

SENATE BILL NO. 893

May 30, 2024, Introduced by Senators GEISS, SHINK and WOJNO and referred to the Committee on Transportation and Infrastructure.

A bill to amend 1978 PA 639, entitled "Hertel-Law-T. Stopczynski port authority act," by amending the title and sections 2, 8, 9, 10, 13, 14, 14a, 16, 18, 20, 23, 24, and 25 (MCL 120.102, 120.108, 120.109, 120.110, 120.113, 120.114, 120.114a, 120.116, 120.118, 120.120, 120.123, 120.124, and 120.125), the title as amended and section 14a as added by 1998 PA 188, sections 14 and 18 as amended by 2002 PA 412, and section 23 as amended by 1984 PA 256, and by adding section 19a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to authorize the establishing of port authorities in
 3 cities and counties; to prescribe the powers and duties of port
 4 authorities, cities, and counties; to authorize the incurrence of
 5 contract obligations and the issuance and payment of bonds or other
 6 evidences of indebtedness; to provide for a pledge by a city or
 7 county of its full faith and credit for the payment of contract
 8 obligations entered into under this act and the levy of taxes
 9 without limitation as to rate or amount to the extent necessary; to
 10 validate obligations issued; to provide for the adoption of a ~~port~~
 11 facilities plan; to provide for the financing of the operating
 12 budget of port authorities; **to allow port authorities to enter**
 13 **into, amend, or terminate ancillary financing facilities;** to
 14 prescribe penalties and provide remedies; and to repeal acts and
 15 parts of acts.

16 Sec. 2. As used in this act:

17 (a) "Ancillary financing facility" means any of the following:

18 (i) A revolving credit agreement, an agreement establishing a
 19 line of credit, or a letter of credit.

20 (ii) A reimbursement agreement.

21 (iii) A standby bond purchase agreement.

22 (iv) An interest rate exchange or similar agreement.

23 (v) A currency exchange agreement.

24 (vi) A commodity exchange agreement.

25 (vii) An interest rate floor or cap.

26 (viii) An option, put, call, or similar agreement to hedge
 27 payment, currency, commodity, rate, spread, or similar exposure.

28 (ix) An investment agreement.

- 1 (x) A float agreement.
- 2 (xi) A forward agreement or other investment arrangement.
- 3 (xii) An insurance contract.
- 4 (xiii) A surety bond.
- 5 (xiv) A commitment to purchase or sell securities.
- 6 (xv) A purchase or sale agreement or commitment.
- 7 (xvi) Any other contract or agreement or other security
- 8 agreement approved by an authority under this act, including, but
- 9 not limited to, any arrangement referred to in this act.

10 (b) ~~(a)~~—"Authority" means a port authority created under this

11 act and may also include the area within the jurisdiction of an

12 authority.

13 (c) ~~(b)~~—"Constituent unit" means a city or county requesting

14 the incorporation of an authority.

15 (d) **"Facilities" means port facilities and related facilities.**

16 (e) ~~(e)~~—"Governing body of the city" means the city council or

17 city commission of a city requesting incorporation of an authority.

18 ~~created under this act.~~

19 (f) ~~(d)~~—"Governing body of the county" means the county board

20 of commissioners of a county participating in an authority. ~~created~~

21 ~~under this act.~~

22 (g) ~~(e)~~—"Port facilities" ~~means those facilities owned by the~~

23 ~~port authority such as: seawall~~ **includes, but is not limited to,**

24 **all of the following:**

- 25 (i) **Seawall jetties.** ~~; piers; wharves; docks; boat~~
- 26 (ii) **Piers.**
- 27 (iii) **Wharves.**
- 28 (iv) **Docks.**

- 1 (v) **Boat** landings. ~~; marinas; warehouses; storehouses;~~
 2 elevators; ~~grain~~
- 3 (vi) **Marinas**.
- 4 (vii) **Warehouses**.
- 5 (viii) **Storehouses**.
- 6 (ix) **Elevators**.
- 7 (x) **Grain** bins. ~~; cold~~
- 8 (xi) **Cold** storage plants. ~~; terminal~~
- 9 (xii) **Terminal** icing plants. ~~; bunkers; oil~~
- 10 (xiii) **Bunkers**.
- 11 (xiv) **Oil** tanks. ~~; ferries; canals; locks; bridges; tunnels;~~
 12 ~~seaways; conveyors; modern~~
- 13 (xv) **Ferries**.
- 14 (xvi) **Canals**.
- 15 (xvii) **Locks**.
- 16 (xviii) **Bridges**.
- 17 (xix) **Tunnels**.
- 18 (xx) **Seaways**.
- 19 (xxi) **Conveyors**.
- 20 (xxii) **Modern** appliances for the economical handling, storage,
 21 and transportation of freight and handling of passenger traffic. ~~;~~
 22 ~~transfer~~
- 23 (xxiii) **Transfer** and terminal facilities required for the
 24 efficient operation and development of ports and harbors. ~~; other~~
- 25 (xxiv) **Other** harbor improvements. ~~; or improvements,~~
- 26 (xxv) **Improvements**, enlargements, remodeling, or extensions of
 27 any of ~~these~~ **the** buildings or structures **described in subparagraphs**
 28 **(i) to (xiv)**.

1 (h) ~~(f)~~—"Project" means the acquisition, purchase,
2 construction, reconstruction, rehabilitation, remodeling,
3 improvement, enlargement, repair, condemnation, maintenance, or
4 operation of ~~port~~-facilities.

5 (i) "Related facilities" means the following facilities
6 located within 5 miles of the navigable waters within the
7 geographic area of an authority, including, but not limited to, all
8 of the following:

9 (i) Public infrastructure.

10 (ii) Real and personal property used or useful to accomplish
11 the purposes of the authority.

12 (iii) Parking lots and parking structures that may be used in
13 connection with facilities.

14 (iv) Commercial, tourism, entertainment, and recreational
15 facilities.

16 (v) Facilities used for freight, transportation, light
17 manufacturing, and intermodal operations and functions.

18 Sec. 8. (1) An authority may do 1 or more of the following:

19 (a) Adopt, amend, and repeal bylaws for the regulation of its
20 affairs and the conduct of its business.

21 (b) Sue and be sued on the same basis as ~~the~~**this** state. ~~;~~ and
22 ~~adopt~~

23 (c) **Adopt** and register with the secretary of state an official
24 seal and alter that seal at its pleasure.

25 (d) ~~(e)~~Maintain offices at a place or places, either within
26 or without its jurisdiction, as it may determine.

27 (e) ~~(d)~~Acquire, construct, reconstruct, rehabilitate,
28 improve, maintain, **finance**, lease as lessor or as lessee, repair,
29 or operate ~~port~~-facilities within its territorial jurisdiction,

1 including, **but not limited to**, the dredging of ship channels and
 2 turning basins and the filling and grading of land ~~therefor~~.
 3 **related to these improvements**. An authority may operate a leased
 4 facility, owned by the authority, if the lessee defaults and a new
 5 lease is negotiated or competitively bid.

6 (f) ~~(e)~~ Designate the location and character of the ~~port~~
 7 facilities ~~which~~ **that** the authority may hold, ~~or own~~, **finance, or**
 8 **operate**, or over which it is authorized to act, and regulate all
 9 matters related to the location and character of those ~~port~~
 10 facilities.

11 (g) ~~(f)~~ Acquire, hold, and dispose of real and personal
 12 property.

13 (h) ~~(g)~~ Make directly, or through the hiring of expert
 14 consultants, investigations and surveys of whatever nature,
 15 including studies of business conditions, freight rates, port
 16 services, physical surveys of the conditions of channels and
 17 structures, and the necessity for additional ~~port~~ facilities for
 18 the development and improvement of commerce and recreation and for
 19 the more expeditious handling of that commerce and recreation, and
 20 make studies, surveys, and estimates, as necessary for the
 21 execution of its powers under this act.

22 (i) ~~(h)~~ Promulgate all necessary rules to fulfill the purposes
 23 of this act.

24 (j) ~~(i)~~ Issue ~~its~~ bonds, notes, or other evidences of
 25 indebtedness as provided in this act.

26 (k) ~~(j)~~ Fix, ~~and~~ revise from time to time, ~~and~~ charge, and
 27 collect rates, fees, rentals, or other charges for the use of a
 28 facility owned **or operated** by the authority.

29 (l) **Enter into public-private partnerships or other agreements**

1 necessary or useful to accomplish the purposes of this act.

2 (2) The powers granted under this act are in addition to those
3 powers granted by charter or other statute.

4 Sec. 9. An authority may do 1 or more of the following:

5 (a) Appear ~~in-on~~ its own behalf before ~~boards,~~ any of the
6 following:

7 (i) **Boards**, commissions, departments, or other agencies of the
8 federal government or of any state or international conferences and
9 before committees of the congress of the United States and the
10 state legislature in all matters relating to the design,
11 establishment, construction, extension, operation, improvement,
12 repair, or maintenance of a project operated, ~~and~~ maintained,
13 **financed, or supported** by the authority under this act. ~~and~~
14 ~~appear before any~~

15 (ii) **Any** federal or state agencies in matters relating to
16 transportation rates, port services and charges, demurrage,
17 switching, wharfage, towage, pilotage, differentials,
18 discriminations, labor relations, trade practices, river and harbor
19 improvements, aids to navigation, permits for structures in
20 navigable waters, and all other matters affecting the physical
21 development of, and the business interest of, the authority and
22 those it serves.

23 (b) ~~Make application~~ **Apply** for, receive, and accept from ~~any-a~~
24 federal, state, or municipal agency, foundation, public or private
25 agency, or individual, a grant or loan for, or in aid of, the
26 planning, construction, operation, or financing of a ~~port~~-facility,
27 ~~and~~ receive and accept contributions from any source of money,
28 property, labor, or other things of value, to be held, used, and
29 applied for the purposes for which the grant or contribution ~~may be~~

1 is made.

2 (c) Appoint an executive director. ~~who shall be~~ **All of the**
 3 **following apply to an executive director appointed under this**
 4 **subdivision:**

5 **(i) The executive director is** the chief administrative
 6 **executive** officer of the authority. ~~, and to whom the~~

7 **(ii) The** authority may delegate any of its administrative
 8 powers and authorizations **to the executive director.**

9 **(iii)** During employment, the executive director shall not have a
 10 financial interest in ~~port~~ facilities or projects over which the
 11 authority has jurisdiction or power or authorization to act.

12 (d) Employ personnel as ~~is~~ necessary and employ the services
 13 of private consultants and engineers, legal counsel, accountants,
 14 construction and financial experts, and other agents for rendering
 15 professional and technical assistance and advice as ~~may be~~
 16 necessary. ~~, and whose~~ **The authority shall determine the**
 17 **compensation of persons employed by the authority,** including the
 18 executive director. ~~, shall be determined by the authority.~~

19 Sec. 10. An authority may **do 1 or more of the following:**

20 (a) Subject to the authority of the federal government and ~~the~~
 21 **this** state and with the agreement of the constituent units, ~~provide~~
 22 **all of the following:**

23 **(i) Provide** for the preservation of navigation within its
 24 territorial jurisdiction, including the establishment by regulation
 25 of lines beyond which piers, bulkheads, wharves, pilings,
 26 structures, obstructions, or extensions of any character may not be
 27 built, erected, constructed, or extended. ~~, provide~~

28 **(ii) Provide** by regulation for the stationing, anchoring, and
 29 movement of vessels or other watercraft. ~~, adopt~~

1 **(iii) Adopt** rules to prevent material, refuse, or matter of any
 2 kind from being thrown into, deposited, or placed where it may
 3 fall, or be washed, into navigable waters under its jurisdiction. ~~+~~
 4 ~~ascertain~~

5 **(iv) Ascertain** the depth and course of the channels of those
 6 navigable waters. ~~+~~~~erect~~

7 **(v) Erect** and maintain, authorize the erection and maintenance
 8 of, and make rules respecting wharves, bulkheads, piers, and
 9 piling, and the keeping of the same in repair, to prevent injury to
 10 navigation or health. ~~+~~~~regulate~~

11 **(vi) Regulate** the use of wharves, docks, piers, bulkheads, or
 12 pilings owned by it. ~~+~~~~lease~~

13 **(vii) Lease** or rent ~~the same, wharves, docks, piers, bulkheads,~~
 14 **or pilings owned by it** and impose and collect dockage from vessels
 15 and watercraft lying at ~~+~~or using ~~the same; and collect these.~~

16 **(viii) Collect** wharfage and other charges ~~upon~~~~on~~ goods, wares,
 17 merchandise or other articles landed at, shipped from, stored on,
 18 or passed over ~~the same. wharves, docks, piers, bulkheads, or~~
 19 **pilings owned by it.**

20 (b) Make and enter into contracts and agreements necessary or
 21 incidental to the performance of its duties and the execution of
 22 its powers under this act.

23 (c) Lay out, construct, acquire, operate, lease, sell, and
 24 convey planned industrial districts as a part of ~~port~~ facilities
 25 within its jurisdiction, subject to the restrictions contained in
 26 this act ~~upon~~~~on~~ operation and ownership of ~~port~~ facilities.

27 (d) Do all acts and things necessary or convenient to promote
 28 and increase commerce and recreation within its territorial
 29 jurisdiction and carry out the powers expressly granted and any

1 powers implied or necessary for the exercise of the powers
2 expressly granted in this act.

3 Sec. 13. (1) An authority and 1 or more constituent units may
4 enter into a contract or contracts for the acquisition,
5 **construction**, improvement, enlargement, ~~or~~ extension, **operation, or**
6 **financing** of ~~port~~ facilities and for the payment of the cost
7 thereof by the contracting constituent units, with interest, over a
8 period of not more than 40 years. **Additionally, an authority and 1**
9 **or more constituent units may enter into a contract or contracts**
10 **for the refunding of any prior indebtedness of the authority.**

11 (2) Each contracting constituent unit shall pledge its full
12 faith and credit for the payment of its obligations under the
13 contract. If the constituent unit has taxing power, each year it
14 shall levy a tax ~~upon~~ **on** all real and personal property within the
15 constituent unit, which may be imposed without limitation as to
16 rate or amount, to the extent necessary for the prompt payment of
17 that part of the contract obligations ~~as shall~~ **that** fall due before
18 the following year's tax collection. ~~The tax shall be in addition~~
19 ~~to any tax which the contracting constituent unit may otherwise be~~
20 ~~authorized to levy and may be imposed without limitation as to rate~~
21 ~~or amount, but shall not be in excess of the rate or amount~~
22 ~~necessary to pay the contract obligation.~~ If any contracting
23 constituent unit at the time of its annual tax levy has on hand in
24 cash any amount pledged to the payment of the current obligations
25 for which the tax levy is to be made, then the annual tax levy may
26 be reduced by that amount. ~~For the purpose of obtaining the credit,~~
27 **Other** funds may be raised by ~~a~~ **an authority or** contracting
28 constituent unit in 1 or more of the following methods:

29 (a) By service charge to users of the facilities owned **or**

1 **operated** by the port authority.

2 (b) By setting aside state collected funds disbursed to the
3 contracting constituent unit.

4 (c) By special assessment ~~upon~~**on** lands benefited.

5 (d) By setting aside any other available money, **including the**
6 **general revenues of the contracting constituent units.**

7 (3) A contracting constituent unit may agree to raise all or
8 any part of its contract obligation by 1 or more of the methods
9 enumerated in subsection (2) ~~which may be~~**that are** available. The
10 various powers granted in this act to a constituent unit ~~shall~~**must**
11 be exercised by its governing body.

12 (4) If a constituent unit, other than a county, operating
13 under this act elects to raise money to pay all or a portion of its
14 share of the cost of a project by assessing the costs ~~upon~~**on**
15 benefited lands, its governing body shall ~~so determine~~**make the**
16 **election** by resolution and fix the district ~~therefor.~~**for**
17 **assessment.** The governing body shall then cause a special
18 assessment roll to be prepared. ~~and thereafter~~**Thereafter**, the
19 proceedings in respect to the special assessment roll and the
20 making and collection of the special assessments on the roll, ~~shall~~
21 **must** be in accordance with the provisions of the statute or charter
22 governing special assessments in the constituent unit, except that
23 the total assessment may be divided into any number of installments
24 not exceeding 30, and any person assessed ~~shall have~~**has** the right
25 at the hearing ~~upon~~**on** the special assessment roll to object to the
26 special assessment district previously established.

27 Sec. 14. (1) An authority may provide by resolution for the
28 issuance of revenue bonds of the authority for the purpose of
29 providing funds for paying the cost of ~~port~~ facilities, or for

1 paying the cost of an extension, enlargement, or improvement of a
 2 ~~project then under the control of the authority.~~ **facility or**
 3 **facilities.** The bonds issued under this section ~~shall~~ **must** mature
 4 at a time or times, not exceeding 40 years after their date of
 5 issuance, as the authority may provide. **An authority may also**
 6 **provide by resolution for the issuance of revenue refunding bonds**
 7 **of the authority for the purpose of providing funds to pay the cost**
 8 **of refunding any prior indebtedness of the authority.**

9 (2) Revenue bonds issued under this section are subject to the
 10 revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140.

11 (3) Revenue bonds issued pursuant to this section ~~shall~~ **do** not
 12 ~~be considered to constitute a debt of this state, a political~~
 13 ~~subdivision of this state, the authority, or any a constituent~~
 14 ~~unit, or a pledge of the faith and credit of this state, or a~~
 15 ~~political subdivision of this state, or of the authority, or any a~~
 16 ~~constituent unit, but shall be~~ **are** payable solely from the revenues
 17 or income to be derived from the projects. The revenue bonds ~~shall~~
 18 **must** contain on their face a statement to the effect that the bonds
 19 and attached coupons are payable solely from revenues and are not a
 20 general obligation of this state, a political subdivision of this
 21 state, the authority, or a constituent unit, and neither the faith
 22 and credit nor the taxing power of this state, a political
 23 subdivision of this state, the authority, or a constituent unit, is
 24 pledged to the payment of the principal of or the interest on the
 25 bonds.

26 Sec. 14a. A petition under ~~section 14, this act,~~ including the
 27 circulation and signing of the petition, is subject to section 488
 28 of the Michigan election law, 1954 PA 116, MCL 168.488. A person
 29 who violates a provision of the Michigan election law, 1954 PA 116,

1 MCL 168.1 to 168.992, applicable to a petition described in this
 2 section is subject to the penalties prescribed for that violation
 3 in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

4 Sec. 16. ~~Revenue bonds~~ **Bonds** issued pursuant to ~~under~~ this act
 5 ~~shall~~ **must** be secured by a trust agreement by and between the
 6 authority and a corporate trustee. ~~which~~ **The corporate trustee**
 7 may be any trust company or bank having the powers of a trust
 8 company, within or without ~~the~~ **this** state. The trust agreement may
 9 pledge or assign the rentals and other revenues of the authority,
 10 but ~~shall~~ **must** not convey or mortgage part or all of a project. The
 11 trust agreement ~~shall~~ **must** contain provisions for protecting and
 12 enforcing the rights and remedies of the bondholders ~~as may be~~ **that**
 13 **are** reasonable and proper and not in violation of law, including
 14 ~~covenants~~ **covenants** setting forth the duties of the authority in
 15 relation to the acquisition or construction of a project and the
 16 extension, enlargement, improvement, maintenance, operation,
 17 repair, and insurance of a project and the custody, safeguarding,
 18 and application of all money. ~~and~~ **The trust agreement** may contain
 19 provisions for the employment of consulting engineers in connection
 20 with the construction and operation of a project. The trust
 21 agreement shall set forth the rights and remedies of the
 22 bondholders and of the trustee. ~~and~~ **The trust agreement** may
 23 restrict the individual right of action by the bondholders and may
 24 contain any other provisions the authority ~~may consider~~ **considers**
 25 reasonable and proper for the security of the bondholders.

26 Sec. 18. (1) In addition to the bonds authorized in section
 27 14, bonds may be issued for the purpose of acquiring, ~~port~~
 28 **constructing, improving, enlarging, extending, operating, or**
 29 **financing** facilities **or refunding prior indebtedness of the**

1 **authority**, as follows:

2 (a) By the issuance of bonds ~~in anticipation of payments to~~
 3 ~~become due~~ under contracts by which 1 or more constituent units
 4 ~~agree~~ **described in section 13 under which a constituent unit has**
 5 **pledged its full faith and credit and, if necessary, has agreed** to
 6 pay to an authority ~~operating under this act~~ certain sums toward
 7 the cost of the acquisition, **construction**, improvement,
 8 enlargement, ~~or~~ extension, **operation, or financing** of a project **or**
 9 **refunding of prior bonds** that may be made under this act. Contracts
 10 are not subject to the revised municipal finance act, 2001 PA 34,
 11 MCL 141.2101 to 141.2821.

12 (b) By money advanced by an authority operating under this act
 13 under agreements with a constituent unit or other ~~municipality~~ **unit**
 14 for the repayment of the money.

15 (c) By money advanced, from time to time, before or during
 16 construction of a project, by a public corporation, for which an
 17 authority operating under this act shall reimburse the corporation
 18 with interest not to exceed 8% per annum or without interest as may
 19 be agreed, when funds are available for reimbursement. The
 20 obligation of an authority to make the reimbursement may be
 21 evidenced by a contract or note, which contract or note may be made
 22 payable out of the payments to be made by constituent units under
 23 contracts made ~~pursuant to~~ **under** subdivision (b), ~~or~~ out of the
 24 proceeds of bonds issued ~~pursuant to~~ **under** this act by the county,
 25 or out of any other available funds.

26 (2) Bonds issued under this section ~~shall~~ **must** be authorized
 27 by a resolution adopted by the authority. The bonds ~~shall~~ **must** be
 28 issued in the name of the authority and ~~shall~~ **must** be executed by
 29 the chairperson and secretary-treasurer of the authority, who shall

1 also cause their facsimile signatures to be affixed to the interest
2 coupons to be attached to the bonds. The authority shall adopt a
3 seal that ~~shall~~**must** be affixed to the bonds. Bonds issued under
4 this section ~~shall be~~**are** negotiable instruments and ~~shall~~**must**
5 mature not more than 40 years after the date of issuance. The bonds
6 and coupons ~~shall~~**must** be made payable in lawful money of the
7 United States and ~~shall be~~**are** exempt from all taxation ~~whatsoever~~
8 by this state or by any taxing authority within this state.

9 (3) Bonds or notes issued under this section are subject to
10 the revised municipal finance act, 2001 PA 34, MCL 141.2101 to
11 141.2821.

12 **Sec. 19a. (1) An authority may enter into, amend, or terminate**
13 **any ancillary financing facility, as it determines necessary or**
14 **appropriate, for any of the following purposes:**

15 (a) To facilitate the issue, sale, resale, purchase,
16 repurchase, or payment of bonds, or the making or performance of
17 swap contracts, including, but not limited to, bond insurance,
18 letters of credit, and liquidity facilities.

19 (b) To attempt to hedge risk or achieve a desirable effective
20 interest rate or cash flow.

21 (2) An authority may enter into, amend, or terminate any
22 ancillary financing facility, as it determines necessary or
23 appropriate, to place the obligations or investments of the
24 authority, as represented by the bonds or the investment of bond
25 proceeds, in whole or in part, on the interest rate, cash flow, or
26 other basis desired by the authority. The ancillary financing
27 facility may include, but is not limited to, contracts commonly
28 known as interest swap agreements and futures or contracts
29 providing for payments based on levels of, or changes in, interest

1 rates. The authority may enter into these contracts or arrangements
2 in connection with, or incidental to, entering into or maintaining
3 any agreement that secures bonds of the authority or any investment
4 of reserves or contract providing for investment of reserves, or
5 similar ancillary financing facility guaranteeing an investment
6 rate for a period of years.

7 (3) An authority's determination that an ancillary financing
8 facility, or the amendment or termination of an ancillary financing
9 facility, is necessary or appropriate is conclusive. The authority
10 may determine the terms and conditions of an ancillary financing
11 facility, including without limitation provisions as to security,
12 default, termination, payments, remedy, and consent to service of
13 process.

14 Sec. 20. Any 1 or more municipalities or other public
15 corporations, either within or without an authority, may contract
16 for the use of ~~port~~ facilities from an authority operating under
17 this act. The charges specified in a contract ~~shall be~~ **are** subject
18 to increase by the authority at any time in order to provide funds
19 to meet the obligations of the project involved. A contract
20 authorized ~~pursuant to~~ **under** this section ~~shall~~ **must** be for a
21 period of not more than 50 years.

22 Sec. 23. (1) An authority created on or after May 1, 1984
23 shall ~~within~~ **not later than** 2 years after its creation prepare or
24 cause to be prepared a plan for the future development,
25 construction, and improvement of the ~~port and its~~ facilities,
26 including the maps, profiles, and other data and descriptions
27 necessary to set forth the location and character of the work to be
28 undertaken by the authority. An authority in existence before May
29 1, 1984 shall prepare or cause to be prepared the plan provided for

1 in this subsection not later than September 30, 1985. The authority
 2 shall notify the legislature on April 15, 1985, as to the progress
 3 of the plan. The authority shall cause notice by publication to be
 4 given ~~upon~~**on** the completion of the plan in a daily newspaper of
 5 general circulation in the area under the jurisdiction of the
 6 authority. The notice ~~shall~~**must** fix the time and place for hearing
 7 on the plan, which ~~shall~~**must not** be ~~not~~ less than 30 ~~nor~~**or** more
 8 than 60 days after publication of the notice. Any interested person
 9 may file written comments to the plan, ~~if those comments are filed~~
 10 with the secretary-treasurer of the authority not less than 5 days
 11 before the date fixed for the hearing. After the hearing, the
 12 authority may adopt the plan, with any modifications or amendments,
 13 as the official plan of the authority. The authority, after
 14 adoption of the plan, may modify, amend, or extend the plan after
 15 notice and hearing in the manner prescribed in this subsection.

16 (2) The plan and any modification, amendment, or extension,
 17 when adopted by the authority after notice and hearing, ~~shall be~~**is**
 18 conclusive except that plans for specific projects, to be
 19 undertaken in execution of the official plan, ~~shall~~**may** not be
 20 adopted by the authority without prior individual approval by the
 21 governing bodies of its constituent units, the state transportation
 22 department, and the department of ~~commerce~~**licensing and regulatory**
 23 **affairs**.

24 Sec. 24. (1) The authority shall submit in writing a detailed
 25 estimate of the budget required for the business and conduct of an
 26 authority's affairs, initially, for a 2-year period, and annually
 27 thereafter to the governing bodies of its constituent units, the
 28 department of ~~commerce~~**licensing and regulatory affairs**, and the
 29 **state transportation** department ~~of state highways and~~

1 ~~transportation~~ for approval. ~~The~~ **This** state shall provide 50% of
 2 the operating budget of the authority, to be included in the **state**
 3 **transportation** department ~~of state highways and transportation~~
 4 ~~budget which shall be~~ subject to legislative approval. Fifty
 5 percent of the operating budget of an authority in which not more
 6 than 1 county and not more than 1 city participate ~~shall~~ **must** be
 7 funded equally by the participating county and city.

8 (2) A city or county creating or participating in an authority
 9 may appropriate for the use of the authority, and include in its
 10 levy for general fund purposes, an amount considered proper.
 11 However, the total amount permitted by law to be levied by a city
 12 or county for general fund purposes ~~shall~~ **is** not ~~be considered~~
 13 increased by this section.

14 (3) As used in this section, "operating budget" means solely
 15 operation and maintenance expenses of an authority not included in
 16 the cost of a specific project, and interest on notes, but excludes
 17 amounts for debt service on bonds and amounts for acquisition,
 18 construction, enlargement, improvement, or extension of ~~port~~
 19 facilities.

20 Sec. 25. If at the end of a fiscal year a surplus of
 21 unencumbered funds remains after providing for the operating
 22 expenses of an authority, the ~~authority may pay that surplus into~~
 23 ~~the general funds of the state and of its constituent units in the~~
 24 ~~same proportion which the appropriations made by each to the~~
 25 ~~authority bear to each other.~~ **funds do not lapse back to this state**
 26 **or constituent units but are carried forward for the next fiscal**
 27 **year of the authority.**