated on any air terminal highway or marine terminal highway carelessly or negligently, or in disregard of the rights or safety of others, or without due caution and circumspection, or at a speed or in a manner so as to endanger unreasonably or to be likely to endanger unreasonably persons or property, or while the operator thereof is under the influence of intoxicating liquors or any narcotic or habit-forming drug, nor shall any vehicle be operated thereon if it is so constructed, equipped or loaded as to endanger unreasonably or to be likely to endanger unreasonably persons or property.

§ 1603. Adherence to traffic signs and signals. All persons on any air terminal highway or marine terminal highway must at all times comply with any lawful order, signal or direction by voice or hand of any member of the port authority police force. When traffic is controlled by traffic lights, signs or by mechanical or electrical signals, such

lights, signs and signals shall be obeyed unless a port authority police officer directs otherwise.

§ 1604. Requiring use of right side of roadway. Unless otherwise directed, all vehicles on any air terminal highway or marine terminal highway shall at all times stay to the right of the center of the roadway, except in the case of one-way roadways; slow-moving vehicles shall remain as close as possible to the right-hand edge or curb of the roadway; and where a roadway is marked with traffic lanes vehicles shall not cross markings.

§ 1605. Authorization for operation. No person shall operate a motor vehicle on an air terminal highway or marine terminal highway unless he is duly authorized to operate such vehicle on state and municipal highways in the state in which such air terminal highway or marine terminal highway is located, or unless he is especially authorized by the port authority to operate motor vehicles on such air terminal highway or marine terminal highway. No motor vehicle shall be permitted on any air terminal highway or marine terminal highway unless it is registered in accordance with the provisions of the law of the state in which such air terminal highway or marine terminal highway is located, or unless it is especially authorized by the port authority to be operated on such air terminal highway or marine terminal highway.

§ 1606. Procedures in case of causing injury. The operator of any vehicle involved in an accident on an air terminal highway or marine terminal highway which results in injury or death to any person or damage to any property shall immediately stop such vehicle at the scene of the accident, render such assistance as may be needed, and give his name, address, and operator's license and registration number to the person injured or to any officer or witness of the injury. The operator of such vehicle shall make a report of such accident in accordance with the law of the state in which such accident occurred.

§ 1607. Prohibited items. No person shall transport on any air terminal highway or marine terminal highway any dynamite, nitroglycerin, black powder, fireworks, blasting caps or other explosives, gasoline, alcohol, ether, liquid shellac, kerosene, turpentine, formaldehyde or other inflammable or combustible liquids, ammonium nitrate, sodium chlorate, wet hemp, powdered metallic magnesium, nitro-cellulose film, peroxides or other readily inflammable solids or oxidizing materials, hydrochloric acid, sulfuric acid or other corrosive liquids, prussic acid, phosgene, arsenic, carbolic acid, potassium cyanide, tear gas, lewisite, or any other poisonous substances, liquids or gases, or any compressed gas, or any radioactive article, substance or material, at such time or place or in such manner or condition as to endanger unreasonably or as to be likely to endanger unreasonably persons or property; nor shall any person park any vehicle, or permit the same to remain halted on any air terminal highway or marine terminal highway containing any of the foregoing, at such time or place or in such manner or condition as to endanger unreasonably or as to be likely to endanger unreasonably persons or property.

§ 1608. Parking. No person shall park a vehicle or permit the same to remain halted on any air terminal highway or marine terminal highway except at such places and for such periods of time as may be prescribed or permitted by the port authority.

§ 1609. Prosecution for violations. If the violation within the state of any of the rules and regulations set forth in this part, would have been a felony, misdemeanor or other punishable offense if committed on any public road, street, highway or turnpike in the municipality in

which such violation occurred, it shall be tried and punished in the same manner as if it had been committed on such public road, street, highway or turnpike.

§ 1610. Felony for transport of prohibited items. Notwithstanding the provisions of section sixteen hundred two of this part, if the violation within the state of the rule and regulation promulgated pursuant to this part shall result in injury or death to a person or persons or damage to property in excess of the value of five thousand dollars, such violation shall constitute a felony.

§ 1611. Misdemeanor for certain violations. Except as provided in sections sixteen hundred two and sixteen hundred three of this part, any violation within the state of any of the rules and regulations promulgated pursuant to this part, shall constitute a misdemeanor and shall be punishable as an offense triable in a magistrate's court by a fine not exceeding five hundred dollars or by imprisonment not exceeding sixty days or by both such fine and imprisonment.

§ 1612. Exclusion of vehicles in violations. The penalties prescribed in this part shall not preclude the port authority from excluding from any air terminal highway or marine terminal highway, permanently or for a specified time, all vehicles violating any of the rules and regulations promulgated pursuant to this part, as well as other vehicles owned or operated by the owner or operator of such vehicle.

§ 1613. Reserve clause. Nothing herein contained shall be construed to affect, diminish or impair the power of this state to enact any law, or to impair or diminish, or as recognition of the impairment or diminution of any power of this state, legislative or otherwise, with respect to the port authority, its properties, or persons or property thereon.

PART XVII
NEW YORK - NEW JERSEY AGREEMENT

Section 1701. Enforcement authority.
1702. Guidelines for interpretation.

§ 1701. Enforcement authority. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey agree that each state, in the discretion of its legislature, and without further consent or concurrence by the other state, may from time to time prescribe, amend, modify or rescind penalties for violations within its territorial limits of any rule or regulation, otherwise authorized, of the port of New York authority (hereinafter called the "port authority"), and procedures for the enforcement of such penalties.

§ 1702. Guidelines for interpretation. This section and section seventeen hundred one of this part, together with corresponding sections of the act of the state of New Jersey concurring herein shall constitute an agreement between the states of New York and New Jersey supplemental to the compact between the two states dated April thirtieth, nineteen hundred twenty-one, and shall be liberally construed to effectuate the purposes of said compact and of the agreements of the two states amendatory thereof and supplemental thereto, and not in limitation of or in derogation of any powers heretofore or hereinafter conferred upon or delegated to the port authority, and not as granting any power to the port authority to make rules and regulations except as elsewhere provided in said compact and agreements, and shall not be construed to affect, diminish or impair the power of either state to prescribe, amend, modify or rescind such penalties, or to enact any other law, or to imply that the concurrence of the other state therein is necessary,

or was necessary prior to the enactment of this part, or to impair or diminish, or as recognition of the impairment or diminution of any power of either state, legislative or otherwise, with respect to the port authority, its properties, or persons or property thereon, or to affect the interpretation of the aforesaid compact and agreements between the two states.

PART XVIII
SMOKING REGULATION FOR TERMINALS

Section 1801. Smoking prohibition.
1802. Penalties.

§ 1801. Smoking prohibition. No person shall smoke, carry, or possess a lighted cigarette, cigar, pipe, match or other lighted instrument capable of causing naked flame in or about any area, building or appurtenance of an air terminal, owned or operated by the port authority, or in or upon any area, bulkhead, dock, pier, wharf, warehouse, building, structure or shed of a marine terminal, owned or operated by the port authority, where smoking has been prohibited by the port authority and where appropriate signs to that effect have been posted, or on the open deck of any ship, lighter, carfloat, scow or other similar floating craft or equipment when berthed or moored at such dock, wharf, pier or to a vessel made fast thereto.

§ 1802. Penalties. Any violation of the rule and regulation set forth in section eighteen hundred one of this part shall be punishable as an offense triable in a magistrate's court, for a first offense, by a fine of not more than fifty dollars or imprisonment for not more than thirty days or both; for a second offense, by a fine of not less than twenty-five dollars nor more than one hundred dollars or imprisonment for not more than sixty days or both; for a third or any other subsequent offense, by a fine of not less than fifty dollars nor more than two hundred dollars or by imprisonment for not more than sixty days or both.

PART XIX
SUITS ON LEASE AT INTERNATIONAL AIRPORT

Section 1901. Suits on lease at International Airport.
1902. Effect.
1903. Venue.
1904. Consent.
1905. Agreement.

§ 1901. Suits on lease at International Airport. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey consent to suits, actions or proceedings (including proceedings to enforce arbitration agreements and to enter judgments upon awards resulting therefrom) of any form or nature, at law, in equity or otherwise by any person or corporation engaged in the business of scheduled transportation by aircraft, against the port authority, and to appeals therefrom and reviews thereof, upon or for the enforcement of any written contract for the use or occupancy of space, premises or facilities at New York International Airport, in the county of Queens, city of New York, state of New York, executed on or after January first, nineteen hundred fifty-three between the port authority and any such person or corporation, or by any such person or corporation so contracting with the port authority upon any cause of action arising out of such use or occupancy pursuant to any such written contract.

§ 1902. Effect. The consent pursuant to section nineteen hundred one of this part is granted upon the condition that in suits, actions or proceedings thereunder for judgments, orders or decrees restraining or enjoining the port authority from committing or continuing to commit breaches of such written contract, no such judgment, order or decree shall be entered except upon at least two days' prior written notice to the port authority of the proposed entry thereof; and upon an appeal taken by the port authority from such judgment, order or decree, the service of the notice of appeal shall perfect the appeal, without an undertaking or other security.

§ 1903. Venue. The venue in any suit, action or proceeding against the port authority to which consent is given by this part shall be laid within a county or a judicial district, established by one of said two states or by the United States and situated wholly or partially within the port of New York district. The port authority shall be deemed to be a resident of each such county or judicial district for the purpose of such suits, actions or proceedings and shall be deemed to be a citizen of both of said two states.

§ 1904. Consent. Nothing herein contained shall be deemed to revoke, rescind or affect any consents to suits, actions or proceedings against the port authority heretofore given by the two said states or the terms and conditions upon which such consents are given.

§ 1905. Agreement. This part together with the act of the state of New Jersey concurring herein, shall constitute an agreement between the states of New York and New Jersey supplementary to and amendatory of the compact between the two said states dated April thirtieth, nineteen hundred twenty-one.

PART XX
NARROWS BRIDGE

Section 2001. Determination to build bridge.
2002. Authorization for construction.
2003. Definitions.
2004. Authorization for agreement with the Triborough Authority.
2005. Funding.
2006. Bi-state covenant.
2007. Security bonds.
2008. Authorization to acquire real property.
2009. Prior consent required.
2010. Authorization of agents to enter property.
2011. Essential government function.
2012. Tax exemption on acquired property.
2013. Governmental nature.
2014. Agreement.

§ 2001. Determination to build bridge. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey find, determine and agree that a bridge between Staten Island and Long Island, constituting a part of the highway system of the port district, created by their compact of April thirty, nineteen hundred twenty-one, will facilitate the flow of traffic between the two states, will alleviate congestion in the vehicular crossings of the Hudson river and will promote the movement of commerce between the two states by providing a direct connection between the state of New Jersey and Long Island in the state of New York by way of Staten Island and that it is therefore the policy of the two said states to provide such bridge.

§ 2002. Authorization for construction. In furtherance of the aforesaid policy, and in partial effectuation of the comprehensive plan heretofore adopted by the two said states for the development of the said port district, the Port of New York Authority is hereby authorized and empowered to construct, own, maintain and operate a bridge (hereinafter called the Narrows bridge) over the Narrows of New York bay, and, in its discretion (and so long as it shall retain title to such bridge), such additions and improvements thereto and such approaches thereto and connections with highways and with the bridges between New Jersey and Staten Island as the Port Authority may deem necessary or desirable. The Port Authority may effectuate such approaches or connections, in its discretion, by agreement with any other public agency, which agreement may provide for the construction, ownership, maintenance or operation of such approaches or connections by such other public agency.

The Port Authority shall not commence the construction of the Narrows bridge until after the execution of an agreement between the Port Authority and the Triborough Bridge and Tunnel Authority (hereinafter called the Triborough Authority) pursuant to section two thousand four of this part.

§ 2003. Definitions. The following terms as used in this part shall mean:

"Bonds" shall mean bonds, notes, securities or other obligations or evidences of indebtedness.

"General reserve fund statutes" shall mean chapter forty-eight of the laws of New York of nineteen hundred thirty-one, as amended and continued by part XXIX of this article, and chapter five of the laws of New Jersey of nineteen hundred thirty-one, as amended, and "general reserve fund" shall mean the general reserve fund of the Port Authority authorized by said statutes.

"Narrows bridge" shall mean not only the bridge itself but also its approaches, connections, additions and improvements.

"Narrows bridge bonds" shall mean bonds issued by the Port Authority to provide funds for Narrows bridge purposes or bonds secured in whole or in part by a pledge of the revenues of the Port Authority from the Narrows bridge or bonds so issued and secured.

"Narrows bridge purposes" shall mean the effectuation, establishment, construction, rehabilitation, improvement, maintenance or operation of the Narrows bridge and purposes incidental thereto.

"Real property" shall mean lands, structures, franchises and interests in land, waters, lands under water and riparian rights, and any and all things and rights included within the said term, and includes not only fees simple absolute but also any and all lesser interests, including but not limited to easements, rights-of-way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages or otherwise.

§ 2004. Authorization for agreement with the Triborough Authority. (a) The Port Authority is authorized and empowered to enter into an agreement with the Triborough Authority (and from time to time to enter into agreements amending the same) for the design, location, financing, construction, maintenance and operation of the Narrows bridge and any other matters of like or different character with respect to the Narrows bridge, and by which the Port Authority may grant, convey, lease or otherwise transfer to the Triborough Authority or to the city of New York for the use and occupancy of the Triborough Authority any right, title or interest of the Port Authority in the Narrows bridge and in any

part or parts thereof, upon such terms as may be determined by the Port Authority and the Triborough Authority, including but not limited to agreement as to the method of fixing the tolls, rents, charges and other fees and the rules for the regulation of the use of the bridge.

(b) So long as the Port Authority shall retain title to the Narrows bridge, it shall, so far as it deems it practicable, treat as a single unified operation the effectuation of the Narrows bridge, the interstate bridges and tunnels now operated by the Port Authority and any other bridges or tunnels which it may construct or operate, raising moneys for the construction thereof and for the making of additions and improvements thereto in whole or in part upon its own obligations, and, except as provided in such agreement or any amendment thereof, establishing and levying such tolls, rents, charges and other fees as it may deem necessary to secure from all of such bridges and tunnels as a group at least sufficient revenue to meet the expenses of the effectuation of such bridges and tunnels as a group, and to provide for the payment of the interest upon and amortization and retirement of and the fulfillment of the terms of all bonds which it may have issued in connection therewith. Except as provided in such agreement or any amendment thereof, no other agency or commission of either state shall have jurisdiction over the Narrows bridge so long as the Port Authority shall retain title thereto, and, except as so provided, all details of the design, location, financing, construction, leasing, tolls, rents, charges and other fees, contracts, maintenance and operation of and rules for the regulation of the use of the Narrows bridge so long as the Port Authority shall retain title thereto shall be within its sole discretion and its decision in connection with any and all matters concerning such bridge shall be controlling and conclusive.

(c) The states of New York and New Jersey hereby consent to suits, actions or proceedings against the Port Authority upon, in connection with or arising out of such agreement or any amendment thereof, by the Triborough Authority, or by the city of New York if and to the extent that such agreement or any amendment thereof shall create rights in the city of New York, as follows:

(1) For judgments, orders or decrees restraining or enjoining the Port Authority from transferring title to real property to other persons in cases where it has agreed with the Triborough Authority to transfer such title to the Triborough Authority or to the city of New York for the use and occupancy of the Triborough Authority, and

(2) For judgments, orders or decrees restraining or enjoining the Port Authority from committing or continuing to commit other breaches of such agreement or any amendment thereof; provided, that such judgment, order or decree shall not be entered except upon two days' prior written notice to the Port Authority of the proposed entry thereof and provided further, that upon an appeal taken by the Port Authority from such judgment, order or decree the service of the notice of appeal shall perfect the appeal and shall stay the execution of such judgment, order or decree appealed from, without an undertaking or other security.

Nothing herein contained shall be deemed to revoke, rescind or affect any consents to suits, actions or proceedings against the Port Authority heretofore given by the two said states in chapter three hundred one of the laws of New York of nineteen hundred fifty and continued by part XIV of this article and chapter two hundred four of the laws of New Jersey of nineteen hundred fifty-one.

§ 2005. Funding. The moneys in the general reserve fund of the Port Authority may be pledged in whole or in part by the Port Authority as

security for or applied by it to the repayment with interest of any moneys which it may raise upon Narrows bridge bonds issued by it from time to time and the moneys in said general reserve fund may be applied by the Port Authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of any such bonds.

Subject to prior liens and pledges (and to the obligation of the Port Authority to apply revenues to the maintenance of its general reserve fund in the amount prescribed by the general reserve fund statutes), the revenues of the Port Authority from facilities established, constructed, acquired or effectuated through the issuance or sale of bonds of the Port Authority secured by a pledge of its general reserve fund may be pledged in whole or in part as security for or applied by it to the repayment with interest of any moneys which it may raise upon Narrows bridge bonds, and said revenues may be applied by the Port Authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of such bonds.

In the event that at any time the balance of moneys theretofore paid into the general reserve fund and not applied therefrom shall exceed an amount equal to one-tenth of the par value of all bonds legal for investment, as defined and limited in the general reserve fund statutes, issued by the Port Authority and currently outstanding at such time, by reason of the retirement of Narrows bridge bonds the par value of which had theretofore been included in the computation of said one-tenth, then the Port Authority may pledge or apply such excess for and only for the purposes for which it is authorized by the general reserve fund statutes to pledge the moneys in the general reserve fund, and such pledge may be made in advance of the time when such excess may occur.

§ 2006. Bi-state covenant. The two states covenant and agree with each other and with the holders of Narrows bridge bonds as security for which there may or shall be pledged (directly or indirectly, or through the medium of its general reserve fund or otherwise) the revenues, or any part thereof, of the Narrows bridge or any other facility owned or operated by the Port Authority, that the two states will not, so long as any of such bonds remain outstanding and unpaid, diminish or impair the power of the Port Authority to establish, levy and collect tolls, rents, charges or other fees in connection with the Narrows bridge (so long as the Port Authority shall retain title to such bridge) or any such other facility; and that the two said states will not, so long as any of such bonds remain outstanding and unpaid and so long as the Port Authority shall retain title to the Narrows bridge, authorize the construction of any other vehicular bridges or tunnels (other than bridges or tunnels exclusively for railway rapid transit purposes) between Staten Island and Long Island by any person or body other than the Port Authority.

§ 2007. Security bonds. Narrows bridge bonds are hereby made securities in which all state and municipal officers and bodies of both states, all banks, bankers, trust companies, savings banks, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever, who are now or may hereafter be authorized by either state to invest in bonds of such state, may properly and legally invest any funds, including capital, belonging to them or within their control; and said bonds are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either

state for any purpose for which the deposit of bonds of such state is now or may hereafter be authorized.

§ 2008. Authorization to acquire real property. If the Port Authority shall find it necessary or convenient to acquire any real property for Narrows bridge purposes (including temporary construction, rehabilitation or improvement), whether for immediate or future use, the Port Authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for a public use, and upon such determination the said property shall be and shall be deemed to be required for such public use until otherwise determined by the Port Authority, and such determination shall not be affected by the fact that such property has theretofore been taken for and is then devoted to a public use; but the public use in the hands of or under the control of the Port Authority shall be deemed superior to the public use in the hands of any other person, association or corporation. If the Port Authority shall find it necessary or convenient hereunder to acquire any real property which is then devoted to a public use, the Port Authority shall have power to exchange or substitute any other real property for such real property upon terms agreed to by the Port Authority and the owner of such property then devoted to a public use, and to find and determine that such other real property is also required for a public use; upon such determination the said other property shall be and shall be deemed to be required for such public use.

The Port Authority may acquire and is hereby authorized to acquire any real property in the state of New York required for a public use under the preceding paragraph, whether a fee simple absolute or a lesser estate, by the exercise of the right of eminent domain under and pursuant to the eminent domain procedure law of the state of New York, or at the option of the Port Authority pursuant to any other and alternate procedure provided by law by such state. Nothing herein contained shall be construed to prevent the Port Authority from bringing any proceedings in either state to remove a cloud on title or such other proceedings as it may, in its discretion, deem proper and necessary, or from acquiring any such property in either state by negotiation or purchase.

Where a person entitled to an award remains in possession of such property after the time of the vesting of title in the Port Authority, the reasonable value of his use and occupancy of such property subsequent to such time, as fixed by agreement or by the court in such proceedings or by any court of competent jurisdiction, shall be a lien against such award, subject only to liens of record at the time of the vesting of title in the Port Authority.

§ 2009. Prior consent required. Anything in this part to the contrary notwithstanding, no property now or hereafter vested in or held by the city of New York shall be taken by the Port Authority without the authority or consent of the city as provided in said compact of April thirty, nineteen hundred twenty-one. The Port Authority is also hereby authorized and empowered to acquire from said city by agreement therewith, and the city, notwithstanding any contrary provision of law, is hereby authorized and empowered to grant and convey upon reasonable terms and conditions any real property which the Port Authority shall find to be necessary for Narrows bridge purposes, including such real property as has already been devoted to a public use. The state of New York hereby consents to the use and occupation of the real property of such state which the Port Authority shall find to be necessary for Narrows bridge purposes, including lands of the state lying under water, and the department, board or division or other agency of the state exer-

cising supervision of such property shall execute such documents as it may deem necessary to evidence the right to such use and occupation.

§ 2010. Authorization of agents to enter property. The Port Authority and its duly authorized agents, and all persons acting under its authority and by its direction, may enter in the daytime into and upon any real property which it shall be necessary so to enter, for the purpose of making such surveys, diagrams, maps or plans, or for the purpose of making such soundings or borings as the Port Authority may deem necessary or convenient for the purposes of this part and the concurrent act of the state of New Jersey.

§ 2011. Essential government function. The construction, maintenance and operation of the Narrows bridge are and will be in all respects for the benefit of the people of the states of New York and New Jersey, for the increase of their commerce and prosperity and for the improvement of their health and living conditions and shall be deemed to be public purposes; and the Port Authority shall be regarded as performing an essential governmental function in undertaking the construction, maintenance and operation thereof and in carrying out the provisions of law relating thereto.

§ 2012. Tax exemption on acquired property. No taxes or assessments shall be levied or collected upon any property acquired or used for Narrows bridge purposes.

§ 2013. Governmental nature. Any declarations contained herein and in the concurrent act of the state of New Jersey with respect to the governmental nature and public purpose of the Narrows bridge and to the exemption of Narrows bridge property from taxation and to the discretion of the Port Authority with respect to the operation thereof shall not be construed to imply that other Port Authority property and operations are not of a governmental nature or do not constitute public purposes, or that they are subject to taxation, or that the determinations of the Port Authority with respect thereto are not conclusive. The powers vested in the Port Authority herein and in the concurrent act of the state of New Jersey (including but not limited to the powers to acquire real property by condemnation and to make or effectuate additions, improvements, approaches and connections) shall, except as herein otherwise expressly stated, be continuing powers and no exercise thereof shall be deemed to exhaust them or any of them.

The provisions of chapter forty-seven of the laws of New York of nineteen hundred thirty-one as continued by part III of this article and chapter four of the laws of New Jersey of nineteen hundred thirty-one shall not apply to the Narrows bridge.

§ 2014. Agreement. This section and the preceding sections of this part constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirty, nineteen hundred twenty-one, and amendatory thereof, and shall be liberally construed to effectuate the purposes of said compact and of the comprehensive plan heretofore adopted by the two states, and the powers vested in the Port Authority hereby shall be construed to be in aid of and supplemental to and not in limitation of or in derogation of any of the powers heretofore conferred upon or delegated to the Port Authority.

PART XXI
NEW JERSEY TURNPIKE CONNECTIONS

Section 2101. Definitions.

2102. Authorization for agreement with New Jersey agencies.
2103. Securities.

§ 2101. Definitions. As used in this part:

1. "Port authority" shall mean the Port of New York Authority;

2. "Bonds" shall mean bonds, notes, securities or other obligations or evidences of indebtedness;

3. "Newark bay-Hudson county extension" shall mean the turnpike project of the New Jersey Turnpike Authority extending between the vicinity of Port street and Newark airport in the city of Newark and the vicinity of the Holland tunnel in Hudson county, authorized by subdivision (c) of section one of chapter forty-one of the laws of New Jersey of one thousand nine hundred forty-nine, as amended by chapter two hundred eighty-six of the laws of New Jersey of one thousand nine hundred fifty-one;

4. "Newark bay-Hudson county extension terminal connections" shall mean the connections to the Newark bay-Hudson county extension at the following locations: (a) at or in the vicinity of the westerly end of the Newark bay-Hudson county extension to interconnect United States Highway route 1, the turnpike toll plaza, Port street and Newark airport, and (b) at or in the vicinity of the Holland tunnel plaza and thence northerly in Hudson county to a point at grade at or in the vicinity of Paterson avenue in the city of Hoboken.

§ 2102. Authorization for agreement with New Jersey agencies. The port authority is hereby authorized and empowered, in its discretion, to enter into an agreement or agreements upon such terms and conditions as it may deem in the public interest, with the New Jersey Turnpike Authority, or the New Jersey state highway department, or both, whereby the port authority may undertake to pay to such other party or parties to such agreement or agreements such portion or portions of the cost of constructing either or both of said Newark bay-Hudson county extension terminal connections as the port authority shall determine to be proportionate to the benefit to facilities owned or operated by the port authority from such connections, whether or not such connections shall constitute approaches or connections to such port authority facilities.

§ 2103. Securities. The bonds which may be issued by the port authority to provide funds to make all or any portion of the payment or payments required by an agreement or agreements authorized by section twenty-one hundred two of this part and for purposes incidental thereto are hereby made securities in which all state and municipal officers and bodies of New Jersey and New York, all banks, bankers, trust companies, savings banks, building and loan associations, saving and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries and all other persons whatsoever are now or may hereafter be authorized by either the state of New Jersey or the state of New York to invest in bonds or other obligations of such state, may properly and legally invest any funds including capital belonging to them or within their control; and said bonds are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either the state of New Jersey or the state of New York for any purpose for which the deposit of bonds or other obligations of such state is now or may hereafter be authorized.

PART XXII
COMMUTER RAILROAD CARS

Section 2201. Commuter railroad cars.

§ 2201. Commuter railroad cars. 1. Upon the concurrence of the state of New Jersey, the states of New York and New Jersey agree that each such state may elect by appropriate legislation to provide for the purchase and rental by the port of New York authority of railroad cars for passenger transportation in accordance with this part.

2. For the purpose of this part:

(a) "Port authority" shall mean the port of New York authority.

(b) "Commuter railroad of an electing state" shall mean a railroad transporting passengers between municipalities in the portion of the port of New York district within such state, the majority of the trackage of which within the port of New York district utilized for the transportation of passengers shall be in such state.

(c) "Railroad cars" shall mean railroad passenger cars, including self-propelled cars, and locomotives and other rolling stock used in passenger transportation.

3. (a) Upon the election by either state as provided in subdivision one of this section, the port authority shall be authorized and empowered to:

(i) purchase and own railroad cars for the purpose of leasing them to any commuter railroad of such state; provided, however, that no railroad cars shall be so purchased except with advances received or money borrowed pursuant to subparagraphs (ii) and (iii) of this paragraph, nor shall the port authority incur expenses in connection with such purchase and ownership except out of such advances or borrowed money or the rentals received from such leasing;

(ii) receive and accept advances from such state for such purchase upon such terms and conditions as such state may specify;

(iii) borrow money from any source for such purchase or for the repayment of such advances or money borrowed, subject to the provisions of paragraph (b) of this subdivision;

(iv) secure the repayment of principal of and interest upon any such borrowed money by and only by a lien upon such railroad cars, a pledge of the rentals therefrom and the liability of the electing state for the repayment of such principal and interest;

(v) lease such railroad cars directly or indirectly to any commuter railroad of such state upon such terms and conditions as the port authority shall deem in the public interest, including postponement of receipt of rentals by the port authority in the interest of increasing and improving the service rendered to the commuting public; provided, however, that no such lease shall become effective until it has been approved in writing by the officer of the electing state designated by appropriate legislation; and

(vi) sell or otherwise dispose of such cars upon such terms and conditions and to such persons as the port authority shall deem in the public interest, except as may be otherwise directed by such electing state.

(b) The port authority shall not borrow money pursuant to subparagraph (iii) of paragraph (a) of this subdivision unless and until the electing state shall have duly amended its constitution, if necessary, making or authorizing making the state liable for the repayment of the money so borrowed and interest thereon or for the fulfillment of the rental obligations to the port authority, or both; and the port authority shall

not borrow any such money unless and until the electing state shall be made liable for the repayment of any such money.

4. The purchase and ownership by the port authority of railroad cars and the rental thereof to commuter railroads of the states of New York or New Jersey are and will be in all respects for the benefit of the people of the said two states for the increase of their commerce and prosperity and for the improvement of their health, safety and living conditions and shall be deemed to be public purposes; and the port authority shall be regarded as performing an essential governmental function in undertaking such purchase, ownership and rental and in carrying out the provisions of law relating thereto.

5. The bonds or other evidences of indebtedness which may be issued by the port authority pursuant to this part are hereby made securities in which all state and municipal officers and bodies, all banks, bankers, trust companies, savings banks, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the electing state, may properly and legally invest any funds, including capital, belonging to them or within their control; and said bonds or other evidences of indebtedness are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency for any purpose for which the deposit of bonds or other evidences of indebtedness of the electing state is now or may hereafter be authorized. Such bonds or other evidences of indebtedness shall constitute negotiable instruments.

Notwithstanding the provisions of this or any other legislation the rentals received by the port authority from the leasing of any railroad cars under this part shall not be pooled or applied to the establishment or maintenance of any reserve fund of the port authority pledged as security for any bonds or other evidences of indebtedness other than those issued pursuant to this part, and the bonds or other evidences of indebtedness issued pursuant to this part shall not be included in measuring the principal amount of bonds or other evidences of indebtedness upon which the amount of any such reserve fund is calculated.

6. No taxes or assessments shall be levied or collected upon any railroad cars owned by the port authority pursuant to this part or upon any leasehold interest therein.

7. (a) The state of New York hereby elects pursuant to subdivision one of this section to provide for the purchase and rental by the port authority of railroad cars on the commuter railroads of this state. The commissioner of the department of transportation is hereby designated as the officer of this state for the approval of leases pursuant to subparagraph (v) of paragraph (a) of subdivision three of this section.

(b) In the event that this state shall make advances to the port authority for the purchase and rental of railroad cars, the port authority shall repay any such advances, pursuant to an appropriate written agreement with the director of the budget entered into prior to the requisitioning of such advances, out of money borrowed for such purpose under subparagraph (iii) of paragraph (a) of subdivision three of this section. Except as so repaid, such advances shall be repaid annually by the port authority to the extent and only to the extent that the port authority shall have received rentals, directly or indirectly, from all the commuter railroads of this state to which railroad cars have been

leased under this part in excess of the components of such rentals which represent the port authority's administrative, legal and financial expenses in connection with the purchase, ownership and lease.

(c) In the event that railroad cars purchased by the port authority are sold upon the default of any lessee thereof, the port authority shall deduct from the proceeds of such sale its unpaid administrative, legal and financial expenses in connection with such lease and sale and an amount equal to the unpaid principal and interest and mandatory redemption premiums, whenever payable, upon its outstanding bonds or other evidences of indebtedness, the proceeds of the issuance of which shall have been applied to the purchase of the railroad cars sold and shall pay the balance to this state, but the port authority shall have full authority to agree with any other creditors of such lessee, either in advance of or after default, as to the order of payment to the port authority and such other creditors, either out of the assets of such lessee available for such creditors, including the port authority, or out of the proceeds of the joint sale of various properties of such creditors theretofore used by such lessee, including such railroad cars of the port authority.

(d) Except as provided in paragraph (c) of this subdivision, any railroad cars purchased by the port authority with the proceeds of the issuance by the port authority of any series of bonds or other evidences of indebtedness shall become the property of this state after the final payment of all the bonds or other evidences of indebtedness of such series, and thereafter shall be held by the port authority subject to the disposition of this state, and any railroad cars purchased by the port authority with any advances from this state shall become the property of this state upon the repayment of all such advances solely out of rentals in excess of the port authority's administrative, legal and financial expenses in connection therewith; or if the proceeds of port authority bonds or other evidences of indebtedness of any series shall have been applied to repay all or any portion of such advances, then such cars shall become the property of this state upon the final payment of all such bonds or other evidences of such indebtedness of such series.

(e)(i) To the extent authorized by the constitution at the time of the issuance of bonds or notes of the port authority for any of the purposes of this part, the punctual payment of such bonds and notes shall be, and the same hereby is, fully and unconditionally guaranteed by the state of New York, both as to principal and interest, according to their terms; and such guaranty shall be expressed upon the face thereof by the signature or facsimile signature of the comptroller or a deputy comptroller of the state of New York. If the port authority shall fail to pay, when due, the principal of, or interest upon, such bonds or notes, such comptroller shall pay the holder thereof. In furtherance of such guaranty of punctual payment, if the comptroller of this state shall receive written notice from the trustee or other fiduciary or other duly authorized representative of the holder or holders of such bonds and notes designated in any agreement between the port authority and such holder or holders that the port authority has failed to make or deposit any payment of interest or principal required by such agreement to or with such trustee or fiduciary or otherwise at or before the time specified in such agreement, then such comptroller shall within three days of the receipt of such notice pay to such trustee or fiduciary or other duly authorized representative the amount necessary to meet any deficiency in the payment of such interest and principal, when due.

If the comptroller shall make a payment or payments pursuant to this subparagraph, the state shall be subrogated to the rights of the bondholders or noteholders to whom, or on account of whom, such payment or payments were made, in and to the revenues pledged to such holders; and for such purpose, to the extent any such revenues in the hands of the port authority may be inadequate to repay such payment or payments made by the state, the state shall be further subrogated to the rights of the port authority to recover any rentals due and unpaid to the port authority as of the date of such payment or payments and pledged to such holders as aforesaid.

(ii) Such bonds and notes shall be sold by the port authority in such manner and at such time as the port authority, with the approval of the comptroller, shall determine. The proceeds of each sale of bonds or notes shall be applied to the purpose or purposes set forth in the resolution of the port authority authorizing the issuance of such bonds or notes. If, after having accomplished the purpose or purposes set forth in such resolution there remains any unexpended balance (including interest earned by the port authority on such proceeds), such unexpended balance shall be applied by the port authority, to the extent practicable, to the purchase for retirement or to the redemption of bonds or notes included in such sale, or otherwise as the port authority may determine for the purposes of this part. If any commuter car, the acquisition of which is financed or refinanced by the issuance of bonds or notes under this part, be lost, damaged or destroyed, the proceeds of any insurance policies covering such loss, damage or destruction or any payments made to the port authority by the lessee of such car on account of such loss, damage or destruction shall be applied by the port authority, to the extent practicable, to the purchase for retirement or to the redemption of bonds or notes of such series, or otherwise as the port authority may determine for the purposes of this part.

(iii) The port authority is designated as the agent of the state of New York for the purpose of selling, leasing or otherwise disposing of any railroad cars which shall become the property of the state pursuant to paragraph (d) of this subdivision. As such agent the port authority may agree, upon such terms and conditions as may be deemed appropriate by it, with any lessee of railroad cars or with any other person, either in advance of or after the time when such cars shall become the property of the state, so to sell, lease or otherwise dispose of such cars. In the event any such cars are so sold, leased or otherwise disposed of by the port authority, the port authority shall pay over to the state, as promptly after receipt as may be practicable, any balance of the proceeds thereof, which remain after deduction of the port authority's administrative, legal and financial expenses in connection with or arising out of such sale, lease or other disposition.

PART XXIII
WORLD TRADE CENTER

Section 2301. World trade center.

§ 2301. World trade center. 1. The states of New York and New Jersey hereby find and determine:

(a) that the transportation of persons to, from and within the port of New York, and the flow of foreign and domestic cargoes to, from and through the port of New York are vital and essential to the preservation of the economic well-being of the northern New Jersey-New York metropolitan area;

(b) that in order to preserve the northern New Jersey-New York metropolitan area from economic deterioration, adequate facilities for the transportation of persons must be provided, preserved and maintained and that rail services are and will remain of extreme importance to such transportation of persons;

(c) that the interurban electric railway now or heretofore operated by the Hudson & Manhattan railroad company is an essential railroad facility serving the northern New Jersey-New York metropolitan area, that its physical plant is in a severely deteriorated condition, and that it is in extreme financial condition;

(d) that the immediate need for the maintenance and development of adequate railroad facilities for the transportation of persons between northern New Jersey and New York would be met by the acquisition, rehabilitation and operation of the said Hudson & Manhattan interurban electric railway by a public agency, and improvement and extensions of the rail transit lines of said railway to permit transfer of its passengers to and from other transportation facilities and in the provision of transfer facilities at the points of such transfers;

(e) that in order to preserve and protect the position of the port of New York as the nation's leading gateway for world commerce it is incumbent on the states of New York and New Jersey to make every effort to insure that their port receives its rightful share of the oceanborne cargo volumes generated by the economy of the nation;

(f) that the servicing functions and activities connected with the oceanborne and overseas airborne trade and commerce of the port of New York district as defined in the compact between the said two states dated April thirty, nineteen hundred twenty-one (hereinafter called the port district), including customs clearance, shipping negotiations, cargo routing, freight forwarding, financing, insurance arrangements and other similar transactions which are presently performed in various, scattered locations in the city of New York, state of New York, should be centralized to provide for more efficient and economical transportation of persons and more efficient and economical facilities for the exchange and buying, selling and transportation of commodities and other property in world trade and commerce;

(g) that unification, at a single, centrally located site, of the principal New York terminal of the aforesaid interurban electric railway and a facility of commerce accommodating the said functions and activities described in paragraph (f) of this subdivision and the appropriate governmental, administrative and other services connected with or incidental to transportation of persons and property and the promotion and protection of port commerce, and providing a central locale for exhibiting and otherwise promoting the exchange and buying and selling of commodities and property in world trade and commerce, will materially assist in preserving for the two states and the people thereof the material and other benefits of a prosperous port community;

(h) that the port authority, which was created by agreement of the two states as their joint agent for the development of the transportation and terminal facilities and other facilities of commerce of the port district and for the promotion and protection of the commerce of their port, is the proper agency to act in their behalf (either directly or by or through wholly-owned subsidiary corporations) to effectuate, as a unified project, the said interurban electric railway and its extensions and the facility of commerce described in paragraph (g) of this subdivision; and

(i) that the undertaking of the aforesaid unified project by the port authority has the single object of preserving, and is part of a unified plan to aid in the preservation of, the economic well-being of the northern New Jersey-New York metropolitan area and is found and determined to be in the public interest.

2. The following terms as used in this act shall have the following meanings:

(a) "Bonds" shall mean bonds, notes, securities or other obligations or evidences of indebtedness;

(b) "Effectuation" of a project or any facility or part of a facility constituting a portion of a project shall include but not be limited to its establishment, acquisition, construction, development, maintenance, operation, improvement (by way of betterments, additions or otherwise) and rehabilitation;

(c) "Exchange place terminal area" shall mean the area in the city of Jersey City, state of New Jersey, bounded generally by Exchange place and Montgomery street, by Warren street, by Pearl street, by Greene street, and by Morgan street as extended to the bulkhead line and by said bulkhead line, together with such additional contiguous area as may be agreed upon from time to time between the port authority and the said city;

(d) "General reserve fund statutes" shall mean chapter forty-eight of the laws of New York of nineteen hundred thirty-one as amended and continued by part XXIX of this article, and chapter five of the laws of New Jersey of nineteen hundred thirty-one as amended, and "general reserve fund" shall mean the general reserve fund of the port authority authorized by said statutes;

(e) "Hudson tubes" shall mean that portion of the port development project constituting a railroad facility consisting of the four interstate rail tunnels under the Hudson river now or heretofore owned or operated by the Hudson & Manhattan railroad company, the rail transit lines of the Hudson tubes, the balance of the interurban electric railway system in and through said tunnels and over said lines and incidental thereto (including but not limited to the portion of such lines and system now or heretofore operated jointly by said railroad company and the Pennsylvania railroad company), terminals, including but not limited to terminals in the Hudson tubes-world trade center area, in the Journal square terminal area and in the Exchange place terminal area, and other related railroad property;

(f) "Hudson tubes extensions" shall mean those portions of the port development project constituting passenger railroad facilities (1) extending directly from the rail transit lines of the Hudson tubes, over new rail transit lines or on or over the existing rail transit lines of other railroads, to transfer facilities in the rail passenger transfer area, for the transfer of passengers of the Hudson tubes to and from other railroads, and (2) extending from Pennsylvania station in the city of Newark, state of New Jersey, over new rail transit lines or on or over the existing rail transit lines of other railroads, to the vicinity of the city of Plainfield, state of New Jersey, including construction, reconstruction and improvement of necessary stations in and between the city of Newark and the vicinity of the city of Plainfield, together with such additional rail or other mass transportation, terminal, station, parking, storage and service facilities as operations may require, and shall include a connection to provide improved access to Newark international airport if and to the extent such connection shall not be otherwise provided by the port authority as air terminal facilities for said

airport, and (3) consisting of the following improvements to passenger railroad lines connecting with the Hudson tubes: (i) direct track connections between the rail transit lines of the Morris & Essex division of the Erie-Lackawanna railroad and the Penn Central transportation company in the vicinity of the town of Kearny in the state of New Jersey, (ii) replacement of the railroad bridge (known as the "portal bridge") operated by the Penn Central transportation company across the Hackensack river, (iii) direct track connections between the rail transit lines of the Bergen branch and the mail line of the Erie-Lackawanna railroad in the vicinity of the town of Secaucus in the state of New Jersey and between the new joint line resulting from such connections and the rail transit lines of the Penn Central transportation company in the vicinity of the town of Secaucus in the state of New Jersey, (iv) a new railroad yard in the vicinity of the town of Secaucus in the state of New Jersey for the accommodation of railroad passenger equipment, (v) improvements to Pennsylvania station in the city of New York, state of New York, and to its railroad approaches from the state of New Jersey, as necessary or desirable to improve operations and to increase train and passenger handling capacity, and (vi) such additional rail or other mass transportation, terminal, station, parking, storage and service facilities as operations may require with respect to any of the projects identified in this subparagraph or any of the foregoing or any portion thereof; and, in addition thereto, other related railroad property;

(g) "Hudson tubes-world trade center area" shall mean the area in the borough of Manhattan, city and state of New York, bounded generally by the east side of Church street on the east, the south side of Liberty street and the south side of Liberty street extended on the south, the Hudson river on the west, and on the north by a line beginning at the point of intersection of the Hudson river and the north side of Vesey street extended, running along the north side of Vesey street extended and the north side of Vesey street to the west side of Washington street, then along the west side of Washington street to the north side of Barclay street, then along the north side of Barclay street to the east side of West Broadway, then along the east side of West Broadway to the north side of Vesey street, then along the north side of Vesey street to the east side of Church street, together with such additional contiguous area as may be agreed upon from time to time between the port authority and the said city;

(h) "Journal square terminal area" shall mean the area in the city of Jersey City, state of New Jersey, bounded generally by Journal square, Hudson boulevard, Pavonia avenue, Summit avenue and Sip avenue, together with such additional contiguous area as may be agreed upon from time to time between the port authority and the said city;

(i) "Municipality" shall mean a county, city, borough, village, town, township or other similar political subdivision of New York or New Jersey;

(j) "Parking facilities" forming a part of the Hudson tubes or Hudson tubes extensions shall mean one or more areas, buildings, structures, improvements or other accommodations or appurtenances at or in the vicinity of any terminal or station of the Hudson tubes or Hudson tubes extensions and necessary, convenient or desirable in the opinion of the port authority for the parking of motor vehicles of users of the Hudson tubes or the Hudson tubes extensions and of members of the general public and for the parking and storage of omnibuses and railroad cars serving users of the Hudson tubes or the Hudson tubes extensions and for the transfer of the operators and passengers of such motor vehicles,

omnibuses and railroad cars to and from the railroad cars of the Hudson tubes or the Hudson tubes extensions, and for purposes incidental thereto;

(k) "Purposes of this part" shall mean the effectuation of the port development project and of each facility constituting a portion thereof and of each part of each such facility, and purposes incidental thereto;

(l) "Rail passenger transfer area" shall mean the area in the state of New Jersey bounded as follows: beginning on the west bank of the Hudson river at the southerly side of the right-of-way of the Central railroad of New Jersey easterly of the Communipaw station in the city of Jersey City, thence northwestwardly along said southerly side of the right-of-way of the Central railroad of New Jersey through the cities of Jersey City and Kearny to Broad street in the city of Newark; thence northwardly along Broad street to Clay street, thence eastwardly along Clay street to the boundary between the counties of Hudson and Essex in the Passaic river, thence northwardly along said boundary to its intersection with the boundary line between the counties of Bergen and Hudson, thence eastwardly and northwardly along said boundary to New Jersey state highway route three, thence eastwardly along said route three, the Lincoln tunnel viaduct and a line in continuation of said viaduct and tunnel to the west bank of the Hudson river, thence southwardly along said west bank to the point and place of beginning;

(m) "Rail transit lines" shall mean right-of-way and related trackage, and the "rail transit lines of the Hudson tubes" shall mean the rail transit lines beginning at the Market street station of the Pennsylvania railroad company in the city of Newark, state of New Jersey and extending generally (i) eastwardly along the joint service and operating route now or heretofore used by the Hudson & Manhattan railroad company and the Pennsylvania railroad company to the point of connection thereof with the tracks now or formerly of the Hudson & Manhattan railroad company in or about the Journal square terminal area; thence (ii) continuing eastwardly along the tracks and right-of-way now or heretofore used by the Hudson & Manhattan railroad company through the city of Jersey City, state of New Jersey and through the tunnels under the waters of the Hudson river and through Cortlandt and Fulton streets in the borough of Manhattan, city and state of New York to the Hudson terminal in the Hudson tubes-world trade center area; with a branch from the aforesaid route from a point located between the Grove street and Exchange place stations in said city of Jersey City northwardly and eastwardly to the Hoboken terminal station in the city of Hoboken, state of New Jersey and with a second branch from said first branch eastwardly and through the tunnels under the waters of the Hudson river to the said borough of Manhattan passing through or adjacent to Morton street, Greenwich street, Christopher street and the avenue of the Americas (formerly Sixth avenue) to the West Thirty-third street terminal in said borough of Manhattan; and rail transit lines of the Hudson tubes and of the Hudson tubes extensions shall in each case include such rail transit lines as the port authority may deem necessary, convenient or desirable to and from parking facilities, storage yards, maintenance and repair shops and yards forming part thereof;

(n) "Real property" shall mean lands, structures, franchises and interests in land, waters, lands under water and riparian rights and any and all things and rights included within said term, and includes not only fees simple absolute but also any and all lesser interests, including but not limited to easements, rights-of-way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or

right, legal or equitable, including terms for years, and liens thereon by way of judgments, mortgages or otherwise;

(o) "Related railroad property" shall mean any property, real, personal or mixed, necessary, convenient or desirable, in the opinion of the port authority, to the effectuation of a railroad facility which is a portion of the port development project and shall include but not be limited to rail transit lines; terminals and stations; power, fuel, communication, signal and ventilation systems; cars and other rolling stock; storage yards; repair and maintenance shops, yards, equipment and parts; parking facilities; transfer facilities for transfer of passengers between such railroad facility and other railroads or omnibuses; offices; and other buildings, structures, improvements, areas, equipment or supplies; and, in the case of buildings, structures, improvements or areas in which any one or more of such railroad functions are accommodated shall include all of such buildings, structures, improvements or areas notwithstanding that portions thereof may not be devoted to any of the purposes of the port development project other than the production of incidental revenue available for the expenses of all or part of the port development project, except that in the Hudson tubes-world trade center area the portions of such buildings, structures, improvements or areas constructed or established pursuant to this part which are not devoted primarily to railroad functions, activities or services or to functions, activities or services for railroad passengers shall be deemed a part of the world trade center and not related railroad property;

(p) "Surplus revenues" from any facility shall mean the balance of the revenues from such facility (including but not limited to the revenues of any subsidiary corporation incorporated for any of the purposes of this act) remaining at any time currently in the hands of the port authority after the deduction of the current expenses of the operation and maintenance thereof, including a proportion of the general expenses of the port authority as it shall deem properly chargeable thereto, which general expenses shall include but not be limited to the expense of protecting and promoting the commerce of the port district, and after the deduction of any amounts which the port authority may or shall be obligated or may or shall have obligated itself to pay to or set aside out of the current revenues therefrom for the benefit of the holders of any bonds legal for investment as defined in the general reserve fund statutes;

(q) "Surplus revenues of the port development project" shall mean the surplus revenues of the Hudson tubes, the Hudson tubes extensions and the world trade center; and

(r) "World trade center" shall mean that portion of the port development project constituting a facility of commerce consisting of one or more buildings, structures, improvements and areas necessary, convenient or desirable in the opinion of the port authority for the centralized accommodation of functions, activities and services for or incidental to the transportation of persons, the exchange, buying, selling and transportation of commodities and other property in world trade and commerce, the promotion and protection of such trade and commerce, governmental services related to the foregoing and other governmental services, including but not limited to custom houses, customs stores, inspection and appraisal facilities, foreign trade zones, terminal and transportation facilities, parking areas, commodity and security exchanges, offices, storage, warehouse, marketing and exhibition facilities and other facilities and accommodations for persons and property and, in the

case of buildings, structures, improvements and areas in which such accommodation is afforded, shall include all of such buildings, structures, improvements and areas other than portions devoted primarily to railroad functions, activities or services or to functions, activities or services for railroad passengers, notwithstanding that other portions of such buildings, structures, improvements and areas may not be devoted to purposes of the port development project other than the production of incidental revenue available for the expenses of all or part of the port development project.

3. In furtherance of the aforesaid findings and determinations and in partial effectuation of and supplemental to the comprehensive plan heretofore adopted by the two said states for the development of the said port district, the port authority is hereby authorized and empowered to establish, acquire, construct, effectuate, develop, own, lease, maintain, operate, improve and rehabilitate a project herein referred to as the port development project, which shall consist of a facility of commerce herein referred to as the world trade center, to be located within the Hudson tubes-world trade center area, and railroad facilities herein referred to as the Hudson tubes and the Hudson tubes extensions. The port authority shall proceed as rapidly as may be practicable to accomplish the purposes of this part.

The port authority is hereby authorized and empowered to establish, levy and collect such rentals, tolls, fares, fees and other charges as it may deem necessary, proper or desirable in connection with any facility or part of any facility constituting a portion of the port development project and to issue bonds for any of the purposes of this part and to provide for payment thereof, with interest upon and the amortization and retirement of such bonds, and to secure all or any portion of such bonds by a pledge of such rentals, tolls, fares, fees, charges and other revenues or any part thereof (including but not limited to the revenues of any subsidiary corporation incorporated for any of the purposes of this part), and to secure all or any portion of such bonds by mortgages upon any property held or to be held by the port authority (or by any such subsidiary corporation) for any of the purposes of this part, and for any of the purposes of this part to exercise all appropriate powers heretofore or hereafter delegated to it by the states of New York and New Jersey, including, but not limited to, those expressly set forth in this part. The surplus revenues of the port development project may be pledged in whole or in part as hereinafter provided.

Unless and until hereafter expressly authorized by the two states the port authority shall not: (a) operate or permit operation by others of its Hudson tubes railroad cars or other rolling stock or equipment or Hudson tubes extensions railroad cars or other rolling stock or equipment except upon the rail transit lines of the Hudson tubes or of the Hudson tubes extensions and also between the Market street station and the South street station of the Pennsylvania railroad company in the city of Newark, state of New Jersey; or (b) except by way of Hudson tubes extensions as herein defined, make additions, betterments or other improvements to or of said Hudson tubes or Hudson tubes extensions by way of extensions of their rail transit lines. Nothing herein contained shall be deemed to prevent the making by the port authority of such joint service or other agreements with railroads as it shall deem necessary, convenient or desirable for the use of the Hudson tubes and Hudson tubes extensions by the railroad cars or other rolling stock or equipment of such railroads and the acquisition of the rights of any or all parties in any joint service or other agreements the Hudson & Manhattan

railroad company or its successors shall have made with other railroads for such use of the Hudson tubes. The port authority shall not proceed with the effectuation of any railroad or railroad facility in addition to the Hudson tubes and the Hudson tubes extensions until hereafter expressly authorized by the two states. Nothing contained in this part shall authorize or empower the port authority to establish, construct or otherwise effectuate an air terminal.

4. The moneys in the general reserve fund may be pledged in whole or in part by the port authority as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds issued or incurred by it from time to time for any of the purposes of this part or upon bonds secured in whole or in part by the pledge of the revenues from the port development project or any portion thereof or upon bonds both so issued or incurred and so secured; and the moneys in said general reserve fund may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of any such bonds.

Subject to prior liens and pledges (and to the obligation of the port authority to apply revenues to the maintenance of its general reserve fund in the amount prescribed by the general reserve fund statutes), the revenues from facilities established, constructed, acquired or otherwise effectuated through the issuance or sale of bonds of the port authority secured in whole or in part by a pledge of its general reserve fund or any portion thereof may be pledged in whole or in part as security for or applied by it to any of the purposes of this part, including the repayment with interest of any moneys which it may raise upon bonds issued or incurred from time to time for any of the purposes of this part or upon bonds secured in whole or in part by the pledge of the revenues of the port authority from the port development project or any portion thereof or upon bonds both so issued or incurred and so secured; and said revenues may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of such bonds.

5. In all cases where the port authority has raised or shall hereafter raise moneys for any of the purposes of this part by the issue and sale of bonds which are secured in whole or in part by a pledge of the general reserve fund or any portion thereof, the surplus revenues from any facility constituting a portion of the port development project and financed in whole or in part out of the proceeds of such bonds and the surplus revenue from any other port authority facility the surplus revenues of which at such time may be payable into the general reserve fund shall be pooled and applied by the port authority to the establishment and maintenance of the general reserve fund in an amount equal to one-tenth of the par value of all bonds legal for investment, as defined in the general reserve fund statutes, issued by the port authority and currently outstanding, including such bonds issued for any of the purposes of this part; and all such moneys in said general reserve fund may be pledged and applied in the manner provided in the general reserve fund statutes.

In the event that any time the balance of moneys theretofore paid into the general reserve fund and not applied therefrom shall exceed an amount equal to one-tenth of the par value of all bonds upon the principal amount of which the amount of the general reserve fund is calculated, by reason of the retirement of bonds issued or incurred from time to time for any of the purposes of this part the par value of which had theretofore been included in the computation of said amount of the

general reserve fund, then the port authority may pledge or apply such excess for and only for the purposes for which it is authorized by the general reserve fund statutes to pledge the moneys in the general reserve fund and such pledge may be made in advance of the time when such excess may occur.

6. The two states covenant and agree with each other and with the holders of any affected bonds, as hereinafter defined, that so long as any of such bonds remain outstanding and unpaid and the holders thereof shall not have given their consent as provided in their contract with the port authority, the two states will not diminish or impair the power of the port authority (or any subsidiary corporation incorporated for any of the purposes of this part) to establish, levy and collect rentals, tolls, fares, fees or other charges in connection with any facility constituting a portion of the port development project or any other facility owned or operated by the port authority of which the revenues have been or shall be pledged in whole or in part as security for such bonds (directly or indirectly, or through the medium of the general reserve fund or otherwise), or to determine the quantity, quality, frequency or nature of the service provided in connection with each such facility.

"Affected bonds" as used in this subdivision shall mean bonds of the port authority issued or incurred by it from time to time for any of the purposes of this part or bonds as security for which there may or shall be pledged, in whole or in part, the general reserve fund or any reserve fund established by or pursuant to contract between the port authority and the holders of such bonds, or the revenues of the world trade center, Hudson tubes, Hudson tubes extensions or any other facility owned or operated by the port authority any surplus revenues of which would be payable into the general reserve fund, or bonds both so issued or incurred and so secured.

7. The port authority is authorized and empowered to co-operate with the states of New York and New Jersey, with any municipality, with the federal government and with any agency or commission of any one or more of the foregoing, or with any one or more of them, for and in connection with the acquisition, clearance, replanning, rehabilitation, reconstruction or redevelopment of the Hudson tubes-world trade center area or of any other area forming part of the port development project for the purpose of renewal and improvement of said area and for any of the purposes of this part, and to enter into an agreement or agreements (and from time to time to enter into agreements amending or supplementing the same) with any such municipality, commission or agency and with the states of New York and New Jersey and with the federal government, or with any one or more of them, for or relating to such purposes, including but not limited to agreements with respect to financial assistance, loans and grants as provided in title one of the housing act of nineteen hundred forty-nine and all federal laws amendatory and supplemental thereto and with respect to occupancy of space in the port development project. The port authority is hereby authorized and empowered to apply for and accept financial assistance, loans and grants for such purposes under federal, state or local laws, and to make application directly to the proper officials or agencies for and receive federal, state or local loans or grants in aid of any of the purposes of this part.

8. Notwithstanding any contrary provision of law, general, special or local, either state and any municipality and any commission or agency of either or both of said two states is authorized and empowered to co-operate with the port authority and to enter into an agreement or agree-

ments (and from time to time to enter into agreements amending or supplementing the same) with the port authority for and in connection with or relating to the acquisition, clearance, replanning, rehabilitation, reconstruction, or redevelopment of the Hudson tubes-world trade center area or of any other area forming part of the port development project for the purpose of renewal and improvement of said area as aforesaid and for any of the purposes of this part, upon such reasonable terms and conditions as may be determined by such state, municipality, agency or commission and the port authority. Such agreement may, without limiting the generality of the foregoing, include consent to the use by the port authority of any real property owned or to be acquired by said state, municipality, agency or commission and consent to the use by such state, municipality, agency or commission of any real property owned or to be acquired by the port authority which in either case is necessary, convenient or desirable in the opinion of the port authority for any of the purposes of this part, including such real property, improved or unimproved, as has already been devoted to or has been or is to be acquired for urban renewal or other public use, and as an incident to such consents such state, municipality, agency or commission may grant, convey, lease or otherwise transfer any such real property to the port authority and the port authority may grant, convey, lease or otherwise transfer any such real property to such state, municipality, agency or commission for such term and upon such conditions as may be agreed upon. If real property of such state, municipality, agency or commission be leased to the port authority for any of the purposes of this part, such state, municipality, agency or commission may consent to the port authority having the right to mortgage the fee of such property and thus enable the port authority to give as security for its bond or bonds a lien upon the land and improvements, but such state, municipality, agency or commission by consenting to the execution by the port authority of a mortgage upon the leased property shall not thereby assume and such consent shall not be construed as imposing upon such state, municipality, agency or commission any liability upon the bond or bonds secured by the mortgage.

Nothing contained in this subdivision shall impair or diminish the powers vested in either state or in any municipality, agency or commission to acquire, clear, replan, reconstruct, rehabilitate or redevelop substandard or insanitary or deteriorating areas and the powers herein granted to the state, municipality, agency or commission shall be construed to be in aid of and not in limitation or in derogation of any such powers, heretofore or hereafter conferred upon or granted to the state, municipality, agency or commission.

Nothing contained in this part shall be construed to authorize the port authority to acquire property now or hereafter vested in or held by any municipality without the authority or consent of such municipality, provided that the state in which said municipality is located may by statute enact that such property may be taken by the port authority by condemnation or the exercise of the right of eminent domain without such authority or consent; nor shall anything herein impair or invalidate in any way any bonded indebtedness of the state or such municipality, nor impair the provisions of law regulating the payment into sinking funds of revenues derived from municipal property, or dedicating the revenues derived from municipal property to a specific purpose.

The port authority is hereby authorized and empowered to acquire from any such municipality, or from any other agency or commission having jurisdiction in the premises, by agreement therewith, and such munici-

pality, agency or commission, notwithstanding any contrary provision of law, is hereby authorized and empowered to grant and convey, upon reasonable terms and conditions, any real property which may be necessary, convenient or desirable for any of the purposes of this part, including such real property as has already been devoted to a public use.

Any consent by a municipality shall be given and the terms, conditions and execution by a municipality of any agreement, deed, lease, conveyance or other instrument pursuant to this subdivision or any other provision of this part shall be authorized in the manner provided in article twenty-two of the compact of April thirty, nineteen hundred twenty-one between the two states creating the port authority. Any consent by either state shall be effective if given, and the terms and conditions and execution of any agreement, deed, lease, conveyance or other instruments pursuant to this subdivision or an other provision of this part shall be effective if authorized, by the governor of such state.

9. The states of New York and New Jersey hereby consent to suits, actions or proceedings by any municipality against the port authority upon, in connection with or arising out of any agreement, or any amendment thereof, entered into for any of the purposes of this part, as follows:

(a) for judgments, orders or decrees restraining or enjoining the port authority from transferring title to real property to other persons in cases where it has agreed with said municipality for transfer of such title to the municipality; and

(b) for judgments, orders or decrees restraining or enjoining the port authority from committing or continuing to commit other breaches of such agreement or any amendment thereof; provided, that such judgment, order or decree shall not be entered except upon two days' prior written notice to the port authority of the proposed entry thereof; and provided further that upon appeal taken by the port authority from such judgment, order or decree the service of the notice of appeal shall perfect the appeal and stay the execution of such judgment, order or decree appealed from without an undertaking or other security.

Nothing herein contained shall be deemed to revoke, rescind or affect any consent to suits, actions, or proceedings against the port authority heretofore given by the two said states in chapter three hundred one of the laws of New York of nineteen hundred fifty and continued by part XXIV of this article, and chapter two hundred four of the laws of New Jersey of nineteen hundred fifty-one.

10. The effectuation of the world trade center, the Hudson tubes and the Hudson tubes extensions, or any of such facilities constituting a portion of the port development project, are and will be in all respects for the benefit of the people of the states of New York and New Jersey, for the increase of their commerce and prosperity and for the improvement of their health and living conditions; and the port authority and any subsidiary corporation incorporated for any of the purposes of this part shall be regarded as performing an essential governmental function in undertaking the effectuation thereof, and in carrying out the provisions of law relating thereto.

11. The port authority shall be required to pay no taxes or assessments upon any of the property acquired or used by it for any of the purposes of this part or upon any deed, mortgage or other instrument affecting such property or upon the recording of any such instrument. However, to the end that no municipality shall suffer undue loss of

taxes and assessments by reason of the acquisition and ownership of property by the port authority for any of the purposes of this part, the port authority is hereby authorized and empowered, in its discretion, to enter into a voluntary agreement or agreements with any municipality whereby the port authority will undertake to pay in lieu of taxes a fair and reasonable sum or sums annually in connection with any real property acquired and owned by the port authority for any of the purposes of this part. Such sums in connection with any real property acquired and owned by the port authority for any of the purposes of this part shall not be more than the sum last paid as taxes upon such real property prior to the time of its acquisition by the port authority; provided, however, that in connection with any portion of the Hudson tubes-world trade center area acquired and owned by the port authority for any of the purposes of this part, after such property is improved pursuant to this part with world trade center buildings, structures or improvements greater in value than the buildings, structures or improvements on such Hudson tubes-world trade center area at the time of its acquisition by the port authority, then, with regard to such greater value, such sum or sums may be increased by such additional sum or sums annually as may be agreed upon between the port authority and the city of New York which will not include any consideration of the exhibit areas of the world trade center or of any areas which would be tax exempt in their own right if title were in the governmental occupants or of other areas accommodating services for the public or devoted to general public use. Each such municipality is hereby authorized and empowered to enter into such agreement or agreements with the port authority and to accept the payment or payments which the port authority is hereby authorized and empowered to make, and the sums so received by such municipality shall be devoted to purposes to which taxes may be applied unless and until otherwise directed by law of the state in which such municipality is located.

12. All details of the effectuation, including but not limited to details of financing, leasing, rentals, tolls, fares, fees and other charges, rates, contracts and service, of the world trade center, the Hudson tubes and the Hudson tubes extensions by the port authority shall be within its sole discretion and its decision in connection with any and all matters concerning the world trade center, the Hudson tubes and the Hudson tubes extensions shall be controlling and conclusive. The local laws, resolutions, ordinances, rules and regulations of the city of New York shall apply to such world trade center if so provided in any agreement between the port authority and the city and to the extent provided in any such agreement.

So long as any facility constituting a portion of the port development project shall be owned, controlled or operated by the port authority (either directly or through a subsidiary corporation incorporated for any of the purposes of this part), no agency, commission or municipality of either or both of the two states shall have jurisdiction over such facility nor shall any such agency, commission or municipality have any jurisdiction over the terms or method of effectuation of all or any portion thereof by the port authority (or such subsidiary corporation) including but not limited to the transfer of all or any portion thereof to or by the port authority (or such subsidiary corporation).

Nothing in this part shall be deemed to prevent the port authority from establishing, acquiring, owning, leasing, constructing, effectuating, developing, maintaining, operating, rehabilitating or improving all or any portion of the port development project through wholly owned

subsidiary corporations of the port authority or from transferring to or from any such corporations any moneys, real property or other property for any of the purposes of this part. If the port authority shall determine from time to time to form such a subsidiary corporation it shall do so by executing and filing with the secretary of state of New York and the secretary of state of New Jersey a certificate of incorporation, which may be amended from time to time by similar filing, which shall set forth the name of such subsidiary corporation, its duration, the location of its principal office, and the purposes of the incorporation which shall be one or more of the purposes of establishing, acquiring, owning, leasing, constructing, effectuating, developing, maintaining, operating, rehabilitating or improving all or any portion of the port development project. The directors of such subsidiary corporation shall be the same persons holding the offices of commissioners of the port authority. Such subsidiary corporation shall have all the powers vested in the port authority itself for the purposes of this part except that it shall not have the power to contract indebtedness. Such subsidiary corporation and any of its property, functions and activities shall have all of the privileges, immunities, tax exemptions and other exemptions of the port authority and of the port authority's property, functions and activities. Such subsidiary corporation shall be subject to the restrictions and limitations to which the port authority may be subject, including, but not limited to the requirement that no action taken at any meeting of the board of directors of such subsidiary corporation shall have force or effect until the governors of the two states shall have an opportunity, in the same manner and within the same time as now or hereafter provided by law for approval or veto of actions taken at any meeting of the port authority itself, to approve or veto such action. Such subsidiary corporation shall be subject to suit in accordance with subdivision nine of this section and chapter three hundred one of the laws of New York of nineteen hundred fifty as continued by part XXIV of this article, and chapter two hundred four of the laws of New Jersey of nineteen hundred fifty-one as if such subsidiary corporation were the port authority itself. Such subsidiary corporation shall not be a participating employer under the New York retirement and social security law or any similar law of either state and the employees of any such subsidiary corporation, except those who are also employees of the port authority, shall not be deemed employees of the port authority.

Whenever any state, municipality, commission, agency, officer, department, board or division is authorized and empowered for any of the purposes of this part to co-operate and enter into agreements with the port authority or to grant any consent to the port authority or to grant, convey, lease or otherwise transfer any property to the port authority or to execute any document, such state, municipality, commission, agency, officer, department, board or division shall have the same authorization and power for any of such purposes to co-operate and enter into agreements with such subsidiary corporation and to grant consents to such subsidiary corporation and to grant, convey, lease or otherwise transfer property to such subsidiary corporation and to execute documents for such subsidiary corporation.

13. The bonds issued by the port authority to provide funds for any of the purposes of this part are hereby made securities in which all state and municipal officers and bodies of both states, all trust companies and banks other than savings banks, all building and loan associations, savings and loan associations, investment companies and other persons carrying on a commercial banking business, all insurance companies,

insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever (other than savings banks), who are now or may hereafter be authorized by either state to invest in bonds of such state, may properly and legally invest any funds, including capital, belonging to them or within their control, and said bonds are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either state for any purpose for which the deposit of bonds of such state is now or may hereafter be authorized. The bonds issued by the port authority to provide funds for any of the purposes of this part as security for which the general reserve fund shall have been pledged in whole or in part are hereby made securities in which all savings banks also may properly and legally invest any funds, including capital, belonging to them or within their control.

14. If the port authority shall find it necessary, convenient or desirable to acquire (either directly or through a subsidiary corporation) from time to time any real property or any property other than real property (including but not limited to contract rights and other intangible personal property and railroad cars or other rolling stock, maintenance and repair equipment and parts, fuel and other tangible personal property), for any of the purposes of this part, whether for immediate or future use (including temporary construction, rehabilitation or improvement), the port authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for a public use, and upon such determination the said property shall be and shall be deemed to be required for such public use until otherwise determined by the port authority, and such determination shall not be affected by the fact that such property has theretofore been taken for and is then devoted to a public use; but the public use in the hands of or under the control of the port authority shall be deemed superior to the public use in the hands of any other person, association or corporation.

The port authority may acquire and is hereby authorized so to acquire from time to time, for any of the purposes of this part, such property, whether a fee simple absolute or a lesser estate, (including the exercise of the right of eminent domain) under and pursuant to the provisions of the eminent domain procedure law of the state of New York in the case of property located in or having its situs in such state, and revised statutes of New Jersey, title twenty: one-one et seq., in the case of property located in or having its situs in such state, or, at the option of the port authority, as provided in section fifteen of chapter forty-three of the laws of New Jersey of nineteen hundred forty-seven, as amended, in the case of property located in or having its situs in such state, or pursuant to such other and alternate procedure as may be provided by law of the state in which such property is located or has its situs; and all of said statutes for the acquisition of real property shall, for any of the purposes of this part, be applied also to the acquisition of other property authorized by this subdivision, except that such provisions as pertain to surveys, diagrams, maps, plans or profiles, assessed valuation, lis pendens, service of notice and papers, filing in the office of the clerk in which the real property affected is situated and such other provisions as by their nature cannot be applicable to property other than real property, shall not be applicable to the acquisition of such other property. In the event that any property other than real property is acquired by acquisition then, with

respect to such other property, notice of such proceeding and all subsequent notices or court processes shall be served upon the owners of such other property and upon the port authority by personal service or by registered or certified mail, except as may be otherwise directed by the court.

Anything herein to the contrary notwithstanding, any property to be acquired for any of the purposes of this part, which property shall not have been used by its owner or owners or any of his or their predecessors in connection with and shall not have been acquired by its owner or owners or any of his or their predecessors for use in connection with the effectuation by a railroad company or companies of the Hudson tubes or the Hudson tubes extensions prior to port authority acquisition, shall, if such property is personal property, be acquired only by agreement with the owner or owners and shall, if such property is not personal property, be acquired in an action or proceeding in the state in which such property is located or has its situs. Except as so provided, the port authority is hereby authorized and empowered, in its discretion, from time to time to combine any property which is to be acquired as aforesaid for any of the purposes of this part for acquisition in a single action or proceeding notwithstanding that part of the the property so to be acquired is located or has its situs in New Jersey and part in New York or is personal property or mixed real and personal property or may be owned by more than one owner; and, except as hereinafter provided, each such single action or proceeding to acquire property located or having it situs part in New Jersey and part in New York shall be pursuant to the laws of whichever of the two said states the port authority shall estimate contains the greater part in value of all the property to be acquired in such action or proceeding (hereinafter sometimes called the forum state) and in the court or courts specified in the laws of the forum state for the acquisition by the port authority of property located or having its situs in the forum state pursuant to this part, in which event, notwithstanding the location or situs of said property, each of said two states hereby confers upon it said court or courts jurisdiction of such action or proceeding and the port authority and any subsidiary corporation so acquiring such property and the owners of such property shall be bound by the judgments, orders or decrees therein. In any such action or proceeding the court or courts of the forum state shall apply the laws of valuation of the other state (hereinafter sometimes called the nonforum state) to the valuation of the property which is located or has it situs in the nonforum state and shall include in the total compensation to be made to any owner of property in both states being acquired in such action or proceeding the increment, if any, in the value of such property in both states, by reason of its being in a single ownership. If a judgment, order or decree in such an action or proceeding shall best title in or otherwise award to the authority the right to possession of property located or having its situs in the nonforum state, then the court or courts of the nonforum state shall grant full faith and credit to such judgment, order or decree and upon petition by the authority to the court or courts of the non forum state specified in the laws thereof for the acquisition by the port authority of property located or having its situs in the nonforum state pursuant to this act, presenting a true copy of such judgment, order or decree and proof that it is in effect, that any conditions thereof have been met, that at least five days' notice of such petition has been served by registered or certified mail upon all owners of the property affected who appeared in the original action or proceeding in

the forum state or who may be owners of record, and without further proof, a judgment, order or decree of such court or courts of the nonforum state shall be entered granting the authority possession of the property located or having its situs in the nonforum state and confirming any title which shall have vested in the authority or its subsidiary by the judgment, order or decree of the court or courts of the forum state.

The owner of any property acquired for any of the purposes of this part shall not be awarded for such property any increment above the just compensation required by the constitutions of the United States and of the state or states in which the property is located or has its situs by reason of any circumstances whatsoever.

Nothing herein contained shall be construed to prevent the port authority from bringing any proceedings to remove a cloud on title or such other proceedings as it may, in its discretion, deem proper and necessary, or from acquiring any such property by negotiation or purchase.

Where a person entitled to an award in the proceedings to acquire any property for any of the purposes of this part remains in possession of such property after the time of the vesting of title in the authority or its subsidiary, the reasonable value of his use and occupancy of such property subsequent to such time, as fixed by agreement or by the court in such proceedings or by any court of competent jurisdiction, shall be a lien against such award, subject only to liens of record at the time of the vesting of title in the authority or its subsidiary.

15. The port authority and its duly authorized agents, and all persons acting under its authority and by its direction, may enter in the daytime into and upon any real property for the purpose of making such surveys, diagrams, maps, plans, soundings or borings as the port authority may deem necessary, convenient or desirable for any of the purposes of this act.

16. Any declarations contained herein with respect to the governmental nature and public purpose of the world trade center, Hudson tubes and Hudson tubes extensions and to the exemption of the world trade center, Hudson tubes and Hudson tubes extensions property and instruments relating thereto from taxation and to the discretion of the port authority with respect to said facilities shall not be construed to imply that other port authority facilities, property and operations are not of a governmental nature or do not serve public purposes, or that they are subject to taxation, or that the determinations of the port authority with respect thereto are not conclusive. The powers hereby vested in the port authority and in any subsidiary corporation incorporated for any of the purposes of this part (including but not limited to the power to acquire real property by condemnation) shall be continuing powers and no exercise thereof by the port authority or a subsidiary corporation incorporated for any of the purposes of this part shall be deemed to exhaust them or any of them.

17. This subdivision and the preceding subdivisions hereof constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirty, nineteen hundred twenty-one and amendatory thereof, and shall be liberally construed to effectuate the purposes of said compact and of the comprehensive plan heretofore adopted by the two states, and the powers granted to the port authority shall be construed to be in aid of and not in limitation or in derogation of any other powers heretofore conferred upon or granted to the port authority.

18. If any subdivision, section, phrase, or provision of this part or the application thereof to any person or circumstances be adjudged invalid by any court of competent jurisdiction, so long as the part or remainder of the part shall nonetheless permit the effectuation, as a unified project, of the Hudson tubes, Hudson tubes extensions and the world trade center, such judgment shall be confined in its operation to the subdivision, part, phrase, provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this part or the application thereof to other persons or circumstances and the two states hereby declare that they would have entered into this part or the remainder thereof had the invalidity of such provision or application thereof been apparent.

PART XXIV
SUITS AGAINST THE PORT AUTHORITY

Section 2401. Suits against the port authority.
2402. Agreement between the states.

§ 2401. Suits against the port authority. 1. Upon the concurrence of the state of New Jersey in accordance with chapter three hundred one of the laws of nineteen hundred fifty, the states of New York and New Jersey consent to suits, actions or proceedings of any form or nature at law, in equity or otherwise (including proceedings to enforce arbitration agreements) against the port authority, and to appeals therefrom and reviews thereof, except as hereinafter provided in subdivisions two through five of this section.

2. The foregoing consent does not extend to suits, actions or proceedings upon any causes of action whatsoever accruing before the effective date of this part, other than causes of actions upon, in connection with, or arising out of notes, bonds or other obligations or securities secured by a pledge of the general reserve fund of the port authority.

3. The foregoing consent does not extend to suits, actions or proceedings upon any causes of action whatsoever, upon, in connection with, or arising out of any contract, express or implied, entered into or assumed by or assigned to the port authority before the effective date of this part (including any supplement to, or amendment, extension or renewal of any such contract, even if such supplement, amendment, extension or renewal is made on or after the effective date of this part), regardless of whether such cause of action accrued before or after that date, other than causes of action upon, in connection with or arising out of notes, bonds or other obligations or securities secured by a pledge of the general reserve fund of the port authority.

4. The foregoing consent does not extend to civil suits, actions or proceedings for the recovery of statutory penalties.

5. The foregoing consent does not extend to suits, actions or proceedings for judgments, orders or decrees restraining, enjoining or preventing the port authority from committing or continuing to commit any act or acts, other than suits, actions or proceedings by the attorney general of New York or by the attorney general of New Jersey--each of whom is hereby authorized to bring such suits, actions or proceedings in his discretion on behalf of any person or persons whatsoever who requests him so to do except in the cases excluded by subdivisions two, three and four of this section; provided, that in any such suit, action or proceeding, no judgment, order or decree shall be entered except upon

at least two days' prior written notice to the port authority of the proposed entry thereof.

6. The foregoing consent is granted upon the condition that venue in any suit, action or proceeding against the port authority shall be laid within a county or a judicial district, established by one of said states or by the United States, and situated wholly or partially within the port of New York district. The port authority shall be deemed to be a resident of each such county or judicial district for the purpose of such suits, actions or proceedings. Although the port authority is engaged in the performance of governmental functions, the said two states consent to liability on the part of the port authority in such suits, actions or proceedings for tortious acts committed by it and its agents to the same extent as though it were a private corporation.

7. The foregoing consent is granted upon the condition that any suit, action or proceeding prosecuted or maintained under this part shall be commenced within one year after the cause of action therefor shall have accrued, and upon the further condition that in the case of any suit, action or proceeding for the recovery or payment of money, prosecuted or maintained under this part, a notice of claim shall have been served upon the port authority by or on behalf of the plaintiff or plaintiffs at least sixty days before such suit, action or proceeding is commenced. The provisions of this section shall not apply to claims arising out of provisions of any workmen's compensation law of either state.

8. The notice of claim required by subdivision seven of this section shall be in writing, sworn to by or on behalf of the claimant or claimants, and shall set forth (1) the name and post office address of each claimant and of his attorney, if any, (2) the nature of the claim, (3) the time when, the place where and the manner in which the claim arose, and (4) the items of damage or injuries claimed to have been sustained so far as then practicable. Such notice may be served in the manner in which process may be served, or in lieu thereof, may be sent by registered mail to the port authority at its principal office. Where the claimant is a person under the age of eighteen years or is mentally or physically incapacitated and by reason of such disability no notice of claim is filed or suit, action or proceeding commenced within the time specified in subdivision seven of this section, or where a person entitled to make a claim dies and by reason of his death no notice of claim is filed or suit, action or proceeding commenced within the time specified in subdivision seven of this section then any court in which such suit, action or proceeding may be brought may in its discretion grant leave to serve the notice of claim and to commence the suit, action or proceeding within a reasonable time but in any event within three years after the cause of action accrued. Application for such leave must be made upon an affidavit showing the particular facts which caused the delay and shall be accompanied by a copy of the proposed notice of claim if such notice has not been served, and such application shall be made only upon notice to the port authority.

9. The commissioners, officers or employees of the port authority shall not be subject to suits, actions or proceedings for judgments, orders or decrees restraining, preventing or enjoining them in their official or personal capacities from committing or continuing to commit any act or acts on behalf of the port authority other than suits, actions and proceedings brought by the attorney general of New York or by the attorney general of New Jersey or by the port authority itself--each of said attorneys general being hereby authorized to bring such suits, actions or proceedings in his discretion on behalf of any person

or persons whatsoever who requests him so to do except in the cases excluded by subdivisions two, three and four of this section; provided, that in any such suit, action or proceeding brought by either attorney general, no judgment, order or decree shall be entered except upon at least two days' notice to the defendant of the proposed entry thereof.

10. Nothing herein contained shall be deemed to revoke, rescind or affect any consents to suits, actions or proceedings against the port authority heretofore given by the two said states in chapter eight hundred two of the laws of New York of nineteen hundred forty-seven, as amended and continued by part XII of this article, and chapter forty-three of the laws of New Jersey of nineteen hundred forty-seven, as amended; chapter six hundred thirty-one of the laws of New York of nineteen hundred forty-seven, as amended and continued by part XI of this article; chapter forty-four of the laws of New Jersey of nineteen hundred forty-seven, as amended, and chapter five hundred thirty-four of the laws of New York of nineteen hundred forty-eight and continued by part XI of this article and chapter ninety-seven of the laws of New Jersey of nineteen hundred forty-eight.

§ 2402. Agreement between the states. This part together with the act of the state of New Jersey concurring herein, shall constitute an agreement between the states of New York and New Jersey supplementary to and amendatory of the compact between the two said states dated April thirtieth, nineteen hundred twenty-one.

PART XXV
RULES AND REGULATIONS GOVERNING OPERATION OF HUDSON TUBES

Section 2501. Rules and regulations governing operation of Hudson tubes.

§ 2501. Rules and regulations governing operation of Hudson tubes. 1. The port authority having duly adopted the following rules and regulations, hereinafter set forth in this subdivision in relation to conduct within the territorial limits of the state of New York and at, on or in the Hudson tubes and Hudson tubes extensions operated by its wholly-owned subsidiary the port authority trans-Hudson corporation (hereinafter called "PATH"), the penalties and procedures for their enforcement prescribed in subdivision two shall apply to violations thereof.

RULES AND REGULATIONS

(a) No person shall smoke, carry or possess a lighted cigarette, cigar, pipe, match or any lighted instrument causing naked flame in or about any area, building or appurtenance or in any cars or other rolling stock of the Hudson tubes or Hudson tubes extensions where smoking has been prohibited by PATH and where appropriate signs to that effect have been posted.

(b) No person, unless duly authorized by PATH, shall in or upon any area, building, appurtenance, car or other rolling stock of the Hudson tubes or Hudson tubes extensions sell or offer for sale any article of merchandise or solicit any business or trade, including the carrying of bags for hire, the shining of shoes or bootblacking, or shall entertain any persons by singing, dancing or playing any musical instrument or solicit alms. No person, unless duly authorized by PATH, shall post, distribute or display commercial signs, circulars or other printed or written matter in or upon the Hudson tubes or Hudson tubes extensions.

(c) No person, who is unable to give satisfactory explanation of his presence, shall loiter about any car, or other rolling stock, area, building or appurtenance of the Hudson tubes or Hudson tubes extensions, or sleep therein or thereon.

(d) No person not authorized by PATH shall be permitted in or upon any car or other rolling stock or station or platform or parking facility within the Hudson tubes or Hudson tubes extensions, except upon payment in full of such fares, fees and other charges as may from time to time be prescribed by PATH. No person shall refuse to pay or evade or attempt to evade the payment in full of such fares, fees and other charges.

(e) No person shall spit upon, litter or create a nuisance or other insanitary condition in or on any car or other rolling stock, area, building or appurtenance of the Hudson tubes or Hudson tubes extensions.

(f) No person shall enter any car or other rolling stock, area, building or appurtenance of the Hudson tubes or Hudson tubes extensions with any animal, except an animal properly confined in an appropriate container or a guide dog properly harnessed and muzzled, accompanying a blind person carrying a certificate of identification issued by a guide dog school.

(g) No person shall get on any car or other rolling stock of the Hudson tubes or Hudson tubes extensions while it is in motion for the purpose of obtaining transportation thereon as a passenger nor shall any person wilfully obstruct, hinder or delay the passage of any such car or rolling stock. No person not authorized by PATH shall walk upon or along any right-of-way or related trackage of the Hudson tubes or Hudson tubes extensions.

2. Any violation of the provisions of paragraph (a) of subdivision one of this section, shall be an offense and shall be punishable for a first conviction thereof by a fine of not more than fifty dollars or imprisonment for not more than thirty days or both; for a second such conviction by a fine of not less than twenty-five dollars nor more than one hundred dollars or imprisonment for not more than sixty days or both; for a third or any other subsequent such conviction, by a fine of not less than fifty dollars nor more than two hundred dollars or by imprisonment for not more than sixty days or both. Any person who is guilty of violating any other provision of subdivision one of this section shall be guilty of an offense and shall be punishable by a fine not exceeding ten dollars or by imprisonment not exceeding thirty days or by both such fine and imprisonment for each conviction thereof.

PART XXVI
MASS TRANSPORTATION FACILITIES TO AIR TERMINALS

Section 2601. Mass transportation facilities to air terminals.

§ 2601. Mass transportation facilities to air terminals. 1. The states of New York and New Jersey hereby find and determine that:

(a) Each air terminal within the port of New York district serves the entire district, and the problem of furnishing proper and adequate air terminal facilities within the district is a regional and interstate problem;

(b) Access by land travel to the great airports serving the port of New York district, particularly John F. Kennedy and Newark international airports, is becoming increasingly difficult, and such access is necessary for the continued development of such airports which development is

vital and essential to the preservation of the economic well-being of the northern New Jersey-New York metropolitan area;

(c) Additional highway construction to serve these great airports is not feasible and creates severe problems in terms of increased air pollution and the preemption of land which might otherwise be devoted to park purposes and other desirable uses;

(d) Access to these airports by railroads or other forms of mass transportation must be undertaken if they are to maintain their preeminence and continue to serve the economic well-being of the northern New Jersey-New York metropolitan area;

(e) Such mass transportation facilities may properly be regarded as constituting a part of each air terminal, the development of which should be the responsibility of those charged with the duties of air terminal development;

(f) It is the purpose of this part to authorize and direct the port authority of New York and New Jersey to undertake one or more mass transportation access projects specifically with respect to John F. Kennedy and Newark international airports in order to preserve and develop the economic well-being of the northern New Jersey-New York metropolitan area, and such undertakings are found and determined to be in the public interest.

2. In furtherance of the aforesaid findings and determinations and in partial effectuation of the comprehensive plan heretofore adopted by the two states for the development of terminal and transportation facilities in the port of New York district, the port authority of New York and New Jersey is hereby specifically authorized to undertake pursuant to chapter forty-three of the laws of New Jersey of nineteen hundred forty-seven, as amended, and chapter eight hundred two of the laws of New York of nineteen hundred forty-seven, as amended and continued by part XII of this article, the following separate air terminal facilities:

(a) To provide access to Newark international airport. A railroad line connecting Newark international airport, including (i) appropriate mass transportation terminal facilities at and within the said airport; (ii) construction, reconstruction and improvement of suitable offsite facilities for the accommodation of air passengers, baggage, mail, express, freight and other users of the connecting facility; and (iii) such additional rail or other mass transportation, terminal, station, parking, storage and service facilities as operations may require.

(b) To provide access to John F. Kennedy international airport. A railroad line connecting John F. Kennedy international airport to the main line of the Long Island railroad in the county of Queens, including (i) a spur or branch to the Montauk line of the said railroad in the said county; (ii) appropriate mass transportation terminal facilities at and within the said airport; (iii) suitable offsite facilities for the accommodation of air passengers, baggage, mail, express, freight and other users of the connecting facility; and (iv) such additional rail or other mass transportation, terminal, station, parking, storage and service facilities, including improvements to the railroad approaches to Pennsylvania Station and Jamaica Terminal in the city of New York, as operations may require.

3. The port authority of New York and New Jersey is hereby authorized and empowered to acquire real property located within the port district by condemnation or the right of eminent domain pursuant to and in accordance with any of the procedures authorized by chapter forty-three of the laws of New Jersey of nineteen hundred forty-seven, as amended, in the case of property having its situs in the state of New Jersey, and

by chapter eight hundred two of the laws of New York of nineteen hundred forty-seven, as amended and continued by part XII of this article, in the case of property having its situs in the state of New York, for and in connection with the undertaking of the air terminal access facilities set forth in subdivision three of this section. Such authorization and power to acquire real property by condemnation or the right of eminent domain may not be exercised in connection with the undertaking of access facilities, other than the access facilities set forth in subdivision three of this section, unless authorized by the laws of the state in which such facilities are to be located.

4. The port authority of New York and New Jersey is hereby authorized and empowered in its discretion to enter into an agreement or agreements upon such terms and conditions as it may deem in the public interest, with the United States, the state of New Jersey, the state of New York, or any agency, department, commission, public authority, board or division of any of the foregoing, or any municipality or other public corporation in the state of New Jersey or in the state of New York, or any person, firm, association, company or corporation, or any two or more of the foregoing, to effectuate any one or more of the purposes of this part; and the state of New Jersey, the state of New York, or any agency, department, commission, public authority, board or division of either of the foregoing, or any municipality or other public corporation in the state of New Jersey or the state of New York, or any two or more of the foregoing, are hereby authorized and empowered to enter into an agreement or agreements with the port authority to effectuate any one or more of the purposes of this part.

5. If any section, phrase, or provision of this part, as hereby amended and supplemented or the application thereof to any person, project or circumstances, be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the section, part, phrase, provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this part or the application thereof to other persons, projects or circumstances and the two states hereby declare that they would have entered into this part or the remainder thereof had the invalidity of such provision or application thereof been apparent.

PART XXVII
INDUSTRIAL DEVELOPMENT PROJECTS AND FACILITIES

Section 2701. Findings and determinations.
2702. Definitions.
2703. Industrial development projects and facilities.

§ 2701. Findings and determinations. 1. The states of New York and New Jersey hereby find and determine:

a. that to prevent further deterioration of the economy of the port district and thereby to promote, preserve and protect trade and commerce in and through the port of New York district as defined in the compact between the two states dated April thirtieth, nineteen hundred twenty-one (hereinafter called the port district), it is the policy of each of the two states actively to promote, attract, encourage and develop economically sound commerce and industry through governmental action;

b. that in order to preserve and protect the position of the port of New York as the nation's leading gateway for world commerce, it is incumbent on the states of New York and New Jersey to make every effort

to insure that the port receives its rightful share of interstate and international commerce generated by the manufacturing, industrial, trade and commercial segments of the economy of the nation and of the port district;

c. that since nineteen hundred fifty the number of available jobs in the port district, particularly within the older central cities thereof, has decreased, thereby resulting in the underutilization of available land and other resources, the erosion of the port district's tax bases and a rate of unemployment substantially in excess of the national average;

d. that in order to preserve the port district from further economic deterioration, adequate industrial development projects and facilities must be provided, preserved and maintained to attract and retain industry within the port district;

e. that a number of new industrial development projects and facilities should be organized into industrial parks or districts;

f. that the construction of such industrial parks or districts shall conform to the policies of the two states with respect to affirmative action and equal employment opportunities;

g. that providing port district industrial development projects and facilities is in the public interest and involves the exercise of public and essential governmental functions which may include appropriate and reasonable limitations on competition and which must be performed by the two states, or any municipality, public authority, agency or commission of either state and by a joint agency of the two states to accomplish the purposes of this part;

h. that it is an objective of the two states, acting through the port authority, to facilitate reemployment of residents of the older cities through job training programs and employment opportunity priorities in connection with industrial development parks in their respective cities;

i. that the acquisition and the use by such joint agency of abandoned, undeveloped or underutilized land or land owned by governmental entities within the port district for the generation of jobs and to reduce the hazards of unemployment would promote, preserve and protect the industry, trade and commerce of the port district, and will materially assist in preserving for the two states and the people thereof the material and other benefits of a prosperous port community;

j. that the collection, disposal and utilization of refuse, solid waste or waste resulting from other treatment processes is an activity of concern to all citizens within the port district, that the health, safety and general welfare of the citizens within the port district require efficient and reasonable collection and disposal services and efficient utilization of such refuse, solid waste or waste resulting from other treatment processes with adequate consideration given to regional planning and coordination, and, therefore, that the construction and operation of any port district industrial development project and facility should conform to the environmental and solid waste disposal standards and state and county plans therefor in the state in which such project or facility is located;

k. that the dedication by the municipalities of the port district of refuse, solid waste or waste resulting from other treatment processes to resource recovery to permit the generation of lower priced energy and the recovery of useful materials, together with the commitment by such municipalities to pay fees to permit the delivery and removal after processing of such refuse or solid waste at rates and for periods of time at least sufficient to assure the continued furnishing of such

lower priced energy and material is in the public interest and would be a major incentive for the attraction and retention of industry within the port district;

l. that the port authority of New York and New Jersey (hereinafter called the port authority), which was created by agreement of the two states as a joint agent for the development of terminal, transportation and other facilities of commerce of the port district and for the promotion and protection of the commerce of the port, is a proper agency to act in their behalf (either directly or by any subsidiary corporation) to finance and effectuate such industrial development projects and facilities;

m. that it is desirable for the port authority, after consultation with the governing body of each municipality and within the city of New York the appropriate community board or boards and elsewhere another government entity or entities designated by such municipality in which industrial development projects or facilities are proposed to be located and with other persons, including but not limited to private real estate developers, to prepare and adopt a master plan providing for the development of such industrial development projects and facilities in the port district, which plan shall give consideration to the extent of unemployment and the general economic conditions of the respective portions of the port district and shall include among other things the locations and the nature and scope of such projects and facilities as may be included in the plan;

n. that the undertaking of such industrial development projects and facilities by the port authority has the single object of and is part of a unified plan to aid in preserving the economic well-being of the port district and is found and determined to be in the public interest;

o. that no such port district industrial development projects and facilities are to be constructed if the sole intent of the construction thereof would be the removal of an industrial or manufacturing plant of an occupant of such projects and facilities from one location to another location or in the abandonment of one or more plants or facilities of such occupant, unless such port district industrial development projects and facilities are reasonably necessary to discourage such occupant from removing such plant or facility to a location outside the port district or are reasonably necessary to preserve the competitive position of such project occupant in its industry;

p. that no such port district industrial development projects or facilities are to be constructed unless and until the port authority has entered into an agreement or agreements with the municipality in which any such project or facility is to be located with respect to payments in lieu of real estate taxes and the location, nature and scope of any project or facility;

q. that, subject to entering into said agreement or agreements, the port authority should have the ability to acquire, lease, vacate, clear and otherwise develop abandoned, undeveloped or underutilized property or property owned by governmental entities within the port district and to finance and construct industrial development projects and facilities.

§ 2702. Definitions. The following terms as used in this part shall have the following meanings:

a. "Bonds" shall mean bonds, notes, securities or other obligations or evidences of indebtedness;

b. "Effectuation" of any project or facility or part of any such project or facility shall include but not be limited to its establishment, acquisition, construction, development, maintenance, operation,

improvement (by way of betterments, additions or otherwise) and rehabilitation by the port authority or any other person and the provision of funds therefor through the issuance of obligations, the making or granting of loans or otherwise;

c. "General reserve fund statutes" shall mean chapter forty-eight of the laws of New York of nineteen hundred thirty-one as amended and continued by part XXIX of this article, and chapter five of the laws of New Jersey of nineteen hundred thirty-one as amended, and "general reserve fund" shall mean the general reserve fund of the port authority authorized by said statutes;

d. "Governing body" shall mean the board or body vested with the general legislative powers of the municipality in which an industrial development project or facility will be financed or effectuated pursuant to this part;

e. "Industrial development project or facility" or "port district industrial development project or facility" shall mean any equipment, improvement, structure or facility or any land, and any building, structure, facility or other improvement thereon, or any combination thereof, and all real and personal property, located within the New York portion of the port district or within a municipality in the New Jersey portion of the port district which qualified for state aid under the provisions of P.L., 1971, C.64 as most recently supplemented by P.L., 1978, C.14 or which may hereafter qualify for such aid, including, but not limited to, machinery, equipment and other facilities deemed necessary or desirable in connection therewith, or incidental thereto, whether or not now in existence or under construction, which shall be considered suitable by the port authority for manufacturing, research, non-retail commercial or industrial purposes within an industrial park, or for purposes of warehousing or consumer and supporting services directly related to any of the foregoing or to any other port authority project or facility; and which may also include or be an industrial pollution control facility or a resource recovery facility, provided that no such industrial development project or facility may include or be a facility used for the storage of chemicals, fuel or liquified natural gas unless incidental to the effectuation of such industrial development project or facility;

f. "Industrial pollution control facility" shall mean any equipment, improvement, structure or facility or any land, and any building, structure, facility or other improvement thereon, or any combination thereof, and all real and personal property, located within the port district, including, but not limited to, machinery, equipment and other facilities deemed necessary or desirable in the opinion of the port authority in connection therewith, or incidental thereto, whether or not now in existence or under construction, having to do with or the end purpose of which is the control, abatement or prevention of land, sewer, water, air, noise or general environmental pollution deriving from the operation of industrial, manufacturing, warehousing, commercial and research facilities, including, but not limited to any air pollution control facility, noise abatement facility, water management facility, waste water collecting system, waste water treatment works, sewage treatment works system, sewage treatment system or solid waste disposal facility or site, provided that no such industrial pollution control facility may include or be used as a site for organic landfill or be of a character or nature generally furnished or supplied by any other governmental entity where such industrial pollution control facility is located without the consent of such governmental entity;

g. "Municipality" means a city, county, town or village all or any part of which is located within the New York portion of the port district, or a city, county, town, borough or township all or any part of which is located within the New Jersey portion of the port district;

h. "Person" means any person, including individuals, firms, partnerships, associations, societies, trusts, public utilities, public or private corporations, or other legal entities, including public or governmental bodies, which may include the port authority, as well as natural persons. "Person" shall include the plural as well as the singular;

i. "Port authority" shall include the port authority and any subsidiary corporation now or hereafter incorporated for any of the purposes of this part; provided, however, as used in subdivisions four and five of section twenty-seven hundred three of this part it shall not include any such subsidiary corporation;

j. "Purposes of this part" shall mean the effectuation of industrial development projects and facilities and of each project or facility constituting a portion thereof and of each part of each project or facility, and purposes incidental thereto;

k. "Real property" shall mean lands, structures, franchises and interests in land, including air space and air rights, waters, lands under water, wetlands and riparian rights, and any and all things and rights included within the said term, and includes not only fees simple absolute but also any and all lesser interests, including but not limited to easements, rights-of-way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages or otherwise;

l. "Resource recovery facility" shall mean any equipment, improvement, structure or facility or any land, and any building, structure, facility or other improvement thereon, or any combination thereof, and all real and personal property located within the port district, including, but not limited to, machinery, equipment and other facilities deemed necessary or desirable in the opinion of the port authority in connection therewith, or incidental thereto, whether or not now in existence or under construction, for the disposal of refuse or other solid wastes or wastes resulting from other treatment processes and for the recovery and sale or use of energy and other resources from such refuse or other solid wastes or wastes resulting from other treatment processes, provided that no such resource recovery facility may include or be used as a site for organic landfill;

m. "Surplus revenues" from any facility shall mean the balance of the revenues from such facility (including but not limited to the revenues of any subsidiary corporation incorporated for any of the purposes of this part) remaining at any time currently in the hands of the port authority after the deduction of the current expenses of the operation and maintenance thereof, including a proportion of the general expenses of the port authority as it shall deem properly chargeable thereto, which general expenses shall include but not be limited to the expense of protecting and promoting the commerce of the port district, and after the deduction of any amounts which the port authority may or shall be obligated or may or shall have obligated itself to pay to or set aside out of the current revenues therefrom for the benefit of the holders of any bonds legal for investment as defined in the general reserve fund statutes;

n. "Surplus revenues of port district industrial development projects or facilities" shall mean the surplus revenues of all industrial development projects or facilities effectuated pursuant to the terms of this part.

§ 2703. Industrial development projects and facilities. 1. In furtherance of the findings and determinations detailed by section twenty-seven hundred one of this part, in partial effectuation of and supplemental to the comprehensive plan heretofore adopted by the two said states for the development of the said port district, and subject to the preparation and adoption of the plan authorized in subdivision two of this section and the execution of an agreement or agreements authorized by subdivisions eleven and twelve of this section, the port authority is hereby authorized, empowered and directed to establish, acquire, construct, effectuate, develop, own, lease, maintain, operate, improve, rehabilitate, sell, transfer and mortgage projects or facilities herein referred to as port district industrial development projects or facilities, as defined in this part.

The port authority is hereby authorized and empowered to establish, levy and collect such rentals, fares, fees and other charges as it may deem necessary, proper or desirable in connection with any facility or part of any facility constituting a portion of any port district industrial development project or facility and to issue bonds for any of the purposes of this part and to provide for payment thereof, with interest thereon, and for the amortization and retirement of such bonds, and to secure all or any portion of such bonds by a pledge of such rentals, fares, fees, charges and other revenues or any part thereon (including but not limited to the revenues of any subsidiary corporation incorporated for any of the purposes of this part) and to secure all or any portion of such bonds by mortgages upon any property held or to be held by the port authority for any of the purposes of this part, and for any of the purposes of this part to exercise all appropriate powers heretofore or hereafter delegated to it by the states of New York and New Jersey, including, but not limited to, those expressly set forth in this part. The surplus revenues of port district industrial development projects or facilities may be pledged in whole or in part as hereinafter provided.

2. The port authority is hereby authorized to initiate studies and prepare and adopt a master plan providing for the development of port district industrial development projects and facilities which shall include the location of such projects and facilities as may be included in the plan and shall to the maximum extent practicable include inter alia a general description of each of such projects and facilities, the land use requirements necessary therefor, and estimates of project costs, of project employment potential and of a schedule for commencement of each such project. Prior to adopting such master plan, the port authority shall give written notice to, afford a reasonable opportunity for comment, consult with and consider any recommendation made by the governing body of municipalities and within the city of New York the appropriate community board or boards and elsewhere another governmental entity or entities designated by such municipality in which industrial development projects or facilities are proposed to be located and with such other persons, including but not limited to private real estate developers, which in the opinion of the port authority is either necessary or desirable. The master plan shall include the port authority's estimate of the revenues to be derived by municipalities from each such industrial development project or facility and also a description of the

proposed additional arrangements with municipalities necessary or desirable for each such project or facility. The port authority may modify or change any part of such plan in the same form and manner as provided for the adoption of such original plan. At the time the port authority authorizes any industrial development project or facility, the port authority shall include with such authorization a statement as to the status of each project included in such master plan and any amendment thereof.

3. No industrial development project proposed to be located within the city of New York may be included in such master plan unless and until the mayor of the city of New York requests the port authority to conduct a comprehensive study of the feasibility of the effectuation of one or more industrial development projects or any parts thereof (including resource recovery or industrial pollution control facilities) in such city, which request shall specify the borough in which such comprehensive study is to take place; provided, however, that the president of any borough in which an industrial development project or facility is proposed to be located may within sixty days of receipt of notice of such request, and after consulting with and considering any recommendation made by the local borough improvement board, notify the port authority not to include any proposed industrial development project or facility within that county in such feasibility study. Any such request by the mayor of the city of New York may specify the facilities to be included in such industrial park project.

4. The moneys in the general reserve fund may be pledged in whole or in part by the port authority as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds issued or incurred by it from time to time for any of the purposes of this part or upon bonds secured in whole or in part by the pledge of the revenues from any industrial development project or facility or any portion thereof or upon bonds both so issued or incurred and so secured; and the moneys in said general reserve fund may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of any such bonds.

Subject to prior liens and pledges (and to the obligation of the port authority to apply revenues to the maintenance of its general reserve fund in the amount prescribed by the general reserve fund statutes), the revenues from facilities established, constructed, acquired or otherwise effectuated through the issuance or sale of bonds of the port authority secured in whole or in part by a pledge of its general reserve fund or any portion thereof may be pledged in whole or in part as security for or applied by it to any of the purposes of this part, including the repayment with interest of any moneys which it may raise upon bonds issued or incurred from time to time for any of the purposes of this part or upon bonds secured in whole or in part by the pledge of the revenues of the port authority from any industrial development project or facility or any portion thereof or upon bonds both so issued or incurred and so secured; and said revenues may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of such bonds.

5. In all cases where the port authority has raised or shall hereafter raise moneys for any of the purposes of this part by the issue and sale of bonds which are secured in whole or in part by a pledge of the general reserve fund or any portion thereof, the surplus revenues from industrial development projects or facilities financed in whole or in part out of the proceeds of such bonds and the surplus revenues from any

other port authority facility the surplus revenues of which at such time may be payable into the general reserve fund shall be pooled and applied by the port authority to the establishment and maintenance of the general reserve fund in an amount equal to one-tenth of the par value of all bonds legal for investment, as defined in the general reserve fund statutes, issued by the port authority and currently outstanding, including such bonds issued for any of the purposes of this part; and all such moneys in said general reserve fund may be pledged and applied in the manner provided in the general reserve fund statutes.

In the event that any time the balance of moneys theretofore paid into the general reserve fund and not applied therefrom shall exceed an amount equal to one-tenth of the par value of all bonds upon the principal amount of which the amount of the general reserve fund is calculated, by reason of the retirement of bonds issued or incurred from time to time for any of the purposes of this part the par value of which had theretofore been included in the computation of said amount of the general reserve fund, then the port authority may pledge or apply such excess for and only for the purposes for which it is authorized by the general reserve fund statutes to pledge the moneys in the general reserve fund and such pledge may be made in advance of the time when such excess may occur.

6. The two states covenant and agree with each other and with the holders of any bonds issued by the port authority for the purposes of this part, that so long as any of such bonds remain outstanding and unpaid and the holders thereof shall not have given their consent as provided in their contract with the port authority, the two states will not diminish or impair the power of the port authority to establish, levy and collect rentals, fares, fees or other charges in connection with industrial development projects or facilities or any other facility owned or operated by the port authority the revenues of which have been or shall be pledged in whole or in part as security for such bonds (directly or indirectly, or through the medium of the general reserve fund or otherwise), or to determine the quantity, quality, frequency or nature of any services provided by the port authority in connection with the operation of each project or facility. This subdivision shall not affect or diminish the provisions of subdivision twelve of this section.

7. The port authority is authorized and empowered to co-operate with the states of New York and New Jersey, with any municipality thereof, with any person, with the federal government and with any agency, public authority or commission or any one or more of the foregoing, or with any one or more of them, for and in connection with the acquisition, clearance, replanning, rehabilitation, reconstruction or redevelopment of any industrial development project or facility or of any other area forming part of any industrial development project or facility for the purpose of renewal and improvement of said area and for any of the purposes of this part, and to enter into an agreement or agreements (and from time to time to enter into agreements amending or supplementing the same) with any such person, municipality, commission, public authority or agency and with the states of New York and New Jersey and with the federal government, or with any one or more of them, for or relating to such purposes, including but not limited to agreements with respect to the dedication by the municipalities of the port district of refuse, solid waste or waste resulting from other treatment processes to resource recovery to permit the generation of lower priced energy and the recovery of useful materials; with respect to a commitment by such municipalities to pay fees to permit the delivery and removal after

processing of such refuse or solid waste at rates and for periods of time at least sufficient to assure the continued availability of such energy and recovered materials; with respect to financial assistance, loans and grants pursuant to any federal law now in effect or hereinafter enacted which would provide such financial assistance, loans and grants in connection with any of the purposes of this part, provided, that if either state shall have or adopt general legislation governing applications for such federal aid by municipalities, public authorities, agencies or commissions of such state or the receipt or disbursement of such federal aid by or on behalf of such municipalities, public authorities, agencies or commissions, then such legislation shall at the option of such state apply to applications by the port authority for such federal aid in connection with an industrial development project or facility located in such state and to the receipt and disbursement of such federal aid by or on behalf of the port authority, in the same manner and to the same extent as other municipalities, public authorities, agencies or commissions of such state; and, with respect to occupancy of space in any industrial development project or facility. The port authority is hereby authorized and empowered to apply for and accept financial assistance, loans and grants for such purposes under federal, state or local laws, and to make application directly to the proper officials or agencies for and receive federal, state or local loans or grants in aid of any of the purposes of this part. Nothing contained in this part shall be construed to limit or impair the power of the governor of the state of New York and the governor of the state of New Jersey to review the actions of the commissioners of the port authority as provided for in chapter seven hundred of the laws of New York of nineteen hundred twenty-seven, as amended and as continued by part IV of this article, and in chapter three hundred thirty-three of the laws of New Jersey of nineteen hundred twenty-seven, as amended, or to authorize the port authority to commence the effectuation of any industrial development project or facility unless and until the municipality in which such project or facility is to be located has consented to the commencement of such effectuation, with such consent to be provided for in the agreement authorized by subdivision eleven or subdivision twelve of this section. The port authority is authorized and empowered to enter into an agreement or agreements (and from time to time to enter into agreements amending or supplementing the same) with any public authority, agency or commission of either or both states to provide for the effectuation of any of the purposes of this part through a subsidiary corporation owned jointly by the port authority and any such public authority, agency or commission, and any such public authority, agency or commission is authorized and empowered to enter into such agreement or agreements with the port authority.

8. Notwithstanding any contrary provision of law, general, special or local, either state and any municipality thereof and any commission, public authority or agency of either or both of said two states is authorized and empowered to co-operate with the port authority and to enter into an agreement or agreements (and from time to time to enter into agreements amending or supplementing the same) with the port authority or with any other person for and in connection with or relating to the acquisition, clearance, replanning, rehabilitation, reconstruction, redevelopment, sale, transfer or mortgage of any industrial development project or facility or of any other area forming part of any industrial development project or facility for the purpose of renewal and improvement of said area as aforesaid or for any of the other

purposes of this part, including but not limited to the dedication by the municipalities of the port district of refuse, solid waste or waste resulting from other treatment processes to resource recovery to permit the generation of lower priced energy and the recovery of useful materials and a commitment by such municipalities to pay fees to permit the delivery and removal after processing of such refuse or solid waste at rates and for periods of time at least sufficient to assure the continued availability of such energy and recovered materials, upon such reasonable terms and conditions as may be determined by such state, municipality, public authority, agency or commission and the port authority. Such agreement may, without limiting the generality of the foregoing, further include consent to the use by the port authority or any other person of any real property owned or to be acquired by said state, municipality, public authority, agency or commission and consent to the use by such state, municipality, public authority, agency or commission of any real property owned or to be acquired by the port authority or by any other person which in either case is necessary, convenient or desirable in the opinion of the port authority for any of the purposes of this part, including such real property, improved or unimproved, as has already been devoted to or has been or is to be acquired for urban renewal or other public use, and as an incident to such consent such state, municipality, public authority, agency or commission may grant, convey, lease or otherwise transfer any such real property to the port authority or to any other person and the port authority may grant, convey, lease or otherwise transfer any such real property to such state, municipality, public authority, agency, commission or any other person for such term and upon such conditions as may be agreed upon. If real property of such state, municipality, public authority, agency or commission be leased to the port authority or to any other person for any of the purposes of this part, such state, municipality, public authority, agency or commission may consent to the port authority or any other person having the right to mortgage the fee of such property and thus enable the port authority or such other person to give as security for its bond or bonds a lien upon the land and improvements, but such state, municipality, public authority, agency or commission by consenting to the execution by the port authority or such other person of a mortgage upon the leased property shall not thereby assume and such consent shall not be construed as imposing upon such state, municipality, public authority, agency or commission any liability upon the bond or bonds secured by the mortgage. In connection with any of the purposes of this part, either state and any municipality thereof, any commission, public authority or agency of either or both of said two states, the port authority and any other person are empowered to enter into any other agreement or agreements (and from time to time to enter into agreements amending or supplementing same) which may provide inter alia for the establishment of prices or rates, a requirement that any person sell, lease or purchase any commodity or service from any other person, or any other similar arrangement.

Nothing contained in this subdivision shall impair or diminish the powers vested in either state or in any municipality, public authority, agency or commission to acquire, clear, replan, reconstruct, rehabilitate or redevelop abandoned, undeveloped or underutilized land and the powers herein granted to either state or any municipality, public authority, agency or commission shall be construed to be in aid of and not in limitation or in derogation of any such powers heretofore or

hereafter conferred upon or granted to such state, municipality, public authority, agency or commission.

Nothing contained in this part shall be construed to authorize the port authority to acquire, by condemnation or the exercise of the right of eminent domain, property now or hereafter vested in or held by either state or by any municipality, public authority, agency or commission without the authority or consent by such state, municipality, public authority, agency or commission, provided that the state under whose laws such public authority, agency or commission has been created may authorize by appropriate legislation the port authority to acquire any such property vested in or held by any such public authority, agency or commission by condemnation or the exercise of the right of eminent domain without such authority or consent; nor shall anything herein impair or invalidate in any way any bonded indebtedness of either state or any such municipality, public authority, agency or commission, nor impair the provisions of law regulating the payment into sinking funds of revenues derived from such property, or dedicating the revenues derived from such property to a specific purpose.

The port authority, subject to the express authority or consent of any such state, municipality, public authority, agency or commission, is hereby authorized and empowered to acquire from any such state or municipality, or from any other public authority, agency or commission having jurisdiction in the premises, by agreement therewith, and such state or municipality, public authority, agency or commission, notwithstanding any contrary provision of law, is hereby authorized and empowered to grant and convey, upon reasonable terms and conditions, any real property which may be necessary, convenient or desirable for any of the purposes of this part, including such real property as has already been devoted to a public use.

Notwithstanding any inconsistent provision of this section or part or any compact or general or special law, the port authority may not acquire any park lands for industrial development projects or facilities unless each such conveyance of such land is specifically authorized by the legislature of the state wherein the land is located.

Any consent by a municipality shall be given and the terms, conditions and execution by a municipality of any agreement, deed, lease, conveyance or other instrument pursuant to this subdivision or any other subdivision of this section shall be authorized in the manner provided in article twenty-two of the compact of April thirtieth, nineteen hundred twenty-one between the two states creating the port authority, except that as to towns in the state of New York, such consent shall be authorized in the manner provided in the town law and as to counties in the state of New Jersey, such consent shall be authorized in the manner provided in New Jersey statutes annotated, forty: one-one, et seq. Any consent by either state shall be effective if given, and the terms and conditions and execution of any agreement, deed, lease, conveyance or other instrument pursuant to this section or any other section of this part shall be effective if authorized by the governor of such state. Any consent by a public authority, agency or commission shall be effective if given by such public authority, agency or commission.

9. The states of New York and New Jersey hereby consent to suits, actions or proceedings by any municipality, public authority, agency or commission against the port authority upon, in connection with or arising out of any agreement, or any amendment thereof, entered into for any of the purposes of this part, as follows:

a. for judgments, orders or decrees restraining or enjoining the port authority from transferring title to real property to other persons in cases where it has agreed with said municipality, public authority, agency, or commission for transfer of such title to the municipality, public authority, agency or commission; and

b. for judgments, orders or decrees restraining or enjoining the port authority from committing or continuing to commit other breaches of such agreement or any amendment thereof; provided, that such judgment, order or decree shall not be entered except upon two days' prior written notice to the port authority of the proposed entry thereof; and provided further that upon appeal taken by the port authority from such judgment, order or decree the service of the notice of appeal shall perfect the appeal and stay the execution of such judgment, order or decree appealed from without an undertaking or other security.

Nothing herein contained shall be deemed to revoke, rescind or affect any consent to suits, actions, or proceedings against the port authority heretofore given by the two said states in chapter three hundred one of the laws of New York of nineteen hundred fifty and continued by part XIV of this article, and chapter two hundred four of the laws of New Jersey of nineteen hundred fifty-one.

10. The effectuation of industrial development projects or facilities of any such projects or facilities constituting a portion of any industrial development project or facility, are and will be in all respects for the benefit of the people of the states of New York and New Jersey, for the increase of their commerce and prosperity and for the improvement of their health and living conditions; and the port authority and any subsidiary corporation incorporated for any of the purposes of this part shall be regarded as performing an essential governmental function in undertaking the effectuation thereof, and in carrying out the provisions of law relating thereto.

11. The port authority shall be required to pay no taxes or assessments upon any of the property acquired and used by it for any of the purposes of this part or upon any deed, mortgage or other instrument affecting such property or upon the recording of any such instrument. However, to the end that no taxing jurisdiction shall suffer undue loss of taxes and assessments by reason of the acquisition and ownership of property by the port authority for any of the purposes of this part, the port authority is hereby authorized and empowered, in its discretion, to enter into a voluntary agreement or agreements with any city, town, township or village whereby the port authority will undertake to pay in lieu of taxes a fair and reasonable sum, if any, or sums annually in connection with any real property acquired and owned by the port authority for any of the purposes of this part and to provide for the payment as a rental or additional rental charge by any person occupying any portion of any industrial development project or facility either as lessee, vendee or otherwise of such reasonable sum, if any, or sums as hereinafter provided. Such sums in connection with any real property acquired and owned by the port authority for any of the purposes of this part shall not be more than the sum last paid as taxes upon such real property prior to the time of its acquisition by the port authority; provided, however, that in connection with any portion of any industrial development project or facility, which is owned by the port authority or another governmental entity and improved pursuant to this part with buildings, structures or improvements greater in value than the buildings, structures or improvements in existence at the time of its acquisition, development or improvement by the port authority, any person

occupying such portion of such industrial development project or facility either as lessee, vendee or otherwise shall, as long as title thereto shall remain in the port authority or in another governmental entity, pay as a rental or additional rental charge an amount in lieu of taxes, if any, not in excess of the taxes on such improvements and on personal property, including water and sewer service charges or assessments, which such person would have been required to pay had it been the owner of such property during the period for which such payment is made; provided further, however, that neither the port authority nor any of its projects, facilities, properties, monies or bonds and notes shall be obligated, liable or subject to lien of any kind whatsoever for the enforcement, collection or payment thereof. Each such city, town, township or village is hereby authorized and empowered to enter into such agreement or agreements with the port authority which agreement or agreements may also include provisions with respect to the joint review of categories of tenants proposed as occupants for industrial development projects or facilities with the cities, towns, townships or villages in which they are proposed to be located, and to accept the payment or payments which the port authority is hereby authorized and empowered to make or which are paid by a person occupying any such portion of such industrial development project or facility as rental or as additional rental in lieu of taxes, and the sums so received by such city, town, township or village shall be devoted to purposes to which taxes may be applied in all affected taxing jurisdictions unless and until otherwise directed by law of the state in which such city, town, township or village is located. At least ten days prior to the authorization by the port authority of any agreement provided for in this subdivision, the port authority shall notify the chief executive officer of each city in the port district within which an industrial development project or facility has been included in the master plan provided for in subdivision two of this section of the proposed authorization of such agreement, shall seek their comments and shall include with such authorization any comments received from such city. The port authority shall not sell or lease substantially all of an industrial development project or facility to a proposed purchaser or lessee without the prior approval by the municipality wherein the project or facility is located of such purchaser or lessee.

12. Except as otherwise specifically provided, all details of the effectuation, including but not limited to details of financing, leasing, rentals, fees and other charges, rates, contracts and service, of industrial development projects or facilities by the port authority shall be within its sole discretion and its decision in connection with any and all matters concerning industrial development projects or facilities shall be controlling and conclusive; provided that the construction and operation of any such project or facility shall conform to the environmental and solid waste disposal standards and any state and county plans therefor in the state in which such project or facility is located. At least ninety days prior to the authorization by the port authority of the first contract for the construction of any industrial development project or facility, the port authority shall transmit to the governor of the state in which such project or facility is to be located a statement as to the conformance of such industrial development project or facility with such environmental and solid waste disposal standards and any state and county plans therefor, and shall consult with such governor or his designee with respect thereto. The port authority and the city, town, township or village in which any indus-

trial development project or facility is to be located and for whose benefit such project or facility is undertaken are hereby authorized and empowered to enter into an agreement or agreements to provide which local laws, resolutions, ordinances, rules and regulations, if any, of such city, town, township or village affecting any industrial development project or facility shall apply to such project or facility. All other existing local laws, resolutions, ordinances or rules and regulations not provided for in such agreement shall be applicable to such industrial development projects or facilities. All such local laws, resolutions, ordinances or rules and regulations enacted after the date of such agreement or agreements shall not be applicable to such projects or facilities unless made applicable by such agreement or agreements or any modification or modifications thereto.

So long as any facility constituting a portion of any industrial development project or facility shall be owned, controlled or operated by the port authority, no public authority, agency, commission or municipality of either or both of the two states shall have jurisdiction over such project or facility nor shall any such public authority, agency, commission or municipality have any jurisdiction over the terms or method of effectuation of all or any portion thereof by the port authority including but not limited to the transfer of all or any portion thereof to or by the port authority; provided, however, the port authority is authorized and empowered to submit to the jurisdiction over such project or facility of either state or any department thereof or any such public authority, agency, commission or municipality when the exercise of such jurisdiction is necessary for the administration or implementation of federal environmental or solid waste disposal legislation by either state.

Nothing in this part shall be deemed to prevent the port authority from establishing, acquiring, owning, leasing, constructing, effectuating, developing, maintaining, operating, rehabilitating, improving, selling, transferring or mortgaging all or any portion of any industrial development project or facility through wholly owned subsidiary corporations of the port authority or subsidiary corporations owned by the port authority jointly with any public authority, agency or commission of either or both of the two states or from transferring to or from any such corporations any moneys, real property or other property for any of the purposes of this part. If the port authority shall determine from time to time to form such a subsidiary corporation it shall do so by executing and filing with the secretary of state of the State of New York and the secretary of state of the State of New Jersey a certificate of incorporation, which may be amended from time to time by similar filing, which shall set forth the name of such subsidiary corporation, its duration, the location of its principal office, any joint owners thereof, and the purposes of the incorporation which shall be one or more of the purposes of establishing, acquiring, owning, leasing, constructing, effectuating, developing, maintaining, operating, rehabilitating, improving, selling, transferring or mortgaging all or any portion of any industrial development project or facility. The directors of such subsidiary corporation shall be the same persons holding the offices of commissioners of the port authority together with persons representing any joint owner thereof as provided for in the agreement in connection with the incorporation thereof. Such subsidiary corporation shall have all the powers vested in the port authority itself for the purposes of this part except that it shall not have the power to contract indebtedness. Such subsidiary corporation and any of its prop-

erty, functions and activities shall have all of the privileges, immunities, tax exemptions and other exemptions of the port authority and of the port authority's property, functions and activities. Such subsidiary corporation shall be subject to the restrictions and limitations to which the port authority may be subject, including, but not limited to the requirement that no action taken at any meeting of the board of directors of such subsidiary corporation shall have force or effect until the governors of the two states shall have an opportunity, in the same manner and within the same time as now or hereafter provided by law for approval or veto of actions taken at any meeting of the port authority itself, to approve or veto such action. Such subsidiary corporation shall be subject to suit in accordance with subdivision nine of this section and chapter three hundred one of the laws of New York of nineteen hundred fifty and continued by part XIV of this article, and chapter two hundred four of the laws of New Jersey of nineteen hundred fifty-one as if such subsidiary corporation were the port authority itself. Such subsidiary corporation may be a participating employer under the New York retirement and social security law or any similar law of either state and the employees of any such subsidiary corporation, except those who are also employees of the port authority, shall not be deemed employees of the port authority.

Whenever any state, municipality, commission, public authority, agency, officer, department, board or division is authorized and empowered for any of the purposes of this part to co-operate and enter into agreements with the port authority or to grant any consent to the port authority or to grant, convey, lease or otherwise transfer any property to the port authority or to execute any document, such state, municipality, commission, public authority, agency, officer, department, board or division shall have the same authorization and power for any of such purposes to co-operate and enter into agreements with such subsidiary corporation and to grant consents to such subsidiary corporation and to grant, convey, lease or otherwise transfer property to such subsidiary corporation and to execute documents for such subsidiary corporation.

13. The bonds issued by the port authority to provide funds for any of the purposes of this part are hereby made securities in which all state and municipal officers and bodies of both states, all trust companies and banks other than savings banks, all building and loan associations, savings and loan associations, investment companies and other persons carrying on a commercial banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever (other than savings banks), who are now or may hereafter be authorized by either state to invest in bonds of such state, may properly and legally invest any funds, including capital, belonging to them or within their control, and said bonds are hereby made securities which may properly and legally be deposited with and shall be received by any state or municipal officer or agency of either state for any purpose for which the deposit of bonds of such state is now or may hereafter be authorized. The bonds issued by the port authority to provide funds for any of the purposes of this part as security for which the general reserve fund shall have been pledged in whole or in part are hereby made securities in which all savings banks also may properly and legally invest any funds including capital, belonging to them or within their control.

14. Subsequent to and subject to the execution of the agreement or agreements authorized by subdivisions eleven and twelve of this section

the projects and facilities and at the locations specified therein, if the port authority shall find it necessary, convenient or desirable to acquire from time to time any real property or any property other than real property (including but not limited to contract rights and other tangible or intangible personal property), for any of the purposes of this act whether for immediate or future use (including temporary construction, rehabilitation or improvement), the port authority may find and determine that such property, whether a fee simple absolute or a lesser interest, is required for a public use, and upon such determination the said property shall be and shall be deemed to be required for such public use until otherwise determined by the port authority, and such determination shall not be affected by the fact that such property has theretofore been taken for and is then devoted to a public use; but the public use in the hands of or under the control of the port authority shall be deemed superior to the public use in the hands of any other person, association or corporation.

The port authority may acquire and is hereby authorized so to acquire from time to time, for any of the purposes of this part, such property, whether a fee simple absolute or a lesser estate, by condemnation (including the exercise of the right of eminent domain) under and pursuant to the provisions of the eminent domain procedure law of the state of New York in the case of property located in or having its situs in such state, and chapter three hundred sixty-one of the laws of New Jersey of nineteen hundred seventy-one, in the case of property located in or having its situs in such state, or, at the option of the port authority, as provided in section fifteen of chapter forty-three of the laws of New Jersey of nineteen hundred forty-seven, as amended, in the case of property located in or having its situs in such state, or pursuant to such other and alternate procedure as may be provided by law of the state in which such property is located or has its situs; and all of said statutes for the acquisition of real property shall, for any of the purposes of this part, be applied also to the acquisition of other property authorized by this subdivision, except that such provisions as pertain to surveys, diagrams, maps, plans or profiles, assessed valuation, lis pendens, service of notice and papers, filing in the office of the clerk in which the real property affected is situated and such other provisions as by their nature cannot be applicable to property other than real property, shall not be applicable to the acquisition of such other property. In the event that any property other than real property is acquired for any of the purposes of this part under this section then, with respect to such other property, notice of such proceeding and all subsequent notices or court processes shall be served upon the owners of such other property and upon the port authority by personal service or by registered or certified mail, except as may be otherwise directed by the court.

The port authority is hereby authorized and empowered, in its discretion, from time to time to combine any property which is to be acquired as aforesaid by condemnation for any of the purposes of this part for acquisition in a single action or proceeding notwithstanding that part of the property so to be acquired is personal property or mixed real and personal property or may be owned by more than one owner.

The owner of any property acquired by condemnation or the exercise of the right of eminent domain for any of the purposes of this act shall not be awarded for such property any increment above the just compensation required by the constitutions of the United States and of the

state or states in which the property is located or has its situs by reason of any circumstances whatsoever.

Nothing herein contained shall be construed to prevent the port authority from bringing any proceedings to remove a cloud on title or such other proceedings as it may, in its discretion, deem proper and necessary, or from acquiring any such property by negotiation or purchase.

Where a person entitled to an award in the proceedings for the acquisition of property by condemnation or the right of eminent domain for any of the purposes of this part remains in possession of such property after the time of the vesting of title in the port authority, the reasonable value of this use and occupancy of such property subsequent to such time, as fixed by agreement or by the court in such proceedings or by any court of competent jurisdiction, shall be a lien against such award, subject only to liens of record at the time of the vesting of title in the port authority.

15. The port authority and its duly authorized agents, and all persons acting under its authority and by its direction, may enter in the daytime into and upon any real property for the purpose of making such surveys, diagrams, maps, plans, soundings or borings as the port authority may deem necessary, convenient or desirable for any of the purposes of this part.

16. Any declarations contained herein with respect to the governmental nature and public purpose of any industrial development project or facility and to the exemption of any industrial development project or facility property and instruments relating thereto from taxation and to the discretion of the port authority with respect to said projects or facilities shall not be construed to imply that other port authority facilities, property and operations are not of a governmental nature or do not serve public purposes, or that they are subject to taxation, or that the determinations of the port authority with respect thereto are not conclusive. The powers hereby vested in the port authority and in any subsidiary corporation incorporated for any of the purposes of this act (including but not limited to the power to acquire real property by condemnation or the exercise of the right of eminent domain) shall be continuing powers and no exercise thereof by the port authority or a subsidiary corporation incorporated for any of the purposes of this part shall be deemed to exhaust them or any of them.

17. This subdivision and the preceding subdivisions hereof constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirtieth, nineteen hundred twenty-one and amendatory thereof, and shall be liberally construed to effectuate the purposes of said compact and of the comprehensive plan heretofore adopted by the two states, and the powers granted to the port authority shall be construed to be in aid of and not in limitation or in derogation of any other powers, heretofore conferred upon or granted to the port authority.

18. If any section, phrase, or provision of this part or the application thereof to any person or circumstances be adjudged invalid by any court of competent jurisdiction, so long as the section or remainder of the part shall nonetheless permit the effectuation, as a unified project, of any industrial development project or facility, such judgment shall be confined in its operation to the section, part, phrase, provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this act or the application thereof to

other persons or circumstances and the two states hereby declare that they would have entered into this part or the remainder thereof had the invalidity of such provision or application thereof been apparent.

19. A copy of the minutes of any action taken at any meeting of the port authority in connection with any modification, addition or deletion in or to any or all of the covenants with or pledges to bondholders contained in a resolution authorizing the issuance of consolidated bonds of the port authority from such covenants or pledges set forth in the immediately preceding resolution of the port authority authorizing the issuance of such bonds shall be filed with the temporary president and minority leader of the senate and the speaker and minority leader of the assembly of the state of New York and the secretary of the senate and clerk of the general assembly of the state of New Jersey within ten calendar days prior to transmitting the same to the governor of each state for review if the legislature of such state be in session and not adjourned for more than two days, and, in the event the legislatures of the respective states are not in session or are adjourned for more than two days, the same shall be filed with such officers thirty calendar days prior to transmitting the same to the governor of each state for review. Notice of such filing shall be provided to the governor of each state at the same time.

The temporary president and minority leader of the senate and the speaker and minority leader of the assembly of the state of New York and the speaker of the general assembly and the president of the senate of the state of New Jersey, or their representatives designated by them in writing for this purpose, may by certificate filed with the secretary of the port authority waive the foregoing filing requirement with respect to any specific minutes.

20. The port authority shall file with the temporary president and minority leader of the senate, the speaker and minority leader of the assembly, the chairman of the assembly ways and means committee and the chairman of the senate finance committee of the state of New York and the president, minority leader and secretary of the senate and the speaker and minority leader and clerk of the general assembly of the state of New Jersey a copy of the minutes of any action taken at any public meeting of the port authority in connection with any of the purposes of this part. Such filing shall be made at least ten calendar days before such minutes are transmitted to the governor of each state for review; and notice of such filing shall be provided to the governor of each state at the same time.

The temporary president and minority leader of the senate, the speaker and minority leader of the assembly, the chairman of the assembly ways and means committee and the chairman of the senate finance committee of the state of New York and the speaker and minority leader of the general assembly and the president and the minority leader of the senate of the state of New Jersey, or their representatives designated by them in writing for this purpose, may by certificate filed with the secretary of the port authority waive the foregoing filing requirement with respect to any specific minutes.

21. The comptroller of the state of New York and the treasurer of the state of New Jersey may each from time to time request a special report with such information as each such officer may require with respect thereto from the port authority with respect to any or all industrial development projects or facilities.

PART XXVIII
BUS TRANSPORTATION

Section 2801. Findings and determinations.
2802. Definitions.
2803. Bus transportation.

§ 2801. Findings and determinations. The states of New York and New Jersey hereby find and determine that:

1. The efficient, economical and convenient mass transportation of persons to, from and within the port district as defined in the compact between the two states dated April thirtieth, nineteen hundred twenty-one is vital and essential to the preservation and economic well being of the northern New Jersey-New York metropolitan area;

2. In order to deter the economic deterioration of the northern New Jersey-New York metropolitan area adequate facilities for the mass transportation of persons must be provided and buses are and will remain of extreme importance in such transportation;

3. The provision of mass transportation including bus transportation in urban areas has become financially burdensome and may result in the additional curtailment of significant portions of this essential public service;

4. The economic viability of the existing facilities operated by the port authority is dependent upon the effective and efficient functioning of the transportation network of the northern New Jersey-New York metropolitan area and access to and proper utilization of such port authority facilities would be adversely affected if users of bus transportation were to find such transportation unavailable or significantly curtailed;

5. Buses serving regional bus routes and feeder bus routes and ancillary bus facilities constitute an essential part of the mass commuter facilities of the port district;

6. The continued availability of bus transportation requires substantial replacement of and additions to the number of buses presently in use in the northern New Jersey-New York metropolitan area;

7. The port authority which was created by agreement of the two states as their joint agent for the development of transportation and terminal facilities and other facilities of commerce of the port district and for the promotion and protection of the commerce of their port, is a proper agency to provide such buses to each of the two states and such provision of buses by the port authority is in the interest of the continued viability of the facilities of the port authority, and is in the public interest;

8. The operation of the facilities of the port authority, including but not limited to the port authority bus terminal at forty-first street and eighth avenue in New York county in the city and state of New York and the extension thereto currently under construction (hereinafter called the "bus terminal"), the George Washington bridge bus station and the provision of buses and ancillary bus facilities pursuant to this part involve the exercise of public and essential governmental functions which must be performed by the two states or any municipality, public authority, agency, or commission of either or both states;

9. The revision to the port authority bridge and tunnel toll schedules which was effective May fifth, nineteen hundred seventy-five, is expected to result in additional revenues to the port authority sufficient to support the financing with consolidated bonds of the port authority of approximately four hundred million dollars for passenger mass transportation capital projects (hereinafter called "passenger

facilities"), approximately one hundred sixty million dollars thereof being allocated to the extension to the bus terminal, with the remaining two hundred forty million dollars to be allocated on the basis of one hundred twenty million dollars in each state for passenger facilities, including but not limited to the acquisition, development and financing of buses and related facilities, as determined by each such state and the port authority acting pursuant to legislative authorization and commitments to the holders of port authority obligations; and

10. The port authority's function as a regional agency of the two states makes it appropriate that line-haul regional bus route passenger facilities be equipped pursuant to this part with buses and ancillary bus facilities and that the need for development and equipment of such routes be satisfied on a priority basis.

§ 2802. Definitions. For the purpose of this part:

1. "Ancillary bus facilities" shall mean any facilities useful in the provision of service for line-haul regional or feeder bus routes including but not limited to (a) fare collection, communication, signal and identification equipment, (b) equipment to aid in the provision of bus service to the elderly and handicapped, (c) maintenance, repair and storage facilities and equipment, and (d) bus stations for use primarily by passengers traveling between New York and New Jersey; automobile parking lots for use by people who transfer to buses on line-haul regional bus routes or feeder bus routes; and shelters at roadside bus stops to afford waiting bus passengers protection from precipitation and wind;

2. "Buses" shall mean vehicles containing seats for twelve or more passengers which are designed for and regularly used in scheduled common carrier passenger mass transportation service on streets, highways and exclusive busways and which are not designed or used for railroad purposes;

3. "Consolidated bonds" shall mean consolidated bonds of the issue established by the resolution of the port authority, adopted October ninth, nineteen hundred fifty-two;

4. "Develop" shall mean plan, design, construct, improve or rehabilitate;

5. "Feeder bus routes" shall mean those bus routes entirely within the regional bus area which connect within the port district with a bus stop on a line-haul regional bus route, a passenger ferry, or a railroad station;

6. "Line-haul regional bus routes" shall mean bus routes which are entirely within the regional bus area and which extend from a point outside the county in which the bus terminal is located to a point in such county;

7. "Municipality" shall mean a county, city, borough, village, town, township, or other similar political subdivision of New York or New Jersey;

8. "Person" shall mean any person, including individuals, firms, partnerships, associations, societies, trusts, public utilities, public or private corporations, or other legal entities, including public or governmental bodies, which may include the port authority, as well as natural persons;

9. "Railroad station" shall mean a stop on a rail or subway system at which passengers embark or disembark; and

10. "Regional bus area" shall mean that area in the states of New York and New Jersey which lies within a radius of seventy-five miles of the bus terminal.

§ 2803. Bus transportation. 1. The port authority is authorized and empowered to acquire, develop, finance, and transfer buses and ancillary bus facilities for the purpose of leasing, selling, transferring or otherwise disposing of such buses and ancillary bus facilities only to the state of New York and the state of New Jersey or to any public authority, agency, commission, city or county thereof and designated by such state (hereinafter called the "lessee"). Such buses may be used only on line-haul regional bus routes or on feeder bus routes and such ancillary bus facilities shall be developed for and used in connection with buses which travel on line-haul regional bus routes or feeder bus routes; provided, however, that (a) such buses may be used for charter bus trips which originate in the regional bus area, which take place when such buses are not needed for service on line-haul regional bus routes or feeder bus routes, and which comply with all applicable requirements including but not limited to those of the port authority and the lessee; and (b) provided that fare collection, communication and identification equipment and maintenance, repair and storage facilities and equipment acquired pursuant to this act may be utilized in connection with bus service which is not on line-haul regional or feeder bus routes to the extent that such utilization shall comply with all applicable requirements including but not limited to those of the port authority and the lessee. Ancillary bus facilities which are not located on buses or which are not otherwise intended to be moved from place to place shall be located only within the port district.

2. Any such lease, sale, transfer or other disposition of buses and ancillary bus facilities shall be on such terms and conditions, including consideration, consistent with this part as the port authority shall deem in the public interest and which shall be acceptable to the port authority and the lessee. Notwithstanding any contrary provision of law, general, special or local, part of the consideration for any such lease or transfer shall consist of an agreement by the lessee to maintain and use such buses and ancillary bus facilities, or cause such buses and ancillary bus facilities to be maintained and used by others under agreement with the lessee, in the effective and efficient transportation of passengers in accordance with this act and the port authority may accept such agreement in lieu of any other consideration for such lease or transfer. The lessee shall be responsible for the proper operation, maintenance, repair and use of the buses and ancillary bus facilities and the port authority shall not be liable in any respect by reason of the ownership, development, operation, maintenance, repair or use of such buses and ancillary bus facilities. Anything contained in this part to the contrary notwithstanding, development of such buses and ancillary bus facilities and introduction into service of such buses shall be subject to the approval of the lessee.

3. The two states covenant and agree with each other and with the holders of the present and future obligations of the port authority that (a) the lessee of buses or ancillary bus facilities leased, transferred or otherwise disposed of pursuant to this part shall be required to defend and to provide for indemnification, subject to appropriations or other funds which are or become legally available for this purpose, of the port authority against any liability of whatsoever form or nature as may be imposed upon the port authority by reason of the ownership, development, operation, maintenance, repair or use thereof or arising otherwise out of the port authority's interest therein; (b) the lessee shall be required to provide for and be responsible for the proper operation, maintenance, repair, and use of such buses and ancillary bus

facilities leased, transferred or otherwise disposed of pursuant to this part and the port authority shall have no responsibility as to such operation, maintenance, repair or use; and (c) neither the states nor the port authority will apply to any purpose in connection with or relating to the operation, maintenance, repair or use of such bus or ancillary bus facilities leased, transferred or otherwise disposed of pursuant to this part, other than purposes in connection with the utilization of other port authority facilities by such buses and passenger information purposes, any of the rentals, tolls, fares, fees, charges, revenues, reserves or other funds of the port authority which have been or shall be pledged in whole or in part as security for obligations as security for which there may be or shall be pledged, in whole or in part the general reserve fund of the port authority.

4. Any capital expenditures by the port authority for buses and ancillary bus facilities to be leased, sold, transferred or otherwise disposed of pursuant to this part shall be made with the proceeds of consolidated bonds of the port authority, which may be issued to finance such capital expenditures, and such capital expenditures shall be a part of and shall not exceed the allocations for passenger facilities to be made from time to time as determined in accordance with subdivision nine of section twenty-eight hundred one of this part.

5. The port authority is authorized and empowered to cooperate with the states of New York and New Jersey, with any municipality thereof, with the federal government and any public authority, agency or commission of the foregoing or with any one or more of them or with any other person to the extent that it finds it necessary and desirable to do so in connection with the acquisition, development, financing, leasing, sale, transfer or other disposition of buses and ancillary bus facilities and to enter into an agreement or agreements (and from time to time to enter into agreements amending or supplementing the same) with said states, municipalities, federal government, public authorities, agencies, commissions and persons or with any one or more of them for or relating to such purposes.

6. Notwithstanding any contrary provision of law, general, special or local, either state or any municipality, public authority, agency, or commission of either or both of said two states or any other person is authorized and empowered to cooperate with the port authority and to enter into an agreement or agreements (and from time to time to enter into agreements amending or supplementing the same) with the port authority including but not limited to the agreements with respect to buses and ancillary bus facilities leased, transferred or otherwise disposed of pursuant to this part, upon such reasonable terms and conditions as determined by such state, municipality, public authority, agency, commission or person and the port authority.

7. Any consent by a municipality shall be given and the terms, conditions and execution by a municipality of any agreement, deed, lease, conveyance or other instrument pursuant to this subdivision or any other subdivision of this section shall be authorized in the manner provided in article twenty-two of the compact of April thirtieth, nineteen hundred twenty-one between the two states creating the port authority, except that as to towns in the state of New York, such consent shall be authorized in the manner provided in the town law and as to counties in the state of New Jersey, such consent shall be authorized in the manner provided in New Jersey statutes annotated, title forty: chapter one, section one, et seq. The terms and conditions and execution by either state of any agreement, consent, designation, determination, deed,

lease, conveyance or other instrument pursuant to this subdivision or any other subdivision of this section shall be effective if authorized by the governor of such state. The powers herein granted to either state or any municipality, public authority, agency or commission shall be construed to be in aid of and not in limitation or in derogation of any such powers heretofore or hereafter conferred upon or granted to such state, municipality, public authority, agency or commission. Any consent by a public authority, agency or commission shall be effective if given by such public authority, agency or commission.

8. The port authority shall be required to pay no taxes or assessments upon any of the property, real or personal, acquired or used by it for any purpose of this part or upon any lease, deed, mortgage or other instrument affecting such property or upon the recording of any instrument made in connection with the acquisition, development, financing, lease, sale, transfer or other disposition or use of such property.

9. The port authority shall not be subject to the jurisdiction of any municipality, public authority, agency or commission of either or both of the two states in connection with the acquisition, development, financing, lease, sale, transfer or other disposition of buses, ancillary bus facilities or otherwise in connection with the purposes of this part.

10. The acquisition, development, financing, leasing, sale, transfer or other disposition by the port authority of buses and ancillary bus facilities in accordance with this part are and will be in all respects for the benefit of the people of the said two states, for the increase of their commerce and prosperity and for the improvement of their health, safety and living conditions and shall be deemed to be public purposes; and the port authority shall be regarded as performing an essential governmental function in undertaking such acquisition, development, financing, leasing, sale, transfer or other disposition or otherwise carrying out the provisions of this part.

11. Any declarations contained herein with respect to the governmental nature and public purposes of the facilities authorized by this part and to the exemption of such facilities and instruments relating thereto from taxation and to the discretion of the port authority with respect to said facilities shall not be construed to imply that other port authority facilities, property and operations are not of a governmental nature or do not serve public purposes, or that they are subject to taxation, or that the determinations of the port authority with respect thereto are not conclusive.

12. This subdivision and the preceding subdivisions hereof constitute an agreement between the states of New York and New Jersey supplementary to the compact between the two states dated April thirtieth, nineteen hundred twenty-one and amendatory thereof, and shall be liberally construed to effectuate the purposes of said compact and of the comprehensive plan heretofore adopted by the two states, and the powers granted to the port authority shall be construed to be in aid of and not in limitation or in derogation of any other powers heretofore conferred upon or granted to the port authority.

PART XXIX
GENERAL RESERVE FUND

Section 2901. Definitions.
2902. Establishment of general reserve fund.
2903. Effective date.

§ 2901. Definitions. As used in this part:

(a) "Port authority" means the port of New York authority created by the compact of April thirtieth, nineteen hundred twenty-one, between the states of New York and New Jersey and continued by part I of this article.

(b) "Bonds legal for investment" means bonds or other obligations or securities of the port authority, in which savings banks in both of the two said states are now or may hereafter be authorized to invest funds within their control.

(c) "Terminal and/or transportation facilities" means terminal and/or transportation facilities as used in the said compact of April thirtieth, nineteen hundred twenty-one, and as defined in subdivisions eleven and twelve of section one hundred three of this article.

(d) "Surplus revenues" means, in the case of each terminal or transportation facility, the balance of the revenues therefrom remaining at any time currently in the hands of the port authority after the deduction of the current expenses of the operation and maintenance thereof, including a proper proportion of the general expenses of the port authority, and after the deduction of any amounts which the port authority may or shall be obligated or may or shall have obligated itself to pay or to set aside out of the current revenues therefrom for the benefit of the holders of any bonds legal for investment, and after the deduction of any amounts currently due to the two said states on account of any advances made by the two said states to the port authority in aid of the effectuation of such terminal or transportation facility.

§ 2902. Establishment of general reserve fund. In all cases where the port authority has raised or shall hereafter raise moneys for the establishment, acquisition, construction or effectuation of terminal and/or transportation facilities by the issue and sale of bonds legal for investment, as herein defined and limited, the surplus revenues received by or accruing to the port authority from or in connection with the operation of such terminal and/or transportation facilities built in whole or in part by the proceeds of the sale of such bonds shall be pooled and applied by it to the establishment and maintenance of a general reserve fund in an amount equal to one-tenth (1/10) of the par value of all bonds legal for investment, as herein defined and limited, issued by the port authority and currently outstanding. The moneys in the said general reserve fund may be pledged in whole or in part by the port authority as security for or applied by it to the repayment with interest of any moneys which it has raised or may hereafter raise upon any bonds, legal or investment, as herein defined and limited, and made and issued by it for any of its lawful purposes; and the said moneys may be applied by the port authority to the fulfillment of any other undertakings which it has assumed or may or shall hereafter assume to or for the benefit of the holders of any of such bonds.

Any surplus revenues not required for the establishment and maintenance of the aforesaid general reserve fund shall be used for such purposes as may hereafter be directed by the two said states.

§ 2903. Effective date. This part shall take effect upon the enactment into law by the state of New Jersey of legislation having an identical effect with this act, but if the State of New Jersey has already enacted such legislation, this act shall take effect immediately.

ARTICLE II

THE WATERFRONT AND AIRPORT COMMISSION OF NEW YORK AND NEW JERSEY COMPACT

PART I

THE WATERFRONT AND AIRPORT COMMISSION OF NEW YORK AND NEW JERSEY COMPACT

Section 3001. Compact.
3002. Findings and declarations.
3003. Definitions.
3004. Waterfront and airport commission of New York and New Jersey.
3005. General powers of commission.
3006. Pier superintendents and hiring agents.
3007. Stevedores.
3008. Prohibition of public loading.
3009. Longshoreman.
3010. Regularization of longshoremen's employment.
3011. Port watchmen.
3012. Hearings, determinations and review.
3013. Employment information centers.
3014. Expenses of administration.
3015. General violations; prosecutions; penalties.
3016. Collective bargaining safeguarded.
3017. Amendments; construction; short title.

§ 3001. Compact. The "waterfront and airport commission of New York and New Jersey compact" as first enacted by chapter eight hundred eighty-two of the laws of nineteen hundred fifty-three is hereby continued to read as follows. The state of New York hereby agrees with the state of New Jersey, upon the enactment by the state of New Jersey of legislation having the same effect as this section, to the following compact.

§ 3002. Findings and declarations. 1. The states of New York and New Jersey hereby find and declare that the conditions under which waterfront labor is employed within the port of New York district are depressing and degrading to such labor, resulting from the lack of any systematic method of hiring, the lack of adequate information as to the availability of employment, corrupt hiring practices and the fact that persons conducting such hiring are frequently criminals and persons notoriously lacking in moral character and integrity and neither responsive or responsible to the employers nor to the uncoerced will of the majority of the members of the labor organizations of the employees; that as a result waterfront laborers suffer from irregularity of employment, fear and insecurity, inadequate earnings, an unduly high accident rate, subjection to borrowing at usurious rates of interest, exploitation and extortion as the price of securing employment and a loss of respect for the law; that not only does there result a destruction of the dignity of an important segment of American labor, but a direct encouragement of crime which imposes a levy of greatly increased costs on food, fuel and other necessaries handled in and through the port of New York district.

2. The states of New York and New Jersey hereby find and declare that many of the evils above described result not only from the causes above described but from the practices of public loaders at piers and other waterfront terminals; that such public loaders serve no valid economic purpose and operate as parasites exacting a high and unwarranted toll on the flow of commerce in and through the port of New York district, and have used force and engaged in discriminatory and coercive practices including extortion against persons not desiring to employ them; and that the function of loading and unloading trucks and other land vehi-

cles at piers and other waterfront terminals can and should be performed, as in every other major American port, without the evils and abuses of the public loader system, and by the carriers of freight by water, stevedores and operators of such piers and other waterfront terminals or the operators of such trucks or other land vehicles.

3. The states of New York and New Jersey hereby find and declare that many of the evils above described result not only from the causes above described but from the lack of regulation of the occupation of stevedores; that such stevedores have engaged in corrupt practices to induce their hire by carriers of freight by water and to induce officers and representatives of labor organizations to betray their trust to the members of such labor organizations.

4. The states of New York and New Jersey hereby find and declare that the occupations of longshoremen, stevedores, pier superintendents, hiring agents and port watchmen are affected with a public interest requiring their regulation and that such regulation shall be deemed an exercise of the police power of the two states for the protection of the public safety, welfare, prosperity, health, peace and living conditions of the people of the two states.

§ 3003. Definitions. As used in this compact:

1. "The port of New York district" shall mean the district created by article II of the compact dated April thirtieth, nineteen hundred twenty-one, between the states of New York and New Jersey, authorized by chapter one hundred fifty-four of the laws of New York of nineteen hundred twenty-one and continued by article I of this chapter, and chapter one hundred fifty-one of the laws of New Jersey of nineteen hundred twenty-one.

2. "Commission" shall mean the waterfront and airport commission of New York and New Jersey established by section three thousand four of this part.

3. "Pier" shall include any wharf, pier, dock or quay.

4. "Other waterfront terminal" shall include any warehouse, depot or other terminal (other than a pier) which is located within one thousand yards of any pier in the port of New York district and which is used for waterborne freight in whole or substantial part.

5. "Person" shall mean not only a natural person but also any partnership, joint venture, association, corporation or any other legal entity but shall not include the United States, any state or territory thereof or any department, division, board, commission or authority of one or more of the foregoing.

6. "Carrier of freight by water" shall mean any person who may be engaged or who may hold himself out as willing to be engaged, whether as a common carrier, as a contract carrier or otherwise (except for carriage of liquid cargoes in bulk in tank vessels designed for use exclusively in such service or carriage by barge of bulk cargoes consisting of only a single commodity loaded or carried without wrappers or containers and delivered by the carrier without transportation mark or count) in the carriage of freight by water between any point in the port of New York district and a point outside said district.

7. "Waterborne freight" shall mean freight carried by or consigned for carriage by carriers of freight by water.

8. "Longshoreman" shall mean a natural person, other than a hiring agent, who is employed for work at a pier or other waterfront terminal, either by a carrier of freight by water or by a stevedore:

(a) physically to move waterborne freight on vessels berthed at piers, on piers or at other waterfront terminals, or

(b) to engage in direct and immediate checking of any such freight or of the custodial accounting therefor or in the recording or tabulation of the hours worked at piers or other waterfront terminals by natural persons employed by carriers of freight by water or stevedores, or

(c) to supervise directly and immediately others who are employed as in subdivision (a) of this section.

9. "Pier superintendent" shall mean any natural person other than a longshoreman who is employed for work at a pier or other waterfront terminal by a carrier of freight by water or a stevedore and whose work at such pier or other waterfront terminal includes the supervision, directly or indirectly, of the work of longshoremen.

10. "Port watchman" shall include any watchman, gateman, roundsman, detective, guard, guardian or protector of property employed by the operator of any pier or other waterfront terminal or by a carrier of freight by water to perform services in such capacity on any pier or other waterfront terminal.

11. "Longshoremen's register" shall mean the register of eligible longshoremen compiled and maintained by the commission pursuant to section three thousand nine of this part.

12. "Stevedore" shall mean a contractor (not including an employee) engaged for compensation pursuant to a contract or arrangement with a carrier of freight by water, in moving waterborne freight carried or consigned for carriage by such carrier on vessels of such carrier berthed at piers, on piers at which such vessels are berthed or at other waterfront terminals.

13. "Hiring agent" shall mean any natural person, who on behalf of a carrier of freight by water or a stevedore shall select any longshoreman for employment.

14. "Compact" shall mean this compact and rules or regulations lawfully promulgated thereunder.

§ 3004. Waterfront and airport commission of New York and New Jersey. 1. There is hereby created the waterfront and airport commission of New York and New Jersey, which shall be a body corporate and politic, an instrumentality of the states of New York and New Jersey.

2. The commission shall consist of four members, two to be chosen by the state of New Jersey and two to be chosen by the state of New York. The members representing each state shall be appointed by the governor of such state with the advice and consent of the senate thereof, without regard to the state of residence of such members, and shall receive compensation to be fixed by the governor of such state. The term of office of each member shall be for four years; provided, however, that the two present members of the commission heretofore appointed shall continue to serve as members until the expiration of the respective terms for which they were appointed, that the term of the two new members shall expire on June thirtieth, nineteen hundred seventy-three, and that the term of the successors to the present members shall expire on June thirtieth, nineteen hundred seventy-five. Each member shall hold office until his successor has been appointed and qualified. Vacancies in office shall be filled for the balance of the unexpired term in the same manner as original appointments.

3. Three members of the commission shall constitute a quorum; but the commission shall act only by a majority vote of all its members. Any member may, by written instrument filed in the office of the commission, designate any officer or employee of the commission to act in his place as a member whenever he shall be unable to attend a meeting of the commission. A vacancy in the office of a member shall not impair such

designation until the vacancy shall have been filled. The commission shall elect one of its members to serve as chairman for a term of one year; provided, however, that the term of the first chairman shall expire on June thirtieth, nineteen hundred seventy-one. The chairman shall represent a state other than the state represented by the immediately preceding chairman.

§ 3005. General powers of commission. In addition to the powers and duties elsewhere prescribed in this compact, the commission shall have the power:

1. To sue and be sued;

2. To have a seal and alter the same at pleasure;

3. To acquire, hold and dispose of real and personal property by gift, purchase, lease, license or other similar manner, for its corporate purposes;

4. To determine the location, size and suitability of accommodations necessary and desirable for the establishment and maintenance of the employment information centers provided in section three thousand thirteen of this part and for administrative offices for the commission;

5. To appoint such officers, agents and employees as it may deem necessary, prescribe their powers, duties and qualifications and fix their compensation and retain and employ counsel and private consultants on a contract basis or otherwise;

6. To administer and enforce the provisions of this compact;

7. To make and enforce such rules and regulations as the commission may deem necessary to effectuate the purposes of this compact or to prevent the circumvention or evasion thereof, to be effective upon publication in the manner which the commission shall prescribe and upon filing in the office of the secretary of state of each state. A certified copy of any such rules and regulations, attested as true and correct by the commission, shall be presumptive evidence of the regular making, adoption, approval and publication thereof;

8. By its members and its properly designated officers, agents and employees, to administer oaths and issue subpoenas to compel the attendance of witnesses and the giving of testimony and the production of other evidence;

9. To have for its members and its properly designated officers, agents and employees, full and free access, ingress and egress to and from all vessels, piers and other waterfront terminals or other places in the port of New York district, for the purposes of making inspection or enforcing the provisions of this compact; and no person shall obstruct or in any way interfere with any such member, officer, employee or agent in the making of such inspection, or in the enforcement of the provisions of this compact or in the performance of any other power or duty under this compact;

10. To recover possession of any suspended or revoked license issued under this compact;

11. To make investigations, collect and compile information concerning waterfront practices generally within the port of New York district and upon all matters relating to the accomplishment of the objectives of this compact;

12. To advise and consult with representatives of labor and industry and with public officials and agencies concerned with the effectuation of the purposes of this compact, upon all matters which the commission may desire, including but not limited to the form and substance of rules and regulations, the administration of the compact, maintenance of the longshoremen's register, and issuance and revocation of licenses;

13. To make annual and other reports to the governors and legislatures of both states containing recommendations for the improvement of the conditions of waterfront labor within the port of New York district, for the alleviation of the evils described in section three thousand two of this part and for the effectuation of the purposes of this compact. Such annual reports shall state the commission's finding and determination as to whether the public necessity still exists for (a) the continued registration of longshoremen, (b) the continued licensing of any occupation or employment required to be licensed hereunder and (c) the continued public operation of the employment information centers provided for in section three thousand thirteen of this part.

14. To cooperate with and receive from any department, division, bureau, board, commission, or agency of either or both states, or of any county or municipality thereof, such assistance and data as will enable it properly to carry out its powers and duties hereunder; and to request any such department, division, bureau, board, commission, or agency, with the consent thereof, to execute such of its functions and powers, as the public interest may require.

15. The powers and duties of the commission may be exercised by officers, employees and agents designated by them, except the power to make rules and regulations. The commission shall have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of either state concurred in by the legislature of the other.

§ 3006. Pier superintendents and hiring agents. 1. On or after the first day of December, nineteen hundred fifty-three, no person shall act as a pier superintendent or as a hiring agent within the port of New York district without first having obtained from the commission a license to act as such pier superintendent or hiring agent, as the case may be, and no person shall employ or engage another person to act as a pier superintendent or hiring agent who is not so licensed.

2. A license to act as a pier superintendent or hiring agent shall be issued only upon the written application, under oath, of the person proposing to employ or engage another person to act as such pier superintendent or hiring agent, verified by the prospective licensee as to the matters concerning him, and shall state the following:

(a) The full name and business address of the applicant;

(b) The full name, residence, business address (if any), place and date of birth and social security number of the prospective licensee;

(c) The present and previous occupations of the prospective licensee, including the places where he was employed and the names of his employers;

(d) Such further facts and evidence as may be required by the commission to ascertain the character, integrity and identity of the prospective licensee; and

(e) That if a license is issued to the prospective licensee, the applicant will employ such licensee as pier superintendent or hiring agent, as the case may be.

3. No such license shall be granted

(a) Unless the commission shall be satisfied that the prospective licensee possesses good character and integrity;

(b) If the prospective licensee has, without subsequent pardon, been convicted by a court of the United States, or any state or territory thereof, of the commission of, or the attempt or conspiracy to commit, treason, murder, manslaughter or any felony or high misdemeanor or any of the following misdemeanors or offenses: illegally using, carrying or

possessing a pistol or other dangerous weapon; making or possessing burglar's instruments; buying or receiving stolen property; unlawful entry of a building; aiding an escape from prison; unlawfully possessing, possessing with intent to distribute, sale or distribution of a controlled dangerous substance (controlled substance) or, in New Jersey, a controlled dangerous substance analog (controlled substance analog); and violation of this compact. Any such prospective licensee ineligible for a license by reason of any such conviction may submit satisfactory evidence to the commission that he has for a period of not less than five years, measured as hereinafter provided, and up to the time of application, so conducted himself as to warrant the grant of such license, in which event the commission may, in its discretion, issue an order removing such ineligibility. The aforesaid period of five years shall be measured either from the date of payment of any fine imposed upon such person or the suspension of sentence or from the date of his unrevoked release from custody by parole, commutation or termination of his sentence;

(c) If the prospective licensee knowingly or wilfully advocates the desirability of overthrowing or destroying the government of the United States by force or violence or shall be a member of a group which advocates such desirability, knowing the purposes of such group include such advocacy.

4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the prospective licensee possesses the qualifications and requirements prescribed in this section, the commission shall issue and deliver to the prospective licensee a license to act as pier superintendent or hiring agent for the applicant, as the case may be, and shall inform the applicant of his action. The commission may issue a temporary permit to any prospective licensee for a license under the provisions of this section pending final action on an application made for such a license. Any such permit shall be valid for a period not in excess of thirty days.

5. No person shall be licensed to act as a pier superintendent or hiring agent for more than one employer, except at a single pier or other waterfront terminal, but nothing in this section shall be construed to limit in any way the number of pier superintendents or hiring agents any employer may employ.

6. A license granted pursuant to this section shall continue through the duration of the licensee's employment by the employer who shall have applied for his license.

7. Any license issued pursuant to this section may be revoked or suspended for such period as the commission deems in the public interest or the licensee thereunder may be reprimanded for any of the following offenses:

(a) Conviction of a crime or act by the licensee or other cause which would require or permit his disqualification from receiving a license upon original application;

(b) Fraud, deceit or misrepresentation in securing the license, or in the conduct of the licensed activity;

(c) Violation of any of the provisions of this section;

(d) Conviction of a crime involving unlawfully possessing, possession with intent to distribute, sale or distribution of a controlled dangerous substance (controlled substance) or, in New Jersey, a controlled dangerous substance analog (controlled substance analog);

(e) Employing, hiring or procuring any person in violation of this section or inducing or otherwise aiding or abetting any person to violate the terms of this section;

(f) Paying, giving, causing to be paid or given or offering to pay or give to any person any valuable consideration to induce such other person to violate any provision of this section or to induce any public officer, agent or employee to fail to perform his duty hereunder;

(g) Consorting with known criminals for an unlawful purpose;

(h) Transfer or surrender of possession of the license to any person either temporarily or permanently without satisfactory explanation;

(i) False impersonation of another licensee under this section;

(j) Receipt or solicitation of anything of value from any person other than the licensee's employer as consideration for the selection or retention for employment of any longshoreman;

(k) Coercion of a longshoreman by threat of discrimination or violence or economic reprisal, to make purchases from or to utilize the services of any person;

(l) Lending any money to or borrowing any money from a longshoreman for which there is a charge of interest or other consideration; and

(m) Membership in a labor organization which represents longshoremen or port watchmen; but nothing in this subdivision shall be deemed to prohibit pier superintendents or hiring agents from being represented by a labor organization or organizations which do not also represent longshoremen or port watchmen. The American Federation of Labor, the Congress of Industrial Organizations and any other similar federation, congress or other organization of national or international occupational or industrial labor organizations shall not be considered an organization which represents longshoremen or port watchmen within the meaning of this section although one of the federated or constituent labor organizations thereof may represent longshoremen or port watchmen.

§ 3007. Stevedores. 1. On or after the first day of December, nineteen hundred fifty-three, no person shall act as a stevedore within the port of New York district without having first obtained a license from the commission, and no person shall employ a stevedore to perform services as such within the port of New York district unless the stevedore is so licensed.

2. Any person intending to act as a stevedore within the port of New York district shall file in the office of the commission a written application for a license to engage in such occupation, duly signed and verified as follows:

(a) If the applicant is a natural person, the application shall be signed and verified by such person and if the applicant is a partnership, the application shall be signed and verified by each natural person composing or intending to compose such partnership. The application shall state the full name, age, residence, business address (if any), present and previous occupations of each natural person so signing the same, and any other facts and evidence as may be required by the commission to ascertain the character, integrity and identity of each natural person so signing such application.

(b) If the applicant is a corporation, the application shall be signed and verified by the president, secretary and treasurer thereof, and shall specify the name of the corporation, the date and place of its incorporation, the location of its principal place of business, the names and addresses of, and the amount of the stock held by stockholders owning 5 per cent or more of any of the stock thereof, and of all officers (including all members of the board of directors). The require-

ments of paragraph (a) of this subdivision as to a natural person who is a member of a partnership, and such requirements as may be specified in rules and regulations promulgated by the commission, shall apply to each such officer or stockholder and their successors in office or interest as the case may be.

(c) In the event of the death, resignation or removal of any officer, and in the event of any change in the list of stockholders who shall own five per cent or more of the stock of the corporation, the secretary of such corporation shall forthwith give notice of that fact in writing to the commission, certified by said secretary.

3. No such license shall be granted

(a) If any person whose signature or name appears in the application is not the real party in interest required by subdivision two of this section to sign or to be identified in the application or if the person so signing or named in the application is an undisclosed agent or trustee for any such real party in interest;

(b) Unless the commission shall be satisfied that the applicant and all members, officers and stockholders required by subdivision two of this section to sign or be identified in the application for license possess good character and integrity;

(c) Unless the applicant is either a natural person, partnership or corporation;

(d) Unless the applicant shall be a party to a contract then in force or which will take effect upon the issuance of a license, with a carrier of freight by water for the loading and unloading by the applicant of one or more vessels of such carrier at a pier within the port of New York district;

(e) If the applicant or any member, officer or stockholder required by subdivision two of this section to sign or be identified in the application for license has, without subsequent pardon, been convicted by a court of the United States or any state or territory thereof of the commission of, or the attempt or conspiracy to commit, treason, murder, manslaughter or any felony or high misdemeanor or any of the misdemeanors or offenses described in paragraph (b) of subdivision three of this section. Any applicant ineligible for a license by reason of any such conviction may submit satisfactory evidence to the commission that the person whose conviction was the basis of ineligibility has for a period of not less than five years, measured as hereinafter provided and up to the time of application, so conducted himself as to warrant the grant of such license, in which event the commission may, in its discretion issue an order removing such ineligibility. The aforesaid period of five years shall be measured either from the date of payment of any fine imposed upon such person or the suspension of sentence or from the date of his unrevoked release from custody by parole, commutation or termination of his sentence;

(f) If, on or after July first, nineteen hundred fifty-three, the applicant has paid, given, caused to have been paid or given or offered to pay or give to any officer or employee of any carrier of freight by water any valuable consideration for an improper or unlawful purpose or to induce such person to procure the employment of the applicant by such carrier for the performance of stevedoring services;

(g) If, on or after July first, nineteen hundred fifty-three, the applicant has paid, given, caused to be paid or given or offered to pay or give to any officer or representative of a labor organization any valuable consideration for an improper or unlawful purpose or to induce such officer or representative to subordinate the interests of such

labor organization or its members in the management of the affairs of such labor organization to the interests of the applicant.

4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the applicant possesses the qualifications and requirements prescribed in this section, the commission shall issue and deliver a license to such applicant. The commission may issue a temporary permit to any applicant for a license under the provisions of this article pending final action on an application made for such a license. Any such permit shall be valid for a period not in excess of thirty days.

5. A license granted pursuant to this section shall be for a term of two years or fraction of such two year period, and shall expire on the first day of December of each odd numbered year. In the event of the death of the licensee, if a natural person, or its termination or dissolution by reason of the death of a partner, if a partnership, or if the licensee shall cease to be a party to any contract of the type required by paragraph (d) of subdivision three of this section, the license shall terminate ninety days after such event or upon its expiration date, whichever shall be sooner. A license may be renewed by the commission for successive two year periods upon fulfilling the same requirements as are set forth in this section for an original application.

6. Any license issued pursuant to this section may be revoked or suspended for such period as the commission deems in the public interest or the licensee thereunder may be reprimanded for any of the following offenses on the part of the licensee or of any person required by subdivision two of this section to sign or be identified in an original application for a license:

(a) Conviction of a crime or other cause which would permit or require disqualification of the licensee from receiving a license upon original application;

(b) Fraud, deceit or misrepresentation in securing the license or in the conduct of the licensed activity;

(c) Failure by the licensee to maintain a complete set of books and records containing a true and accurate account of the licensee's receipts and disbursements arising out of his activities within the port of New York district;

(d) Failure to keep said books and records available during business hours for inspection by the commission and its duly designated representatives until the expiration of the fifth calendar year following the calendar year during which occurred the transactions recorded therein;

(e) Any other offense described in paragraphs (c) to (i) inclusive, of subdivision seven of section three thousand six of this part.

§ 3008. Prohibition of public loading. 1. The states of New York and New Jersey hereby find and declare that the transfer of cargo to and from trucks at piers and other waterfront terminals in the port of New York district has resulted in vicious and notorious abuses by persons commonly known as "public loaders." There is compelling evidence that such persons have exacted the payment of exorbitant charges for their services, real and alleged, and otherwise extorted large sums through force, threats of violence, unauthorized labor disturbances and other coercive activities, and that they had been responsible for and abetted criminal activities on the waterfront. These practices which have developed in the port of New York district impose unjustified costs on the handling of goods in and through the port of New York district, and

increase the prices paid by consumers for food, fuel and other necessaries, and impair the economic stability of the port of New York district. It is the sense of the legislatures of the states of New York and New Jersey that these practices and conditions must be eliminated to prevent grave injury to the welfare of the people.

2. It is hereby declared to be against the public policy of the states of New York and New Jersey and to be unlawful for any person to load or unload waterborne freight onto or from vehicles other than railroad cars at piers or at other waterfront terminals within the port of New York district, for a fee or other compensation, other than the following persons and their employees:

(a) Carriers of freight by water, but only at piers at which their vessels are berthed;

(b) Other carriers of freight (including but not limited to railroads and truckers), but only in connection with freight transported or to be transported by such carriers;

(c) Operators of piers or other waterfront terminals (including railroads, truck terminal operators, warehousemen and other persons), but only at piers or other waterfront terminals operated by them;

(d) Shippers or consignees of freight, but only in connection with freight shipped by such shipper or consigned to such consignee;

(e) Stevedores licensed under section three thousand eight of this part whether or not such waterborne freight has been or is to be transported by a carrier of freight by water with which such stevedore shall have a contract of the type prescribed by paragraph (d) of subdivision 3 of section three thousand seven of this part.

Nothing herein contained shall be deemed to permit any such loading or unloading of any waterborne freight at any place by any such person by means of any independent contractor, or any other agent other than an employee, unless such independent contractor is a person permitted by this section to load or unload such freight at such place in his own right.

§ 3009. Longshoremen. 1. The commission shall establish a longshoremen's register in which shall be included all qualified longshoremen eligible, as hereinafter provided, for employment as such in the port of New York district. On or after the first day of December, nineteen hundred fifty-three, no person shall act as a longshoreman within the port of New York district unless at the time he is included in the longshoremen's register, and no person shall employ another to work as a longshoreman within the port of New York district unless at the time such other person is included in the longshoremen's register.

2. Any person applying for inclusion in the longshoremen's register shall file at such place and in such manner as the commission shall designate a written statement, signed and verified by such person, setting forth his full name, residence address, social security number, and such further facts and evidence as the commission may prescribe to establish the identity of such person and his criminal record, if any.

3. The commission may in its discretion deny application for inclusion in the longshoremen's register by a person

(a) Who has been convicted by a court of the United States or any state or territory thereof, without subsequent pardon, of treason, murder, manslaughter or of any felony or high misdemeanor or of any of the misdemeanors or offenses described in paragraph (b) of subdivision three of section three thousand six of this part or of attempt or conspiracy to commit any of such crimes;

(b) Who knowingly or willingly advocates the desirability of overthrowing or destroying the government of the United States by force or violence or who shall be a member of a group which advocates such desirability knowing the purposes of such group include such advocacy;

(c) Whose presence at the piers or other waterfront terminals in the port of New York district is found by the commission on the basis of the facts and evidence before it, to constitute a danger to the public peace or safety.

4. Unless the commission shall determine to exclude the applicant from the longshoremen's register on a ground set forth in subdivision three of this section it shall include such person in the longshoremen's register. The commission may permit temporary registration of any applicant under the provisions of this section pending final action on an application made for such registration. Any such temporary registration shall be valid for a period not in excess of thirty days.

5. The commission shall have power to reprimand any longshoreman registered under this section or to remove him from the longshoremen's register for such period of time as it deems in the public interest for any of any following offenses:

(a) Conviction of a crime or other cause which would permit disqualification of such person from inclusion in the longshoremen's register upon original application;

(b) Fraud, deceit or misrepresentation in securing inclusion in the longshoremen's register;

(c) Transfer or surrender of possession to any person either temporarily or permanently of any card or other means of identification issued by the commission as evidence of inclusion in the longshoremen's register, without satisfactory explanation;

(d) False impersonation of another longshoreman registered under this article or of another person licensed under this compact;

(e) Wilful commission of or wilful attempt to commit at or on a waterfront terminal or adjacent highway any act of physical injury to any other person or of wilful damage to or misappropriation of any other person's property, unless justified or excused by law; and

(f) Any other offense described in subdivisions (c) to (f) inclusive of subdivision seven of section three thousand six of this part.

6. The commission shall have the right to recover possession of any card or other means of identification issued as evidence of inclusion in the longshoremen's register in the event that the holder thereof has been removed from the longshoremen's register.

7. Nothing contained in this article shall be construed to limit in any way any rights of labor reserved by section three thousand sixteen of this part.

§ 3010. Regularization of longshoremen's employment. 1. On or after the first day of December, nineteen hundred fifty-four, the commission shall, at regular intervals, remove from the longshoremen's register any person who shall have been registered for at least nine months and who shall have failed during the preceding six calendar months either to have worked as a longshoreman in the port of New York district or to have applied for employment as a longshoreman at an employment information center established under section three thousand thirteen of this part for such minimum number of days as shall have been established by the commission pursuant to subdivision two of this section.

2. On or before the first day of June, nineteen hundred fifty-four and on or before each succeeding first day of June or December, the commission shall, for the purposes of subdivision one of this section, estab-

lish for the six-month period beginning on each such date a minimum number of days and the distribution of such days during such period.

3. In establishing any such minimum number of days or period, the commission shall observe the following standards:

(a) To encourage as far as practicable the regularization of the employment of longshoremen;

(b) To bring the number of eligible longshoremen more closely into balance with the demand for longshoremen's services within the port of New York district without reducing the number of eligible longshoremen below that necessary to meet the requirements of longshoremen in the port of New York district;

(c) To eliminate oppressive and evil hiring practices affecting longshoremen and waterborne commerce in the port of New York district;

(d) To eliminate unlawful practices injurious to waterfront labor; and

(e) To establish hiring practices and conditions which will permit the termination of governmental regulation and intervention at the earliest opportunity.

4. A longshoreman who has been removed from the longshoremen's register pursuant to this section may seek reinstatement upon fulfilling the same requirements as for initial inclusion in the longshoremen's register, but not before the expiration of one year from the date of removal, except that immediate reinstatement shall be made upon proper showing that the registrant's failure to work or apply for work the minimum number of days above described was caused by the fact that the registrant was engaged in the military service of the United States or was incapacitated by ill health, physical injury, or other good cause.

5. Notwithstanding any other provision of this section, the commission shall at any time have the power to register longshoremen on a temporary basis to meet special or emergency needs.

§ 3011. Port watchmen. 1. On or after the first day of December, nineteen hundred fifty-three, no person shall act as a port watchman within the port of New York district without first having obtained a license from the commission, and no person shall employ a port watchman who is not so licensed.

2. A license to act as a port watchman shall be issued only upon written application, duly verified, which shall state the following:

(a) The full name, residence, business address (if any), place and date of birth and social security number of the applicant;

(b) The present and previous occupations of the applicant, including the places where he was employed and the names of his employers;

(c) The citizenship of the applicant and, if he is a naturalized citizen of the United States, the court and date of his naturalization; and

(d) Such further facts and evidence as may be required by the commission to ascertain the character, integrity and identity of the applicant.

3. No such license shall be granted

(a) Unless the commission shall be satisfied that the applicant possesses good character and integrity;

(b) If the applicant has, without subsequent pardon, been convicted by a court of the United States or of any state or territory thereof of the commission of, or the attempt or conspiracy to commit, treason, murder, manslaughter or any felony or high misdemeanor or any of the misdemeanors or offenses described in paragraph (b) of subdivision three of section three thousand six of this part;

(c) Unless the applicant shall meet such reasonable standards of physical and mental fitness for the discharge of his duties as may from time to time be established by the commission;

(d) If the applicant shall be a member of any labor organization which represents longshoremen or pier superintendents or hiring agents; but nothing in this section shall be deemed to prohibit port watchmen from being represented by a labor organization or organizations which do not also represent longshoremen or pier superintendents or hiring agents. The American Federation of Labor, the Congress of Industrial Organizations and any other similar federation, congress or other organization of national or international occupational or industrial labor organizations shall not be considered an organization which represents longshoremen or pier superintendents or hiring agents within the meaning of this article although one of the federated or constituent labor organizations thereof may represent longshoremen or pier superintendents or hiring agents;

(e) If the applicant knowingly or wilfully advocates the desirability of overthrowing or destroying the government of the United States by force or violence or shall be a member of a group which advocates such desirability, knowing the purposes of such group include such advocacy.

4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the applicant possesses the qualifications and requirements prescribed by this section and regulations issued pursuant thereto, the commission shall issue and deliver a license to the applicant. The commission may issue a temporary permit to any applicant for a license under the provisions of this section pending final action on an application made for such a license. Any such permit shall be valid for a period not in excess of thirty days.

5. A license granted pursuant to this section shall continue for a term of three years. A license may be renewed by the commission for successive three-year periods upon fulfilling the same requirements as are set forth in this section for an original application.

6. Any license issued pursuant to this section may be revoked or suspended for such period as the commission deems in the public interest or the licensee thereunder may be reprimanded for any of the following offenses:

(a) Conviction of a crime or other cause which would permit or require his disqualification from receiving a license upon original application;

(b) Fraud, deceit or misrepresentation in securing the license; and

(c) Any other offense described in subdivisions (c) to (i), inclusive, of subdivision seven of section three thousand six of this part.

§ 3012. Hearings, determinations and review. 1. The commission shall not deny any application for a license or registration without giving the applicant or prospective licensee reasonable prior notice and an opportunity to be heard.

2. Any application for a license or for inclusion in the longshoremen's register, and any license issued or registration made, may be denied, revoked, cancelled, suspended as the case may be, only in the manner prescribed in this section.

3. The commission may on its own initiative or on complaint of any person, including any public official or agency, institute proceedings to revoke, cancel or suspend any license or registration after a hearing at which the licensee or registrant and any person making such complaint shall be given an opportunity to be heard, provided that any order of

the commission revoking, cancelling or suspending any license or registration shall not become effective until fifteen days subsequent to the serving of notice thereof upon the licensee or registrant unless in the opinion of the commission the continuance of the license or registration for such period would be inimicable to the public peace or safety. Such hearings shall be held in such manner and upon such notice as may be prescribed by the rules of the commission, but such notice shall be of not less than ten days and shall state the nature of the complaint.

4. Pending the determination of such hearing pursuant to subdivision three of this section the commission may temporarily suspend a license or registration if in the opinion of the commission the continuance of the license or registration for such period is inimicable to the public peace or safety.

5. The commission, or such member, officer, employee or agent of the commission as may be designated by the commission for such purpose, shall have the power to issue subpoenas to compel the attendance of witnesses and the giving of testimony or production of other evidence and to administer oaths in connection with any such hearing. It shall be the duty of the commission or of any such member, officer, employee or agent of the commission designated by the commission for such purpose to issue subpoenas at the request of and upon behalf of the licensee, registrant or applicant. The commission or such person conducting the hearing shall not be bound by common law or statutory rules of evidence or by technical or formal rules of procedure in the conduct of such hearing.

6. Upon the conclusion of the hearing, the commission shall take such action upon such findings and determination as it deems proper and shall execute an order carrying such findings into effect. The action in the case of an application for a license or registration shall be the granting or denial thereof. The action in the case of a licensee shall be revocation of the license or suspension thereof for a fixed period or reprimand or a dismissal of the charges. The action in the case of a registered longshoreman shall be dismissal of the charges, reprimand or removal from the longshoremen's register for a fixed period or permanently.

7. The action of the commission in denying any application for a license or in refusing to include any person in the longshoremen's register under this compact or in suspending or revoking such license or removing any person from the longshoremen's register or in reprimanding a licensee or registrant shall be subject to judicial review by a proceeding instituted in either state at the instance of the applicant, licensee or registrant in the manner provided by the law of such state for review of the final decision or action of administrative agencies of such state, provided, however, that notwithstanding any other provision of law the court shall have power to stay for not more than thirty days an order of the commission suspending or revoking a license or removing a longshoreman from the longshoremen's register.

§ 3013. Employment information centers. 1. The states of New York and New Jersey hereby find and declare that the method of employment of longshoremen and port watchmen in the port of New York district, commonly known as the "shape-up", has resulted in vicious and notorious abuses, of which such employees have been the principal victims. There is compelling evidence that the "shape-up" has permitted and encouraged extortion from employees as the price of securing or retaining employment and has subjected such employees to threats of violence, unwilling joinder in unauthorized labor disturbances and criminal activities on

the waterfront. The "shape-up" has thus resulted in a loss of fundamental rights and liberties of labor, has impaired the economic stability of the port of New York district and weakened law enforcement therein. It is the sense of the legislatures of the states of New York and New Jersey that these practices and conditions must be eliminated to prevent grave injury to the welfare of waterfront laborers and of the people at large and that the elimination of the "shape-up" and the establishment of a system of employment information centers are necessary to a solution of these public problems.

2. The commission shall establish and maintain one or more employment information centers in each state within the port of New York district at such locations as it may determine. No person shall, directly or indirectly, hire any person for work as a longshoreman or port watchman within the port of New York district, except through such particular employment information center or centers as may be prescribed by the commission. No person shall accept any employment as a longshoreman or port watchman within the port of New York district, except through such an employment information center. At each such employment information center the commission shall keep and exhibit the longshoremen's register and any other records it shall determine to the end that longshoremen and port watchmen shall have the maximum information as to available employment as such at any time within the port of New York district and to the end that employers shall have an adequate opportunity to fill their requirements of registered longshoremen and port watchmen at all times.

3. Every employer of longshoremen or port watchmen within the port of New York district shall furnish such information as may be required by the rules and regulations prescribed by the commission with regard to the name of each person hired as a longshoreman or port watchman, the time and place of hiring, the time, place and hours of work, and the compensation therefor.

4. All wage payments to longshoremen or port watchmen for work as such shall be made by check or cash evidenced by a written voucher receipted by the person to whom such cash is paid. The commission may arrange for the provision of facilities for cashing such checks.

§ 3014. Expenses of administration. 1. By concurrent legislation enacted by their respective legislatures, the two states may provide from time to time for meeting the commission's expenses. Until other provision shall be made, such expense shall be met as authorized in this section.

2. The commission shall annually adopt a budget of its expenses for each year. Each budget shall be submitted to the governors of the two states and shall take effect as submitted provided that either governor may within thirty days disapprove or reduce any item or items, and the budget shall be adjusted accordingly.

3. After taking into account such funds as may be available to it from reserves, federal grants or otherwise, the balance of the commission's budgeted expenses shall be assessed upon employers of persons registered or licensed under this compact. Each such employer shall pay to the commission as assessment computed upon the gross payroll payments made by such employer to longshoremen, pier superintendents, hiring agents and port watchmen for work or labor performed within the port of New York district, at a rate, not in excess of two per cent, computed by the commission in the following manner; the commission shall annually estimate the gross payroll payments to be made by employers subject to assessment and shall compute a rate thereon which will yield revenues

sufficient to finance the commission's budget for each year. Such budget may include a reasonable amount for a reserve but such amount shall not exceed ten per cent of the total of all other items of expenditure contained therein. Such reserve shall be used for the stabilization of annual assessments, the payment of operating deficits and for the repayment of advances made by the two states.

4. The amount required to balance the commission's budget, in excess of the estimated yield of the maximum assessment, shall be certified by the commission, with the approval of the respective governors, to the legislatures of the two states, in proportion to the gross annual wage payments made to longshoremen for work in each state within the port of New York district. The legislatures shall annually appropriate to the commission the amount so certified.

5. The commission may provide by regulation for the collection and auditing of assessments. Such assessments hereunder shall be payable pursuant to such provisions for administration, collection and enforcement as the states may provide by concurrent legislation. In addition to any other sanction provided by law, the commission may revoke or suspend any license held by any person under this compact, or his privilege of employing persons registered or licensed hereunder, for non-payment of any assessment when due.

6. The assessment hereunder shall be in lieu of any other charge for the issuance of licenses to stevedores, pier superintendents, hiring agents and pier watchmen or for the registration of longshoremen or the use of an employment information center. The commission shall establish reasonable procedures for the consideration of protests by affected employers concerning the estimates and computation of the rate of assessment.

§ 3015. General violations; prosecutions; penalties. 1. The failure of any witness, when duly subpoenaed to attend, give testimony or produce other evidence, whether or not at a hearing, shall be punishable by the superior court in New Jersey and the supreme court in New York in the same manner as said failure is punishable by such court in a case therein pending.

2. Any person who, having been sworn or affirmed as a witness in any such hearing, shall wilfully give false testimony or who shall wilfully make or file any false or fraudulent report or statement required by this compact to be made or filed under oath, shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

3. Any person who violates or attempts or conspires to violate any other provision of this compact shall be punishable as may be provided by the two states by action of the legislature of either state concurred in by the legislature of the other.

4. Any person who interferes with or impedes the orderly registration of longshoremen pursuant to this compact or who conspires to or attempts to interfere with or impede such registration shall be punishable as may be provided by the two states by action of the legislature of either state concurred in by the legislature of the other.

5. Any person who directly or indirectly inflicts or threatens to inflict any injury, damage, harm or loss or in any other manner practices intimidation upon or against any person in order to induce or compel such person or any other person to refrain from registering pursuant to this compact shall be punishable as may be provided by the two states by action of the legislature of either state concurred in by the legislature of the other.

6. In any prosecution under this compact, it shall be sufficient to prove only a single act (or a single holding out or attempt) prohibited by law, without having to prove a general course of conduct, in order to prove a violation.

§ 3016. Collective bargaining safeguarded. 1. This compact is not designed and shall not be construed to limit in any way any rights granted or derived from any other statute or any rule of law for employees to organize in labor organizations, to bargain collectively and to act in any other way individually, collectively, and through labor organizations or other representatives of their own choosing. Without limiting the generality of the foregoing, nothing contained in this compact shall be construed to limit in any way the right of employees to strike.

2. This compact is not designed and shall not be construed to limit in any way any rights of longshoremen, hiring agents, pier superintendents or port watchmen or their employers to bargain collectively and agree upon any method for the selection of such employees by way of seniority, experience, regular gangs or otherwise, provided that such employees shall be licensed or registered hereunder and such longshoremen and port watchmen shall be hired only through the employment information centers established hereunder and that all other provisions of this compact be observed.

§ 3017. Amendments; construction; short title. 1. Amendments and supplements to this compact to implement the purposes thereof may be adopted by the action of the legislature of either state concurred in by the legislature of the other.

2. If any part or provision of this compact or the application thereof to any person or circumstances be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact or the application thereof to other persons or circumstances and the two states hereby declare that they would have entered into this compact or the remainder thereof had the invalidity of such provision or application thereof been apparent.

3. In accordance with the ordinary rules for construction of interstate compacts this compact shall be liberally construed to eliminate the evils described therein and to effectuate the purposes thereof.

PART II
WATERFRONT COMMISSION COMPACT

3101. Waterfront commission compact.
3102. Expenses of administration.
3103. Reimbursement.
3104. Penalties.
3105. Federal funds.
3106. Supplementary definitions.
3107. Additional powers of the commission.
3108. Regularization of longshoremen's employment.
3109. Additional violations.
3110. Hearings.
3111. Denial of applications.
3112. Revocation of licenses and registrations.

3113. Removal of port watchmen's ineligibility.
3114. Petition for order to remove an ineligibility.
3115. Denial of stevedore applications.
3116. Checkers.
3117. Supplementary violations.
3118. Suspension or acceptance of applications for inclusion in longshoremen's register; exceptions.
3119. Temporary suspension of permits, licenses and registrations.
3120. Continuance of port watchmen's licenses.
3121. Regularization of port watchmen's employment.
3122. Duration of stevedore's license.
3123. Implementation of telecommunications hiring system for longshoremen and checkers and registration of telecommunications system controller.

§ 3101. Waterfront commission compact. This compact shall be known and may be cited as the "Waterfront Commission Compact."

§ 3102. Expenses of administration. 1. Every person subject to the payment of any assessment under the provisions of subdivision three of section three thousand fourteen of this article shall file on or before the fifteenth day of the first month of each calendar quarter-year a separate return, together with the payment of the assessment due, for the preceding calendar quarter-year during which any payroll payments were made to longshoremen, pier superintendents, hiring agents or port watchmen for work performed as such within the district. Returns covering the amount of assessment payable shall be filed with the commission on forms to be furnished for such purpose and shall contain such data, information or matter as the commission may require to be included therein. The commission may grant a reasonable extension of time for filing returns, or for the payment of assessment, whenever good cause exists. Every return shall have annexed thereto a certification to the effect that the statements contained therein are true.

2. Every person subject to the payment of assessment hereunder shall keep an accurate record of his employment of longshoremen, pier superintendents, hiring agents or port watchmen, which shall show the amount of compensation paid and such other information as the commission may require. Such records shall be preserved for a period of three years and be open for inspection at reasonable times. The commission may consent to the destruction of any such records at any time after said period or may require that they be kept longer, but not in excess of six years.

3. (a) The commission shall audit and determine the amount of assessment due from the return filed and such other information as is available to it. Whenever a deficiency in payment of the assessment is determined the commission shall give notice of any such determination to the person liable therefor. Such determination shall finally and conclusively fix the amount due, unless the person against whom it is assessed shall, within thirty days after the giving of notice of such determination, apply in writing to the commission for a hearing, or unless the commission on its own motion shall reduce the same. After such hearing, the commission shall give notice of its decision to the person liable therefor. A determination of the commission under this section shall be subject to judicial review, if application for such review is made within thirty days after the giving of notice of such decision. Any determination under this section shall be made within

five years from the time the return was filed and if no return was filed such determination may be made at any time.

(b) Any notice authorized or required under this section may be given by mailing the same to the person for whom it is intended at the last address given by him to the commission, or in the last return filed by him with the commission under this section, or, if no return has been filed then to such address as may be obtainable. The mailing of such notice shall be presumptive evidence of the receipt of same by the person to whom addressed. Any period of time, which is determined according to the provision of this section, for the giving of notice shall commence to run from the date of mailing of such notice.

4. Whenever any person shall fail to pay, within the time limited herein, any assessment which he is required to pay to the commission under the provisions of this section the commission may enforce payment of such fee by civil action for the amount of such assessment with interest and penalties.

5. The employment by a nonresident of a longshoreman, or a licensed pier superintendent, hiring agent or port watchman in either state or the designation by a nonresident of a longshoreman, pier superintendent, hiring agent or port watchman to perform work in such state shall be deemed equivalent to an appointment by such nonresident of the secretary of state of such state to be his true and lawful attorney upon whom may be served the process in any action or proceeding against him growing out of any liability for assessments, penalties or interest, and a consent that any such process against him which is so served shall be of the same legal force and validity as if served on him personally within such state and within the territorial jurisdiction of the court from which the process issues. Service of process within either state shall be made by either (1) personally delivering to and leaving with the secretary of state or a deputy secretary of state of such state duplicate copies thereof at the office of the department of state in the capitol city of such state, in which event such secretary of state shall forthwith send by registered mail one of such copies to the person at the last address designated by him to the commission for any purpose under this section or in the last return filed by him under this section with the commission or as shown on the records of the commission, or if no return has been filed, at his last known office address within or without such state, or (2) personally delivering to and leaving with the secretary of state or a deputy secretary of state of such state a copy thereof at the office of the department of state in the capitol city of such state and by delivering a copy thereof to the person, personally without such state. Proof of such personal service without such state shall be filed with the clerk of the court in which the process is pending within thirty days after such service and such service shall be complete ten days after proof thereof is filed.

6. Whenever the commission shall determine that any moneys received as assessments were paid in error, it may cause the same to be refunded, provided an application therefor is filed with the commission within two years from the time the erroneous payment was made.

7. In addition to any other powers authorized hereunder, the commission shall have power to make reasonable rules and regulations to effectuate the purposes of this section.

8. When any person shall wilfully fail to pay any assessment due hereunder he shall be assessed interest at a rate of one per cent per month on the amount due and unpaid and penalties of five per cent of the amount due for each thirty days or part thereof that the assessment

remains unpaid. The commission, may, for good cause shown, abate all or part of such penalty.

9. Any person who shall wilfully furnish false or fraudulent information or shall wilfully fail to furnish pertinent information, as required, with respect to the amount of assessment due, shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars, or imprisonment for not more than one year, or both.

10. All funds of the commission shall be deposited with such responsible banks or trust companies as may be designated by the commission. The commission may require that all such deposits be secured by obligations of the United States or of the states of New York or New Jersey of a market value equal at all times to the amount of the deposits, and all banks and trust companies are authorized to give such security for such deposits. The moneys so deposited shall be withdrawn only by check signed by both members of the commission or by such other officers or employees of the commission as it may from time to time designate.

11. The accounts, books and records of the commission, including its receipts, disbursements, contracts, leases, investments and any other matters relating to its financial standing shall be examined and audited annually by independent auditors to be retained for such purpose by the commission.

§ 3103. Reimbursement. The commission shall reimburse each state for any funds advanced to the commission exclusive of sums appropriated pursuant to subdivision four of section three thousand fourteen of this article.

§ 3104. Penalties. Any person who shall violate any of the provisions of the compact or of section thirty-one hundred two of this part for which no other penalty is prescribed shall be guilty of a misdemeanor, punishable by a fine of not more than five hundred dollars or by imprisonment for not more than one year, or both.

§ 3105. Federal funds. 1. The waterfront commission of New York harbor is hereby designated on its own behalf or as agent of the state of New York and the state of New Jersey, as provided by the act of the congress of the United States, effective June sixth, nineteen hundred thirty-three, entitled "An act to provide for the establishment of a national employment system and for cooperating with the states in the promotion of such system and for other purposes" as amended, for the purpose of obtaining such benefits of such act of congress as are necessary or appropriate to the establishment and operation of employment information centers authorized by section three thousand thirteen of this article.

2. The commission shall have all powers necessary to cooperate with appropriate officers or agencies of either state or the United States, to take such steps, to formulate such plans, and to execute such projects (including but not limited to the establishment and operation of employment information centers) as may be necessary to obtain such benefits for the operations of the commission in accomplishing the purposes of this article.

3. The officer or agency heretofore designated by each of the two states pursuant to said act of June sixth, nineteen hundred thirty-three, as amended, is authorized and empowered, upon the request of the commission and subject to its direction, to exercise the powers and duties conferred upon the commission by the provisions of this section.

§ 3106. Supplementary definitions. As used in the compact established by part I of this article:

1. "Stevedore" shall also include (a) contractors engaged for compensation pursuant to a contract or arrangement with the United States, any state or territory thereof, or any department, division, board, commission or authority of one or more of the foregoing, in moving freight carried or consigned for carriage between any point in the port of New York district and a point outside said district on vessels of such a public agency berthed at piers, on piers at which such vessels are berthed or at other waterfront terminals, or

(b) contractors (not including employees) engaged for compensation pursuant to a contract or arrangement with any person to perform labor or services incidental to the movement of waterborne freight on vessels berthed at piers, on piers or at other waterfront terminals, including, but not limited to, cargo storage, cargo repairing, coopering, general maintenance, mechanical and miscellaneous work, horse and cattle fitting, grain ceiling, and marine carpentry, or

(c) contractors (not including employees) engaged for compensation pursuant to a contract or arrangement with any other person to perform labor or services involving, or incidental to, the movement of freight into or out of containers (which have been or which will be carried by a carrier of freight by water) on vessels berthed at piers, on piers or at other waterfront terminals.

2. "Waterborne freight" shall also include freight described in paragraphs (a) and (c) of subdivision one of this section and in subdivision ten of this section and ships' stores, baggage and mail carried by or consigned for carriage by carriers of freight by water.

3. "Court of the United States" shall mean all courts enumerated in section four hundred fifty-one of title twenty-eight of the United States code and the courts-martial of the armed forces of the United States.

4. "Witness" shall mean any person whose testimony is desired in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this article.

5. "Checker" shall mean a longshoreman who is employed to engage in direct and immediate checking of waterborne freight or of the custodial accounting therefor or in the recording or tabulation of the hours worked at piers or other waterfront terminals by natural persons employed by carriers of freight by water or stevedores.

6. "Longshoreman" shall also include a natural person, other than a hiring agent, who is employed for work at a pier or other waterfront terminal:

(a) either by a carrier of freight by water or by a stevedore physically to perform labor or services incidental to the movement of waterborne freight on vessels berthed at piers, on piers or at other waterfront terminals, including, but not limited to, cargo repairmen, coopers, general maintenance men, mechanical and miscellaneous workers, horse and cattle fitters, grain ceilers and marine carpenters, or

(b) by any person physically to move waterborne freight to or from a barge, lighter or railroad car for transfer to or from a vessel of a carrier of freight by water which is, shall be, or shall have been berthed at the same pier or other waterfront terminal, or

(c) by any person to perform labor or services involving, or incidental to, the movement of freight at a waterfront terminal as defined in subdivision ten of this section.

7. "Compact" shall also include any amendments or supplements to the waterfront commission compact to implement the purposes thereof adopted by the action of the legislature of either the state of New York or the

state of New Jersey concurred in by the legislature of the other and as established by part I of this article.

8. The term "select any longshoreman for employment" in the definition of a hiring agent in this act shall include selection of a person for the commencement or continuation of employment as a longshoreman, or the denial or termination of employment as a longshoreman.

9. "Hiring agent" shall also include any natural person, who on behalf of any other person shall select any longshoreman for employment.

10. "Other waterfront terminal" shall also include any warehouse, depot or other terminal (other than a pier), whether enclosed or open, which is located in a marine terminal in the port of New York district and any part of which is used by any person to perform labor or services involving, or incidental to, the movement of waterborne freight or freight.

As used in this section, "marine terminal" means an area which includes piers, which is used primarily for the moving, warehousing, distributing or packing of waterborne freight or freight to or from such piers, and which, inclusive of such piers, is under common ownership or control; "freight" means freight which has been, or will be, carried by or consigned for carriage by a carrier of freight by water; and "container" means any receptacle, box, carton or crate which is specifically designed and constructed so that it may be repeatedly used for the carriage of freight by a carrier of freight by water.

Whenever, as a result of legislative amendments to this article or of a ruling by the commission, registration as a longshoreman is required for any person to continue in his employment, such person shall be registered as a longshoreman without regard to the provisions of section thirty-one hundred eighteen of this part, provided, however, that such person satisfies all the other requirements of this article for registration as a longshoreman.

§ 3107. Additional powers of the commission. In addition to the powers and duties elsewhere described in this part, the commission shall have the following powers:

1. To issue temporary permits and permit temporary registrations under such terms and conditions as the commission may prescribe which shall be valid for a period to be fixed by the commission not in excess of six months.

2. To require any applicant for a license or registration or any prospective licensee to furnish such facts and evidence as the commission may deem appropriate to enable it to ascertain whether the license or registration should be granted.

3. In any case in which the commission has the power to revoke, cancel or suspend any stevedore license the commission shall also have the power to impose as an alternative to such revocation, cancellation or suspension, a penalty, which the licensee may elect to pay to the commission in lieu of the revocation, cancellation or suspension. The maximum penalty shall be five thousand dollars for each separate offense. The commission may, for good cause shown, abate all or part of such penalty.

4. To designate any officer, agent or employee of the commission to be an investigator who shall be vested with all the powers of a peace or police officer of the state of New York in that state, and of the state of New Jersey in that state.

5. To confer immunity, in the following manner: In any investigation, interview or other proceeding conducted under oath by the commission or any duly authorized officer, employee or agent thereof, if a person

refuses to answer a question or produce evidence of any other kind on the ground that he may be incriminated thereby, and, notwithstanding such refusal, an order is made upon twenty-four hours prior written notice to the appropriate attorney general of the state of New York or the state of New Jersey, and to the appropriate district attorney or prosecutor having an official interest therein, by the unanimous vote of both members of the commission or their designees appointed pursuant to the provisions of subdivision three of section three thousand four of this article, that such person answer the question or produce the evidence, such person shall comply with the order. If such person complies with the order, and if, but for this subdivision, he would have been privileged to withhold the answer given or the evidence produced by him, then immunity shall be conferred upon him, as provided for herein.

"Immunity" as used in this subdivision means that such person shall not be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which, in accordance with the order by the unanimous vote of both members of the commission or their designees appointed pursuant to the provisions of subdivision three of section three thousand four of this article, he gave answer or produced evidence, and that no such answer given or evidence produced shall be received against him upon any criminal proceeding. But he may nevertheless be prosecuted or subjected to penalty or forfeiture for any perjury or contempt committed in answering, or failing to answer, or in producing or failing to produce evidence, in accordance with the order, and any such answer given or evidence produced shall be admissible against him upon any criminal proceeding concerning such perjury or contempt.

Immunity shall not be conferred upon any person except in accordance with the provisions of this subdivision. If, after compliance with the provisions of this subdivision, a person is ordered to answer a question or produce evidence of any other kind and complies with such order, and it is thereafter determined that the appropriate attorney general or district attorney or prosecutor having an official interest therein was not notified, such failure or neglect shall not deprive such person of any immunity otherwise properly conferred upon him.

6. To require any applicant for registration as a longshoreman, any applicant for registration as a checker or any applicant for registration as a telecommunications system controller and any person who is sponsored for a license as a pier superintendent or hiring agent, any person who is an individual owner of an applicant stevedore or any persons who are individual partners of an applicant stevedore, or any officers, directors or stockholders owning five percent or more of any of the stock of an applicant corporate stevedore or any applicant for a license as a port watchman or any other category of applicant for registration or licensing by law within the commission's jurisdiction to be fingerprinted by the commission.

7. To require any applicant for registration as a longshoreman, any applicant for registration as a checker or any applicant for registration as a telecommunications system controller and any person who is sponsored for a license as a pier superintendent or hiring agent, any person who is an individual owner of an applicant stevedore or any persons who are individual partners of an applicant stevedore, or any officers, directors or stockholders owning five percent or more of any of the stock of an applicant corporate stevedore or any applicant for a license as a port watchman or any other category of applicant for registration or licensing by law within the commission's jurisdiction who

has: previously applied and had an application denied upon submission; been removed from registration; or, had a license suspended, or revoked and is reapplying for registration or licensing within the commission's jurisdiction to be fingerprinted by the commission.

8. To exchange fingerprint data with and receive state criminal history record information from the division of criminal justice services, as defined in subdivision one of section three thousand thirty-five of the education law of the state of New York, and federal criminal history record information from the federal bureau of investigation for use in making the determinations required by this part.

9. Notwithstanding any other provision of law to the contrary, to require any applicant for employment by the commission or person described in subdivision seven of this section to be fingerprinted and to exchange fingerprint data with and receive state criminal history record information from the division of criminal justice services, as defined in subdivision one of section three thousand thirty-five of the education law of the state of New York, and federal criminal history information from the federal bureau of investigation for the purposes of this subdivision and subdivisions six, seven and eight of this section.

§ 3108. Regularization of longshoremen's employment. 1. Notwithstanding any other provisions of section three thousand ten of this article, the commission shall have the power to remove from the longshoremen's register any person (including those persons registered as longshoremen for less than nine months) who shall have failed to have worked as a longshoreman in the port of New York district for such minimum number of days during a period of time as shall have been established by the commission. In administering this section, the commission, in its discretion, may count applications for employment as a longshoreman at an employment information center established under section three thousand thirteen of this article as constituting actual work as a longshoreman, provided, however, that the commission shall count as actual work the compensation received by any longshoreman pursuant to the guaranteed wage provisions of any collective bargaining agreement relating to longshoremen. Prior to the commencement of any period of time established by the commission pursuant to this section, the commission shall establish for such period the minimum number of days of work required and the distribution of such days during such period and shall also determine whether or not application for employment as a longshoreman shall be counted as constituting actual work as a longshoreman. The commission may classify longshoremen according to length of service as a longshoreman and such other criteria as may be reasonable and necessary to carry out the provisions of this part. The commission shall have the power to vary the requirements of this section with respect to their application to the various classifications of longshoremen. In administering this section, the commission shall observe the standards set forth in section thirty-one hundred eighteen of this part. Nothing in this section shall be construed to modify, limit or restrict in any way any of the rights protected by article XV of the compact established by part I of this article.

§ 3109. Additional violations. Any person who, having been duly sworn or affirmed as a witness in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this part, shall wilfully give false testimony shall be guilty of a misdemeanor punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

§ 3110. Hearings. 1. At hearings conducted by the commission pursuant to section three thousand twelve of this article, applicants, prospective licensees, licensees and registrants shall have the right to be accompanied and represented by counsel.

2. After the conclusion of a hearing but prior to the making of an order by the commission, a hearing may, upon petition and in the discretion of the hearing officer, be reopened for the presentation of additional evidence. Such petition to reopen the hearing shall state in detail the nature of the additional evidence, together with the reasons for the failure to submit such evidence prior to the conclusion of the hearing. The commission may upon its own motion and upon reasonable notice reopen a hearing for the presentation of additional evidence.

Upon petition, after the making of an order of the commission, rehearing may be granted in the discretion of the commission. Such a petition for rehearing shall state in detail the grounds upon which the petition is based and shall separately set forth each error of law and fact alleged to have been made by the commission in its determination, together with the facts and arguments in support thereof. Such petition shall be filed with the commission not later than thirty days after service of such order, unless the commission for good cause shown shall otherwise direct.

The commission may upon its own motion grant a rehearing after the making of an order.

§ 3111. Denial of applications. In addition to the grounds elsewhere set forth in this article, the commission may deny an application for a license or registration for any of the following:

1. Conviction by a court of the United States or any state or territory thereof of coercion;

2. Conviction by any such court, after having been previously convicted by any such court of any crime or of the offenses hereinafter set forth, of a misdemeanor or any of the following offenses: assault, malicious injury to property, malicious mischief, unlawful taking of a motor vehicle, corruption of employees or possession of lottery or number slips; or

3. Fraud, deceit or misrepresentation in connection with any application or petition submitted to, or any interview, hearing or proceeding conducted by the commission.

4. Violation of any provision of this part or commission of any offense thereunder.

5. Refusal on the part of any applicant, or prospective licensee, or of any member, officer or stockholder required by subdivision two of section three thousand seven of this article to sign or be identified in an application for a stevedore license, to answer any material question or produce any material evidence in connection with his application or any application made on his behalf for a license or registration pursuant to this part.

6. Association with a person who has been identified by a federal, state, or local law enforcement agency as a member or associate of an organized crime group, a terrorist group, or a career offender cartel, or who is a career offender, under circumstances where such association creates a reasonable belief that the participation of the applicant in any activity required to be licensed under this article would be inimical to the policies of this article. For the purpose of this section, (a) a terrorist group shall mean a group associated, affiliated or funded in whole or in part by a terrorist organization designated by the secretary of state in accordance with section 219 of the immigration and

nationality act, as amended from time to time, or any other organization which assists, funds or engages in acts of terrorism as defined in the laws of the United States, or of either of the states of New York (such as subdivision one of section 490.05 of the penal law) or New Jersey; and (b) a career offender shall mean a person whose behavior is pursued in an occupational manner or context for the purpose of economic gain utilizing such methods as are deemed criminal violations against the public policy of the states of New York and New Jersey, and a career offender cartel shall mean a number of career offenders acting in concert, and may include what is commonly referred to as an organized crime group.

7. Conviction of a racketeering activity or knowing association with a person who has been convicted of a racketeering activity by a court of the United States or any state or territory thereof under circumstances where such association creates a reasonable belief that the participation of the applicant in any activity required to be licensed under this part would be inimical to the policies of this part.

§ 3112. Revocation of licenses and registrations. In addition to the grounds elsewhere set forth in this part, any license or registration issued or made pursuant thereto may be revoked or suspended for such period as the commission deems in the public interest or the licensee or registrant may be reprimanded, for:

1. Conviction of any crime or offense in relation to gambling, bookmaking, pool selling, lotteries or similar crimes or offenses if the crime or offense was committed at or on a pier or other waterfront terminal or within five hundred feet thereof; or

2. Wilful commission of, or wilful attempt to commit at or on a waterfront terminal or adjacent highway, any act of physical injury to any other person or of wilful damage to or misappropriation of any other person's property, unless justified or excused by law; or

3. Receipt or solicitation of anything of value from any person other than a licensee's or registrant's employer as consideration for the selection or retention for employment of such licensee or registrant; or

4. Coercion of a licensee or registrant by threat of discrimination or violence or economic reprisal, to make purchases from or to utilize the services of any person; or

5. Refusal to answer any material question or produce any evidence lawfully required to be answered or produced at any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this article, or, if such refusal is accompanied by a valid plea of privilege against self-incrimination, refusal to obey an order to answer such question or produce such evidence made by the commission pursuant to the provisions of subdivision five of section thirty-one hundred seven of this part.

6. Association with a person who has been identified by a federal, state, or local law enforcement agency as a member or associate of an organized crime group, a terrorist group, or a career offender cartel, or who is a career offender, under circumstances where such association creates a reasonable belief that the participation of the applicant in any activity required to be licensed under this part would be inimical to the policies of this part. For the purpose of this section, (a) a terrorist group shall mean a group associated, affiliated or funded in whole or in part by a terrorist organization designated by the secretary of state in accordance with section 219 of the immigration and nationality act, as amended from time to time, or any other organization which assists, funds or engages in acts of terrorism as defined in the laws of

the United States, or of either of the states of New York (such as subdivision one of section 490.05 of the penal law) or New Jersey; and (b) a career offender shall mean a person whose behavior is pursued in an occupational manner or context for the purpose of economic gain utilizing such methods as are deemed criminal violations against the public policy of the states of New York and New Jersey, and a career offender cartel shall mean a number of career offenders acting in concert, and may include what is commonly referred to as an organized crime group.

7. Conviction of a racketeering activity or knowing association with a person who has been convicted of a racketeering activity by a court of the United States or any state or territory thereof under circumstances where such association creates a reasonable belief that the participation of the applicant in any activity required to be licensed under this article would be inimical to the policies of this article.

§ 3113. Removal of port watchmen's ineligibility. Any port watchman ineligible for a license by reason of the provisions of paragraph (b) of subdivision three of section three thousand eleven of this article may petition for and the commission may issue an order removing the ineligibility in the manner provided in paragraph (b) of subdivision three of section three thousand six of this article.

§ 3114. Petition for order to remove an ineligibility. A petition for an order to remove an ineligibility under paragraph (b) of subdivision three of section three thousand six, paragraph (e) of subdivision three of section three thousand seven, paragraph (b) of subdivision three of section three thousand six of this article, or paragraph (b) of subdivision three of section thirty-one hundred sixteen of this part may be made to the commission before or after the hearing required by section three thousand twelve of this article.

§ 3115. Denial of stevedore applications. In addition to the grounds elsewhere set forth in this part the commission shall not grant an application for a license as stevedore if on or after July first, nineteen hundred fifty-six, the applicant has paid, given, caused to have been paid or given or offered to pay or give to any agent of any carrier of freight by water any valuable consideration for an improper or unlawful purpose or, without the knowledge and consent of such carrier, to induce such agent to procure the employment of the applicant by such carrier or its agent for the performance of stevedoring services.

§ 3116. Checkers. 1. The commission shall establish within the longshoremen's register a list of all qualified longshoremen eligible, as hereinafter provided, for employment as checkers in the port of New York district. No person shall act as a checker within the port of New York district unless at the time he is included in the longshoremen's register as a checker, and no person shall employ another to work as a checker within the port of New York district unless at the time such other person is included in the longshoremen's register as a checker.

2. Any person applying for inclusion in the longshoremen's register as a checker shall file at any such place and in such manner as the commission shall designate a written statement, signed and verified by such person, setting forth the following:

(a) The full name, residence, place and date of birth and social security number of the applicant;

(b) The present and previous occupations of the applicant, including the places where he was employed and the names of his employers;

(c) Such further facts and evidence as may be required by the commission to ascertain the character, integrity and identity of the applicant.

3. No person shall be included in the longshoremen's register as a checker

(a) Unless the commission shall be satisfied that the applicant possesses good character and integrity;

(b) If the applicant has, without subsequent pardon, been convicted by a court of the United States or any state or territory thereof, of the commission of, or the attempt or conspiracy to commit treason, murder, manslaughter or any felony or high misdemeanor or any of the following misdemeanors or offenses: illegally using, carrying or possessing a pistol or other dangerous weapon; making or possessing burglar's instruments; buying or receiving stolen property; unlawful entry of a building; aiding an escape from prison; unlawfully possessing, possessing with intent to distribute, sale or distribution of a controlled dangerous substance (controlled substance) or, in New Jersey, a controlled dangerous substance analog (controlled substance analog); petty larceny, where the evidence shows the property was stolen from a vessel, pier or other waterfront terminal; and violation of the compact. Any such applicant ineligible for inclusion in the longshoremen's register as a checker by reason of any such conviction may submit satisfactory evidence to the commission that he has for a period of not less than five years, measured as hereinafter provided, and up to the time of application, so conducted himself as to warrant inclusion in the longshoremen's register as a checker, in which event the commission may, in its discretion, issue an order removing such ineligibility. The aforesaid period of five years shall be measured either from the date of payment of any fine imposed upon such person or the suspension of sentence or from the date of his unrevoked release from custody by parole, commutation or termination of his sentence;

(c) If the applicant knowingly or wilfully advocates the desirability of overthrowing or destroying the government of the United States by force or violence or shall be a member of a group which advocates such desirability, knowing the purposes of such group include such advocacy.

4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the applicant possesses the qualifications and requirements prescribed by this section, the commission shall include the applicant in the longshoremen's register as a checker. The commission may permit temporary registration as a checker to any applicant under this section pending final action on an application made for such registration, under such terms and conditions as the commission may prescribe, which shall be valid for a period to be fixed by the commission, not in excess of six months.

5. The commission shall have power to reprimand any checker registered under this section or to remove him from the longshoremen's register as a checker for such period of time as it deems in the public interest for any of the following offenses:

(a) Conviction of a crime or other cause which would permit disqualification of such person from inclusion in the longshoremen's register as a checker upon original application;

(b) Fraud, deceit or misrepresentation in securing inclusion in the longshoremen's register as a checker or in the conduct of the registered activity;

(c) Violation of any of the provisions of the compact established by part I of this article;

(d) Conviction of a crime involving unlawfully possessing, possession with intent to distribute, sale or distribution of a controlled dangerous substance (controlled substance) or, in New Jersey, a controlled dangerous substance analog (controlled substance analog);

(e) Inducing or otherwise aiding or abetting any person to violate the terms of the compact established by part I of this article;

(f) Paying, giving, causing to be paid or given or offering to pay or give to any person any valuable consideration to induce such other person to violate any provision of the compact or to induce any public officer, agent or employee to fail to perform his duty under the compact;

(g) Consorting with known criminals for an unlawful purpose;

(h) Transfer or surrender of possession to any person either temporarily or permanently of any card or other means of identification issued by the commission as evidence of inclusion in the longshoremen's register without satisfactory explanation;

(i) False impersonation of another longshoreman or of another person licensed under the compact.

6. The commission shall have the right to recover possession of any card or other means of identification issued as evidence of inclusion in the longshoremen's register as a checker in the event that the holder thereof has been removed from the longshoremen's register as a checker.

7. Nothing contained in this section shall be construed to limit in any way any rights of labor reserved by section three thousand six of this article.

§ 3117. Supplementary violations. Any person who, without justification or excuse in law, directly or indirectly intimidates or inflicts any injury, damage, harm, loss or economic reprisal upon any person licensed or registered by the commission, or any other person, or attempts, conspires or threatens so to do, in order to interfere with, impede or influence such licensed or registered person in the performance or discharge of his duties or obligations shall be punishable as provided in section thirty-one hundred four of this part.

§ 3118. Suspension of acceptance of applications for inclusion in longshoremen's register; exceptions. 1. The commission shall have the power to make determinations to suspend the acceptance of application for inclusion in the longshoremen's register for such periods of time as the commission may from time to time establish and, after any such period of suspension, the commission shall have the power to make determinations to accept applications for such period of time as the commission may establish or in such number as the commission may determine, or both. Such determinations to suspend or accept applications shall be made by the commission: (a) on its own initiative or (b) upon the joint recommendation in writing of stevedores and other employers of longshoremen in the port of New York district, acting through their representative for the purpose of collective bargaining with a labor organization representing such longshoremen in such district and such labor organization or (c) upon the petition in writing of a stevedore or another employer of longshoremen in the port of New York district which does not have a representative for the purpose of collective bargaining with a labor organization representing such longshoremen. The commission shall have the power to accept or reject such joint recommendation or petition.

All joint recommendations or petitions filed for the acceptance of applications with the commission for inclusion in the longshoremen's register shall include:

(a) the number of employees requested;

(b) the category or categories of employees requested;

(c) a detailed statement setting forth the reasons for said joint recommendation or petition;

(d) in cases where a joint recommendation is made under this section, the collective bargaining representative of stevedores and other employers of longshoremen in the port of New York district and the labor organization representing such longshoremen shall provide the allocation of the number of persons to be sponsored by each employer of longshoremen in the port of New York district; and

(e) any other information requested by the commission.

2. In administering the provisions of this section, the commission shall observe the following standards:

(a) To encourage as far as practicable the regularization of the employment of longshoremen;

(b) To bring the number of eligible longshoremen into balance with the demand for longshoremen's services within the port of New York district without reducing the number of eligible longshoremen below that necessary to meet the requirements of longshoremen in the port of New York district;

(c) To encourage the mobility and full utilization of the existing work force of longshoremen;

(d) To protect the job security of the existing work force of longshoremen by considering the wages and employment benefits of prospective registrants;

(e) To eliminate oppressive and evil hiring practices injurious to waterfront labor and waterborne commerce in the port of New York district, including, but not limited to, those oppressive and evil hiring practices that may result from either a surplus or shortage of waterfront labor;

(f) To consider the effect of technological change and automation and such other economic data and facts as are relevant to a proper determination;

(g) To protect the public interest of the port of New York district.

In observing the foregoing standards and before determining to suspend or accept applications for inclusion in the longshoremen's register, the commission shall consult with and consider the views of, including any statistical data or other factual information concerning the size of the longshoremen's register submitted by, carriers of freight by water, stevedores, waterfront terminal owners and operators, any labor organization representing employees registered by the commission, and any other person whose interests may be affected by the size of the longshoremen's register.

Any joint recommendation or petition granted hereunder shall be subject to such terms and conditions as the commission may prescribe.

3. Any determination by the commission pursuant to this section to suspend or accept applications for inclusion in the longshoremen's register shall be made upon a record, shall not become effective until five days after notice thereof to the collective bargaining representative of stevedores and other employers of longshoremen in the port of New York district and to the labor organization representing such longshoremen and/or the petitioning stevedore or other employer of longshoremen in the port of New York district and shall be subject to judi-

cial review for being arbitrary, capricious, and an abuse of discretion in a proceeding jointly instituted by such representative and such labor organization and/or by the petitioning stevedore or other employer of longshoremen in the port of New York district. Such judicial review proceeding may be instituted in either state in the manner provided by the law of such state for review of the final decision or action of administrative agencies of such state, provided, however, that such proceeding shall be decided directly by the appellate division as the court of first instance (to which the proceeding shall be transferred by order of transfer by the supreme court in the state of New York or in the state of New Jersey by notice of appeal from the commission's determination) and provided further that notwithstanding any other provision of law in either state no court shall have power to stay the commission's determination prior to final judicial decision for more than fifteen days. In the event that the court enters a final order setting aside the determination by the commission to accept applications for inclusion in the longshoremen's register, the registration of any longshoremen included in the longshoremen's register as a result of such determination by the commission shall be cancelled.

This section shall apply, notwithstanding any other provision of this article, provided however, such section shall not in any way limit or restrict the provisions of subdivision five of section three thousand ten of this article empowering the commission to register longshoremen on a temporary basis to meet special or emergency needs or the provisions of subdivision four of section three thousand ten of this article relating to the immediate reinstatement of persons removed from the longshoremen's register pursuant to section three thousand ten of this article. Nothing in this section shall be construed to modify, limit or restrict in any way any of the rights protected by section three thousand sixteen of this article.

4. Upon the granting of any joint recommendation or petition under this section for the acceptance of applications for inclusion in the longshoremen's register, the commission shall accept applications upon written sponsorship from the prospective employer of longshoremen. The sponsoring employer shall furnish the commission with the name, address and such other identifying or category information as the commission may prescribe for any person so sponsored. The sponsoring employer shall certify that the selection of the persons so sponsored was made in a fair and non-discriminatory basis in accordance with the requirements of the laws of the United States and the states of New York and New Jersey dealing with equal employment opportunities.

Notwithstanding any of the foregoing, where the commission determines to accept applications for inclusion in the longshoremen's register on its own initiative, such acceptance shall be accomplished in such manner deemed appropriate by the commission.

5. Notwithstanding any other provision of this article, the commission may include in the longshoremen's register under such terms and conditions as the commission may prescribe:

(a) a person issued registration on a temporary basis to meet special or emergency needs who is still so registered by the commission;

(b) a person defined as a longshoreman in subdivision six of section thirty-one hundred six of this part who is employed by a stevedore defined in paragraph (b) or (c) of subdivision one of section thirty-one hundred six of this part and whose employment is not subject to the guaranteed annual income provisions of any collective bargaining agreement relating to longshoremen;

(c) no more than twenty persons issued registration limited to acting as scalemen pursuant to the provisions of chapter 953 of the laws of 1969 and chapter 64 of the laws of 1982 who are still so registered by the commission and who are no longer employed as scalemen on the effective date of this subdivision;

(d) a person issued registration on a temporary basis as a checker to meet special or emergency needs who applied for such registration prior to January 15, 1986 and who is still so registered by the commission;

(e) a person issued registration on a temporary basis as a checker to meet special or emergency needs in accordance with a waterfront commission resolution of September 4, 1996 and who is still so registered by the commission;

(f) a person issued registration on a temporary basis as a container equipment operator to meet special or emergency needs in accordance with a waterfront commission resolution of September 4, 1996 and who is still so registered by the commission; and

(g) a person issued registration on a temporary basis as a longshoreman to meet special or emergency needs in accordance with a waterfront commission resolution of September 4, 1996 and who is still so registered by the commission.

6. The commission may include in the longshoremen's register, under such terms and conditions as the commission may prescribe, persons issued registration on a temporary basis as a longshoreman or a checker to meet special or emergency needs and who are still so registered by the commission upon the enactment of this section.

§ 3119. Temporary suspension of permits, licenses and registrations. 1. The commission may temporarily suspend a temporary permit or a permanent license or a temporary or permanent registration pursuant to the provisions of subdivision four of section three thousand twelve of this article until further order of the commission or final disposition of the underlying case, only where the permittee, licensee or registrant has been indicted for, or otherwise charged with, a crime which is equivalent to a felony in the state of New York or to a crime of the third, second or first degree in the state of New Jersey or only where the permittee or licensee is a port watchman who is charged by the commission pursuant to section three thousand twelve of this article with misappropriating any other person's property at or on a pier or other waterfront terminal.

2. In the case of a permittee, licensee or registrant who has been indicted for, or otherwise charged with, a crime, the temporary suspension shall terminate immediately upon acquittal or upon dismissal of the criminal charge. A person whose permit, license or registration has been temporarily suspended may, at any time, demand that the commission conduct a hearing as provided for in section three thousand twelve of this article. Within sixty days of such demand, the commission shall commence the hearing and, within thirty days of receipt of the administrative judge's report and recommendation, the commission shall render a final determination thereon; provided, however, that these time requirements, shall not apply for any period of delay caused or requested by the permittee, licensee or registrant. Upon failure of the commission to commence a hearing or render a determination within the time limits prescribed herein, the temporary suspension of the licensee or registrant shall immediately terminate. Notwithstanding any other provision of this subdivision, if a federal, state, or local law enforcement agency or prosecutor's office shall request the suspension or deferment of any hearing on the ground that such a hearing would obstruct or preju-

dice an investigation or prosecution, the commission may in its discretion, postpone or defer such hearing for a time certain or indefinitely. Any action by the commission to postpone a hearing shall be subject to immediate judicial review as provided in subdivision seven of section three thousand twelve of this article.

3. The commission may in addition, within its discretion, bar any permittee, licensee or registrant whose license or registration has been suspended pursuant to the provisions of subdivision one of this section, from any employment by a licensed stevedore or a carrier of freight by water during the period of such suspension, if the alleged crime that forms the basis of such suspension involves the possession with intent to distribute, sale, or distribution of a controlled dangerous substance (controlled substance) or, in New Jersey, controlled dangerous substance analog (controlled substance analog), racketeering or theft from a pier or waterfront terminal.

§ 3120. Continuance of port watchmen's licenses. Notwithstanding any provision of subdivision five of section three thousand eleven of this article, a license to act as a port watchman shall continue and need not be renewed, provided the licensee shall, as required by the commission:

1. Submit to a medical examination and meet the physical and mental fitness standards established by the commission pursuant to subdivision three of section three thousand eleven of this article;

2. Complete a refresher course of training; and

3. Submit supplementary personal history information.

§ 3121. Regularization of port watchmen's employment. The commission shall, at regular intervals, cancel the license or temporary permit of a port watchman who shall have failed during the preceding twelve months to have worked as a port watchman in the port of New York district a minimum number of hours as shall have been established by the commission, except that immediate restoration of such license or temporary permit shall be made upon proper showing that the failure to so work was caused by the fact that the licensee or permittee was engaged in the military service of the United States or was incapacitated by ill health, physical injury or other good cause.

§ 3122. Duration of stevedore's license. A stevedore's license granted pursuant to section three thousand seven of this article shall be for a term of five years or fraction of such five year period, and shall expire on the first day of December. In the event of the death of the licensee, if a natural person, or its termination or dissolution by reason of a death of a partner, if a partnership, or if the licensee shall cease to be a party to any contract of the type required by paragraph (d) of subdivision three of section three thousand seven of this article, the license shall terminate ninety days after such event or upon its expiration date, whichever shall be sooner. A license may be renewed by the commission for successive five year periods upon fulfilling the same requirements as are set forth in section three thousand seven of this article for an original application for a stevedore's license.

§ 3123. Implementation of telecommunications hiring system for longshoremen and checkers and registration of telecommunications system controller. 1. The commission may designate one of the employment information centers it is authorized to establish and maintain under section three thousand thirteen of this article for the implementation of a telecommunications hiring system through which longshoremen and checkers may be hired and accept employment without any personal appearance at said center. Any such telecommunications hiring system shall

incorporate hiring and seniority agreements between the employers of longshoremen and checkers and the labor organization representing longshoremen and checkers in the port of New York district, provided said agreements are not in conflict with the provisions of this part.

2. The commission shall permit employees of the association representing employers of longshoremen and checkers and of the labor organization representing longshoremen and checkers in the port of New York district, or of a joint board of such association and labor organization, to participate in the operation of said telecommunications hiring system, provided that any such employee is registered by the commission as a "telecommunications system controller" in accordance with the provisions, standards and grounds set forth in this part with respect to the registration of checkers. No person shall act as a "telecommunications system controller" unless he or she is so registered. Any application for such registration and any registration made or issued may be denied, revoked, cancelled or suspended, as the case may be, only in the manner prescribed in section three thousand twelve of this article. Any and all such participation in the operation of said telecommunications hiring system shall be monitored by the commission.

3. Any and all records, documents, tapes, discs and other data compiled, collected or maintained by said association of employers, labor organization and joint board of such association and labor organization pertaining to the telecommunications hiring system shall be available for inspection, investigation and duplication by the commission.

PART III
COMMISSION ESTABLISHED FOR NEW YORK STATE

3201. Commission established for New York state.
3202. Prohibition against loitering.
3203. Prohibition against unions having officers, agents or employees who have been convicted of certain crimes and offenses.
3204. Exception to section 3203 of this part for certain employees.

§ 3201. Commission established for New York state. Unless and until the provisions of the compact contained in part I of this article shall have been concurred in by the state of New Jersey, the consent of congress given thereto, and the commission, provided for therein, established:

1. The provisions of such compact and sections thirty-one hundred two, thirty-one hundred three, thirty-one hundred four and thirty-one hundred five of this article shall apply to and be in full force and effect within the state of New York, except as limited by this section, and any violation of such compact or section shall be a violation of the laws of the state of New York, provided, however, that (with respect to the definitions contained in such compact):

(a) "The port of New York district" shall mean only that portion of the district within the state of New York;

(b) The "commission", hereinafter referred to in this section as the "New York commission", shall mean and consist of the member appointed by the governor of this state by and with the advice and consent of the senate, and he shall possess and exercise all the powers and duties of

the commission set forth in part I of this article and any other powers and duties conferred herein;

(c) The powers and duties of any other officer or agency of this state prescribed by part I of this article or otherwise by this article shall be effective as if the provisions of the compact were effective as a law of this state; and

(d) The New York commission shall not be deemed to be a body corporate and politic and shall be in the executive department of this state.

2. The New York commission is authorized to cooperate with a similar commission of the state of New Jersey, to exchange information on any matter pertinent to the purposes of this article, and to enter into reciprocal agreements for the accomplishment of such purposes, including but not limited to the following objectives:

(a) To provide for the reciprocal recognition of any license issued or registration made by either commission;

(b) To give reciprocal effect to any revocation, suspension or reprimand with respect to any licensee, and any reprimand or removal from a longshoremen's register;

(c) To provide that any act or omission by a licensee or registrant in either state which would be a basis for disciplinary action against such licensee or registrant if it occurred in the state in which the license was issued or the person registered shall be the basis for disciplinary action in both states;

(d) To provide that longshoremen registered in either state, who perform work or who apply for work at an employment information center within the other state shall be deemed to have performed work or to have applied for work in the state in which they are registered.

3. Notwithstanding any other provision of law, the officers, employees and agents of the commission established by this section may be appointed or employed without regard to their state of residence. Such commission may appoint or employ the same person to a similar office or employment in this state as he holds in a similar commission or agency of the state of New Jersey.

Notwithstanding any other provision of this article, for the purpose of providing for the commission's expenses of administration during the remainder of the calendar year following the effective date of this article, and until June thirtieth, nineteen hundred fifty-four the assessment for such expense shall be at the rate of one and one-half per cent. Such assessment shall be made, collected and enforced in accordance with section three thousand fourteen of this article.

§ 3202. Prohibition against loitering. No person shall, without a satisfactory explanation, loiter upon any vessel, dock, wharf, pier, bulkhead, terminal, warehouse, or other waterfront facility or within five hundred feet thereof in that portion of the port of New York district within the state of New York.

§ 3203. Prohibition against unions having officers, agents or employees who have been convicted of certain crimes and offenses. No person shall solicit, collect or receive any dues, assessments, levies, fines or contributions, or other charges within the state for or on behalf of any labor organization which represents employees registered or licensed pursuant to the provisions of this article or which derives its charter from a labor organization representing one hundred or more of such registered or licensed employees, if any officer, agent or employee of such labor organization, or of a welfare fund or trust administered partially or entirely by such labor organization or by trustees or other persons designated by such labor organization, has been convicted by a

court of the United States, or any state or territory thereof, of a felony, any misdemeanor involving moral turpitude or any crime or offense enumerated in subdivision three (b) of section thirty-one hundred sixteen of this article, unless he has been subsequently pardoned therefor by the governor or other appropriate authority of the state or jurisdiction in which such conviction was had or has received a certificate of good conduct from the board of parole pursuant to the provisions of the executive law to remove the disability. No person so convicted shall serve as an officer, agent or employee of such labor organization, welfare fund or trust unless such person has been so pardoned or has received a certificate of good conduct. No person, including such labor organization, welfare fund or trust, shall knowingly permit such convicted person to assume or hold any office, agency, or employment in violation of this section.

As used in this section, the term "labor organization" shall mean and include any organization which exists and is constituted for the purpose in whole or in part of collective bargaining, or of dealing with employers concerning grievances, terms and conditions of employment, or of other mutual aid or protection; but it shall not include a federation or congress of labor organizations organized on a national or international basis even though one of its constituent labor organizations may represent persons so registered or licensed.

Any person who shall violate this section shall be guilty of a misdemeanor punishable by a fine of not more than five hundred dollars or imprisonment for not more than one year or both.

§ 3204. Exception to section thirty-two hundred three of this part for certain employees. If upon application to the commission by an employee who has been convicted of a crime or offense specified in section thirty-two hundred three of this part the commission, in its discretion, determines in an order that it would not be contrary to the purposes and objectives of this article for such employee to work in a particular employment for a labor organization, welfare fund or trust within the meaning of section thirty-two hundred three of this part, the provisions of section thirty-two hundred three of this part shall not apply to the particular employment of such employee with respect to such conviction or convictions as are specified in the commission's order. This section is applicable only to those employees who for wages or salary perform manual, mechanical, or physical work of a routine or clerical nature at the premises of the labor organization, welfare fund or trust by which they are employed.

PART IV
COMPACT

3301. Compact.
3302. Findings and declarations.
3303. Definitions.
3304. General powers of the commission.
3305. Airfreightmen and airfreightman supervisors.
3306. Air freight terminal operators; air freight truck carriers; and airfreightmen; labor relations consultants.
3307. Air freight security area.
3308. Hearings, determinations and review.
3309. Expenses of administration.
3310. General violations; prosecutions; penalties.
3311. Amendments; construction; short title.

§ 3301. Compact. The state of New York hereby agrees with the state of New Jersey, upon the enactment by the state of New Jersey of legislation having the same effect as this section, to the following compact:

§ 3302. Findings and declarations. 1. The states of New York and New Jersey hereby find and declare that the movement of freight through the two states is vital to their economies and prosperity; that ever increasing amounts of such freight are being carried by the air freight industry; that said air freight industry in the two states constitutes an inseparable and integral unit of the commerce of the two states; that criminal and racketeer elements have infiltrated the air freight industry; that such criminal infiltration is threatening the growth of said air freight industry; that one of the means by which such criminal and racketeer elements infiltrate the air freight industry is by posing as labor relations consultants and that firms handling air freight are often forced to employ or engage such persons; that the air freight industry is suffering an alarming rise in the amount of pilferage and theft of air freight; and that it is imperative to the continued growth and economic well-being of the states of New York and New Jersey that every possible effective measure be taken to prevent the pilferage and theft of air freight and the criminal infiltration of the air freight industry.

2. The states of New York and New Jersey hereby find and declare that many of the evils existing in the air freight industry result not only from the causes above described but from the lack of regulation of the air freight industry in and about the port of New York district; that the air freight industry is affected with a public interest requiring regulation, just as the states of New York and New Jersey have heretofore found and declared in respect to the shipping industry; and that such regulation of the air freight industry shall be deemed an exercise of the police power of the two states for the protection of the public safety, welfare, prosperity, health, peace and living conditions of the people of the states.

§ 3303. Definitions. As used in this compact:

1. "Commission" shall mean the waterfront and airport commission of New York and New Jersey established by section three thousand four of this article.

2. "Airport" shall mean any area on land, water or building or any other facility located within the states of New York and New Jersey (except a military installation of the United States government) (a) which is located within one hundred miles of any point in the port of New York district, (b) which is used, or intended for use, for the landing and take-off of aircraft operated by an air carrier, and any appurtenant areas which are used or intended for use, for airport buildings or other airport facilities or rights of way, together with all airport buildings, equipment, aircraft, and facilities located thereon, and (c) where the total tonnage of air freight in a calendar year loaded and unloaded on and from aircraft exceeds twenty thousand tons.

3. "Air carrier" shall mean any person who may be engaged or who may hold himself out as willing to be engaged, whether as a common carrier, as a contract carrier or otherwise, in the carriage of freight by air.

4. "Air freight" shall mean freight (including baggage, aircraft stores and mail) which is, has been, or will be carried by or consigned for carriage by an air carrier.

5. "Air freight terminal" shall include any warehouse, depot or other terminal (other than an airport) (a) any part of which is located within an airport and any part of which is used for the storage of air freight,

or (b) which is operated by an air carrier or a contractor of an air carrier and any part of which is used for the storage of air freight and any part of which is located within the port of New York district.

6. "Air freight terminal operator" shall mean the owner, lessee, or contractor or such other person (other than an employee) who is in direct and immediate charge and control of an air freight terminal, or any portion thereof.

7. "Air freight truck carrier" shall mean a contractor (other than an employee) engaged for compensation pursuant to a contract or arrangement, directly or indirectly, with an air carrier or air carriers or with an air freight terminal operator or operators in the moving of freight to or from an airport or air freight terminal by a truck or other motor vehicle used primarily for the transportation of property.

8. "Air freight security area" shall mean any area located within the airport to which the commission determines that limited ingress and egress is required for the protection and security of any air freight located within the airport.

9. "Airfreightman" shall mean a natural person who is employed

(a) by any person to physically move or to perform services incidental to the movement of air freight at an airport or in an air freight terminal; or

(b) by an air carrier or an air freight terminal operator or an air freight truck carrier to transport or to assist in the transportation of air freight to or from an airport or air freight terminal; or

(c) by any person to engage in direct and immediate checking of any air freight located in an airport or in an air freight terminal or of the custodial accounting therefor.

10. "Airfreightman supervisor" shall mean a natural person who is employed to supervise directly and immediately the work of an airfreightman at an airport or at an air freight terminal.

11. "Airfreightman labor relations consultant" shall mean any person who, pursuant to any contract or arrangement, advises or represents an air carrier, an air freight terminal operator, or an air freight truck carrier, or an organization of such employers (whether or not incorporated), or a labor organization representing any airfreightmen or airfreightman supervisors, concerning the organization or collective bargaining activities of airfreightmen or airfreightman supervisors, but shall not include any person designated by any government official or body to so act or any person duly licensed to practice law as an attorney in any jurisdiction. As used in this paragraph, the term "labor organization" shall mean and include any labor organization to which section thirty-four hundred one of this article is applicable.

12. "Person" shall mean not only a natural person but also any partnership, joint venture, association, corporation or any other legal entity but shall not include the United States, any state or territory thereof or any department, division, board, commission or authority of one or more of the foregoing or any officer or employee thereof while engaged in the performance of his official duties.

13. "The port of New York district" shall mean the district created by article II of the compact dated April thirtieth, nineteen hundred twenty-one, between the states of New York and New Jersey, authorized by chapter one hundred fifty-four of the laws of New York of nineteen hundred twenty-one and continued by article I of this chapter, and chapter one hundred fifty-one of the laws of New Jersey of nineteen hundred twenty-one, and any amendments thereto.

14. "Court of the United States" shall mean all courts enumerated in section four hundred fifty-one of title twenty-eight of the United States code and the courts-martial of the armed forces of the United States.

15. "Witness" shall mean any person whose testimony is desired in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this compact.

16. "Compact" shall mean this compact and rules and regulations lawfully promulgated thereunder and shall also include any amendments or supplements to this compact to implement the purposes thereof adopted by the action of the legislature of either the state of New York or the state of New Jersey concurred in by the legislature of the other.

§ 3304. General powers of the commission. In addition to the powers and duties of the commission conferred in parts I, II, III, and V of this article, the commission shall have the power:

1. To administer and enforce the provisions of this compact;

2. To establish such divisions and departments within the commission as the commission may deem necessary and to appoint such officers, agents and employees as it may deem necessary, prescribe their powers, duties and qualifications and fix their compensation and retain and employ counsel and private consultants on a contract basis or otherwise;

3. To make and enforce such rules and regulations as the commission may deem necessary to effectuate the purposes of this compact or to prevent the circumvention or evasion thereof including, but not limited to, rules and regulations (which shall be applicable to any person licensed by the commission, his employer, or any other person within an airport) to provide for the maximum protection of air freight, such as checking and custodial accounting, guarding, storing, fencing, gatehouses, access to air freight, air freight loss reports, and any other requirements which the commission in its discretion may deem to be necessary and appropriate to provide such maximum protection. The rules and regulations of the commission shall be effective upon publication in the manner which the commission shall prescribe and upon filing in the office of the secretary of state of each state. A certified copy of any such rules and regulations, attested as true and correct by the commission, shall be presumptive evidence of the regular making, adoption, approval and publication thereof;

4. To have for its members and its properly designated officers, agents and employees, full and free access, ingress and egress to and from all airports, air freight terminals, all aircraft traveling to or from an airport and all trucks or other motor vehicles or equipment which are carrying air freight to or from any airport or air freight terminal for the purposes of conducting investigations, making inspections or enforcing the provisions of this compact; and no person shall obstruct or in any way interfere with any such member, officer, employee or agent in the making of such investigation or inspection or in the enforcement of the provisions of this compact or in the performance of any other power or duty under this compact;

5. To make investigations, collect and compile information concerning airport practices generally, and upon all matters relating to the accomplishment of the objectives of this compact;

6. To advise and consult with representatives of labor and industry and with public officials and agencies concerned with the effectuation of the purposes of this compact, upon all matters which the commission may desire, including but not limited to the form and substance of rules and regulations and the administration of the compact and the expe-

ditious handling and efficient movement of air freight consistent with the security of such air freight;

7. To make annual and other reports to the governors and legislatures of both states containing recommendations for the effectuation of the purposes of this compact;

8. To issue temporary licenses and temporary permits under such terms and conditions as the commission may prescribe;

9. In any case in which the commission has the power to revoke or suspend any license or permit the commission shall also have the power to impose as an alternative to such revocation or suspension, a penalty, which the licensee or permittee may elect to pay the commission in lieu of the revocation or suspension. The maximum penalty shall be five thousand dollars for each separate offense. The commission may, for good cause shown, abate all or part of such penalty;

10. To determine the location, size and suitability of field and administrative offices and any other accommodations necessary and desirable for the performance of the commission's duties under this compact;

11. To acquire, hold and dispose of real and personal property, by gift, purchase, lease, license or other similar manner, for its corporate purposes, and in connection therewith to borrow money;

12. To recover possession of any card or other means of identification issued by the commission as evidence of a license or permit in the event that the holder thereof no longer is a licensee or permittee;

13. To require any licensee or permittee to exhibit upon demand the license or permit issued to him by the commission or to wear such license or permit.

The powers and duties of the commission may be exercised by officers, employees and agents designated by them, except the power to make rules and regulations. The commission shall have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of either state concurred in by the legislature of the other.

§ 3305. Airfreightmen and airfreightman supervisors. 1. On and after the ninetieth day after the effective date of this compact, no person shall act as an airfreightman or an airfreightman supervisor within the state of New York or the state of New Jersey without having first obtained from the commission a license to act as such airfreightman or airfreightman supervisor, as the case may be, and no person shall employ another person to act as an airfreightman or airfreightman supervisor who is not so licensed.

2. A license to act as an airfreightman or airfreightman supervisor shall be issued only upon the written application, under oath, of the person proposing to employ or engage another person to act as such airfreightman or airfreightman supervisor, verified by the prospective licensee as to the matters concerning him, and shall set forth the prospective licensee's full name, residence address, social security number, and such further facts and evidence as may be required by the commission to determine the identity, the existence of a criminal record, if any, and the eligibility of the prospective licensee for a license.

3. The commission may in its discretion deny the application for such license submitted on behalf of a prospective licensee for any of the following causes:

(a) Conviction by a court of the United States or any state or territory thereof, without subsequent pardon, of the commission of, or the attempt or conspiracy to commit, treason, murder, manslaughter, coercion

or any felony or high misdemeanor or any of the following misdemeanors or offenses (excluding, however, any conviction for a misdemeanor or lesser offense arising out of physical misconduct committed during the course of lawful organizational or collective bargaining activities of any labor organization): illegally using, carrying or possessing a pistol or other dangerous weapon; making, manufacturing or possessing burglar's instruments; buying or receiving stolen property; criminal possession of stolen property; unlawful entry of a building; criminal trespass; aiding an escape from prison; and unlawfully possessing, selling or distributing a dangerous drug;

(b) Conviction by any such court, after having been previously convicted by any such court of any crime or of the offenses hereinafter set forth, of a misdemeanor or any of the following offenses (excluding, however, any conviction for a misdemeanor or lesser offense arising out of physical misconduct committed during the course of lawful organizational or collective bargaining activities of any labor organization): assault, malicious injury to property, criminal mischief, malicious mischief, criminal tampering, unlawful use or taking of a motor vehicle, corruption of employees, promoting gambling, possession of gambling records or devices, or possession of lottery or number slips;

(c) Fraud, deceit or misrepresentation in connection with any application or petition submitted to, or any interview, hearing or proceeding conducted by the commission;

(d) Violation of any provision of this section or the commission of any offense thereunder;

(e) Refusal on the part of the applicant, or prospective licensee, to answer any material question or produce any material evidence in connection with the application;

(f) As to an airfreightman, his presence at the airports or air freight terminals is found by the commission on the basis of the facts and evidence before it to constitute a danger to the public peace or safety;

(g) As to an airfreightman supervisor, failure to satisfy the commission that the prospective licensee possesses good character and integrity;

(h) Conviction of a crime or other cause which would permit reprimand of such prospective licensee or the suspension or revocation of his license if such person were already licensed.

4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the prospective licensee possesses the qualifications and requirements prescribed in this article, the commission shall issue and deliver to the prospective licensee a license to act as an airfreightman or as an airfreightman supervisor, as the case may be, and shall inform the applicant of its action.

5. The commission shall have the power to reprimand any airfreightman or airfreightman supervisor licensed under this article or to revoke or suspend his license for such period as the commission deems in the public interest for any of the following causes:

(a) Conviction of a crime or other cause which would permit the denial of a license upon original application;

(b) Fraud, deceit or misrepresentation in securing the license, or in the conduct of the licensed activity;

(c) Transfer or surrender of possession to any person either temporarily or permanently of any card or other means of identification issued

by the commission as evidence of a license, without satisfactory explanation;

(d) False impersonation of another person who is a licensee or permittee of the commission under this compact;

(e) Wilful commission of, or wilful attempt to commit at an airport or at an air freight terminal or adjacent highway any act of physical injury to any other person or of wilful damage to or misappropriation of any other person's property, unless justified or excused by law.

(f) Violation of any of the provisions of this compact or inducing or otherwise aiding or abetting any person to violate the terms of this compact;

(g) Addiction to the use of, or unlawful possession, sale or distribution of a dangerous drug;

(h) Paying, giving, causing to be paid or given or offering to pay or give to any person any valid consideration to induce such other person to violate any provision of this compact or to induce any public officer, agent or employee to fail to perform his duty under this compact;

(i) Consorting with known criminals for unlawful purposes;

(j) Receipt or solicitation of anything of value from any person other than the licensee's or permittee's employer as consideration for the selection or retention for employment of any person who is a licensee or permittee of the commission under this compact;

(k) Coercion of any person who is a licensee or permittee of the commission under this compact by threat of discrimination or violence or economic reprisal to make purchases from or to utilize the services of any person;

(l) Lending any money to or borrowing any money from any person who is a licensee or permittee of the commission under this compact for which there is a charge of interest or other consideration which is usurious;

(m) Conviction of any criminal offense in relation to gambling, bookmaking, pool selling, lotteries or similar crimes or offenses if the crime or offense was committed at an airport or air freight terminal or within five hundred feet thereof;

(n) Refusal to answer any material question or produce any material evidence lawfully required to be answered or produced at any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this compact, or, if such refusal is accompanied by a valid plea of privilege against self-incrimination, refusal to obey an order to answer such question or produce such evidence made by the commission pursuant to the power of the commission under this compact to grant immunity from prosecution;

(o) Refusal to exhibit his license or permit upon the demand of any officer, agent or employee of the commission or failure to wear such license or permit when required.

6. A license granted pursuant to this section shall expire on the expiration date (which shall be at least one year from the date of its issuance) set forth by the commission on the card or other means of identification issued by the commission as evidence of a license or upon the termination of employment with the employer who applied for the license. Upon expiration thereof, a license may be renewed by the commission upon fulfilling the same requirements as are set forth in this compact for an original application.

§ 3306. Air freight terminal operators; air freight truck carriers; and airfreightmen; labor relations consultants. 1. On and after the ninetieth day after the effective date of this compact, no person, except an air carrier, shall act as an air freight terminal operator or

as an air freight truck carrier or as an airfreightman labor relations consultant within the state of New York or the state of New Jersey without having first obtained a license from the commission to act as an air freight terminal operator or as an air freight truck carrier or as an airfreightman labor relations consultant, as the case may be, and no person shall employ or engage another person to perform services as an air freight terminal operator or as an air freight truck carrier or as an airfreightman labor relations consultant who is not so licensed.

2. Any person intending to act as an air freight terminal operator or as an air freight truck carrier or as an airfreightman labor relations consultant within the state of New York or the state of New Jersey shall file in the office of the commission a written application for a license to engage in such occupation duly signed and verified as follows:

(a) If the applicant is a natural person, the application shall be signed and verified by such person and if the applicant is a partnership, the application shall be signed and verified by each natural person composing or intending to compose such partnership. The application shall state the full name, age, residence, business address (if any), present and previous occupations of each natural person so signing the same, and any other facts and evidence as may be required by the commission to ascertain the character, integrity, identity and criminal record, if any, of each natural person so signing such application.

(b) If the applicant is a corporation, the application shall be signed and verified by the president, secretary and treasurer thereof, and shall specify the name of the corporation, the date and place of its incorporation, the location of its principal place of business, the names and addresses of, and the amount of the stock held by stockholders owning ten per cent or more of any of the stock thereof, and of all the officers (including all members of the board of directors). The requirements of paragraph (a) of this subdivision as to a natural person who is a member of a partnership, and such requirements as may be specified in rules and regulations promulgated by the commission, shall apply to each such officer or stockholder and their successors in office or interest as the case may be.

In the event of the death, resignation or removal of any officer, and in the event of any change in the list of stockholders who shall own ten per cent or more of the stock of the corporation, the secretary of such corporation shall forthwith give notice of that fact in writing to the commission, certified by said secretary.

3. No such license shall be granted

(a) If any person whose signature or name appears in the application is not the real party in interest required by subdivision two of this section to sign or to be identified in the application or if the person so signing or named in the application is an undisclosed agent or trustee for any such real party in interest or if any such real party in interest does not sign the application;

(b) Unless the commission shall be satisfied that the applicant and all members, officers and stockholders required by subdivision two of this section to sign or be identified in the application for license possess good character and integrity;

(c) If the applicant or any member, officer or stockholder required by subdivision two of this section to sign or be identified in the application for license has, without subsequent pardon, been convicted by a court of the United States or any state or territory thereof of the commission of, or the attempt or conspiracy to commit any crime or offense described in paragraph (a) of subdivision three of section thir-

ty-three hundred five of this part. Any applicant ineligible for a license by reason of any such conviction may submit satisfactory evidence to the commission that the person whose conviction was the basis of ineligibility has for a period of not less than five years, measured as hereinafter provided and up to the time of application, so conducted himself as to warrant the grant of such license, in which event the commission may, in its discretion issue an order removing such ineligibility. The aforesaid period of five years shall be measured either from the date of payment of any fine imposed upon such person or the suspension of sentence or from the date of his unrevoked release from custody by parole, commutation or termination of his sentence. Such petition may be made to the commission before or after the hearing on the application;

(d) If, on or after the effective date of this compact, the applicant has paid, given, caused to have been paid or given or offered to pay or give to any officer or employee of any other person employing or engaging him in his licensed activity any valuable consideration for an improper or unlawful purpose or to induce such officer or employee to procure the employment of the applicant in his licensed activity by such other person;

(e) If, on or after the effective date of this compact, the applicant has paid, given, caused to have been paid, or given or offered to pay or give to any officer or representative of a labor organization any valuable consideration for an improper or unlawful purpose or to induce such officer or representative to subordinate the interest of such labor organization or its members in the management of the affairs of such labor organization to the interests of the applicant or any other person;

(f) If, on or after the effective date of this compact, the applicant has paid, given, caused to have been paid or given or offered to pay or give to any agent of any other person any valuable consideration for an improper or unlawful purpose or, without the knowledge and consent of such other person, to induce such agent to procure the employment of the applicant in his licensed activity by such other person.

4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the applicant possess the qualifications and requirements prescribed in this section, the commission shall issue and deliver a license to the applicant.

5. The commission shall have the power to reprimand any person licensed under this section or to revoke or suspend his license for such period as the commission deems in the public interest for any of the following causes on the part of the licensee or of any person required by subdivision two of this section to sign or be identified in an original application for a license:

(a) Any cause set forth in subdivision five of section thirty-three hundred five of this part;

(b) Failure by the licensee to maintain a complete set of books and records containing a true and accurate account of the licensee's receipts and disbursements arising out of his licensed activities;

(c) Failure to keep said books and records available during business hours for inspection by the commission and its duly designated representatives until the expiration of the fifth calendar year following the calendar year during which occurred the transactions recorded therein;

(d) Failure to pay any assessment or fee payable to the commission under this compact when due.

6. A license granted pursuant to this section shall expire on the expiration date (which shall be at least one year from the date of its issuance) set forth by the commission on the card or other means of identification issued by the commission as evidence of a license. Upon expiration thereof, a license may be renewed by the commission upon fulfilling the same requirements as are set forth in this section for an original application.

§ 3307. Air freight security area. 1. On or after the effective date of this compact, the commission shall have the power to designate any area located within an airport as an air freight security area. No person who is not licensed by the commission pursuant to this compact shall have ingress to an air freight security area unless issued a permit by the commission.

2. Any person who is not licensed by the commission pursuant to this compact and who desires upon any occasion ingress to an air freight security area shall apply at the entrance to such area for a permit for ingress for that particular occasion. In order to secure a permit, a prospective permittee must show identification establishing his name and address and he may be required by the commission to sign a consent to the surrender of his permit upon egress from such area and, if he is driving a motor vehicle, to an inspection of his motor vehicle upon egress from such area. Any person desiring a permit to enter an air freight security area may be denied such permit by the commission in its discretion if the commission determines that the presence of such person in such area would constitute a danger to the public peace or safety.

3. Any person whose business, employment or occupation requires him to have ingress upon a regular basis to an air freight security area shall be required, in order to obtain ingress to such area, to apply to the commission for a permit for a fixed period of duration to be determined by the commission. Such applicant for a permit of a fixed period of duration shall fulfill the same requirements as the prospective licensee for an airfreightman's license. The commission may in the exercise of its discretion suspend or revoke such permit of a fixed period of duration for the same causes which would permit the commission to revoke the license of an airfreightman.

4. The commission shall have the power to inspect any truck or any other motor vehicle within an air freight security area.

5. The provisions of this article shall not be applicable to any person who is a member of the flight crew or flight personnel of an aircraft which is operated by an air carrier and which is located within an air freight security area upon a showing of such identification as may be required by the commission.

§ 3308. Hearings, determinations and review. 1. The commission shall not deny any application for a license or permit without giving the applicant or prospective licensee or permittee reasonable prior notice and an opportunity to be heard.

2. Any application for a license or permit, and any license or permit issued, may be denied, revoked or suspended, as the case may be, only in the manner prescribed in this section.

3. The commission may on its own initiative or on complaint of any person, including any public official or agency, institute proceedings to revoke or suspend any license or permit after a hearing at which the licensee or permittee and any person making such complaint shall be given an opportunity to be heard, provided that any order of the commission revoking or suspending any license or permit shall not become effective until fifteen days subsequent to the serving of notice thereof

upon the licensee or permittee unless in the opinion of the commission the continuance of the license or permit for such period would be inimical to the public peace or safety. Such hearings shall be held in such manner and upon such notice as may be prescribed by the rules of the commission, but such notice shall be of not less than ten days and shall state the nature of the complaint.

4. Pending the determination of such hearing pursuant to subdivision three of this section, the commission may temporarily suspend a license or permit if in the opinion of the commission the continuance of the license or permit for such period is inimical to the public peace or safety.

5. The commission, or such member, officer, employee or agent of the commission as may be designated by the commission for such purpose, shall have the power to issue subpoenas throughout both states to compel the attendance of witnesses and the giving of testimony or production of other evidence and to administer oaths in connection with any such hearing. It shall be the duty of the commission or of any such member, officer, employee or agent of the commission designated by the commission for such purpose to issue subpoenas at the request of and upon behalf of the licensee, permittee or applicant. The commission or such person conducting the hearing shall not be bound by common law or statutory rules of evidence or by technical or formal rules or procedure in the conduct of such hearing.

6. Upon the conclusion of the hearing, the commission shall take such action upon such findings and determinations as it deems proper and shall execute an order carrying such findings into effect. The action in the case of an application for a license or permit shall be the granting or denial thereof. The action in the case of a licensee or permittee shall be revocation of the license or permit or suspension thereof for a fixed period or reprimand or a dismissal of the charges.

7. The action of the commission in denying any application for a license or permit or in suspending or revoking such license or permit or in reprimanding a licensee or permittee shall be subject to judicial review by a proceeding instituted in either state at the instance of the applicant, licensee or permittee in the manner provided by the law of such state for review of the final decision or action of administrative agencies of such state, provided, however, that notwithstanding any other provision of law the court shall have power to stay for not more than thirty days an order of the commission suspending or revoking a license or permit.

8. At hearings conducted by the commission pursuant to this section, applicants, prospective licensees and permittees, licensees and permittees shall have the right to be accompanied and represented by counsel.

9. After the conclusion of a hearing but prior to the making of an order by the commission, a hearing may, upon petition and in the discretion of the hearing officer, be reopened for the presentation of additional evidence. Such petition to reopen the hearing shall state in detail the nature of the additional evidence, together with the reasons for the failure to submit such evidence prior to the conclusion of the hearing. The commission may upon its own motion and upon reasonable notice reopen a hearing for the presentation of additional evidence. Upon petition, after the making of an order of the commission, rehearing may be granted in the discretion of the commission. Such a petition for rehearing shall state in detail the grounds upon which the petition is based and shall separately set forth each error of law and fact alleged to have been made by the commission in its determination, together with

the facts and arguments in support thereof. Such petition shall be filed with the commission not later than thirty days after service of such order unless the commission for good cause shown shall otherwise direct. The commission may upon its own motion grant a rehearing after the making of an order.

§ 3309. Expenses of administration. 1. In addition to the budget of its expenses under the waterfront commission compact, the commission shall annually adopt a budget of its expenses under this compact for each year. The annual budget shall be submitted to the governors of the two states and shall take effect as submitted provided that either governor may within thirty days disapprove or reduce any item or items, and the budget shall be adjusted accordingly.

2. After taking into account such funds as may be available to it from reserves in excess of ten per cent of such budget under this compact, federal grants, or otherwise, the balance of the commission's budgeted expenses shall be obtained by fees payable under this article and by assessments upon employers of persons licensed under this compact as provided in this article.

3. With respect to airfreightmen and airfreightman supervisors who are employed by an air freight truck carrier regularly to move freight to or from an airport, the employers shall pay to the commission for each such airfreightman and airfreightman supervisor a license fee to be determined by the commission, not in excess of one hundred dollars for each year, commencing with the first day of April. The employer of every person who is issued a permit of fixed duration by the commission for ingress to an air freight security area, or the permittee himself if he is self-employed, shall pay to the commission a fee to be determined by the commission, not in excess of seventy-five dollars for each year, commencing with the first day of April. The commission shall reduce the maximum fees payable under this section proportionately with any reduction in the maximum assessment rate of two per cent provided for by this section.

4. Every employer of airfreightmen and airfreightman supervisors licensed by the commission, except as otherwise provided in subdivision three of this section, shall pay to the commission an assessment computed upon the gross payroll payments made by such employer to airfreightmen and airfreightman supervisors for work performed as such, at a rate, not in excess of two per cent, computed by the commission, in the following manner: the commission shall annually estimate the fees payable under this section and the gross payroll payments to be made by employers subject to assessment and shall compute the fees and a rate of assessment which will yield revenues sufficient to finance the balance of the commission's budget for each year as provided in subdivision two of this section. The commission may hold in reserve an amount not to exceed ten per cent of its total budgeted expenses for the year, which reserve shall not be included as part of the budget. Such reserve shall be held for the stabilization of annual assessments, the payment of operating deficits and for the repayment of any advances made by the two states.

5. The amount required to balance the commission's budget in excess of the estimated yield of the maximum fees and assessment, shall be certified by the commission, with the approval of the respective governors, to the legislatures of the two states, in proportion to the respective totals of the assessments and fees paid to the commission by persons in each of the two states. The legislatures shall annually appropriate to the commission the amount so certified.

6. The assessments and fees hereunder shall be in lieu of any other charge for the issuance of licenses or permits by the commission pursuant to this compact.

7. In addition to any other sanction provided by law, the commission may revoke or suspend any license or permit held by any employer under this compact and/or the license or permit held under this compact by any employees of such employer, or the permit held under this compact by any permittee who is self-employed, and in addition the commission may deny ingress to such employers, employees or permittees to air freight security areas, for nonpayment of any assessment or fee when due.

8. Every person subject to the payment of any assessment under this compact shall file on or before the twentieth day of the first month of each calendar quarter-year a separate return, together with the payment of the assessment due, for the preceding calendar quarter-year during which any payroll payments were made to licensed persons for whom assessments are payable for work performed as such. Returns covering the amount of assessment payable shall be filed with the commission on forms to be furnished for such purpose and shall contain such data, information or matter as the commission may require to be included therein. The commission may grant a reasonable extension of time for filing returns, or for payment of assessment, whenever good cause exists. Every return shall have annexed thereto a certification to the effect that the statements contained therein are true.

9. Every person subject to the payment of assessment hereunder shall keep an accurate record of his employment of licensed persons for whom assessments are payable, which shall show the amount of compensation paid and such other information as the commission may require. Such records shall be preserved for a period of three years and be open for inspection at reasonable times. The commission may consent to the destruction of any such records at any time after said period or may require that they be kept longer but not in excess of six years.

10. (a) The commission shall audit and determine the amount of assessment due from the return filed and such other information as is available to it. Whenever a deficiency in payment of the assessment is determined the commission shall give notice of any such determination to the person liable therefor. Such determination shall finally and conclusively fix the amount due, unless the person against whom it is assessed shall, within thirty days after the giving of notice of such determination, apply in writing to the commission for a hearing, or unless the commission on its own motion shall reduce the same. After such hearing, the commission shall give notice of its decision to the person liable therefor. A determination of the commission under this subdivision shall be subject to judicial review, if application for such review is made within thirty days after the giving of notice of such decision. Any determination under this section shall be made within five years from the time the return was filed and if no return was filed such determination may be made at any time.

(b) Any notice authorized or required under this section may be given by mailing the same to the person for whom it is intended at the last address given by him to the commission, or in the last return filed by him with the commission under this section, or if no return has been filed then to such address as may be obtainable. The mailing of such notice shall be presumptive evidence of the receipt of same by the person to whom addressed. Any period of time, which is determined according to the provision of this subdivision, for the giving of notice shall commence to run from the date of mailing of such notice.

11. Every person required to pay a fee for a license or a permit under this section shall pay the same upon filing of the application with the commission for such license or permit. The fee for such license or permit shall be prorated for the fiscal year for which the same is payable as of the date the application for such license or permit is filed with the commission. The commission shall prorate and make a refund of such fee for the period between the date of application and the date of the issuance of such license or permit. Upon surrender of such license or permit or upon the revocation of any such license or permit issued to an employee before the expiration of the fiscal year, the commission shall make a refund prorated for the unexpired portion of the year, less ten per cent of such refund. In the event of denial of any application for a license or permit, the commission shall refund the fee paid upon application, less ten per cent of such refund.

12. Whenever any person shall fail to pay, within the time limited herein, any assessment or fee which he is required to pay to the commission under the provisions of this section the commission may enforce payment of such assessment or fee by civil action for the amount of such assessment or fee with interest and penalties.

13. The employment by a nonresident of a licensed person or permittee for whom assessments or fees are payable in either state or the designation by a nonresident of a licensed person or permittee to perform work in such state shall be deemed equivalent to an appointment by such nonresident of the secretary of state of such state to be his true and lawful attorney upon whom may be served the process in any action or proceeding against him growing out of any liability for assessments or fees, penalties or interest, and a consent that any such process against him which is so served shall be of the same legal force and validity as if served on him personally within such state and within the territorial jurisdiction of the court from which the process issues. Service of process within either state shall be made by either (1) personally delivering to and leaving with the secretary of state or a deputy secretary of state of such state duplicate copies thereof at the office of the department of state in the capital city of such state, in which event such secretary of state shall forthwith send by registered mail one of such copies to the person at the last address designated by him to the commission for any purpose under this section or in the last return filed by him under this section with the commission or as shown on the records of the commission, or if no return has been filed, at his last known office address within or without such state, or (2) personally delivering to and leaving with the secretary of state or a deputy secretary of state of such state a copy thereof at the office of the department of state in the capital city of such state and by delivering a copy thereof to the person, personally without such state. Proof of such personal service without such state shall be filed with the clerk of the court in which the process is pending within thirty days after such service and such service shall be complete ten days after proof thereof is filed.

14. Whenever the commission shall determine that any moneys received as assessments or fees were paid in error, it may cause the same to be refunded, provided an application therefor is filed with the commission within two years from the time the erroneous payment was made.

15. In addition to any other powers authorized hereunder, the commission shall have power to make reasonable rules and regulations to effectuate the purposes of this section.

16. When any person shall wilfully fail to pay any assessment or fee due hereunder he shall be assessed interest at a rate of one per cent per month on the amount due and unpaid and penalties of five per cent of the amount due for each thirty days or part thereof that the assessment remains unpaid. The commission may, for good cause shown, abate all or part of such penalty.

17. Any person who shall wilfully furnish false or fraudulent information or shall wilfully fail to furnish pertinent information as required, with respect to the amount of any assessment or fee due, shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars, or imprisonment for not more than one year, or both.

18. All funds of the commission shall be deposited with such responsible banks or trust companies as may be designated by the commission. The commission may require that all such deposits be secured by obligations of the United States or of the states of New York or New Jersey of a market value equal at all times to the amount of the deposits, and all banks and trust companies are authorized to give such security for such deposits. The moneys so deposited shall be withdrawn only by check signed by two members of the commission or by such other officers or employees of the commission as it may from time to time designate.

19. The accounts, books and records of the commission, including its receipts, disbursements, contracts, leases, investments and any other matters relating to its financial standing shall be examined and audited annually by independent auditors to be retained for such purpose by the commission.

20. The commission shall reimburse each state for any funds advanced to the commission exclusive of sums appropriated pursuant to subdivision five of this section.

§ 3310. General violations; prosecutions; penalties. 1. The failure of any witness, when duly subpoenaed to attend, to give testimony or produce other evidence in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this compact, shall be punishable by the superior court in New Jersey and the supreme court in New York in the same manner as said failure is punishable by such court in a case therein pending.

2. Any person who, having been duly sworn or affirmed as a witness in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this compact, shall wilfully give false testimony shall be guilty of a misdemeanor punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

3. Any person who interferes with or impedes the orderly licensing of or orderly granting of any permits to any other person pursuant to this compact, or who attempts, conspires, or threatens so to do, shall be guilty of a misdemeanor punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

4. Any person who directly or indirectly inflicts or threatens to inflict any injury, damage, harm or loss or in any other manner practices intimidation upon or against any person in order to induce or compel such person or any other person to refrain from obtaining a license or permit pursuant to this compact shall be guilty of a misdemeanor punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

5. Any person who, without justification or excuse in law, directly or indirectly, intimidates or inflicts any injury, damage, harm, loss or economic reprisal upon any person who holds a license or permit issued

by the commission pursuant to this compact, or any other person, or attempts, conspires or threatens so to do, in order to interfere with, impede or influence such licensee or permittee in the performance or discharge of his duties or obligations shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars or imprisonment of not more than one year or both.

6. Any person who shall violate any of the provisions of this compact, for which no other penalty is prescribed, shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars or by imprisonment for not more than one year or both.

7. In any prosecution under this compact, it shall be sufficient to prove only a single act (or a single holding out or attempt) prohibited by law without having to prove a general course of conduct, in order to prove a violation.

§ 3311. Amendments; construction; short title. 1. Amendments and supplements to this compact to implement the purposes thereof may be adopted by the action of the legislature of either state concurred in by the legislature of the other.

2. If any part or provision of this compact or the application thereof to any person or circumstances be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact or the application thereof to other persons or circumstances and the two states hereby declare that they would have entered into this compact or the remainder thereof had the invalidity of such provision or application thereof been apparent.

3. In accordance with the ordinary rules for construction of interstate compacts this compact shall be liberally construed to eliminate the evils described therein and to effectuate the purposes thereof.

4. This compact shall be known and may be cited as the "Airport Commission Compact".

PART V
OFFICERS AND EMPLOYEES; CIVIL PENALTIES AND ENFORCEMENT

3401. Prohibition against unions having officers, agents or employees who have been convicted of certain crimes and offenses.
3402. Prohibition against employer organizations having officers, agents or employees who have been convicted of certain crimes and offenses.
3403. Exceptions to sections thirty-four hundred one and thirty-four hundred two of this part for certain employees.
3404. Civil penalties.
3405. Civil enforcement.
3406. Exemption from arrest and service of process.
3407. Nonresident witnesses.
3408. Officers and employees.
3409. Penalties.
3410. Short title.

§ 3401. Prohibition against unions having officers, agents or employees who have been convicted of certain crimes and offenses. No person

shall solicit, collect or receive any dues, assessments, levies, fines or contributions, or other charges within the state for or on behalf of any labor organization which receives, directly or indirectly, twenty per cent or more of its dues, assessments, levies, fines or contributions, or other charges from persons who hold licenses issued by the commission pursuant to the airport commission compact, or for or on behalf of a labor organization which derives its charter from a labor organization which receives, directly or indirectly, twenty per cent or more of its dues, assessments, levies, fines or contributions, or other charges from persons who hold licenses issued by the commission pursuant to the airport commission compact, if any officer, agent or employee of such labor organization, or of a welfare fund or trust administered partially or entirely by such labor organization or by trustees or other persons designated by such labor organization, has been convicted by a court of the United States, or any state or territory thereof, of a felony, any misdemeanor involving moral turpitude or any crime or offense enumerated in subdivision (a) of subdivision three of section thirty-three hundred five of this article, unless he has been subsequently pardoned therefor by the governor or other appropriate authority of the state or jurisdiction in which such conviction was had or has received a certificate of good conduct or other relief from disabilities arising from the fact of conviction from a board of parole or similar authority. No person so convicted shall serve as an officer, agent or employee of such labor organization, welfare fund or trust unless such person has been so pardoned or has received such a certificate of good conduct. No person, including such labor organization, welfare fund or trust, shall knowingly permit such convicted person to assume or hold any office, agency or employment in violation of this section.

As used in this section, the term "labor organization" shall mean and include any organization which exists and is constituted for the purpose in whole or in part of collective bargaining, or of dealing with employers concerning grievances, terms and conditions of employment, or of other mutual aid or protection; but it shall not include a federation or congress of labor organizations organized on a national or international basis even though one of its constituent labor organizations may represent persons who hold licenses issued by the commission pursuant to the airport commission compact.

§ 3402. Prohibition against employer organizations having officers, agents or employees who have been convicted of certain crimes and offenses. No person shall solicit, collect or receive any dues, assessments, levies, fines or contributions, or other charges within the state for or on behalf of any organization of employers (whether incorporated or not) twenty per cent or more of whose members have in their employment any employees who are members of a labor organization to which the prohibition of section thirty-four hundred one of this part is applicable, if any officer, agent or employee of such employer organization or of a welfare fund or trust administered partially or entirely by such employer organization or by trustees or other persons designated by such employer organization, has been convicted by a court of the United States, or any state or territory thereof, of a felony, any misdemeanor involving moral turpitude or any crime or offense enumerated in paragraph (a) of subdivision three of section thirty-three hundred five of the compact established pursuant to part IV of this article, unless he has been subsequently pardoned therefor by the governor or other appropriate authority of the state or jurisdiction in which such conviction was had or has received a certificate of good conduct or other relief

from disabilities arising from the fact of conviction from a board of parole or similar authority. No person so convicted shall serve as an officer, agent or employee of such employer organization, welfare fund or trust unless such person has been so pardoned or has received such a certificate of good conduct. No person, including such employer organization, welfare fund or trust, shall knowingly permit such convicted person to assume or hold any office, agency or employment in violation of this section.

§ 3403. Exceptions to sections thirty-four hundred one and thirty-four hundred two of this part for certain employees. If upon application to the commission by an employee who has been convicted of a crime or offense specified in section thirty-four hundred one or section thirty-four hundred two of this part the commission, in its discretion, determines in an order that it would not be contrary to the purposes and objectives of the airport commission compact for such employee to work in a particular employment otherwise prohibited by section thirty-four hundred one or section thirty-four hundred two, the provisions of section thirty-four hundred one or section thirty-four hundred two, as the case may be, shall not apply to the particular employment of such employee with respect to such conviction or convictions as are specified in the commission's order. This section is applicable only to those employees who for wages or salary perform manual, mechanical or physical work of a routine or clerical nature at the premises of the labor organization, employer organization, welfare fund or trust by which they are employed.

§ 3404. Civil penalties. The commission may maintain a civil action on behalf of the state against any person who violates or attempts or conspires to violate any provision of this part or who fails, omits or neglects to obey, observe or comply with any order or direction of the commission issued under this part, to recover a judgment for a money penalty not exceeding five hundred dollars for each and every offense. Every violation of any such provision, order or direction shall be a separate and distinct offense and, in case of a continuing violation, every day's continuance shall be and be deemed to be a separate and distinct offense. Any such action may be settled or discontinued on application of the commission upon such terms as the court may approve and a judgment may be rendered for an amount less than the amount demanded in the complaint as justice may require.

§ 3405. Civil enforcement. The commission may maintain a civil action against any person to compel compliance with any of the provisions of this compact or any order or direction of the commission issued under this compact or to prevent violations, attempts or conspiracies to violate any such provisions, or interference, attempts or conspiracies to interfere with or impede the enforcement of any such provisions or the exercise or performance of any power or duty thereunder, either by mandamus, injunction or action or proceeding in lieu of prerogative writ.

§ 3406. Exemption from arrest and service of process. If a person in obedience to a subpoena, issued pursuant to this part directing him to attend and testify comes into either state party to this part from the other state, he shall not, while in that state pursuant to such subpoena, be subject to arrest or the service of process, civil or criminal, in connection with matters which arose before his entrance into such state under the subpoena.

§ 3407. Nonresident witnesses. Any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of

this compact shall be deemed to be a civil action pending in the supreme court in New York or in the superior court in New Jersey so as to permit the commission to obtain disclosure, in accordance with the provisions governing disclosure in such civil actions, from any person who may be outside the states.

§ 3408. Officers and employees. Any officer or employee in the state, county or municipal civil service in either state who shall transfer to service with the commission may be given one or more leaves of absence without pay and may, before the expiration of such leave or leaves of absence, and without further examination or qualification, return to his former position or be certified by the appropriate civil service agency for retransfer to a comparable position in such state, county, or municipal civil service if such a position is then available.

The commission may, by agreement with any federal agency from which any officer or employee may transfer to service with the commission, make similar provision for the retransfer of such officer or employee to such federal agency.

Notwithstanding the provisions of any other law in either state, any officer or employee in the state, county or municipal service in either state who shall transfer to service with the commission and who is a member of any existing state, county or municipal pension or retirement system in New Jersey or New York, shall continue to have all rights, privileges, obligations and status with respect to such fund, system or systems as if he had continued in his state, county or municipal office or employment, but during the period of his service as a member, officer or employee of the commission, all contributions to any pension or retirement fund or system to be paid by the employer on account of such member, officer or employee, shall be paid by the commission. The commission may, by agreement with the appropriate federal agency, make similar provisions relating to continuance of retirement system membership for any federal officer or employee so transferred.

§ 3409. Penalties. Any person who shall violate any of the provisions of this compact, for which no other penalty is prescribed, shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

§ 3410. Short title. This part shall be known and may be cited as the "Waterfront and airport commission act".

§ 31. Chapter 28 of the consolidated laws constituting the interstate authorities law created by section thirty of this act shall be deemed for all purposes to be a continuation of the port authority of New York and New Jersey as it was constituted immediately preceding the effective date of this act and shall not be construed as a newly created authority. All unexpended balances of appropriations of monies heretobefore made or allocated to the port authority of New York and New Jersey as such authority was constituted immediately preceding the effective date of this act, whether obligated or unobligated, are hereby transferred to and made available to the port authority of New York and New Jersey as created in section thirty of this act. All rules, regulations, orders, determinations, and decisions of the port authority of New York and New Jersey, as it was constituted immediately preceding the effective date of this act, shall continue in full force and effect as rules, regulations, orders, determinations and decisions of the port authority of New York and New Jersey created by section thirty of this act.

§ 32. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect,

impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 33. This act shall take effect upon the enactment into law by the state of New Jersey of legislation having an identical effect with this act, but if the state of New Jersey shall have already enacted such legislation this act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date. The chairman of the port authority shall notify the legislative bill drafting commission upon the enactment into law of such legislation by both such states in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effecting the provision of section 44 of the legislative law and section 70-b of the public officers law.

SUMMARY OF WATERFRONT COMMISSION ACT

Chapter 882 of the laws of 1953, effective June 30, 1953, authorizes a Compact between the States of New Jersey and New York to improve waterfront labor conditions in the port of New York District, establishes a bi-state commission to administer the plan, and provides that in the interim, until Congress grants its consent to the Compact, the two states may separately but cooperatively place the program in operation.

The Interim Arrangement

Since there may be some delay in procuring Congressional consent, the statute in each State provides for a single-state commission to perform within the State the functions of the bi-state commission until Congressional approval to the Compact is obtained. The bill is so drafted that the Commission will be able to function in each State from the time of enactment of the bill.

Section 3 authorizes the Commissioners from each State to work in the closest possible cooperation with each other to effectuate the purposes of the Act.

The State of New York will advance $400,000 to the Commission and the State of New Jersey, $200,000, to provide initial funds for the operation of the Commission.

The licensing, registration and employment center provisions of the bill do not become operative until December 1, 1953.

The Compact

The proposed Compact is set forth in the sixteen articles which make up Section 1 of the bill.

Legislative Findings

Article I contains legislative declarations and findings which reflect the conclusions set forth in the Report of the New York State Crime Commission on the port of New York Waterfront, the record of the public

hearings held thereon by Governor Thomas E. Dewey on June 8 and 9, 1953 and the companion report of the New Jersey Law Enforcement Council. In substance the findings are that the methods now used in the Port of New York District for hiring waterfront labor, and the conduct of the business of public loading and stevedoring are uneconomic, unjust and degrading insofar as the worker is concerned, foster waterfront crime and corruption, and adversely affect the economical and expeditious handling of port commerce. Accordingly, it is declared that the present practices of public loaders must be eliminated and that the occupations of stevedores, pier superintendents, hiring agents, pier watchmen and longshoreman must be regulated in the public interest.

Basic Plan

The plan to improve waterfront labor conditions has five basic features:

1. Licensing of pier superintendents and hiring agents,-only persons of good character (convicted criminals are barred for at least five years) will be licensed for these key positions. The license must be requested by the employer concerned, is good only for the duration of the employment and may be revoked for specified cause;
2. Licensing of stevedores and port watchmen;
3. The abolition of "public loading;"
4. Registration of longshoremen,-the right to register is absolute unless the person had been convicted of a crime (but this disqualification may be waived by the Commission) or is engaged in subversive activity or unless his employment on the waterfront is clearly likely to endanger the public peace or safety. Longshoremen who are not attached to the waterfront labor market may be dropped from the register under specified conditions thus providing more and steadier work for and increasing the earning capacity of those who depend on this work for their livelihood;
5. Operation by the Commission of regionally located employment exchanges for registered longshoremen and licensed port watchmen, replacing the wasteful and inhuman "shape-up" method, providing information as to available employment and flexibility in obtaining such employment, but without interference with employer-employee freedom of selection or with provisions of collective bargaining agreements.

The rights of licensees and registrants are carefully protected by procedural safeguards set forth in Article XI including hearings, court review and other requirements for the protection of the individual.

The Waterfront Commission

Article III creates the Waterfront Commission of New York Harbor. The commission consists of two members, one from each State appointed by the Governor with the consent of the Senate, to serve for a term of three years. It is contemplated that they may be compensated either on a full time or per diem basis dependent upon whether the office will be a policy making one with administration delegated to an Executive Director or a full time executive assignment.

Appropriate provision is made for the transfer of civil service employees to service with the Commission without loss of Civil Service or retirement privileges.

The general powers of the Commission as set forth in Article IV are to make rules and regulations to carry out the statutory plan, to adminis-

ter oaths and issue subpoenas, to have access to the waterfront in the performance of its duties, to investigate waterfront practices in the port district and to advise and consult with other public officers and with representatives of labor and industry on matters within its jurisdiction, including problems involved in rule making, in the granting and denial of registrations and licenses and in the maintenance of the longshoremen's register. The Commission is required to report annually to the Governors and Legislatures of both States and to make recommendations for the improvement of the conditions of waterfront labor within the port district.

In order to insure that public regulation of waterfront labor practices shall no unnecessarily continue once law and order has been restored to the waterfront, the Commission is expressly required to include in its Annual Report findings as to whether the public necessity still exists for continued registration of longshoremen, licensing of the other waterfront occupations and public operation of the employment information centers.

Licensing of Pier Superintendents and Hiring Agents

Article V requires that on and after December 1, 1953, any person who wishes to act as a pier superintendent or hiring agent for a shipping company or stevedore at a pier or other waterfront terminal within the port district must be licensed. Because pier superintendents and hiring agents are, or should be, key supervisory representatives of the employer for whose acts the employer should be held responsible, the application for these licenses is to be made by the prospective employer. A person is disqualified for either of theses licenses if he has been convicted of a felony or high misdemeanor or of the following violations of law which, while less serious in themselves, make him a bad risk for waterfront employment:-illegally using, carrying or possessing a dangerous weapon; making or possessing burglar's instruments; buying or receiving stolen property; unlawful entry; aiding an escape from prison; unlawfully possessing or distributing narcotic drugs and previous violation of the Compact. However, if a person so disqualified submits satisfactory evidence of good conduct for at least five years, the Commission may waive this statutory disability.

Additional grounds for disqualification for a license as a pier superintendent or hiring agent include subversive activities by the applicant or a finding that he is not a person of good character or integrity.

The term of a pier superintendent's or hiring agent's license is tied to his employment by the employer-applicant. However, it may be revoked or suspended or he may be reprimanded for the following specified causes:-violation of the Compact; conviction of a crime or other cause which would have been disqualifying originally; consorting with criminals for an unlawful purpose; fraud in securing the license or while acting thereunder; addition to or trafficking in narcotic drugs; violation of the Compact; bribing public officers or anyone else to violate their duties under the Compact; unwarranted giving of his license to someone else; impersonation of another licensee; accepting a bribe in connection with his work; coercion of longshoremen; lending money to or borrowing money from a longshoreman for a fee.

Pier superintendents and hiring agents are ineligible for membership in any union which represent longshoremen.

Stevedores

Article VI requires that on and after December 1, 1953 all stevedores in the port district must be licensed. The license application must fully disclose the real parties in interest. A license will be granted if the Commission is satisfied as to the good character and integrity of the real parties in interest and if the applicant is a bona fide stevedore, that is to say that he has, or will, if licensed, have a contract with a shipping company to load and unload the company's ships at a pier in this port.

Prior conviction of the same serious crimes which disqualify pier superintendents and hiring agents also disqualify a stevedore. The Commission is authorized to waive this disqualification upon a showing of at least five years' good conduct. Additional grounds for disqualification in the case of stevedores are prescribed to accord with the Crime Commission's specific findings of abuses and evils now prevalent in this industry. These include payments made for an improper or unlawful purpose and are designed to reach the payment of bribes to a shipper to obtain a stevedoring contract or to a union representative to betray his trust.

Public Loading

Article VII sets forth the States' policy against "public loading" and reviews the compelling policy reasons for abolition of the public loader system. Under the bill loading service will be performed in the port of New York as it is in every other major American port-by water carriers; operators of piers and other waterfront terminals at their own facilities; railroads, truckers, and other carriers in connection with freight being carried by them; shippers or consignees in connection with their own freight; and licensed stevedores, in the regular course of business, and through their own employees.

Longshoremen

A longshoremen's register is to be established by the Commission by December 1, 1953. Article VIII sets forth the provisions with respect to the registration of longshoremen.

There is no fee for registration and no special qualifications are prescribed. The applicant must provide his name, address, social security number and such further facts as may be needed to establish his identity and criminal record, if any.

Conviction of certain serious crimes or engaging in subversive activities is made basis for disqualification. The Commission, however, may waive the disqualification in a proper case and it may register a longshoreman even though he has previously been convicted of a crime.

In the light of the Crime Commission's disclosures of the activities of known waterfront gangsters who have so far escaped being convicted of crime, provision has been inserted to permit the Commission to deny registration as a longshoreman to a person "whose presence on the piers or other waterfront terminals in the port of New York district is found by the Commission, on the basis of the facts and evidence before it, to constitute a danger to the public peace or safety."

A longshoreman may be removed or suspended from the register only for specified cause. In such case he is entitled to a hearing before the Commission, Counsel, his own witnesses, and court review. The causes specified are similar to those specified for removal of hiring agents

and wilful acts involving physical injury to a person or damage to or misappropriation of property at a waterfront terminal.

Article IX contains the provisions designed to permit purging the longshoremen's register periodically of drifters and floaters who, although they are not bona fide longshoremen, have been permitted under the present system to take work away from longshoremen who depend on it for their livelihood.

For each six month period, and in advance, the Commission will establish the minimum number of days a man must work or offer himself for work as a longshoreman in order to stay on the register. A person failing so to qualify will be dropped on ten days' notice and cannot again be registered for one year unless he can show that his absence was occasioned by military service, sickness or other good cause.

Port Watchmen

Port watchmen will be licensed pursuant to Article X. Applicants must not only possess qualifications similar to those prescribed for pier superintendents, but must also meet reasonable standards of physical and mental fitness. Since these port watchmen are security officers, prior criminal convictions is an absolute bar to a license. Because of the nature of their duties, port watchmen are not permitted to belong to the same union as longshoremen or pier superintendents or hiring agents.

The term of the port watchmen's license is three years and is not tied to a particular employment. The grounds for revocation or suspension are basically the same as those for pier superintendents and hiring agents.

Hearings and Court Review

Article XI safeguards the rights of licensees and registrants by prescribing procedures for Commission hearings and assuring court review of Commission determinations. A registered longshoreman or any licensee must be given notice of any charges made against him and is entitled to a hearing at which he may have counsel and cross examine witnesses and the licensee or longshoreman can require the Commission to subpoena witnesses requested by him. At least ten days advance notice of such a hearing must be provided.

The refusal to register a longshoreman or issue a license cannot be effective until after opportunity has been afforded for such hearing and any Commission determination affecting the right to work is subject to court review. The reviewing court is granted power to stay the Commission's action for thirty days. No provision is incorporated in the bill which makes refusal to testify or refusal to answer questions, without other cause, grounds for refusing or rescinding a license or registration.

Employment Information Centers

Article XII authorizes the Commission to establish employment information centers throughout the port district to replace the "shape-up". All hiring of longshoremen and port watchmen will be through these publicly operated centers. The employer would have freedom of choice in the selection of employees at such centers but there would be no interference with normal and proper hiring practices, including the gang or unit system, or procedures established under collective bargaining agreements not inconsistent with the requirements of the Compact. The Commission

will establish a system of records and communication with employers and workers designed to provide the maximum possible information as to available employment for longshoremen. The Commission is empowered to obtain any Federal assistance that may be available under the Wagner-Peyser Act for the operation of the employment centers.

Expenses of Administration

Article XIII and other sections of the act adopt the principle of charging the cost of administration upon the basis of service received. The Commission will prepare an annual budget of estimated expenses and assess the cost, over federal or other contributions, against the employers of the registered and licensed waterfront employees in proportion to their gross annual payments to such employees. The rate of assessment may not be more than two percent of the payroll payments. Expenses of the Commission, in excess of amounts produced by two percent payroll assessment will be met by the two States, proportionately, out of general revenues. Until the Commission is jointly established by the two States, or July 1, 1954, whichever is earlier, the rate will be one and one-half percent in each State.

The budget of the Commission may be reduced or modified by the Governor of each State. In addition, the Commission may establish procedures to enable employers to protest budget estimates and computations of the rate of assessment.

It is felt that the savings to employers and consignees which may be obtained through a reduction in pilferage, the elimination of "phantom" employees from the payroll and other exactions and levies on commerce will greatly exceed the cost of administration of the waterfront commission program.

Violations

Article XIV concerns general violations of the Compact and prosecutions and penalties therefor. Contempt is made punishable in accordance with normal judicial process. Wilful, false statements under oath are constituted as perjury and other violations of the Compact or attempts or conspiracies to violate it are made punishable as is interference with the orderly registration of longshoremen.

The statute also prohibits loitering on the waterfront without satisfactory explanation. The language for this section is taken from comparable provisions of law which presently apply to subways, railroads, air and bus terminals.

Section 8 prohibits the collection of funds for waterfront labor unions having officers or agents who are convicted felons unless they have been subsequently pardoned or have received in the State of New York a certificate of good conduct.

Collective Bargaining Safeguarded

There is nothing in the statute which is designed or can reasonably be construed to interfere in any way with the right of the waterfront industry to select its own employees, or with the right of industry and labor to bargain collectively and agree on any method for the selection of longshoremen and port watchmen by way of seniority, experience, regular gangs or otherwise in conformity with the license, registration and employment information center provisions of the statute. Because of the

apparent misunderstanding of this point reflected at the public hearings, express declaration to this effect has been included as Article XV in the Compact.

Similarly, to obviate any misunderstanding, Article XV includes an express statement that the statute is not designed and shall not be construed to limit labor's rights.