

Chapter 154 of the laws of 1921
Port of New York authority

Section 1. 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:

ARTICLE I.

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.

ARTICLE II.

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" (for brevity 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.

ARTICLE III

There is hereby created "The Port of New York Authority" (for brevity hereinafter referred to as the "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. On and after July first, nineteen hundred seventy-two, the

port authority shall be known and designated as "The Port Authority of New York and New Jersey."

* ARTICLE IV

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 herein provided. Each commissioner may be removed or suspended from office as provided by the law of the state from which he shall be appointed.

* NB Effective until legislation having an identical effect is enacted into law by the state of New Jersey

* ARTICLE IV

1. Commissioners. 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 herein provided. Each commissioner may be removed or suspended from office as provided by the law of the state from which he shall be appointed.

2. Officers. 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 the chapter of the

laws of 2015 that amended 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. Role and responsibilities of commissioners. 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;

(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; and

(6) information concerning services for human trafficking victims in port authority bus terminals. 1. Any bus terminal maintained or operated by the port authority shall make available in plain view and in a conspicuous place and manner in the public restrooms and in any lactation rooms, informational cards and/or signs developed by:

- (a) the office of temporary and disability assistance in consultation with the New York state interagency task force on human trafficking; or
- (b) the United States Department of Homeland Security.

2. All informational cards and signs shall only contain information concerning services for human trafficking victims and shall prominently

include the national human trafficking hotline telephone number.

3. For purposes of this section, "lactation room" shall mean a hygienic place, other than a restroom, that: (a) is shielded from view; (b) is free from intrusion; (c) contains a chair, a working surface, and, if the building is otherwise supplied with electricity, an electrical outlet; and (d) is intended to be used for the primary purpose of breastfeeding or expressing breast milk.

4. Committee. 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. Whistleblower access and assistance program. 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. Inspector general. 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 receive and investigate complaints from any source, or upon his or her own initiative, concerning allegations of corruption, fraud, use of excessive force, criminal activity, conflicts of interest or abuse by any police officer under the jurisdiction of 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. Open meetings. a. 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:

- (1) matter in which the release of information would impair a right to receive funds from government of the United States;
- (2) material the disclosure of which would constitute an unwarranted invasion of individual or personal privacy;
- (3) 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;

(4) 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;

(5) matter which would imperil the public safety if disclosed;

(6) 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;

(7) 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;

(8) 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

(9) 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.

b. 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.

c. 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.

d. 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.

e. 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 paragraph a of this subdivision. 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.

8. Barrier-free access. 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.

* NB Effective upon the enactment into law of legislation having an identical effect by the state of New Jersey

ARTICLE V.

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

ARTICLE VI.

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.

The powers granted in this article 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.

ARTICLE VII.

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.

* ARTICLE VII-A

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 chapter six hundred fifty-one of the laws of nineteen hundred seventy-eight.

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.

* NB Effective pending passage of identical legislation by the state of New Jersey

* ARTICLE VII-B

1. Needs assessment. 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. Public hearings. 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.

3. Subsidiaries of the port authority. a. 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.

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

c. 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:

(1) The complete legal name, address and contact information of the subsidiary;

(2) 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;

(3) The complete by-laws and legal organization papers of the subsidiary;

(4) A complete report of the purpose, operations, mission and projects of the subsidiary; and

(5) Any other information the subsidiary corporation deems important to include in such report.

* NB Effective upon the enactment into law legislation having an identical effect by the state of New Jersey

* ARTICLE VII-C

1. Annual reporting. 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. Audits and financial statements. 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.

* NB Effective upon the enactment into law legislation having an identical effect by the state of New Jersey

* ARTICLE VII-D

1. Property disposition. 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:

(i) 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

(ii) 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:

(i) a full description of the property;

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

(iii) a statement of the value to be received from such a disposition,

acquisition, or transfer;

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

(v) 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. Debt issuance. 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. Capital plan. 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. Operating budget. The port authority shall prepare a detailed annual operating budget beginning with the fiscal year commencing after the effective date of the chapter of the laws of 2015 which added this article. 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.

* NB Effective upon the enactment into law legislation having an identical effect by the state of New Jersey

* ARTICLE VII-E

1. a. For the purposes of this article:

(i) "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.

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

b. (i) 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.

(ii) 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 article.

* NB Effective upon the enactment into law legislation having an identical effect by the state of New Jersey

ARTICLE VIII.

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.

ARTICLE IX.

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

ARTICLE X.

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.

ARTICLE XI.

The port authority shall from time to time make plans for the development of said 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 agreement.

* ARTICLE XI-A

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.

* NB Effective upon enactment of legislation of identical effect by the state of New Jersey or June 15, 2013, whichever is later

ARTICLE XII.

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.

ARTICLE XIII

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 article ten, 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 said district, or improve terminal and transportation facilities therein. It may intervene in any proceeding affecting the commerce of the port.

ARTICLE XIV.

The port authority shall elect from its number a chairman, vice-chairman, 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.

ARTICLE XV.

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.

ARTICLE XV-A

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. As used in this act:

a. "Board" means the board of commissioners of the Port Authority of New York and New Jersey.

b. "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 (1) attended by less than an effective majority of the board, or (2) attended by or open to all the members of three or more similar public bodies at a convention or similar gathering.

c. "Public business" mean 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.

* NB Effective until the enactment into law of legislation having an identical effect by the state of New Jersey

* 2. As used in this act:

a. "Board" means the board of commissioners of the Port Authority of New York and New Jersey.

b. "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 act.

c. "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 (1) attended by less than a effective majority of the board, or (2) attended by or open to all the members of three or more similar public bodies at a convention or similar gathering.

d. "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.

e. "Public business" mean 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.

* NB Effective upon the enactment into law of legislation having an identical effect by the state of New Jersey

* 3. The board shall adopt and promulgate appropriate rules and regulations concerning the right of the public 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.

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.

* NB Effective until the enactment into law of legislation having an identical effect by the state of New Jersey

* 3. a. The board shall, within six months of the effective date of the chapter of the laws of 2015 that amended this subdivision, 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.

b. 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.

* NB Effective upon the enactment into law of legislation having an identical effect by the state of New Jersey

* ARTICLE XV-B.

1. Notwithstanding any provision to the contrary, the records of the port authority shall be open to the public in accordance with the laws of New York, articles 6 and 6-A of the public officers law, and New Jersey, P.L. 1963, c. 73 (C. 47:1A-1 et seq.), pertaining to the disclosure of government records.

2. When there is an inconsistency between the law of the state of New York and the law of the state of New Jersey, the law of the state that provided the greatest rights of access on the date that the chapter of the laws of 2014 that added this article became a law shall apply.

3. The provisions of article 78 of the civil practice law and rules of the state of New York or P.L. 1963, c. 73 (C. 47:1A-1 et seq.), of the laws of New Jersey, as applicable, shall apply to enforce the provisions of this article.

* NB Effective and Repealed pending passage of identical legislation by the state of New Jersey

* ARTICLE XV-B

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.

* NB Effective pending passage of identical legislation by the state

of New Jersey

ARTICLE XVI

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.

ARTICLE XVII.

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 article fifteen, prior to the making of appropriations adequate to meet the same.

ARTICLE XVIII.

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.

ARTICLE XIX.

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.

ARTICLE XX.

The territorial or boundary lines established by the agreement of eighteen hundred and thirty-four, or the jurisdiction of the two states

established thereby, shall not be changed except as herein specifically modified.

ARTICLE XXI.

Either state may by its legislature withdraw from this agreement in the event that a plan for the comprehensive development of the port shall not have been adopted by both states on or prior to July first, nineteen hundred and twenty-three; and when such withdrawal shall have been communicated to the governor of the other state by the state so withdrawing, this agreement shall be thereby abrogated.

ARTICLE XXII.

Definitions. The following words as herein used shall have the following meaning: "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. "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. "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. "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. "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. "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. "To lease" shall include to rent or to hire. "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 the constitution of the state.

Plural or singular. The singular wherever used herein shall include the plural.

Consent, approval or recommendation of municipality; how given. Wherever herein 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.

* ARTICLE XXIII

1. Definitions. The term:

a. "Employee" 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, whether or not represented by a labor organization.

b. "Ordered military duty", as used in this article, means any military duty performed in the service of the state of New York or of the United States, including but not limited to attendance at any service school or schools conducted by the armed forces of the United States, by a port authority employee as a member of any force of the organized militia or of any reserve force or reserve component of the armed forces of the United States, pursuant to orders issued by competent state or federal authority, with or without the consent of such port authority employee. Participation in routine reserve officer training corps training is not considered to be military duty except when performing advanced training duty as a member of a reserve component of the armed forces.

2. Leave of absence while engaged in performance of ordered military duty. Every employee shall be entitled to absent themselves and shall be deemed to have a leave of absence from his or her duties or service as such public officer or employee while engaged in the performance of ordered military duty and while going to and returning from such duty.

3. Leave of absence while attending service schools. Every employee who is or becomes a voluntary member of any force of the organized militia or of any reserve force or reserve component of the armed forces of the United States shall be entitled to absent themselves and shall be deemed to have a leave of absence from his or her duties or service as such employee while in attendance, as a member of such force or reserve components, at any service school or schools conducted by the armed forces of the United States, and while going to and returning from such school or schools, notwithstanding that orders for such attendance are or may be issued with the consent of such public officer or employee.

4. Leave of absence while performing full-time training duty or active duty for training with or in an armed force of the United States. Every

employee who is or becomes a member of any force of the organized militia or of any reserve force or reserve component of the armed forces of the United States shall be entitled to absent themselves and shall be deemed to have a leave of absence from his or her duties or service as such public officer or employee while performing, as a member of such force or reserve component, initial full-time training duty or initial active duty for training with or in an armed force of the United States under the provisions of this chapter or the laws of the United States or both, and while going to and returning from such full-time training duty or active duty for training, notwithstanding that orders for such duty are or may be issued with the consent of such public officer or employee.

5. Employment rights. Time during which an employee is absent pursuant to the provisions of subdivisions two, three and four of this article shall not constitute an interruption of continuous employment and, notwithstanding the provisions of any general, special or local law or the provisions of any city charter, no such employee shall be subjected, directly or indirectly, to any loss or diminution of time service, increment, vacation or holiday privileges, or any other right or privilege, by reason of such absence, or be prejudiced, by reason of such absence, with reference to continuance in office or employment, reappointment to office, re-employment, reinstatement, transfer or promotion.

6. Pay for military duty. a. Every employee shall be paid their salary or other compensation as a port authority employee for any and all periods of absence while engaged in the performance of ordered military duty, and while going to and returning from such duty, not exceeding a total of thirty days or twenty-two working days, whichever is greater, in any one calendar year and not exceeding thirty days or twenty-two working days, whichever is greater, in any one continuous period of such absence.

b. Every employee of the port authority who served in a combat theater or combat zone of operations as documented by a copy of his or her DD214, certificate of release or discharge from active duty, or other

applicable department of defense documentation, shall be paid his or her salary or other compensation as such port authority employee for any and all periods of absence while utilizing any health care related services related to such duty, not exceeding five working days, in any one calendar year.

7. Rights and contributions under retirement systems. a. The amount of required contributions to any pension or retirement system of which an employee absent while engaged in the performance of ordered military duty is a member, shall be deducted from the salary or other compensation paid to him or her as such employee as provided in this article. If such required contributions exceed the amount of such salary or other compensation to which an employee is entitled while engaged in the performance of military duty, the amount of such salary or other compensation shall be applied upon such required contributions and such employee shall have the right to pay to such pension or retirement system the amount by which such contributions exceed such salary or other compensation. Such employee shall also have the right to pay to such system, for any period of the absence during which he or she shall receive no salary or other compensation as an employee of the port authority, the amount that he or she would have contributed to such system if he or she had been present and continuously engaged in the performance of the duties of his or her position during such period.

b. Such payments, other than those deducted from his or her salary or other compensation as such employee, may be paid from time to time at any time while engaged in such ordered military duty or within five years after the date of termination of such ordered military duty, or, in the event of the death of such employee while engaged in ordered military duty, such payments, or any part thereof, may be made by the named beneficiary or the legal representative of such employee's estate within one year following proof of such death.

c. To the extent that such contributions are paid, absence while engaged in the performance of military duty shall be counted in determining the length of total service under such pension or retirement system.

d. Any employee, while engaged in the performance of ordered military duty, or his or her beneficiary, as the case may be, shall be entitled to all the benefits of the pension or retirement system of which he or she is a member, except accidental disability retirement and accidental death benefit.

* NB Effective upon the state of New Jersey enacting legislation having a similiar effect; see chapter 343 of 2024 § 2

§ 2. The said agreement or compact, when signed and sealed by the commissioners of each state as hereinbefore provided, and the attorney-general of the state of New York, and the attorney-general of the state of New Jersey if he be designated so to act by the state of New Jersey, shall become binding upon the state of New York, and shall be filed in the office of the secretary of state of the state of New York.

§ 3. If by death, resignation or otherwise, a vacancy occurs among those appointed hereunder by the state of New York, the governor is hereby authorized to fill the same.

§ 4. The said commissioners, together with the commissioners appointed from the state of New Jersey, shall have power to apply to the congress of the United States for its consent and approval of the agreement or compact signed by them; but in the absence of such consent of congress and until the same shall have been secured, the said agreement or compact shall be binding upon the state of New York in all respects permitted by law for the two states of New York and New Jersey without the consent of congress to co-operate, for the purposes enumerated in said agreement or compact, and in the manner provided herein.