

**SUBSTITUTE FOR
SENATE BILL NO. 893**

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

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

13 Sec. 2. As used in this act:

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

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

17 (ii) A reimbursement agreement.

18 (iii) A standby bond purchase agreement.

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

20 (v) A currency exchange agreement.

21 (vi) A commodity exchange agreement.

22 (vii) An interest rate floor or cap.

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

25 (ix) An investment agreement.

26 (x) A float agreement.

27 (xi) A forward agreement or other investment arrangement.

28 (xii) An insurance contract.

1 (xiii) A surety bond.

2 (xiv) A commitment to purchase or sell securities.

3 (xv) A purchase or sale agreement or commitment.

4 (xvi) Any other contract or agreement or other security
5 agreement approved by an authority under this act, including, but
6 not limited to, any arrangement referred to in this act.

7 (b) ~~(a)~~—"Authority" means a port authority created under this
8 act and may also include the area within the jurisdiction of an
9 authority.

10 (c) ~~(b)~~—"Constituent unit" means a city or county requesting
11 the incorporation of an authority.

12 (d) "Facilities" means port facilities and related facilities.

13 (e) ~~(e)~~—"Governing body of the city" means the city council or
14 city commission of a city requesting incorporation of an authority.
15 ~~created under this act.~~

16 (f) ~~(d)~~—"Governing body of the county" means the county board
17 of commissioners of a county participating in an authority. ~~created~~
18 ~~under this act.~~

19 (g) ~~(e)~~—"Port facilities" means ~~those facilities owned by the~~
20 ~~port authority such as: seawall~~ **includes, but is not limited to,**
21 **all of the following:**

22 (i) **Seawall** jetties. ~~; piers; wharves; docks; boat~~

23 (ii) **Piers.**

24 (iii) **Wharves.**

25 (iv) **Docks.**

26 (v) **Boat** landings. ~~; marinas; warehouses; storerooms;~~
27 ~~elevators; grain~~

28 (vi) **Marinas.**

29 (vii) **Warehouses.**

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

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

5 (i) Public infrastructure.

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

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

10 (iv) Commercial and tourism facilities related to maritime and
 11 public recreational facilities.

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

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

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

17 (b) Sue and be sued on the same basis as ~~the~~**this** state. ~~and~~
 18 ~~adopt~~

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

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

23 (e) ~~(d)~~Acquire, construct, reconstruct, rehabilitate,
 24 improve, maintain, **finance**, lease as lessor or as lessee, repair,
 25 or operate ~~port~~facilities within its territorial jurisdiction,
 26 including, **but not limited to**, the dredging of ship channels and
 27 turning basins and the filling and grading of land ~~therefor~~.

28 **related to these improvements**. An authority may operate a leased
 29 facility, owned by the authority, if the lessee defaults and a new

1 lease is negotiated or competitively bid.

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

7 **(g)** ~~(f)~~ Acquire, hold, and dispose of real and personal
8 property.

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

18 **(i)** ~~(h)~~ Promulgate all necessary rules to fulfill the purposes
19 of this act.

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

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

25 **(l)** Enter into public-private partnerships or other agreements
26 necessary or useful to accomplish the purposes of this act.

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

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

1 (a) Appear ~~in~~**on** its own behalf before ~~boards,~~**any of the**
2 **following:**

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

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

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

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

1 **(i) The executive director is** the chief administrative
2 **executive** officer of the authority. ~~and to whom the~~

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

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

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

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

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

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

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

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

1 **(iv) Ascertain** the depth and course of the channels of those
2 navigable waters. ~~;~~ ~~erect~~

3 **(v) Erect** and maintain, authorize the erection and maintenance
4 of, and make rules respecting wharves, bulkheads, piers, and
5 piling, and the keeping of the same in repair, to prevent injury to
6 navigation or health. ~~;~~ ~~regulate~~

7 **(vi) Regulate** the use of wharves, docks, piers, bulkheads, or
8 pilings owned by it. ~~;~~ ~~lease~~

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

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

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

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

23 (d) Do all acts and things necessary or convenient to promote
24 and increase commerce and recreation within its territorial
25 jurisdiction and carry out the powers expressly granted and any
26 powers implied or necessary for the exercise of the powers
27 expressly granted in this act.

28 Sec. 13. (1) An authority and 1 or more constituent units may
29 enter into a contract or contracts for the acquisition,

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

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

25 (a) By service charge to users of the facilities owned **or**
 26 **operated** by the port authority.

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

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

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

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

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

23 Sec. 14. (1) An authority may provide by resolution for the
 24 issuance of revenue bonds of the authority for the purpose of
 25 providing funds for paying the cost of ~~port~~ **facilities,** or for
 26 paying the cost of an extension, enlargement, or improvement of a
 27 ~~project then under the control of the authority.~~ **facility or**
 28 **facilities.** The bonds issued under this section ~~shall~~ **must** mature
 29 at a time or times, not exceeding 40 years after their date of

1 issuance, as the authority may provide. **An authority may also**
 2 **provide by resolution for the issuance of revenue refunding bonds**
 3 **of the authority for the purpose of providing funds to pay the cost**
 4 **of refunding any prior indebtedness of the authority.**

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

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

22 Sec. 14a. A petition under ~~section 14, this act,~~ including the
 23 circulation and signing of the petition, is subject to section 488
 24 of the Michigan election law, 1954 PA 116, MCL 168.488. A person
 25 who violates a provision of the Michigan election law, 1954 PA 116,
 26 MCL 168.1 to 168.992, applicable to a petition described in this
 27 section is subject to the penalties prescribed for that violation
 28 in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

29 Sec. 16. ~~Revenue bonds~~ **Bonds** issued ~~pursuant to~~ **under** this act

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

22 Sec. 18. (1) In addition to the bonds authorized in section
 23 14, bonds may be issued for the purpose of acquiring, ~~port~~
 24 **constructing, improving, enlarging, extending, operating, or**
 25 **financing** facilities **or refunding prior indebtedness of the**
 26 **authority**, as follows:

27 (a) By the issuance of bonds ~~in anticipation of payments to~~
 28 ~~become due~~ under contracts ~~by which 1 or more constituent units~~
 29 ~~agree~~**described in section 13 under which a constituent unit has**

1 **pledged its full faith and credit and, if necessary, has agreed** to
 2 pay to an authority ~~operating under this act~~ certain sums toward
 3 the cost of the acquisition, **construction**, improvement,
 4 enlargement, ~~or~~ extension, **operation, or financing** of a project **or**
 5 **refunding of prior bonds** that may be made under this act. Contracts
 6 are not subject to the revised municipal finance act, 2001 PA 34,
 7 MCL 141.2101 to 141.2821.

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

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

22 (2) Bonds issued under this section ~~shall~~ **must** be authorized
 23 by a resolution adopted by the authority. The bonds ~~shall~~ **must** be
 24 issued in the name of the authority and ~~shall~~ **must** be executed by
 25 the chairperson and secretary-treasurer of the authority, who shall
 26 also cause their facsimile signatures to be affixed to the interest
 27 coupons to be attached to the bonds. The authority shall adopt a
 28 seal that ~~shall~~ **must** be affixed to the bonds. Bonds issued under
 29 this section ~~shall be~~ **are** negotiable instruments and ~~shall~~ **must**

1 mature not more than 40 years after the date of issuance. The bonds
2 and coupons ~~shall~~**must** be made payable in lawful money of the
3 United States and ~~shall be~~**are** exempt from all taxation ~~whatsoever~~
4 by this state or by any taxing authority within this state.

5 (3) Bonds or notes issued under this section are subject to
6 the revised municipal finance act, 2001 PA 34, MCL 141.2101 to
7 141.2821.

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

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

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

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

1 similar ancillary financing facility guaranteeing an investment
2 rate for a period of years.

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

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

18 Sec. 23. (1) An authority created on or after May 1, 1984
19 shall ~~within~~ **not later than** 2 years after its creation prepare or
20 cause to be prepared a plan for the future development,
21 construction, and improvement of the ~~port and its~~ facilities,
22 including the maps, profiles, and other data and descriptions
23 necessary to set forth the location and character of the work to be
24 undertaken by the authority. An authority in existence before May
25 1, 1984 shall prepare or cause to be prepared the plan provided for
26 in this subsection not later than September 30, 1985. The authority
27 shall notify the legislature on April 15, 1985, as to the progress
28 of the plan. The authority shall cause notice by publication to be
29 given ~~upon~~ **on** the completion of the plan in a daily newspaper of

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

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

20 Sec. 24. (1) The authority shall submit in writing a detailed
 21 estimate of the budget required for the business and conduct of an
 22 authority's affairs, initially, for a 2-year period, and annually
 23 thereafter to the governing bodies of its constituent units, the
 24 department of ~~commerce~~**licensing and regulatory affairs**, and the
 25 **state transportation** department ~~of state highways and~~
 26 ~~transportation~~ for approval. ~~The~~**This** state shall provide 50% of
 27 the operating budget of the authority, to be included in the **state**
 28 **transportation** department ~~of state highways and transportation~~
 29 ~~budget which shall be~~ subject to legislative approval. Fifty

1 percent of the operating budget of an authority in which not more
 2 than 1 county and not more than 1 city participate ~~shall~~**must** be
 3 funded equally by the participating county and city.

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

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

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