



For Immediate Release:

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Christie Administration Takes Action to Eliminate Abuse and Wasteful Spending at NJ Turnpike Authority and South Jersey Transportation Authority

Action by administration leadership promotes best practices and responsible management of taxpayer and tollpayer dollars

(Trenton) - New Jersey Turnpike Authority Chairman James Simpson and Turnpike Authority Executive Director Ronnie Hakim today outlined a series of reform measures the agency is proactively implementing to combat abuse and improve efficiency in accordance with best public agency practices.

Governor Christie has made it clear that the individuals he has nominated to various state agencies, authorities, boards and commissions share his commitment to reform and are vital to the successful implementation of new levels of accountability and transparency. Nevertheless, the legislature continues to delay constitutionally-mandated consideration of those nominations, which includes two nominations to the Turnpike Authority.

Also today, at the urging of Governor Christie, the South Jersey Transportation Authority Board of Commissioners adopted two resolutions to end wasteful compensation practices relating to toll passage and unused leave time for employees. SJTA Resolution 2010-116 eliminated toll-free passage for trips unrelated to official business and declared that commuting to and from work is outside the scope of permissible toll-free passage. SJTA Resolution 2010-117 eliminated annual compensation for unused leave time (sick and vacation). Both resolutions were adopted unanimously.

"Reform and change starts with leadership at the top. Since day one, Governor Christie has provided that leadership and commitment to regularly and proactively stop the abuse of taxpayer and tollpayer dollars throughout government," said Chairman James Simpson. "We're taking critical and long overdue steps to end waste at the Turnpike Authority and implement real reform in line with Governor Christie's efforts to bring accountability and efficiency to state authorities, boards and commissions. We're driving down costs and maximizing the return on every dollar we spend and customers who pay our tolls and the investors who buy our bonds should be reassured that we will live up to those promises."

Under the new leadership of Commissioner Simpson and Executive Director Ronnie Hakim, the New Jersey Turnpike Authority has embarked on a thorough examination

of the agency to eliminate practices no longer conventional or fiscally prudent. Reform actions already underway or which will be acted upon by the Turnpike Authority Board this month include:

- Eliminating toll-free passage for employees. The elimination of toll-free passage was called for by Governor Christie in a [September 16th letter](#) to all transportation authorities.
- Eliminating future annual payouts for vacation and sick leave for all non-union employees.
- Eliminating longevity bonuses for all non-union employees.
- Eliminating in all union contracts as they expire in 2011 all annual sick leave and vacation cash-in policies, longevity, anniversary, birthday, holiday, and snow bonuses as well as all similar extravagances in pay and benefits.
- Eliminating the Employee Relations account which was previously used to fund non-profit and charitable activities.
- Mandating Authority employees take a new Ethics Training Program to confirm adherence to the State's Ethics Policy.
- Hiring an outside firm through a competitive process to conduct a thorough analysis of its employee health benefits in order to make informed decisions about the costs and merits of participating in the State Health Benefits Program.
- Conducting a wage analysis in July that will review how the salary structure at the Turnpike Authority compares to New Jersey Executive Branch departments, with the goal of bringing Turnpike Authority compensation into line with this Administration's policies.
- Adopting a new process for reviewing bills and reining in all expenditures at the Turnpike Authority, including outside counsel fees. In addition, when the Authority advertises for new outside counsel and general engineering services by early next year, the RFP for those services will be structured to give the Authority more control over fees.
- Improving procurement processes, including most recently for bond underwriting services. In conjunction with the State Treasurer, the Turnpike Authority has acted to make the process of selecting underwriters for the upcoming bond sale more fair and transparent. These changes have been welcomed by the financial industry and resulted in very competitive pricing for the bond sale.

"We are scrutinizing employee benefits, procurement and other policies and are committed to making changes that align the authority with its mandate to serve the residents of New Jersey in a cost-effective and transparent manner," said Turnpike Authority Executive Director Ronnie Hakim.