



Port Authority Board Appointment Bill Moves Forward

By a 16 to 10 vote in the Senate Appropriations Committee on June 10th, Senate Bill 700 took another step toward becoming law. Of course, the full Senate has to consider it and, likewise, the House must approve and it is not clear what the reception will be in that body.

The bill, sponsored and heavily supported by the president pro tem of the Senate, has two key provisions. First, the naming of board members of the Port Authority of Allegheny County (PAT) is changed dramatically. Eleven members will be appointed. One by the Governor, one each by officers of the four legislative caucuses, one by the County Executive, one by the Mayor of Pittsburgh, and four by the at-large members of County Council. The at-large member appointees will be named from a list of nominations by four designated organizations (Allegheny Council of Governments, ACHIEVA, the Southwest Regional Commission and the Allegheny Conference on Community Development). Existing members’ terms would end in 60 days. Existing members would also be eligible to serve in the new regime.

The effect of this new appointment scheme will be enormous. By removing all but one of the member appointments from the County Executive and placing five with state government officials, the state assumes more of an oversight role for the Authority. By having four board members appointed by at-large council members from various entities presumably there will be some vetting and possibly a variety of viewpoints represented by the members.

Appointments—Current Law and Proposed Law

Component	Current Law	Proposed Law
# of Board Members	9	11
Appointment Power	County Executive	Governor (1), County Executive (1), Mayor of Pittsburgh (1), State Legislative Leaders (4), At-Large County Council Members (4)
Residency Requirements	U.S. Citizen, resident of County	Resident of Commonwealth
Qualifications	None Specified	Experience in Budgeting, Finance, Economic Development, Transportation, Mass Transit
Term Limits	None Specified	Three Consecutive Terms

It is worth noting the changes in qualifications. Under the proposed law, members will have to have expertise or experience in areas important to the management of a large organization and specifically some will have to have experience related to transportation issues.

The second key provision is a mandate to PENNDOT to (1) study the possibility of consolidation with other local transportation organizations to determine if revenues could be enhanced or expense reduced and (2) to study the opportunities for privatization that will enhance revenues or lower expenses. A report with findings and recommendations for each study is to be ready within 180 days of the enactment of the bill and provided to the Governor, the General Assembly and PAT.

These study requirements are useful but could be worded better to include such things as improved operational efficiency, lower cost per rider, and better service. Moreover, it is not enough to recommend consolidation or privatization, there needs to language to require the adoption of recommendations when the analysis strongly supports them. A mandate to privatize some percentage of bus service within three years is a reasonable requirement.

Obviously, the County Executive and many loyal supporters of the status quo at PAT will be extremely opposed to these steps. But given the state's financial support and the chronic financial crisis PAT finds itself in and is unable to resolve on its own, there simply must be some major reform.

The steps contained in the legislation are a start but they alone do not adequately address the primary source of the Authority's long term problems—the right of the transit workers to strike. As long as that situation exists, it is only a matter of time until the threat of a strike will force the board, no matter how the appointments are allocated, to choose to approve a contract it cannot afford or a shutdown of the system and all the attendant difficulties and hardship that entails.

Still, there is no gainsaying the fact that this proposal is a game changer. It represents a very strong signal regarding the state government's exasperation with PAT and its constant demands for more funding while operating one of the most expensive per rider systems in the nation.

The only question is whether the House members have the same level of exasperation. Will it concur that substantial change needs to occur at the Port Authority?

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