

1 NEW YORK STATE SENATE

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4 THE STENOGRAPHIC RECORD

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9 ALBANY, NEW YORK

10 March 15, 2012

11 11:25 a.m.

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14 REGULAR SESSION

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18 SENATOR JOSEPH A. GRIFFO, Acting President

19 FRANCIS W. PATIENCE, Secretary

1 P R O C E E D I N G S

2 ACTING PRESIDENT GRIFFO: The  
3 Senate will come to order.

4 I ask all present to please rise  
5 and join with me as we recite the Pledge of  
6 Allegiance to our Flag.

7 (Whereupon, the assemblage  
8 recited the Pledge of Allegiance to the Flag.)

9 ACTING PRESIDENT GRIFFO: In the  
10 absence of clergy, I ask all present to please  
11 bow our heads in a moment of silent  
12 reflection.

13 (Whereupon, the assemblage  
14 respected a moment of silence.)

15 ACTING PRESIDENT GRIFFO: The  
16 reading of the Journal.

17 THE SECRETARY: In Senate,  
18 Wednesday, March 14th, the Senate met pursuant  
19 to adjournment. The Journal of Tuesday,  
20 March 13th, was read and approved. On motion,  
21 Senate adjourned.

22 ACTING PRESIDENT GRIFFO:  
23 Without objection, the Journal stands approved  
24 as read.

25 Presentation of petitions.

1 Messages from the Assembly.

2 Messages from the Governor.

3 Reports of standing committees.

4 Reports of select committees.

5 Communications and reports from  
6 state officers.

7 Motions and resolutions.

8 Senator Libous.

9 SENATOR LIBOUS: Mr. President,  
10 can we now go to the noncontroversial  
11 calendar.

12 ACTING PRESIDENT GRIFFO: The  
13 Secretary will read the noncontroversial  
14 calendar.

15 THE SECRETARY: Calendar Number  
16 195, by Senator Lanza, Senate Print 5878C --

17 SENATOR BRESLIN: Lay it aside.

18 ACTING PRESIDENT GRIFFO: The  
19 bill is laid aside.

20 SENATOR LIBOUS: Did we complete  
21 the noncontroversial calendar?

22 ACTING PRESIDENT GRIFFO: We  
23 have completed the noncontroversial calendar.

24 SENATOR LIBOUS: Can we now go  
25 to the controversial calendar.

1                   ACTING PRESIDENT GRIFFO:     The  
2     Secretary will ring the bell.

3                   The Secretary will read.

4                   THE SECRETARY:     Calendar Number  
5     195, by Senator Lanza, Senate Print 5878C, an  
6     act to amend Chapter 154 of the Laws of 1921.

7                   ACTING PRESIDENT GRIFFO:  
8     Senator Krueger.

9                   SENATOR KRUEGER:     Would the  
10    sponsor please yield?   Through you,  
11    Mr. President.

12                  ACTING PRESIDENT GRIFFO:  
13    Senator Lanza, will you yield?

14                  SENATOR LANZA:     Yes,  
15    Mr. President.

16                  ACTING PRESIDENT GRIFFO:     The  
17    Senator yields.

18                  SENATOR KRUEGER:     Thank you.

19                  So I understand that this is a  
20    bill to require increased transparency and  
21    accountability for the Port Authority of  
22    New Jersey and New York, which certainly on  
23    its face is something I would like to  
24    support.   But I do have a few questions.

25                  In the bill you discuss that when

1 a fee or a toll is going to be increased it needs  
2 to be discussed at a public meeting and an  
3 independent entity must establish a needs  
4 assessment. Could you tell me who an independent  
5 entity would be? What does that mean exactly?

6 ACTING PRESIDENT GRIFFO: Senator  
7 Lanza.

8 SENATOR LANZA: Yes,  
9 Mr. President, through you. That would be  
10 established by regulation.

11 SENATOR KRUEGER: Through you,  
12 Mr. President, if the sponsor would continue to  
13 yield.

14 ACTING PRESIDENT GRIFFO: Senator  
15 Lanza, do you continue to yield?

16 SENATOR LANZA: Yes,  
17 Mr. President.

18 ACTING PRESIDENT GRIFFO: He does.

19 SENATOR KRUEGER: Thank you.

20 So since it would be established  
21 through regulation, we're suggesting in this bill  
22 we would create an independent entity because  
23 we'd like more transparency and accountability by  
24 the Port Authority. But we would let them define  
25 what an independent entity is, how it's

1 independent and who would be part of this; is  
2 that correct?

3                   SENATOR LANZA: Through you,  
4 Mr. President. No, of course not, Senator  
5 Krueger. This bill goes way beyond that with  
6 respect to bringing much-needed reforms to an  
7 authority that I think we can all agree in this  
8 chamber, both Democrat and Republican, has been  
9 far from open, transparent, and accountable.

10                   This legislation does many things  
11 that would bring that accountability, that  
12 transparency and that openness to this  
13 authority.

14                   I think the point that this is  
15 needed has been underscored recently by an  
16 independent audit that was paid for, actually, by  
17 the Port Authority to review their accounting  
18 controls and their operations, and their own  
19 consulting firm concluded that they are a  
20 dysfunctional organization lacking in sufficient  
21 cost controls and that they require a complete  
22 systemic overhaul.

23                   That's precisely what this  
24 legislation does. It does many things. Taken as  
25 a whole, transparency, openness and

1 accountability would be restored if we were to  
2 enact this legislation.

3                   SENATOR KRUEGER: Through you,  
4 Mr. President, if the sponsor would continue to  
5 yield.

6                   SENATOR LANZA: Yes,  
7 Mr. President.

8                   ACTING PRESIDENT GRIFFO: The  
9 Senator yields.

10                  SENATOR KRUEGER: Thank you.

11                  I don't disagree with the sponsor's  
12 explanation for the need for the bill. What I  
13 was raising was that this bill apparently leaves  
14 them the discretion to write their own  
15 regulations of what an independent entity is, to  
16 define what the functions of the entity are, and  
17 even to pick who it is.

18                  So to be honest, while I still  
19 would like to ask some more questions, I might  
20 have preferred had this bill not actually given  
21 the Port Authority, who we want to have more  
22 transparency and accountability, to not leave  
23 with them the authority to write the regulations  
24 defining how and who they define as independent  
25 entities overseeing them. That was my point of

1 that question.

2 Through you, if I can continue  
3 questioning the sponsor.

4 ACTING PRESIDENT GRIFFO: The  
5 sponsor yields.

6 SENATOR KRUEGER: Thank you.

7 As I understand it, this bill could  
8 not take effect unless the identical bill passed  
9 in the State of New Jersey. Is that a correct  
10 reading?

11 SENATOR LANZA: That is correct,  
12 Mr. President.

13 SENATOR KRUEGER: Through you,  
14 Mr. President.

15 ACTING PRESIDENT GRIFFO: The  
16 sponsor continues to yield.

17 SENATOR KRUEGER: Thank you.

18 Have there been any discussions  
19 with the legislature of New Jersey about moving a  
20 parallel bill?

21 SENATOR LANZA: Mr. President, I'm  
22 so glad that Senator Krueger has brought that  
23 point up.

24 We sometimes kick the  
25 Port Authority around, for good reason. Some



1 would suggest that they're not good for much. I  
2 would submit to you that it turns out they're  
3 good for a lot, and that perhaps only the  
4 Port Authority could bring Republicans and  
5 Democrats in the Senate and the Assembly -- not  
6 only in New York, but in New Jersey -- together.

7                   And there not only have been very  
8 productive conversations with our colleagues in  
9 New Jersey, it is my understanding that this  
10 legislation will actually pass both the Assembly  
11 and the Senate in New Jersey today.

12                   SENATOR KRUEGER: Thank you.

13                   Mr. President, if through you the  
14 sponsor will continue to yield.

15                   SENATOR LANZA: Yes,  
16 Mr. President.

17                   ACTING PRESIDENT GRIFFO: The  
18 Senator yields.

19                   SENATOR KRUEGER: So I'm delighted  
20 every once in a while there can be bipartisan and  
21 even bistate agreement.

22                   Do we know where the governor of  
23 New York or the governor of New Jersey may be on  
24 this proposal?

25                   SENATOR LANZA: Well, that's an

1 open question.

2 Both Governors Cuomo and Christie  
3 campaigned on reform, on bringing more  
4 transparency and accountability to government  
5 operations. And I'm hopeful and optimistic that  
6 in that spirit, when this legislation comes to  
7 their respective desks, that they would embrace  
8 this reform.

9 SENATOR KRUEGER: Through you,  
10 Mr. President, if the sponsor would continue to  
11 yield.

12 SENATOR LANZA: Yes,  
13 Mr. President.

14 ACTING PRESIDENT GRIFFO: Senator  
15 Lanza yields.

16 SENATOR KRUEGER: Thank you.

17 In the detail of the bill it talks  
18 about having public hearings to define the need  
19 for any kind of increased fares, tolls or other  
20 costs. Can the sponsor help me understand what  
21 the definition of a justified need would be for  
22 purposes of the authority being able to bring  
23 such proposals through the public hearing  
24 process?

25 SENATOR LANZA: Through you,

1 Mr. President. So this would allow for a  
2 complete reform whereby the Port Authority would  
3 finally be required to actually speak to and  
4 answer to the people they serve in our region.

5 It would require an independent  
6 audit of the Port Authority. It would require  
7 specific requirements for open public meetings  
8 and a publication of those meetings.

9 It would establish a fiduciary  
10 responsibility for the commissioners of the Port  
11 Authority, something that inexplicably they don't  
12 have today.

13 It would establish an audit and a  
14 finance and government committee. It would  
15 require financial disclosures and training for  
16 the commissioners it would require certification  
17 by the chairman, the vice chairman, the board of  
18 commissioners of the Port Authority, and the  
19 executive director of these reports.

20 And it would require a more  
21 extensive public hearing process whenever they  
22 make those decisions which affect the people we  
23 represent.

24 So taken as a whole, we will get a  
25 look before these decisions are thrust upon us at

1 the information that is being utilized to make  
2 those decisions.

3 SENATOR KRUEGER: Through you,  
4 Mr. President, if the sponsor would continue to  
5 yield.

6 SENATOR LANZA: Yes,  
7 Mr. President.

8 ACTING PRESIDENT GRIFFO: Senator  
9 Lanza yields.

10 SENATOR KRUEGER: Thank you.

11 This requires 10 hearings for any  
12 proposal. "Not less than one public hearing  
13 required pursuant to paragraph a of the  
14 subdivision shall be conducted in each county in  
15 New York and New Jersey directly affected by the  
16 proposed fee, toll, charge or fare increase as  
17 determined by the board in consultation with  
18 local and state officials." I am reading from  
19 Article XV-D, paragraph 1(b) on page 4.

20 So who determines which counties  
21 are affected? Because if it's an airport fee,  
22 people would be coming from many counties. Or  
23 would it just be the county the airport was in?  
24 If it's a toll for a bridge, the bridge starts  
25 and ends in, let's assume, two counties or even

1 two states, but people drive across it coming and  
2 going from many counties.

3                   So I'm confused about the  
4 definition of who determines which are the  
5 impacted counties.

6                   SENATOR LANZA:    Through you,  
7 Mr. President.

8                   So clearly with respect to a toll  
9 hike on a bridge, which we just had happen to us  
10 where tolls on, for instance, the Bayonne Bridge,  
11 the Goethals Bridge, the Outerbridge, all on  
12 Staten Island, were raised from \$8 to \$12 --  
13 which really of course is outrageous and I  
14 believe immoral and unjustified under the  
15 facts -- hearings would need to be in both  
16 Richmond County and our sister county across in  
17 New Jersey.

18                   With respect to increases in fees  
19 or fares, I can't think of any with respect to  
20 the airports.

21                   But, Senator Krueger, I'd be open  
22 to having hearings in every single county in the  
23 region. That is precisely what we need.

24                   I'll tell you where this came  
25 from. When the Port Authority purported to

1 conduct a hearing with respect to toll hikes last  
2 summer, they had one of those hearings -- or they  
3 called it a hearing -- for the public to come  
4 forward to provide testimony. They did that on  
5 Staten Island. Not a single commissioner of the  
6 Port Authority was actually present.

7 We believe that's not right, it's  
8 unjust and really outrageous. And this  
9 legislation would put an end to that.

10 SENATOR KRUEGER: On the bill,  
11 Mr. President.

12 ACTING PRESIDENT GRIFFO: Senator  
13 Krueger on the bill.

14 SENATOR KRUEGER: I very much  
15 appreciate the sponsor's answering of questions.

16 I really don't disagree with his  
17 bill at all. I think we want to do exactly  
18 this. My concerns, for the record -- and since  
19 this will have to go through two states and four  
20 legislative bodies and two governors, I think  
21 there might be an opportunity to amend -- I need  
22 clarity about the definitions.

23 It does concern me that the  
24 Port Authority would be allowed to define for  
25 themselves what an independent entity would be

1 and who it would be and how they would  
2 operate.

3                   It disturbs me, actually, that the  
4 Port Authority would get to establish what the  
5 needs assessment is that they need to bring to  
6 the community.

7                   I actually think that the sponsor  
8 is right, communities aren't being heard. So I  
9 think we would want to be in the process earlier  
10 rather than allowing the Port Authority to have  
11 control over defining what a needs assessment  
12 was, defining what an independent entity working  
13 with them is.

14                   And I think we need better  
15 definitions of the communities being impacted  
16 when it comes to the 10-hearings scenario,  
17 because I think we could both make a very good  
18 case that if you looked at almost any  
19 Port Authority facility -- again, if it's a  
20 bridge or tunnel, it might have a specific  
21 beginning locus and ending locus. But people are  
22 driving across those bridges and tunnels from a  
23 much wider area than the geography of where the  
24 bridge or tunnel starts or ends.

25                   People use the regional airports --

1 Kennedy, LaGuardia, Newark -- from a much broader  
2 region from simply the County of Queens and I  
3 believe it's Union County that Newark Airport is  
4 in. I'm sorry if I misspoke the New Jersey  
5 county.

6                   So I would prefer that this had  
7 tighter definitions, because I think it would go  
8 even further in doing what Senator Lanza is  
9 hoping we accomplish and which I would like us  
10 also to accomplish.

11                   So I will vote yes, with urging on  
12 the record that some amendments can be added as  
13 we move forward to strengthen the bill.

14                   Thank you, Mr. President.

15                   ACTING PRESIDENT GRIFFO:    Thank  
16 you, Senator Krueger.

17                   Is there any other Senator wishing  
18 to be heard?

19                   Seeing none, hearing none, the  
20 debate is closed. The Secretary will ring the  
21 bell.

22                   Read the last section.

23                   THE SECRETARY:    Section 4. This  
24 act shall take effect upon the enactment into law  
25 by the State of New Jersey.



1                   ACTING PRESIDENT GRIFFO:    Call the  
2 roll.

3                   (The Secretary called the roll.)

4                   ACTING PRESIDENT GRIFFO:    Senator  
5 Fuschillo to explain his vote.

6                   SENATOR FUSCHILLO:    Just quickly,  
7 Mr. President.

8                   Let me just thank my colleague  
9 Senator Lanza for this important piece of  
10 legislation.

11                   I thought it was an absolute  
12 disgrace when the Port Authority had proposed  
13 raising the fares and tolls and then held public  
14 hearings but the board members never showed up.  
15 What an insult to the people of New York and  
16 New Jersey.

17                   When they came out and they showed  
18 the cost overruns and then they said that tolls  
19 were going to cover that, they used the sympathy  
20 method there to get everybody to agree to that,  
21 and then they backed off on that.

22                   I'm hopeful with Governor Cuomo's  
23 new appointee as the executive director, who has  
24 the experience hopefully necessary to turn around  
25 that Port Authority, we'll see things different.

1                   But what's important about this  
2 legislation is the accountability and the  
3 transparency.

4                   You know, this conference, with our  
5 leader Senator Skelos's bringing New York State  
6 back in the right direction, the Port Authority  
7 is continually sending New York and New Jersey  
8 back in the wrong direction.

9                   So I vote aye, and I want to thank  
10 my colleague Andy Lanza for bringing this bill to  
11 the floor.

12                   ACTING PRESIDENT GRIFFO:    Senator  
13 Fuschillo to be recorded in the affirmative.

14                   Announce the results.

15                   THE SECRETARY:    In relation to  
16 Calendar Number 195, absent from voting are  
17 Senators Montgomery, Parker, Peralta, and Smith.

18                   Ayes, 54.   Nays, 0.

19                   ACTING PRESIDENT GRIFFO:    The bill  
20 is passed.

21                   Senator Libous, that completes the  
22 controversial calendar.

23                   SENATOR LIBOUS:    Thank you,  
24 Mr. President.

25                   Is there any further business at

1 the desk?

2                   ACTING PRESIDENT GRIFFO:    There is  
3 no further business.

4                   SENATOR LIBOUS:    Mr. President,  
5 there being no further business, I move that we  
6 adjourn until Monday, March 19th, at 3:00 p.m.,  
7 intervening days being legislative days.

8                   ACTING PRESIDENT GRIFFO:    On  
9 motion, the Senate stands adjourned until Monday,  
10 March 19th, at 3:00 p.m., intervening days being  
11 legislative days.

12                   Happy St. Patrick's Day.   Senate  
13 adjourned.

14                   (Whereupon, at 11:45 a.m., the  
15 Senate adjourned.)

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