

32:1-35.51

LEGISLATIVE FACT SHEET

ON Pa. - PATH extend

N.J.R.S. 32:1-35.51

(Amendment)

LAWS OF 1972

CHAPTER 208 Dec. 28, 1972

SENATE

ASSEMBLY 1565

INTRODUCED Nov. 16, 1972

BY DeRoche et al.

STATEMENT

YES

NO

AMENDED DURING PASSAGE

YES

NO

HEARING None discovered

VETO

Governor's statement yes

ASSEMBLY, No. 1565

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 16, 1972

By Assemblymen De KORTE, KEAN, McDONOUGH, FRIEDLAND, J. HORN, WOODSON, HURLEY, REID, HIGGINS, ROBERTSON, DAWES, KENNEDY, APY, ORECHIO, DENNIS, KALTENBACHER, BERRY, MANNER, MANCINI, GARBALDI, MERCK, VREELAND, Assemblywoman MARGETTS, Assemblymen BLACK, VEIT, SPIZZIRI, CHINNICI, RAYMOND, RYS, M. HORN, Assemblywoman FENWICK, Assemblymen FORAN, EWING, LITTELL, MEGARO, JACKMAN, WILKERSON, ESPOSITO, WALLACE, H. STEWART, BEDELL, GORMAN, COLASURDO, REID, Assemblywoman A. KLEIN, Assemblymen GEWERTZ, YATES, BARBOUR, FROUDE, BORNHEIMER, FAY, KOLODZIEJ, KLEIN, SINSIMER, HYNES, BURSTEIN, P. STEWART, RICHARDSON, McMANIMON, PELLECCCHIA, HICKS and DEVERIN

(Without Reference)

AN Act authorizing the Port Authority of New York and New Jersey to provide improved passenger railroad service as an extension of the Hudson tubes (now known as Port Authority Trans-Hudson) between the cities of Newark and Plainfield in the State of New Jersey, providing that a statutory covenant relating to the application of the revenues and reserves of the port authority shall not extend to the holders of bonds hereafter issued, and amending and supplementing "An act to provide for the financing and effectuation by the Port of New York Authority of a port development project, consisting of the Hudson tubes, the Hudson tubes extensions and a world trade center, for coordinating, facilitating, and promoting the transportation of persons and the flow and exchange of trade and commerce in and through the Port of New York District, and agreeing with the State of New York with respect thereto," approved February 13, 1962 (P. L. 1962, c. 8).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. P. L. 1962, c. 8, s. 2 (C. 32:1-35.51) is amended to read as
2 follows:

3 2. The following terms as used in this act shall have the follow-
4 ing meanings:

5 "Bonds" shall mean bonds, notes, securities or other obligations
6 or evidences of indebtedness;

7 "Effectuation" of a project or any facility or part of a facility
8 constituting a portion of a project shall include but not be limited
9 to its establishment, acquisition, construction, development, mainte-
10 nance, operation, improvement (by way of betterments, additions
11 or otherwise) and rehabilitation;

12 "Exchange place terminal area" shall mean the area in the city
13 of Jersey City, State of New Jersey, bounded generally by Ex-
14 change place and Montgomery street, by Warren street, by Pearl
15 street, by Greene street, and by Morgan street as extended to the
16 bulkhead line and by said bulkhead line, together with such ad-
17 ditional contiguous area as may be agreed upon from time to time
18 between the port authority and the said city;

19 "General reserve fund statutes" shall mean chapter 48 of the
20 laws of New York of 1931 as amended, and chapter 5 of the laws
21 of New Jersey of 1931 as amended, and "general reserve fund"
22 shall mean the general reserve fund of the port authority authorized
23 by said statutes;

24 "Hudson tubes" shall mean that portion of the port develop-
25 ment project constituting a railroad facility consisting of the four
26 interstate rail tunnels under the Hudson river now or heretofore
27 owned or operated by the Hudson & Manhattan Railroad Company,
28 the rail transit lines of the Hudson tubes, the balance of the inter-
29 urban electric railway system in and through said tunnels and over
30 said lines and incidental thereto (including but not limited to the
31 portion of such lines and system now or heretofore operated
32 jointly by said railroad company and the Pennsylvania Railroad
33 Company), terminals, including but not limited to terminals in
34 the Hudson tubes-world trade center area, in the Journal square
35 terminal area and in the Exchange place terminal area, and other
36 related railroad property;

37 "Hudson tubes extensions" shall mean those portions of the
38 port development project constituting passenger railroad facilities
39 (1) extending directly from the rail transit lines of the Hudson
40 tubes, over new rail transit lines or on or over the existing rail
41 transit lines of other railroads, to transfer facilities in the rail
42 passenger transfer area, for the transfer of passengers of the
43 Hudson tubes to and from other railroads, and (2) extending from

44 *Pennsylvania Station in the city of Newark, State of New Jersey,*
45 *over new rail transit lines or on or over the existing rail transit*
46 *lines of other railroads, to the vicinity of the city of Plainfield,*
47 *State of New Jersey, including construction, reconstruction and*
48 *improvement of necessary stations in and between the city of*
49 *Newark and the vicinity of the city of Plainfield, together with such*
50 *additional rail or other mass transportation, terminal, station,*
51 *parking, storage and service facilities as operations may require,*
52 *and shall include a connection to provide improved access to*
53 *Newark International Airport if and to the extent such connection*
54 *shall not be otherwise provided by the port authority as air terminal*
55 *facilities for said airport, and (3) consisting of the following im-*
56 *provements to passenger railroad lines connecting with the Hudson*
57 *tubes: (i) direct track connections between the rail transit lines of*
58 *the Morris & Essex Division of the Erie-Lackawanna Railroad and*
59 *the Penn Central Transportation Company in the vicinity of the*
60 *town of Kearny in the State of New Jersey, (ii) replacement of the*
61 *railroad bridge (known as the "Portal Bridge") operated by the*
62 *Penn Central Transportation Company across the Hackensack*
63 *River, (iii) direct track connections between the rail transit lines*
64 *of the Bergen Branch and the Main Line of the Erie-Lackawanna*
65 *Railroad in the vicinity of the town of Secaucus in the State of*
66 *New Jersey and between the new joint line resulting from such*
67 *connections and the rail transit lines of the Penn Central Trans-*
68 *portation Company in the vicinity of the town of Secaucus in the*
69 *State of New Jersey, (iv) a new railroad yard in the vicinity of*
70 *the town of Secaucus in the State of New Jersey for the accom-*
71 *modation of railroad passenger equipment, (v) improvements to*
72 *Pennsylvania Station in the city of New York, State of New York,*
73 *and to its railroad approaches from the State of New Jersey, as*
74 *necessary or desirable to improve operations and to increase train*
75 *and passenger handling capacity, and (vi) such additional rail or*
76 *other mass transportation, terminal, station, parking, storage and*
77 *service facilities as operations may require with respect to any of*
78 *the projects identified in this clause (3); or any of the foregoing or*
79 *any portion thereof; and, in addition thereto, other related railroad*
80 *property.*

81 "Hudson tubes-world trade center area" shall mean the area
82 in the borough of Manhattan, city and State of New York, bounded
83 generally by the east side of Church street on the east, the south
84 side of Liberty street and the south side of Liberty street extended
85 on the south, the Hudson river on the west, and on the north by a
86 line beginning at the point of intersection of the Hudson river and

87 the north side of Vesey street extended, running along the north
88 side of Vesey street extended and the north side of Vesey street to
89 the west side of Washington street, then along the west side of
90 Washington street to the north side of Barclay street, then along
91 the north side of Barclay street to the east side of West Broadway,
92 then along the east side of West Broadway to the north side of
93 Vesey street, then along the north side of Vesey street to the east
94 side of Church street, together with such additional contiguous
95 area as may be agreed upon from time to time between the port
96 authority and the said city;

97 "Journal square terminal area" shall mean the area in the city
98 of Jersey City, State of New Jersey, bounded generally by Journal
99 square, Hudson boulevard, Pavonia avenue, Summit avenue and
100 Sip avenue, together with such additional contiguous area as may
101 be agreed upon from time to time between the port authority and
102 the said city;

103 "Municipality" shall mean a county, city, borough, village, town,
104 township or other similar political subdivision of New York or
105 New Jersey;

106 "Parking facilities" forming a part of the Hudson tubes or
107 Hudson tubes extensions shall mean one or more areas, buildings,
108 structures, improvements or other accommodations or appurte-
109 nances at or in the vicinity of any terminal or station of the Hudson
110 tubes or Hudson tubes extensions and necessary, convenient or
111 desirable in the opinion of the port authority for the parking of
112 motor vehicles of users of the Hudson tubes or the Hudson tubes
113 extensions and of members of the general public and for the park-
114 ing and storage of omnibuses and railroad cars serving users of
115 the Hudson tubes or the Hudson tubes extensions and for the
116 transfer of the operators and passengers of such motor vehicle,
117 omnibuses and railroad cars to and from the railroad cars of the
118 Hudson tubes or the Hudson tubes extensions, and for purposes
119 incidental thereto;

120 "Purposes of this act" shall mean the effectuation of the port
121 development project and of each facility constituting a portion
122 thereof and of each part of each such facility, and purposes in-
123 cidental thereto;

124 "Rail passenger transfer area" shall mean the area in the State
125 of New Jersey bounded as follows: beginning on the west bank of
126 the Hudson river at the southerly side of the right-of-way of the
127 Central Railroad of New Jersey easterly of the Communipaw
128 station in the city of Jersey City, thence northwestwardly along
129 said southerly side of the right-of-way of the Central Railroad of

130 New Jersey through the cities of Jersey City and Kearny to Broad
131 street in the city of Newark; thence northwardly along Broad street
132 to Clay street, thence eastwardly along Clay street to the boundary
133 between the counties of Hudson and Essex in the Passaic river,
134 thence northwardly along said boundary to its intersection with
135 the boundary line between the counties of Bergen and Hudson,
136 thence eastwardly and northwardly along said boundary to New
137 Jersey State Highway Route 3, thence eastwardly along said Route
138 3, the Lincoln tunnel viaduct and a line in continuation of said
139 viaduct and tunnel to the west bank of the Hudson river, thence
140 southwardly along said west bank to the point and place of
141 beginning;

142 "Rail transit lines" shall mean right-of-way and related trackage,
143 and the "rail transit lines of the Hudson tubes" shall mean the
144 rail transit lines beginning at the Market street station of the Penn-
145 sylvania Railroad Company in the city of Newark, State of New
146 Jersey and extending generally (i) eastwardly along the joint
147 service and operating route now or heretofore used by the Hudson
148 & Manhattan Railroad Company and the Pennsylvania Railroad
149 Company to the point of connection thereof with the tracks now
150 or formerly of the Hudson & Manhattan Railroad Company in or
151 about the Journal square terminal area; thence (ii) continuing
152 eastwardly along the tracks and right-of-way now or heretofore
153 used by the Hudson & Manhattan Railroad Company through the
154 city of Jersey City, State of New Jersey and through the tunnels
155 under the waters of the Hudson river and through Cortlandt and
156 Fulton streets in the borough of Manhattan, city and State of New
157 York to the Hudson terminal in the Hudson tubes-world trade
158 center area; with a branch from the aforesaid route from a point
159 located between the Grove street and Exchange place stations in
160 said city of Jersey City northwardly and eastwardly to the Hoboken
161 terminal station in the City of Hoboken, State of New Jersey and
162 with a second branch from said first branch eastwardly and through
163 the tunnels under the waters of the Hudson river to the said
164 borough of Manhattan passing through or adjacent to Morton
165 street, Greenwich street, Christopher street and the avenue of the
166 Americas (formerly Sixth avenue) to the West Thirty-third street
167 terminal in said borough of Manhattan; and rail transit lines of
168 the Hudson tubes and of the Hudson tubes extensions shall in each
169 case include such rail transit lines as the port authority may deem
170 necessary, convenient or desirable to and from parking facilities,
171 storage yards, maintenance and repair shops and yards forming
172 part thereof;

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

182 "Related railroad property" shall mean any property, real,
183 personal or mixed, necessary, convenient or desirable, in the opinion
184 of the port authority, to the effectuation of a railroad facility
185 which is a portion of the port development project and shall include
186 but not be limited to rail transit lines; terminals and stations;
187 power, fuel, communication, signal and ventilation systems; cars
188 and other rolling stock; storage yards; repair and maintenance
189 shops, yards, equipment and parts; parking facilities; transfer
190 facilities for transfer of passengers between such railroad facility
191 and other railroads or omnibuses; offices; and other buildings,
192 structures, improvements, areas, equipment or supplies; and, in
193 the case of buildings, structures, improvements or areas in which
194 any one or more of such railroad functions are accommodated
195 shall include all of such buildings, structures, improvements or
196 areas notwithstanding that portions thereof may not be devoted
197 to any of the purposes of the port development project other than
198 the production of incidental revenue available for the expenses of
199 all or part of the port development project, except that in the
200 Hudson tubes-world trade center area the portions of such build-
201 ings, structures, improvements or areas constructed or established
202 pursuant to this act which are not devoted primarily to railroad
203 functions, activities or services or to functions, activities or services
204 for railroad passengers shall be deemed a part of the world trade
205 center and not related railroad property;

206 "Surplus revenues" from any facility shall mean the balance
207 of the revenues from such facility (including but not limited to the
208 revenues of any subsidiary corporation incorporated for any of
209 the purposes of this act) remaining at any time currently in the
210 hands of the port authority after the deduction of the current
211 expenses of the operation and maintenance thereof, including a
212 proportion of the general expenses of the port authority as it
213 shall deem properly chargeable thereto, which general expenses
214 shall include but not be limited to the expense of protecting and
215 promoting the commerce of the port district, and after the deduc-

216 tion of any amounts which the port authority may or shall be
217 obligated or may or shall have obligated itself to pay to or set aside
218 out of the current revenues therefrom for the benefit of the holders
219 of any bonds legal for investment as defined in the general reserve
220 fund statutes;

221 "Surplus revenues of the port development project" shall mean
222 the surplus revenues of the Hudson tubes, the Hudson tubes exten-
223 sions and the world trade center; and

224 "World trade center" shall mean that portion of the port de-
225 velopment project constituting a facility of commerce consisting of
226 one or more buildings, structures, improvements and areas neces-
227 sary, convenient or desirable in the opinion of the port authority
228 for the centralized accommodation of functions, activities and
229 services for or incidental to the transportation of persons, the ex-
230 change, buying, selling and transportation of commodities and
231 other property in world trade and commerce, the promotion and
232 protection of such trade and commerce, governmental services
233 related to the foregoing and other governmental services, including
234 but not limited to custom houses, customs stores, inspection and
235 appraisal facilities, foreign trade zones, terminal and transporta-
236 tion facilities, parking areas, commodity and security exchanges,
237 offices, storage, warehouse, marketing and exhibition facilities and
238 other facilities and accommodations for persons and property and,
239 in the case of buildings, structures, improvements and areas in
240 which such accommodation is afforded, shall include all of such
241 buildings, structures, improvements and areas other than portions
242 devoted primarily to railroad functions, activities or services or to
243 functions, activities or services for railroad passengers, notwith-
244 standing that other portions of such buildings, structures, improve-
245 ments and areas may not be devoted to purposes of the port
246 development project other than the production of incidental revenue
247 available for the expenses of all or part of the port development
248 project.

1 2. P. L. 1962, c. 8, s. 6 (C. 32:1-35.55) is amended to read as
2 follows:

3 6. The two states covenant and agree with each other and with
4 the holders of any affected bonds, as hereinafter defined, that so
5 long as any of such bonds remain outstanding and unpaid and the
6 holders thereof shall not have given their consent as provided in
7 their contract with the port authority, [(a)] the two states will
8 not diminish or impair the power of the port authority (or any
9 subsidiary corporation incorporated for any of the purposes of
10 this act) to establish, levy and collect rentals, tolls, fares, fees or

11 other charges in connection with any facility constituting a portion
12 of the port development project or any other facility owned or
13 operated by the port authority of which the revenues have been or
14 shall be pledged in whole or in part as security for such bonds
15 (directly or indirectly, or through the medium of the general re-
16 serve fund or otherwise), or to determine the quantity, quality,
17 frequency or nature of the service provided in connection with
18 each such facility; and (b) neither the states nor the port author-
19 ity nor any subsidiary corporation incorporated for any of the
20 purposes of this act will apply any of the rentals, tolls, fares, fees,
21 charges, revenues or reserves, which have been or shall be pledged
22 in whole or in part as security for such bonds, for any railroad
23 purposes whatsoever other than permitted purposes hereinafter
24 set forth].

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

36 ["Permitted purposes" as used in this section shall mean pur-
37 poses in connection with (i) the Hudson tubes as authorized and
38 limited on the effective date of this covenant and agreement, (ii)
39 railroad freight transportation facilities or railroad freight termi-
40 nal facilities, (iii) the construction, installation and maintenance
41 of railroad tracks and related facilities on vehicular bridges owned
42 by the port authority, and (iv) any other railroad facility estab-
43 lished, acquired, constructed or otherwise effectuated by the port
44 authority (including but not limited to Hudson tubes extensions)
45 as to which the port authority shall have first certified either that
46 said other railroad facility is self-supporting as hereinafter de-
47 fined or, if not, that at the end of the preceding calendar year the
48 general reserve fund contained an amount equal to $\frac{1}{10}$ of the par
49 value of bonds of the port authority which were outstanding at
50 said year end and which were legal for investment as defined in
51 the general reserve fund statutes and that the group of facilities
52 consisting of such other railroad facility and of all prior other
53 railroad facilities will not produce deficits in excess of permitted

54 deficits, as hereinafter defined. "Prior other railroad facilities"
55 at the time of any certification by the port authority hereunder shall
56 mean all the railroad facilities described in subdivisions (i) and
57 (iv) of this paragraph which were theretofore established, ac-
58 quired, constructed or otherwise effectuated by the port authority
59 any surplus revenues of which at such time would be payable into
60 the general reserve fund.

61 Another railroad facility shall be deemed to be "self-support-
62 ing" as of the time of any certification hereunder if the amount
63 estimated by the port authority for the ensuing 10 years to be the
64 average annual net income (computed without deduction for debt
65 service) derived from or incidental to such facility equals or ex-
66 ceeds the amount estimated by the port authority for such 10 years
67 to be the average annual debt service upon bonds for purposes
68 in connection with such proposed facility.

69 "Deficits" of a group of railroad facilities, as used in this sec-
70 tion, shall mean the amount estimated by the port authority for
71 the ensuing 10 years to be the average annual combined debt ser-
72 vice upon bonds for purposes in connection with the railroad fa-
73 cilities of such group less the amount estimated by the port au-
74 thority for such 10 years to be the average annual combined net
75 income (computed without deduction for debt service) derived
76 from or incidental to such railroad facilities or plus the amount
77 estimated by the port authority for such 10 years to be the average
78 annual combined net losses (computed without deduction for debt
79 service) sustained from or incidental to such railroad facilities;
80 the estimate of deficits thus arrived at shall not be effective unless
81 and until concurred in, in writing, by the Governors of the said
82 two states.

83 "Permitted deficits" of a group of railroad facilities as used in
84 this section, shall mean deficits as of the time of any certification
85 hereunder which do not exceed (A) such amount or amounts of
86 deficits as of the time of any certification hereunder for the pay-
87 ment of which one or both of the two states, in connection with
88 the proposed other railroad facility as to which the certification
89 is made and in connection with prior other railroad facilities, has
90 made adequate, secure and effective provision for the duration of
91 the period for which the port authority is liable for such deficits,
92 plus (B) the greater of the following two amounts: (1) an amount
93 equal to $\frac{1}{10}$ of the amount in the general reserve fund at the end
94 of the preceding calendar year, diminished by an amount equal to
95 1% of the principal amount of all bonds of the port authority out-
96 standing at the end of said preceding calendar year the proceeds

97 of which shall have been applied for purposes in connection with
98 the facilities of such group or (2) an amount equal to the sum of
99 $\frac{1}{10}$ of the diminished $\frac{1}{10}$ amount calculated under clause (1) of
100 this sentence, plus 1% of the equity, at the end of the said preced-
101 ing calendar year, of the port authority in its vehicular bridges
102 and tunnels and in all other facilities owned and operated by it
103 (not including railroad cars financed by state-guaranteed bonds)
104 except those of the aforesaid group of railroad facilities. Equity
105 of the port authority in facilities as to which any calculation of
106 equity shall be made shall mean the principal amount of bonds
107 of the port authority retired from port authority revenues or re-
108 serves or both which have been derived from the operation of its
109 facilities and the investment of its funds and not from govern-
110 mental or other subsidy payments, the proceeds of which retired
111 bonds shall have been applied for purposes in connection with such
112 facilities.

113 Each certification by the port authority hereunder shall be made
114 at the time of the issuance of its first bonds for permitted purposes
115 in connection with a proposed other railroad facility which bonds
116 would be secured in whole or in part by the aforesaid pledged
117 rentals, tolls, fares, fees, charges, revenues or reserves, or at such
118 time, prior to such issuance, as any application of such pledged
119 rentals, tolls, fares, fees, charges, revenues or reserves for pur-
120 poses in connection with such proposed other railroad facility
121 would otherwise be permitted or required. Anything herein to the
122 contrary notwithstanding, any such certification by the port au-
123 thority hereunder shall not be effective unless and until affirma-
124 tively concurred in, in writing, by the Governors of the said two
125 states.]

1 3. The amendment made by section 2 of this act shall not take
2 effect with respect to the covenant and agreement made by the
3 States of New York and New Jersey in clause (b) of the first para-
4 graph of section 6 of both chapter 8 of the laws of New Jersey
5 of 1962 and chapter 209 of the laws of New York of 1962 with the
6 holders of "affected bonds" (as defined in said section 6) issued
7 and outstanding and unpaid on the effective date of this act.

1 4. If any section, part, phrase, or provision of this amendatory
2 and supplementary act or the application thereof to any person,
3 project or circumstances, be adjudged invalid by any court of
4 competent jurisdiction, such judgment shall be confined in its
5 operation to the section, part, phrase, provision or application
6 directly involved in the controversy in which such judgment shall
7 have been rendered and shall not affect or impair the validity of

8 the remainder of this act or the application thereof to other per-
9 sons, projects or circumstances, and the two states hereby declare
10 that they would have entered into this act or the remainder thereof
11 had the invalidity of such provision or application thereof been
12 apparent.

1 5. This act shall take effect upon the enactment into law by the
2 State of New York of legislation having an identical effect with
3 this act, but if the State of New York has already enacted such
4 legislation, this act shall take effect immediately.

STATEMENT

This bill provides that an extension of rail transit lines between the city of Newark and the city of Plainfield shall be part of the Hudson tubes extensions.

In addition, the bill authorizes improvements to railroad lines connecting with PATH to provide for connections between passenger lines and branches of the Erie-Lackawanna Railroad and the Penn Central Railroad. This will result in improved rail transit service and direct access to and from midtown Manhattan for commuters and residents of Bergen, Essex, Passaic, Morris, Somerset and Union counties in New Jersey and Rockland and Orange counties in New York State.

The bill is also designed to preclude the application of the 1962 covenant to holders of bonds newly issued after the effective date of this act, while maintaining in status quo the rights of the holders of the bonds issued after March 27, 1962 (the effective date of the 1962 covenant legislation) but prior to the effective date of this act.

FROM THE OFFICE OF THE GOVERNOR

December 28, 1972

FOR IMMEDIATE RELEASE

Gov. William T. Cahill signed into law today two bills to implement the \$650 million bi-state rail mass transportation program to be developed by the Port Authority of New York and New Jersey.

The bills, Assembly Nos. 1564 and 1565, passed both houses this month with strong bi-partisan majorities. Assemblyman Richard W. DeKorte was the principal sponsor and Senator Alfred D. Schiaffo moved the bills in the Senate.

The Governor thanked Gov. Nelson A. Rockefeller of New York and the New Jersey and New York Commissioners of the Port Authority for their cooperation in arriving at the far-reaching agreement. And he praised the hard work and effort of officials of the Department of Transportation and the Governor's staff in translating that agreement into a detailed plan of action and drafting the necessary legislation.

In signing the measures, Gov. Cahill commended the legislators of both parties who voted approval of the bills. He said they had "acted responsibly in seeking answers to any questions they had and then moving without delay to enact this historic legislation."

The Governor declared that the New Jersey Legislature had set a good example for the New York Legislature to emulate when it goes into session next Wednesday. The legislative package requires the approval of both States before the Port Authority can move ahead on the plan.

"I am hopeful that the New York Legislature will carry out its part of this truly significant agreement with reasonable speed so that the dirt can begin to fly in 1973," Gov. Cahill said.

"This is the culmination of an effort of three years to involve the imposing resources and know-how of the Port Authority in the development of mass transit facilities so vitally needed in our State," the Governor said.

Gov. Cahill noted that the plan involves the biggest single package of rail mass transportation projects ever undertaken in this State.

"It is the breakthrough upon which we intend to continue to build in the future in our goal to bring New Jersey the kind of efficient and economical mass transportation system it has so long been denied," the Governor added.

The plan which will be implemented by the bills signed today will provide rapid transit service from Penn Station, Newark, to Newark International Airport and then to Plainfield. It also provides for the development for the first time of direct rail service to midtown Manhattan for an estimated 50,000 commuters in Northern New Jersey counties.

Assembly Bill 1564 authorizes the Port Authority to undertake as individual projects the Newark Airport rail link and a rail link in New York to John F. Kennedy International Airport.

Assembly Bill 1565 eliminates from all future Port Authority bond issues the 1962 covenant that restricts the Authority's participation in the development of rail passenger projects. It also authorizes the Newark Airport rail link as an extension of PATH and the connections between the passenger lines of the Erie Lackawanna Railroad and the Penn Central Railroad to provide improved rail service and direct access to Penn Station, New York.

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