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A bill to create and provide for the operation of the Michigan port authority; to provide for the creation and appointment of a board to govern the authority and to prescribe its powers and duties; to provide for the powers and duties of the authority; to extend protections against certain liabilities to the authority; to provide for the issuance of certain bonds, notes, and other obligations; to facilitate the use and development of authority property and port facilities; to promote economic growth; to exempt property, income, and operations of an authority from tax; and to provide an appropriation.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. This act shall be known and may be cited as the
2 "Michigan port authority act".
3 Sec. 2. As used in this act:



1 (a) "Authority" means the Michigan port authority created
2 under section 3.

3 (b) "Authorized purposes" means activities that enhance,
4 foster, aid, provide, or promote transportation, economic
5 development, housing, recreation, education, governmental
6 operations, culture, or research within this state.

7 (c) "Board" means the governing body of the authority
8 described in section 4.

9 (d) "Department" means the department of licensing and
10 regulatory affairs.

11 (e) "Develop" means the acquisition, financing, purchase,
12 construction, reconstruction, rehabilitation, remodeling,
13 improvement, enlargement, repair, condemnation, maintenance, or
14 operation of port facilities.

15 (f) "Fund" means the Michigan port authority fund created in
16 section 20.

17 (g) "Governmental agency" means a department, agency, or
18 commission of this state or of a county, city, village, or township
19 of this state.

20 (h) "Local unit of government" means a city, county, township,
21 or village.

22 (i) "Person" means an individual, partnership, corporation,
23 limited liability company, association, governmental entity, or
24 other legal entity.

25 (j) "Port facilities" means real or personal property, or any
26 combination of real or personal property, that is owned, leased, or
27 otherwise controlled or financed by a port authority and is related



1 to, useful for, or in furtherance of, 1 or more authorized
2 purposes.

3 Sec. 3. (1) There is created by this act a public body
4 corporate and politic known as the Michigan port authority. The
5 authority shall be located within the department.

6 (2) The authority shall exercise its prescribed statutory
7 powers, duties, and functions independently of the director of the
8 department. The budgeting, procurement, and related administrative
9 functions of the authority shall be performed under the direction
10 and supervision of the director of the department.

11 (3) The authority may contract with the department for the
12 purpose of maintaining the rights and interests of the authority.

13 (4) The accounts of the authority may be subject to annual
14 financial audits by the state auditor general. Records of the
15 authority shall be maintained according to generally accepted
16 accounting principles.

17 Sec. 4. (1) The authority created under this act shall be
18 governed by the Michigan port authority board, which shall consist
19 of 9 board members who are residents of this state. The members
20 first appointed under subsection (2) shall be appointed as follows:

21 (a) For members appointed under subsection (2)(e) and (h), for
22 a term of 1 year.

23 (b) For members appointed under subsection (2)(c), (f), and
24 (g), for a term of 2 years.

25 (c) For members appointed under subsection (2)(a), (b), and
26 (d), for a term of 3 years.

27 (2) The members of the board shall be as follows:



1 (a) One member appointed by the governor with the advice and
2 consent of the senate who shall serve without vote and shall be the
3 chairperson of the board.

4 (b) One member appointed by the governor with the advice and
5 consent of the senate who is a resident of a county with a
6 population of not less than 1,100,000 and not more than 1,400,000
7 according to the most recent federal decennial census and who is
8 knowledgeable of port facilities.

9 (c) One member appointed by the governor with the advice and
10 consent of the senate who is a resident of a county with a
11 population of not less than 500,000 and not more than 700,000
12 according to the most recent federal decennial census and who is
13 knowledgeable of port facilities.

14 (d) One member appointed by the governor with the advice and
15 consent of the senate who is a resident of a county with a
16 population of not less than 145,000 and not more than 155,000
17 according to the most recent federal decennial census and who is
18 knowledgeable of port facilities.

19 (e) One member appointed by the governor with the advice and
20 consent of the senate who is a resident of the Upper Peninsula of
21 this state and who is knowledgeable of port facilities.

22 (f) One member appointed by the governor with the advice and
23 consent of the senate who is a resident of a county with a
24 population of not less than 105,000 and not more than 110,000
25 according to the most recent federal decennial census and that is
26 located on a Great Lake of this state, or a county that adjoins a
27 county described in this subdivision and who is knowledgeable of



1 port facilities.

2 (g) One member appointed by the governor with the advice and
3 consent of the senate who is a resident of a county with a
4 population of not less than 170,000 and not more than 180,000
5 according to the most recent federal decennial census and that is
6 located on a Great Lake of this state, or a county that adjoins a
7 county described in this subdivision and who is knowledgeable of
8 port facilities.

9 (h) Two other members appointed by the governor with the
10 advice and consent of the senate who are not employed by this state
11 and who have knowledge, skill, and experience in economic
12 development. Of the members appointed by the governor under this
13 subsection, 1 shall be appointed from 2 or more nominees of the
14 majority leader of the senate and 1 shall be appointed from 2 or
15 more nominees of the speaker of the house of representatives.

16 (3) Upon appointment to the board under subsection (2) and
17 upon the taking and filing of the constitutional oath of office
18 prescribed in section 1 of article XI of the state constitution of
19 1963, a member of the board shall enter the office and exercise the
20 duties of the office.

21 (4) After the first appointment, each member shall serve a
22 term of 3 years, except that a person appointed to fill a vacancy
23 shall be appointed for the balance of the unexpired term. The
24 governor shall fill a vacancy in the office by appointment in the
25 same manner as an appointment under subsection (2). A member of the
26 board shall hold office until a successor has been appointed and
27 qualified. A member of the board is eligible for reappointment.



1 (5) A member of a board shall discharge the duties of the
2 position in a nonpartisan manner, in good faith, in the best
3 interests of this state, and with the degree of diligence, care,
4 and skill that an ordinarily prudent person would exercise under
5 similar circumstances in a like position. A member of the board
6 shall not make or participate in making a decision, or in any way
7 attempt to use his or her position as a member of the board to
8 influence a decision, on a matter before an authority in which the
9 member is directly or indirectly interested. A member of a board
10 shall not be interested directly or indirectly in any contract with
11 an authority or the department that would cause a substantial
12 conflict of interest. A member of a board shall comply, and a board
13 shall adopt policies and procedures that require members to comply,
14 with the requirements of this subsection and all of the following:

15 (a) 1978 PA 472, MCL 4.411 to 4.431, as if the board member
16 were subject to that act and that board member's receipt of a gift
17 or compensation would be in violation of that act if given by a
18 lobbyist, a lobbyist agent, or a representative of a lobbyist under
19 that act.

20 (b) 1978 PA 566, MCL 15.181 to 15.185.

21 (c) 1968 PA 318, MCL 15.301 to 15.310, as if he or she were a
22 state officer.

23 (d) 1968 PA 317, MCL 15.321 to 15.330, as if he or she were a
24 public servant.

25 (e) 1973 PA 196, MCL 15.341 to 15.348, as if he or she were a
26 public officer.

27 (6) The board shall elect a vice-chairperson, secretary, and



1 any additional officers of the board considered necessary by the
2 board from among its members. All elected officers of the board
3 shall be elected annually by the board. Members of the board shall
4 serve without compensation, but shall be reimbursed for actual and
5 necessary expenses.

6 Sec. 5. (1) Upon the appointment of at least 4 members of the
7 board under section 4, the board may hold its first meeting. The
8 first meeting of the board shall be held not more than 60 days
9 after the date the authority is created.

10 (2) The board shall organize and adopt its own policies,
11 procedures, schedule of regular meetings, and a regular meeting
12 date, place, and time. The board shall conduct all business at
13 public meetings held in compliance with the open meetings act, 1976
14 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and
15 place of each meeting shall be given in the manner required by the
16 open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

17 (3) A writing prepared, owned, used, in the possession of, or
18 retained by the board in the performance of an official function
19 shall be made available to the public in compliance with the
20 freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

21 (4) A board may act only by resolution. A majority of the
22 members of the board then in office, or of any committee of the
23 board, shall constitute a quorum for the transaction of business.
24 The board shall meet in person or by means of electronic
25 communication devices that enable all participants in the meeting
26 to communicate with each other. A vote of a majority of the members
27 of the board serving at the time of the vote is necessary to



1 approve the issuance by the authority of bonds, to approve or amend
2 the annual budget of the authority. Except as otherwise provided in
3 this act, a vote of the majority of the board members present at a
4 meeting at which a quorum is present constitutes the action of the
5 board or of the committee.

6 (5) Before the beginning of each fiscal year, the board shall
7 prepare a budget containing an itemized statement of the estimated
8 current operational expenses for the operation of the authority and
9 development of port facilities in this state, the amount necessary
10 to pay the principal and interest of any outstanding bonds or other
11 obligations of the authority maturing during the ensuing fiscal
12 year or that have previously matured and are unpaid, an estimate of
13 the revenue of the authority from all sources for the ensuing
14 fiscal year, and other amounts necessary to further the purposes of
15 this act. The authority's budget shall be funded by proceeds
16 derived from gifts, grants, loans, and other aids from any person
17 or the federal government, this state, or a local government or any
18 agency of the federal government, this state, or a local
19 government. Before the beginning of each fiscal year, the board
20 shall send a copy of the budget described in this subsection to the
21 chairperson of the senate appropriations committee, the chairperson
22 of the house appropriations committee, the director of the senate
23 fiscal agency, and the director of the house fiscal agency.

24 Sec. 6. (1) The board may appoint a person, other than a
25 member of the board, to serve as director of the authority, to whom
26 the authority may delegate any of its administrative powers and
27 authorization.



1 (2) Subject to the approval of the board, the director shall
2 supervise, and be responsible for, all of the following:

3 (a) The performance of the functions of the authority under
4 this act.

5 (b) A regular report describing the activities and financial
6 condition of the authority.

7 (c) The issuance of bonds and notes approved by the board.

8 (d) All other activities or functions that the board considers
9 necessary.

10 (3) The board may employ legal and technical experts, private
11 consultants and engineers, accountants, and other agents or
12 employees for rendering professional and technical assistance and
13 advice as may be necessary. The authority shall determine the
14 qualifications, duties, and compensation of those it employs.

15 Sec. 7. Except as otherwise provided in this act, the
16 authority may do all things necessary to implement the purposes of
17 this act, including, but not limited to, all of the following:

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

20 (b) Adopt an official seal and alter the seal at the pleasure
21 of the board.

22 (c) Sue and be sued in its own name and plead and be
23 impleaded.

24 (d) Solicit and accept gifts, grants, loans, and other
25 assistance from any person or the federal, the state, or a local
26 government or any agency of the federal, the state, or a local
27 government or participate in any other way in any federal, state,



1 or local government program.

2 (e) Research and publish studies, investigations, surveys, and
3 findings on the developing and operations of port facilities.

4 (f) Finance, direct, or otherwise aid in the planning,
5 construction, and design of port facilities.

6 (g) Finance, direct, or otherwise aid in the securing of port
7 facilities and surrounding areas in this state.

8 (h) Make grants, loans, and investments; guarantee and insure
9 loans, leases, bonds, notes, or other indebtedness, whether public
10 or private; and issue letters of credit.

11 (i) Construct; acquire by gift, purchase, installment
12 purchase, or lease; and reconstruct, improve, repair, or equip a
13 port facility or any part of a port facility, including related
14 infrastructure.

15 (j) Borrow money and issue bonds and notes to finance part or
16 all of the costs of developing port facilities and secure those
17 bonds and notes by mortgage, assignment, or pledge of any of its
18 money, revenues, income, and properties.

19 (k) Acquire or contract to acquire from a person, a
20 municipality, the federal or state government, or an agency of the
21 federal or state government, leaseholds, real or personal property,
22 or any interest in real or personal property and own, hold, clear,
23 improve, and rehabilitate and sell, assign, exchange, transfer,
24 convey, lease, mortgage, or otherwise dispose of or encumber
25 leaseholds, real or personal property, or any interest in real or
26 personal property, as is convenient for the accomplishment of the
27 purposes of this act and of the authority.

1 (l) Procure insurance against any loss in connection with the
2 authority's property, assets, or activities.

3 (m) Invest any money of the authority, at the board's
4 discretion, in any bond, note, or other obligation determined
5 proper by the board, and name and use depositories for its money.

6 (n) Contract for goods and services and engage personnel as
7 necessary and engage the services of private consultants, managers,
8 legal counsel, engineers, accountants, and auditors for rendering
9 professional financial assistance and advice payable out of any
10 money of the authority.

11 (o) Charge, impose, and collect fees and charges in connection
12 with any transaction and provide for reasonable penalties for
13 delinquent payment of fees or charges.

14 (p) Indemnify and procure insurance indemnifying any members
15 of the board or employees of the board from personal loss or
16 accountability from liability asserted by a person on the bonds or
17 notes of the authority or from any personal liability or
18 accountability by reason of the issuance of the bonds, notes,
19 insurance, or guarantees; by reason of acquisition, construction,
20 ownership, or operation of a project; or by reason of any other
21 action taken or the failure to act by the authority.

22 (q) Mortgage or create security interests in a port facility
23 or any part of a port facility, or in a lease or loan, or in the
24 rents, revenues, or sums to be paid under a lease or loan, in favor
25 of the holders of the bonds or notes issued by the authority.

26 (r) Convey or release a port facility or any part of a port
27 facility to a lessee, purchaser, or borrower under any agreement



1 after provision has been made for the retirement in full of the
2 bonds or notes issued for that port facility under terms and
3 conditions provided in the agreement or as may be agreed with the
4 holders of the bonds or notes, at any time where the obligation of
5 the lessee, purchaser, or borrower to make the payments prescribed
6 shall remain fixed as provided in the agreement notwithstanding the
7 conveyance or release, or as may otherwise be agreed with the
8 holders of the bonds or notes.

9 (s) Promulgate rules pursuant to the administrative procedures
10 act of 1969, 1969 PA 306, MCL 24.201 to 24.328, necessary to carry
11 out the purposes of this act.

12 (t) Share bond issuance fees with other authorities as
13 determined by the board.

14 (u) Do all other things necessary to promote and develop port
15 facilities in this state.

16 Sec. 8. (1) The authority may acquire real or personal
17 property or rights or interests in real or personal property by
18 gift, devise, transfer, exchange, foreclosure, purchase, or
19 otherwise on terms and conditions and in a manner the authority
20 considers proper. The authority may own, lease, convey, demolish,
21 relocate, or rehabilitate real or personal property or rights or
22 interests in real or personal property, consistent with the
23 purposes of this act.

24 (2) Real property acquired by the authority by purchase may be
25 obtained by any method considered desirable by the authority. The
26 authority may purchase real property or rights or interests in real
27 property for any purpose the authority considers necessary to carry



1 out the purposes of this act.

2 Sec. 9. The authority may control, hold, manage, maintain,
3 operate, repair, lease, secure, prevent the waste or deterioration
4 of, demolish, and take all other actions necessary to preserve the
5 value of property held by the authority.

6 Sec. 10. (1) The authority may authorize and issue its bonds
7 or notes payable solely from revenues or funds available to the
8 authority. Bonds and notes of the authority are not a debt or
9 liability of this state and do not create or constitute any
10 indebtedness, liability, or obligations of this state or constitute
11 a pledge of the full faith or credit of this state. All authority
12 bonds and notes shall be payable solely from revenues or funds
13 pledged or available for their payment as authorized in this act.
14 Each bond and note shall contain on its face a statement to the
15 effect that the authority is obligated to pay the principal of and
16 the interest on the bond or note only from revenue or funds of the
17 authority pledged for the payment of principal and interest and
18 that this state is not obligated to pay that principal and interest
19 and that neither the full faith and credit nor the taxing power of
20 this state is pledged to the payment of the principal of or the
21 interest on the bond or note.

22 (2) All expenses incurred in carrying out this section shall
23 be payable solely from revenues or funds provided or to be provided
24 under this act. This act does not authorize the authority to incur
25 any indebtedness or liability on behalf of or payable by this
26 state.

27 (3) Bonds and notes issued under this act are not subject to



1 the revised municipal finance act, 2001 PA 34, MCL 141.2101 to
2 141.2821.

3 (4) The issuance of bonds and notes under this section is
4 subject to the agency financing reporting act, 2002 PA 470, MCL
5 129.171 to 129.177.

6 Sec. 11. (1) The authority may issue from time to time bonds
7 or notes in principal amounts the authority considers necessary to
8 provide funds for any purpose, including, but not limited to, all
9 of the following:

10 (a) The payment, funding, or refunding of the principal of,
11 interest on, or redemption premiums on bonds or notes issued by the
12 authority whether the bonds or notes or interest to be funded or
13 refunded has or has not become due.

14 (b) The establishment or increase of reserves to secure or to
15 pay authority bonds or notes or interest on those bonds or notes.

16 (c) The payment of interest on the bonds or notes for a period
17 as the authority determines.

18 (d) The payment of all other costs or expenses of the
19 authority incident to and necessary or convenient to carry out its
20 authorized purposes and powers.

21 (2) The bonds or notes of the authority shall not be a general
22 obligation of the authority but shall be payable solely from the
23 revenues or funds, or both, pledged to the payment of the principal
24 of and interest on the bonds or notes as provided in the resolution
25 authorizing the bonds or notes.

26 (3) The bonds or notes of the authority:

27 (a) Shall be authorized by resolution of the authority.



1 (b) Shall bear the date or dates of issuance.

2 (c) May be issued as either tax-exempt bonds or notes or
3 taxable bonds or notes for federal income tax purposes.

4 (d) Shall be serial bonds, term bonds, or term and serial
5 bonds.

6 (e) Shall mature at a time or times not exceeding 40 years
7 from the date of issuance.

8 (f) May provide for sinking fund payments.

9 (g) May provide for redemption at the option of the authority
10 at any time for any reason or reasons.

11 (h) May provide for redemption at the option of the bondholder
12 at any time for any reason.

13 (i) Shall bear interest at a fixed or variable rate or rates
14 of interest per year or at no interest.

15 (j) Shall be registered bonds, coupon bonds, or both.

16 (k) May contain a conversion feature.

17 (l) May be transferable.

18 (m) Shall be in the form, denomination or denominations, and
19 with such other provisions and terms as are determined necessary or
20 beneficial by the authority.

21 Sec. 12. (1) The authority may authorize and approve an
22 insurance contract, an agreement for a line of credit, a letter of
23 credit, a commitment to purchase notes or bonds, an agreement to
24 remarket bonds or notes, or any other transaction to provide
25 security to assure timely payment of a bond or note.

26 (2) The authority may authorize payment from the proceeds of
27 the notes or bonds, or other funds available, of the costs of



1 issuance, including, but not limited to, fees for placement,
2 charges for insurance, letters of credit, lines of credit,
3 remarketing agreements, reimbursement agreements, or purchase or
4 sales agreements or commitments, or agreements to provide security
5 to assure timely payment of notes or bonds.

6 Sec. 13. Within limitations contained in the issuance or
7 authorization resolution of the authority, the authority may
8 authorize a member of the board, the director, or other officer of
9 the authority to do 1 or more of the following:

10 (a) Sell and deliver and receive payment for notes or bonds.

11 (b) Refund notes or bonds by the delivery of new notes or
12 bonds whether or not the notes or bonds to be refunded have matured
13 or are subject to redemption.

14 (c) Deliver notes or bonds, partly to refund notes or bonds
15 and partly for any other authorized purpose.

16 (d) Buy notes or bonds that are issued and resell those notes
17 or bonds.

18 (e) Approve interest rates or methods for fixing interest
19 rates, prices, discounts, maturities, principal amounts,
20 denominations, dates of issuance, interest payment dates,
21 redemption rights, at the option of the authority or the holder,
22 the place of delivery and payment, and other matters and procedures
23 necessary to complete the transactions authorized.

24 (f) Direct the investment of any and all funds of the
25 authority.

26 (g) Approve the terms of a contract and execute and deliver
27 the contract subject to the restrictions of this part.



1 (h) Approve the terms of any insurance contract, agreement for
2 a line of credit, a letter of credit, a commitment to purchase
3 notes or bonds, an agreement to remarket bonds or notes, an
4 agreement to manage payment, revenue, or interest rate exposure, or
5 any other transaction to provide security to assure timely payment
6 of a bond or note.

7 (i) Perform any power, duty, function, or responsibility of
8 the authority.

9 Sec. 14. A resolution authorizing bonds or notes may provide
10 for all of the following that shall be part of the contract with
11 the holders of the bonds or notes:

12 (a) A pledge to any payment or purpose all or any part of
13 authority revenues or assets to which its right then exists or may
14 later come to exist, of money derived from the revenues or assets,
15 and of the proceeds of bonds or notes or of an issue of bonds or
16 notes, subject to any existing agreements with bondholders or
17 noteholders.

18 (b) A pledge of a loan, grant, or contribution from the
19 federal, state, or local government.

20 (c) The establishment and setting aside of reserves or sinking
21 funds and the regulation and disposition of reserves or sinking
22 funds subject to this act.

23 (d) Authorization for and limitations on the issuance of
24 additional bonds or notes for the purposes provided for in the
25 resolution and the terms upon which additional notes or bonds may
26 be issued and secured.

27 (e) The procedure, if any, by which the terms of a contract



1 with noteholders or bondholders may be amended or abrogated, the
2 number of noteholders or bondholders who are required to consent to
3 the amendment or abrogation, and the manner in which consent may be
4 given.

5 (f) A contract with the bondholders as to the custody,
6 collection, securing, investment, and payment of any money of the
7 authority. Money of the authority and deposits of money may be
8 secured in the manner determined by the authority. Banks and trust
9 companies may give security for the deposits.

10 (g) Vest in a trustee, or a secured party, the property,
11 income, revenue, receipts, rights, remedies, powers, and duties in
12 trust or otherwise as the authority determines necessary or
13 appropriate to adequately secure and protect noteholders and
14 bondholders or to limit or abrogate the right of the holders of
15 bonds or notes of the authority to appoint a trustee under this act
16 or to limit the rights, powers, and duties of the trustee.

17 (h) Provide the trustee, the noteholders, or the bondholders
18 remedies that may be exercised if the authority fails or refuses to
19 comply with this act or defaults in an agreement made with the
20 holders of an issue of bonds or notes, which may include, but are
21 not limited to, the following:

22 (i) By mandamus or other action or proceeding at law or in
23 equity, to enforce the rights of the bondholders or noteholders and
24 require the authority to carry out any other agreement with the
25 holders of those notes or bonds and to perform the duties of the
26 authority under this act.

27 (ii) Bring action upon the notes or bonds.



1 (iii) By action, require the authority to account as if it were
2 the trustee of an express trust for the holders of the notes or
3 bonds.

4 (iv) By action in equity, enjoin any acts or things that may be
5 unlawful or in violation of the rights of the holders of the notes
6 or bonds.

7 (v) Declare the notes or bonds due and payable and, if all
8 defaults shall be made good, then, as permitted by the resolution,
9 annul that declaration and its consequences.

10 (i) Any other matters of like or different character that in
11 any way affect the security or protection of the bonds or notes.

12 Sec. 15. A pledge made by the authority shall be valid and
13 binding from the time the pledge is made. The money or property
14 pledged and then received by the authority immediately is subject
15 to the lien of the pledge without physical delivery or further act.
16 The lien of a pledge is valid and binding as against parties having
17 claims of any kind in tort, contract, or otherwise against the
18 authority and is valid and binding as against the transfers of
19 money or property pledged, irrespective of whether parties have
20 notice. The resolution, the trust agreement, or any other
21 instrument by which a pledge is created is not required to be
22 recorded in order to establish and perfect a lien or security
23 interest in the property pledged.

24 Sec. 16. The members of the board and any person executing
25 bonds or notes issued as provided in this act and any person
26 executing any agreement on behalf of the authority is not
27 personally liable on the bonds or notes by reason of their



1 issuance.

2 Sec. 17. The authority may hold, cancel, or resell authority
3 bonds or notes subject to or in accordance with an agreement with
4 holders of authority bonds or notes.

5 Sec. 18. This state pledges to and agrees with the holders of
6 bonds or notes issued in accordance with this act that this state
7 shall not limit or restrict the rights vested in the authority by
8 this act to fulfill the terms of an agreement made with the holders
9 of authority bonds or notes or in any way impair the rights or
10 remedies of the holders of the bonds or notes of the authority
11 until the bonds and notes, together with interest on the bonds or
12 notes and interest on any unpaid installments of interest, and all
13 costs and expenses in connection with an action or proceedings by
14 or on behalf of those holders are fully met, paid, and discharged.

15 Sec. 19. Notwithstanding any restriction in any other law,
16 this state and a public officer, local unit of government, agency
17 of this state or a local unit of government, an intergovernmental
18 entity created under the laws of this state; a bank, trust company,
19 savings bank and institution, savings and loan association,
20 investment company, or other person carrying on a banking business;
21 an insurance company, insurance association, or other person
22 carrying on an insurance business; or an executor, administrator,
23 guardian, trustee, or other fiduciary may legally invest funds
24 belonging to them or within their control in bonds or notes issued
25 under this act, and authority bonds or notes shall be authorized
26 security for public deposits.

27 Sec. 20. (1) The Michigan port authority fund is created under



1 the jurisdiction and control of the authority and may be
2 administered for the general operations of the authority and to
3 secure any notes and bonds of the authority.

4 (2) The authority may receive money or other assets from any
5 source for deposit into the fund. The authority shall credit to the
6 fund interest and earnings from fund investments.

7 (3) Money in the fund at the close of the fiscal year shall
8 remain in the fund and shall not lapse to the general fund.

9 (4) The authority shall expend money from the fund only for
10 the authorized purposes provided in this act.

11 Sec. 21. The authority created under this act shall be exempt
12 from and shall not be required to pay taxes on property, both real
13 and personal, belonging to the authority, which is used for a
14 public or governmental purpose. Property of the authority is public
15 property devoted to an essential public or governmental function
16 and purpose. The authority's income and operation, including bonds
17 or notes issued by the authority or the interest and income derived
18 from the bonds or notes, are exempt from all taxes and special
19 assessments of this state or a political subdivision of this state.

20 Sec. 22. There is appropriated from the general fund for
21 initial implementation costs for this act the sum of \$100,000.00.

