

New York, New Jersey Governors Veto Port Authority Changes

Govs. Christie and Cuomo Issue Their Own Recommendations Saturday Night



In this Dec. 1, 2013, photo, the tollbooth lanes, lower left, lead to the George Washington Bridge in Fort Lee, N.J. Mark Lennihan/Associated Press

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Updated Dec. 27, 2014 8:56 p.m. ET

The governors of New York and New Jersey said they were vetoing bills passed by their states' legislatures that sought changes at the agency at the center of the George Washington Bridge scandal in September 2013.

Instead, New York Gov. [Andrew Cuomo](#) and New Jersey Gov. [Chris Christie](#) on Saturday night proposed their own prescription for fixing the Port Authority of New York and New Jersey, the bistate agency that they both control.

The vetoes drew denunciations from lawmakers who had passed the bills with overwhelming support in both states. The timing of the announcement was also questioned, coming on a Saturday night during a holiday weekend.

"By their silence and action tonight, it seems they are continuing the same old practices," said New Jersey Assemblywoman Valerie Vainieri Huttle, a Democrat from Englewood, N.J. "Disappointing is an understatement."

In a veto message, Mr. Christie said he wanted the legislature to create "a more comprehensive package" consistent with the recommendations that he and Mr. Cuomo, a Democrat, made on Saturday night. Those proposals, though, can be put in place without legislative approval.

The competing overhaul plans marked the latest effort to reform the Port Authority in the wake of the bridge scandal. The authority operates the George Washington Bridge and one of its former officials has been blamed for orchestrating lane closures that caused [a series of crippling traffic jams in Fort Lee, N.J., in September 2013](#). Democrats have accused Mr. Christie's allies of closing the bridge lanes as political payback against Fort Lee's Democratic mayor who didn't support Mr. Christie's re-election. Mr. Christie has said he wasn't involved with the bridge closures or any coverup. The governor also has said his administration is cooperating with all appropriate investigations.

The ensuing scandal threatened the political career of Mr. Christie, [a potential GOP presidential contender](#) who hasn't been implicated in two investigations, though top staff members and allies were involved. The U.S. attorney's office in New Jersey is conducting a separate investigation.

The scandal threw a harsh spotlight on [other issues at the Port Authority](#), including a lack of transparency, spending on projects some said are unrelated to its mission and alleged conflicts of interest with top officials and their business interests. Four top Port officials, including the former chairman David Samson, have resigned since the scandal erupted.

The legislatures' bills would have imposed a series of requirements aimed at the authority's management and transparency. They would have required the Port Authority to adhere to public records laws in both states and would have established a whistleblower program. The Port Authority's finances would have been subjected to certain auditing standards and top officials would have filed annual financial disclosure reports. The bill would have also required commissioners to act as fiduciaries for the authority.

The bills passed the legislatures in both states unanimously.

Both governors had come under increasing pressure to weigh in on legislation aimed at reforming the Port Authority. Mr. Cuomo had until Saturday to render a decision on the bills and Mr. Christie had to act by mid-January.

New Jersey Senate Majority Leader Loretta Weinberg, a Democrat from Bergen County, questioned why the governors couldn't have signed pieces of legislation passed in both states with overwhelming support and then worked with lawmakers to advance additional reforms going forward.

"The fact that the two governors together tried to turn their backs on two legislatures in two states is to me very disappointing," she said.

Instead, the governors will turn to recommendations made after months of behind-the-scenes work by a so-called Special Panel on the Future of the Port Authority. The five-member panel included John Degnan, Mr. Christie's pick for the agency's chairman, and [Scott Rechler](#), a Cuomo appointee who is vice chairman.

To insulate the Port Authority from narrow political influences and focus it on the region's transportation and infrastructure, the governors proposed restructuring the authority's top management, board and operations.

A single chief executive officer, instead of an executive director and deputy executive director, would be selected by the Port Authority's board through a national search under the proposals released Saturday evening by Messrs. Cuomo and Christie.

Under current practice, the New York governor picks the agency's executive director, while the New Jersey governor picks the deputy as well as the board's chairman. Messrs. Cuomo and Christie's proposal would either install two co-chairmen from each state, or rotate the chairmanship.

The governors called for creating a chief ethics and compliance officer, as well as forcing the Port Authority to adhere to both states' public-records laws. They called for divesting from real estate—including from the World Trade Center site it owns in lower Manhattan—so the authority could better focus on infrastructure and transportation.

And they singled out the goal of constructing a new Port Authority Bus Terminal, which has been criticized as outdated and overcapacity, and floated the possibility of finding a third-party operator for the money-losing PATH train between New York and New Jersey.

"The recommendations put forward by the bistate panel include important reforms to address the Port's inefficient and outdated governing structure and will help bring new transparency and effectiveness to the agency," Mr. Cuomo said in a statement.

Transportation experts had mixed initial reactions to the governors' plans.

Mitchell Moss, a New York University professor who has studied the authority, said it remains to be seen whether both governors are committed to actually forcing change among the Port Authority's leaders and returning the agency to its core mission.

"Now, they are putting themselves on the line," he said. "They cannot treat it as an instrument to do things for each state," he added. "It can't be treated as an ATM for each governor's particular needs."

Indeed, the special panel recommended redeploying \$600 million in "regional development" funds to specific transportation projects. The funds in question have drawn scrutiny in recent years, with critics calling them a political slush fund for governors' pet projects.

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