

HOUSE BILL No. 4468

April 16, 2015, Introduced by Reps. VerHeulen, Yonker, Victory, Hooker, Dillon, Afendoulis, Lyons and Brinks and referred to the Committee on Transportation and Infrastructure.

A bill to amend 1945 PA 327, entitled
"Aeronautics code of the state of Michigan,"
(MCL 259.1 to 259.208) by amending the title, as amended by 2002 PA 90, and by adding chapter VIIA.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

TITLE

An act relating to aeronautics in this state; providing for the development and regulation thereof; ~~AERONAUTICS~~; creating a state aeronautics commission; prescribing powers and duties; providing for the licensing, ~~or~~ registration, ~~or~~ **AND** supervision and control of all aircraft, airports and landing fields, schools of aviation, flying clubs, airmen, aviation instructors, airport managers, manufacturers, dealers, and commercial operation in intrastate commerce; providing for rules pertaining thereto; prescribing a privilege tax for the use of the aeronautical

1 facilities on the lands and waters of this state; providing for the
2 acquisition, development, and operation of airports, landing
3 fields, and other aeronautical facilities by ~~the~~**THIS** state, by
4 political subdivisions, or by ~~public~~ airport authorities; providing
5 for the incorporation of ~~public~~ airport authorities and providing
6 for the powers, duties, and obligations of ~~public~~ airport
7 authorities; providing for the transfer of airport management to
8 ~~public~~ airport authorities, including the transfer of airport
9 liabilities, employees, and operational jurisdiction; providing
10 jurisdiction of crimes, torts, and contracts; providing police
11 powers for those entrusted to enforce this act; providing for civil
12 liability of owners, operators, and others; making hunting from
13 aircraft unlawful; providing for **A** repair station operators lien;
14 providing for appeals from rules or orders issued by the
15 commission; providing for the transfer from the Michigan board of
16 aeronautics to the aeronautics commission all properties and funds
17 held by the board of aeronautics; providing for a state aeronautics
18 fund and making an appropriation therefor; prescribing penalties;
19 and making uniform the law with reference to state development and
20 regulation of aeronautics.

21 **CHAPTER VIIA.**

22 **ACQUISITION AND OPERATION OF AIRPORTS, LANDING FIELDS, AND OTHER**
23 **AERONAUTICAL FACILITIES BY REGIONAL AIRPORT AUTHORITIES**

24 **SEC. 137. THIS CHAPTER SHALL BE KNOWN AND MAY BE CITED AS THE**
25 **"REGIONAL AIRPORT AUTHORITY ACT".**

1 SEC. 138. (1) UNLESS SPECIFIED OTHERWISE IN THIS CHAPTER,
2 DEFINITIONS IN CHAPTER II APPLY TO TERMS USED IN THIS CHAPTER.

3 (2) AS USED IN THIS CHAPTER:

4 (A) "AIRPORT" MEANS A PUBLICLY OWNED AIRPORT LICENSED BY THE
5 DEPARTMENT UNDER SECTION 86 AND INCLUDES ALL AIRPORT FACILITIES AT
6 THE AIRPORT. AN AIRPORT IS PUBLICLY OWNED IF THE PORTION USED FOR
7 THE LANDING AND TAKING OFF OF AIRCRAFT IS OWNED, OPERATED,
8 CONTROLLED, LEASED TO, OR LEASED BY THE UNITED STATES OR AN AGENCY
9 OR DEPARTMENT OF THE UNITED STATES, THIS STATE, A LOCAL GOVERNMENT,
10 OR ANOTHER PUBLIC CORPORATION.

11 (B) "AIRPORT FACILITIES" MEANS ANY OF THE FOLLOWING AT AN
12 AIRPORT:

13 (i) REAL OR PERSONAL PROPERTY, OR AN INTEREST IN REAL OR
14 PERSONAL PROPERTY, USED FOR THE LANDING, TAKING OFF, TAXIING,
15 PARKING, OR STORING OF AIRCRAFT, OR FOR RECEIVING OR DISCHARGING
16 PASSENGERS OR CARGO, AN APPURTENANT AREA USED FOR AN AIRPORT
17 BUILDING OR OTHER FACILITY, AND ANY APPURTENANT RIGHT-OF-WAY.

18 (ii) REAL OR PERSONAL PROPERTY, INCLUDING AN EASEMENT, USED
19 FOR OVER-FLIGHT, NOISE ABATEMENT, A CLEAR ZONE, A SIDE TRANSITION
20 ZONE, AN ENVIRONMENTAL MITIGATION REQUIREMENT, UTILITIES, A
21 DRAINAGE SYSTEM, A RIGHT-OF-WAY, OR ANY OTHER REQUIREMENT IMPOSED
22 AS A CONDITION OF APPROVING THE ACQUISITION, CONSTRUCTION,
23 EXPANSION, OR OPERATION OF OTHER AIRPORT FACILITIES, WHETHER OR NOT
24 LOCATED WITHIN THE BOUNDARIES OF THE LOCAL GOVERNMENT.

25 (iii) STRUCTURES, BUILDINGS, AND IMPROVEMENTS, INCLUDING
26 AERONAUTICAL AND NONAERONAUTICAL, COMMERCIAL OR NONCOMMERCIAL
27 STRUCTURES, CONCESSIONS, ROADWAYS, BEACONS, MARKERS, COMMUNICATION

1 SYSTEMS, AND NAVIGATIONAL AIDS.

2 (iv) ANY OTHER IMPROVEMENTS OR FACILITIES NECESSARY, USEFUL,
3 OR INTENDED FOR USE IN THE OPERATION OF AN AIRPORT.

4 (C) "APPROVAL DATE" MEANS, FOR AIRPORTS CERTIFICATED UNDER 14
5 CFR PART 139, THE DATE OF THE ISSUANCE BY THE FAA TO THE REGIONAL
6 AUTHORITY ASSUMING OPERATIONAL JURISDICTION OF THE AIRPORT OF A
7 CERTIFICATE UNDER 14 CFR PART 139 WITH RESPECT TO THE AIRPORT, AND
8 THE CONCURRENCE BY THE FAA OF THE DESIGNATION OF THE REGIONAL
9 AUTHORITY AS A SPONSOR OF THE AIRPORT, INCLUDING THE FAA'S APPROVAL
10 OF THE ASSIGNMENT OF EXISTING GRANT AGREEMENTS TO THE REGIONAL
11 AUTHORITY, OR, FOR AN UNCERTIFICATED AIRPORT, THE DATE SPECIFIED IN
12 THE AGREEMENT PURSUANT TO WHICH THE AIRPORT IS TO BE TRANSFERRED TO
13 THE REGIONAL AUTHORITY, AS APPROVED BY THE FAA.

14 (D) "BOARD" MEANS THE GOVERNING BODY OF A REGIONAL AUTHORITY
15 APPOINTED UNDER SECTION 140.

16 (E) "CHIEF EXECUTIVE OFFICER" MEANS THE CHIEF ADMINISTRATIVE
17 OFFICER OF A REGIONAL AUTHORITY.

18 (F) "ENPLANEMENT" MEANS A DOMESTIC, TERRITORIAL, OR
19 INTERNATIONAL REVENUE PASSENGER WHO BOARDS AN AIRCRAFT THAT DEPARTS
20 FROM THE AIRPORT.

21 (G) "FAA" MEANS THE FEDERAL AVIATION ADMINISTRATION OF THE
22 UNITED STATES DEPARTMENT OF TRANSPORTATION, OR ANY SUCCESSOR
23 AGENCY.

24 (H) "FISCAL YEAR" MEANS THE ANNUAL PERIOD THAT IS THE FISCAL
25 YEAR OF THE LOCAL GOVERNMENT OR ANOTHER ANNUAL PERIOD ESTABLISHED
26 BY THE BOARD.

27 (I) "LEGISLATIVE BODY" MEANS THE ELECTED BODY OF A LOCAL

1 GOVERNMENT THAT HAS LEGISLATIVE POWERS.

2 (J) "LOCAL GOVERNMENT" MEANS A COUNTY, CITY, TOWNSHIP, OR
3 VILLAGE THAT CREATES THE REGIONAL AUTHORITY.

4 (K) "REGIONAL AUTHORITY" MEANS A REGIONAL AIRPORT AUTHORITY
5 CREATED UNDER SECTION 139 AND GOVERNED BY A BOARD.

6 (I) "SPONSOR" MEANS A PUBLIC AGENCY AUTHORIZED BY 49 USC 47101
7 TO 47134 TO SUBMIT REQUESTS FOR, ACCEPT, AND BE RESPONSIBLE FOR
8 PERFORMING ALL OF THE ASSURANCES ASSOCIATED WITH ACCEPTING GRANT
9 AGREEMENTS WITH RESPECT TO AIRPORTS FROM THE FAA OR THIS STATE, AND
10 TO PERFORM SOME DUTIES AND RESPONSIBILITIES PREVIOUSLY ASSUMED BY
11 THE LOCAL GOVERNMENT THAT OWNS OR OPERATES THE AIRPORT BEFORE THE
12 TRANSFER OF OPERATIONAL JURISDICTION OF THE AIRPORT TO AN AUTHORITY
13 CREATED UNDER THIS CHAPTER BY VIRTUE OF THE LOCAL GOVERNMENT'S
14 ACCEPTANCE BEFORE THE APPROVAL DATE OF GRANTS FOR THE BENEFIT OF
15 THE AIRPORT FROM THE FAA OR ANOTHER AGENCY OF THE UNITED STATES OR
16 THIS STATE.

17 SEC. 139. (1) AN AUTHORITY CREATED UNDER THIS SECTION IS A
18 PUBLIC BODY CORPORATE FOR PURPOSES OF STATE AND FEDERAL LAW AND
19 MUST COMPLY WITH ALL OF THE FOLLOWING:

20 (A) THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.

21 (B) THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO
22 15.246.

23 (C) THE UNIFORM BUDGET AND ACCOUNTING ACT, 1968 PA 2, MCL
24 141.421 TO 141.440A.

25 (2) A LOCAL GOVERNMENT THAT OWNS OR OPERATES AN AIRPORT MAY,
26 BY RESOLUTION, DECLARE ITS INTENTION TO INCORPORATE A REGIONAL
27 AUTHORITY. IN THE RESOLUTION OF INTENT, THE LEGISLATIVE BODY OF THE

1 LOCAL GOVERNMENT SHALL SET A DATE FOR A PUBLIC HEARING ON THE
2 ADOPTION OF A PROPOSED RESOLUTION INCORPORATING THE REGIONAL
3 AUTHORITY. THE PUBLIC HEARING MUST BE HELD IN ACCORDANCE WITH THE
4 OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275. AFTER THE
5 PUBLIC HEARING, IF THE LEGISLATIVE BODY OF THE LOCAL GOVERNMENT
6 INTENDS TO PROCEED WITH THE INCORPORATION OF THE REGIONAL
7 AUTHORITY, IT MUST ADOPT, BY MAJORITY VOTE OF ITS MEMBERS, A
8 RESOLUTION ADOPTING THE ARTICLES OF INCORPORATION OF THE REGIONAL
9 AUTHORITY. THE ADOPTION OF THE RESOLUTION IS SUBJECT TO ANY
10 APPLICABLE STATUTORY OR CHARTER PROVISIONS WITH RESPECT TO THE
11 APPROVAL OR DISAPPROVAL BY AN OFFICER OF THE LOCAL GOVERNMENT AND
12 THE ADOPTION OF AN ORDINANCE OVER THE OFFICER'S VETO. THE ARTICLES
13 OF INCORPORATION FOR THE REGIONAL AUTHORITY TAKE EFFECT ON BEING
14 FILED WITH THE SECRETARY OF STATE.

15 (3) THE VALIDITY OF THE INCORPORATION OF A REGIONAL AUTHORITY
16 IS CONCLUSIVELY PRESUMED UNLESS QUESTIONED IN AN ORIGINAL ACTION
17 FILED IN THE COURT OF APPEALS WITHIN 60 DAYS AFTER THE CREATION OR
18 INCORPORATION OF THE REGIONAL AUTHORITY UNDER THIS CHAPTER. THE
19 COURT OF APPEALS HAS ORIGINAL JURISDICTION TO HEAR AN ACTION UNDER
20 THIS SUBSECTION. THE COURT SHALL HEAR THE ACTION IN AN EXPEDITED
21 MANNER. THE STATE TRANSPORTATION DEPARTMENT IS A NECESSARY PARTY IN
22 AN ACTION UNDER THIS SUBSECTION.

23 (4) THE DEPARTMENT SHALL NOT PROMULGATE RULES UNDER THIS
24 CHAPTER.

25 SEC. 140. (1) AN AUTHORITY CREATED UNDER THIS CHAPTER MUST BE
26 DIRECTED AND GOVERNED BY A BOARD CONSISTING OF NOT FEWER THAN 5 AND
27 NOT MORE THAN 9 MEMBERS, WHO SHALL SERVE 3-YEAR TERMS. THE INITIAL

1 TERMS OF THE BOARD MEMBERS MUST BE STAGGERED SO THAT THE TERMS OF
2 NOT LESS THAN 20% OF THE MEMBERS EXPIRE EACH YEAR.

3 (2) THE ARTICLES OF INCORPORATION OF AN AUTHORITY CREATED
4 UNDER THIS CHAPTER MUST SPECIFY THE NUMBER AND QUALIFICATIONS OF
5 THE MEMBERS OF THE BOARD. HOWEVER, NOT MORE THAN 45% OF THE MEMBERS
6 MAY BE ELECTED OFFICIALS, AND AT LEAST 1 MEMBER MUST BE A RESIDENT
7 OF A JURISDICTION IN THIS STATE LOCATED OUTSIDE THE BOUNDARIES OF
8 THE LOCAL GOVERNMENT. AT A MINIMUM, A BOARD MEMBER MUST HAVE
9 EXPERIENCE IN AVIATION, BUSINESS, ACCOUNTING, FINANCE, MARKETING,
10 ENGINEERING, LAW, REAL ESTATE, ECONOMIC DEVELOPMENT, MANAGEMENT, OR
11 ANOTHER FIELD OF VALUE TO THE OPERATION OF THE AIRPORT. A FULL-TIME
12 PAID EMPLOYEE OF THE LOCAL GOVERNMENT IS NOT ELIGIBLE FOR
13 APPOINTMENT TO THE BOARD.

14 (3) WITHIN 60 DAYS AFTER INCORPORATION OF A REGIONAL
15 AUTHORITY, THE MEMBERS OF THE LEGISLATIVE BODY OF THE LOCAL
16 GOVERNMENT SHALL APPOINT THE MEMBERS OF THE BOARD. BEFORE ASSUMING
17 THE DUTIES OF OFFICE, A MEMBER OF THE BOARD MUST QUALIFY BY TAKING
18 AND SUBSCRIBING TO THE CONSTITUTIONAL OATH OF OFFICE.

19 (4) A MEMBER OF THE BOARD WHOSE TERM HAS EXPIRED SHALL HOLD
20 OFFICE UNTIL THE BOARD MEMBER'S SUCCESSOR IS APPOINTED AND
21 QUALIFIED, OR UNTIL RESIGNATION OR REMOVAL. IF A MEMBER OF THE
22 BOARD IS REMOVED OR IS UNABLE TO COMPLETE HIS OR HER TERM OF
23 OFFICE, THE LEGISLATIVE BODY SHALL APPOINT A SUCCESSOR TO COMPLETE
24 THE TERM. A MEMBER OF THE BOARD MAY RESIGN BY WRITTEN NOTICE TO THE
25 REGIONAL AUTHORITY. THE RESIGNATION IS EFFECTIVE ON RECEIPT BY THE
26 SECRETARY OR CHAIRPERSON OF THE REGIONAL AUTHORITY OR AT A
27 SUBSEQUENT TIME AS SET FORTH IN THE NOTICE OF RESIGNATION. THE

1 REGIONAL AUTHORITY SHALL PROMPTLY ADVISE THE LOCAL GOVERNMENT IN
2 WRITING OF ANY VACANCY. THE LEGISLATIVE BODY SHALL APPOINT A NEW
3 MEMBER TO FILL THE VACANCY WITHIN 60 DAYS AFTER THE LOCAL
4 GOVERNMENT IS ADVISED OF THE NOTICE OF RESIGNATION BY THE REGIONAL
5 AUTHORITY.

6 (5) THE LOCAL GOVERNMENT MAY ONLY REMOVE A BOARD MEMBER FOR
7 CAUSE. CAUSE INCLUDES FAILURE TO ATTEND AT LEAST 70% OF THE
8 MEETINGS OF THE BOARD EACH FISCAL YEAR, CONVICTION OF A FELONY,
9 BREACH OF FIDUCIARY DUTY TO THE REGIONAL AUTHORITY, AND OTHER
10 CONDUCT AS SPECIFIED IN THE ARTICLES OF INCORPORATION OR BYLAWS OF
11 THE REGIONAL AUTHORITY.

12 (6) WITHIN 90 DAYS AFTER A REGIONAL AUTHORITY IS INCORPORATED
13 UNDER SECTION 139, THE BOARD OF THE REGIONAL AUTHORITY SHALL HOLD
14 ITS FIRST MEETING. AT THE FIRST MEETING, THE BOARD SHALL ORGANIZE
15 BY ELECTING A CHAIRPERSON, A VICE-CHAIRPERSON, A SECRETARY, AND ANY
16 ADDITIONAL OFFICERS THAT THE BOARD CONSIDERS NECESSARY. WITH THE
17 EXCEPTION OF THE TREASURER, ALL OFFICERS OF THE BOARD MUST BE
18 ELECTED ANNUALLY BY, AND MUST BE MEMBERS OF, THE BOARD.

19 (7) EXCEPT FOR THOSE POWERS RESERVED OR DELEGATED TO THE CHIEF
20 EXECUTIVE OFFICER OF THE REGIONAL AUTHORITY BY THIS CHAPTER OR BY
21 THE BOARD AS PROVIDED IN SECTION 142(3), THE BOARD MAY WITHDRAW
22 FROM THE CHIEF EXECUTIVE OFFICER ANY POWER THAT THE BOARD HAS
23 DELEGATED TO THE CHIEF EXECUTIVE OFFICER.

24 (8) A REGIONAL AUTHORITY SHALL NOT COMPENSATE A MEMBER OF THE
25 BOARD FOR SERVICE TO THE AUTHORITY OR ATTENDANCE AT A MEETING, BUT
26 MAY REIMBURSE A MEMBER FOR AN ACTUAL AND NECESSARY EXPENSE INCURRED
27 IN THE DISCHARGE OF THE MEMBER'S OFFICIAL DUTIES.

1 (9) A BOARD MAY ACT ONLY BY RESOLUTION OR ORDINANCE. UNLESS
2 THE ARTICLES OF INCORPORATION OR BYLAWS OF THE REGIONAL AUTHORITY
3 REQUIRE OTHERWISE, A VOTE OF THE MAJORITY OF THE BOARD MEMBERS
4 PRESENT AT A MEETING OF THE BOARD OR A COMMITTEE OF THE BOARD AT
5 WHICH A QUORUM IS PRESENT CONSTITUTES THE ACTION OF THE BOARD OR
6 COMMITTEE.

7 SEC. 141. (1) AFTER ORGANIZATION, A BOARD SHALL ADOPT A
8 SCHEDULE OF REGULAR MEETINGS AND ADOPT A REGULAR MEETING DATE,
9 PLACE, AND TIME. THE BOARD SHALL MEET NOT LESS THAN QUARTERLY. A
10 SPECIAL MEETING OF THE BOARD MAY BE SCHEDULED AS PROVIDED IN THE
11 BYLAWS OF THE REGIONAL AUTHORITY, BUT THE BOARD CHAIRPERSON SHALL
12 CALL A SPECIAL MEETING ON REQUEST OF 2 OR MORE BOARD MEMBERS.

13 (2) A BOARD SHALL APPOINT AN AUDIT COMMITTEE CONSISTING OF AT
14 LEAST 2 MEMBERS OF THE BOARD. THE AUDIT COMMITTEE SHALL MEET NOT
15 LESS THAN ANNUALLY WITH THE CHIEF FINANCIAL OFFICER, THE CHIEF
16 EXECUTIVE OFFICER, AND THE INDEPENDENT AUDITORS OF THE REGIONAL
17 AUTHORITY TO REVIEW REPORTS RELATED TO THE FINANCIAL CONDITION,
18 OPERATIONS, PERFORMANCE, AND MANAGEMENT OF THE REGIONAL AUTHORITY
19 AND AIRPORT.

20 SEC. 142. (1) A BOARD SHALL APPOINT A CHIEF EXECUTIVE OFFICER
21 WHO MUST HAVE PROFESSIONAL QUALIFICATIONS COMMENSURATE WITH THE
22 RESPONSIBILITY OF THE JOBS TO BE PERFORMED BY CHIEF EXECUTIVE
23 OFFICERS. THE CHIEF EXECUTIVE OFFICER IS AN EX OFFICIO MEMBER OF
24 THE BOARD, IS NOT CONSIDERED IN DETERMINING THE PRESENCE OF A
25 QUORUM, AND DOES NOT HAVE A VOTE. THE CHIEF EXECUTIVE OFFICER
26 SERVES AT THE PLEASURE OF THE BOARD. THE BOARD MAY CONTRACT WITH
27 THE CHIEF EXECUTIVE OFFICER FOR A COMMERCIALY REASONABLE LENGTH OF

1 TIME COMMENSURATE WITH THE LENGTH OF TIME FOR CONTRACTS OF AIRPORT
2 CHIEF EXECUTIVE OFFICERS, DIRECTORS, OR MANAGERS WITH SIMILAR
3 RESPONSIBILITIES AT OTHER AIRPORTS OR AIRPORT AUTHORITIES IN OR
4 OUTSIDE OF THIS STATE WITH A COMPARABLE NUMBER OF ANNUAL
5 ENPLANEMENTS. A CONTRACT UNDER THIS SUBSECTION IS TERMINABLE AT
6 WILL BY THE BOARD.

7 (2) A CHIEF EXECUTIVE OFFICER SHALL APPOINT A CHIEF FINANCIAL
8 OFFICER WHO SHALL SERVE AS THE TREASURER OF THE REGIONAL AUTHORITY.
9 THE CHIEF FINANCIAL OFFICER MUST HAVE PROFESSIONAL QUALIFICATIONS
10 COMMENSURATE WITH THE RESPONSIBILITY OF THE JOBS TO BE PERFORMED BY
11 CHIEF FINANCIAL OFFICERS. NOTWITHSTANDING ANY LAW TO THE CONTRARY,
12 THE CHIEF FINANCIAL OFFICER SHALL RECEIVE ALL MONEY BELONGING TO
13 THE REGIONAL AUTHORITY OR ARISING OR RECEIVED IN CONNECTION WITH
14 THE AIRPORT FROM WHATEVER SOURCE DERIVED. THE CHIEF FINANCIAL
15 OFFICER SHALL DEPOSIT, INVEST, AND PAY MONEY OF THE REGIONAL
16 AUTHORITY ONLY IN ACCORDANCE WITH APPLICABLE STATE LAW AND
17 POLICIES, PROCEDURES, ORDINANCES, OR RESOLUTIONS ADOPTED BY THE
18 BOARD. ON AND AFTER THE APPROVAL DATE, THE REGIONAL AUTHORITY IS
19 CONSIDERED TO BE THE OWNER OF ALL MONEY OR OTHER PROPERTY
20 PREVIOUSLY OR LATER RECEIVED BY THE TREASURER OF THE LOCAL
21 GOVERNMENT OR DEPOSITED IN THE TREASURY OF THE LOCAL GOVERNMENT TO
22 THE CREDIT OF THE AIRPORT FOR WHICH OPERATIONAL JURISDICTION HAS
23 BEEN TRANSFERRED TO THE REGIONAL AUTHORITY. THE REGIONAL AUTHORITY
24 IS ENTITLED TO ALL INTEREST AND OTHER EARNINGS ON THE MONEY ON AND
25 AFTER THE APPROVAL DATE. THE TREASURER OF A LOCAL GOVERNMENT THAT
26 RECEIVES OR HAS CUSTODY OF MONEY OR OTHER PROPERTY THAT BELONGS TO
27 A REGIONAL AUTHORITY SHALL PROMPTLY TRANSFER THE MONEY OR OTHER

1 PROPERTY TO THE CUSTODY OF THE CHIEF FINANCIAL OFFICER OF THE
2 REGIONAL AUTHORITY.

3 (3) THE BOARD SHALL REQUIRE THE CHIEF FINANCIAL OFFICER AND
4 CHIEF EXECUTIVE OFFICER TO POST A SUITABLE BOND OF NOT LESS THAN
5 \$100,000.00 BY A RESPONSIBLE BONDING COMPANY. THE REGIONAL
6 AUTHORITY SHALL PAY THE PREMIUM OF THE BOND.

7 (4) THE BOARD SHALL PRESCRIBE THE DUTIES AND RESPONSIBILITIES
8 OF THE CHIEF EXECUTIVE OFFICER THAT ARE IN ADDITION TO THE DUTIES
9 AND RESPONSIBILITIES IMPOSED ON THE CHIEF EXECUTIVE OFFICER BY THIS
10 CHAPTER. THE CHIEF EXECUTIVE OFFICER SHALL SUPERVISE, AND IS
11 RESPONSIBLE FOR, ALL OF THE FOLLOWING:

12 (A) THE DAY-TO-DAY OPERATION OF THE AIRPORT, INCLUDING THE
13 CONTROL, SUPERVISION, MANAGEMENT, AND OVERSIGHT OF THE FUNCTIONS OF
14 THE AIRPORT.

15 (B) THE ISSUANCE OF BONDS AND NOTES AS APPROVED BY THE BOARD.

16 (C) THE NEGOTIATION, ESTABLISHMENT AND APPROVAL OF
17 COMPENSATION AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR
18 EMPLOYEES OF THE REGIONAL AUTHORITY, WITHIN THE BUDGET APPROVED BY
19 THE BOARD. HOWEVER, ANY COLLECTIVE BARGAINING AGREEMENTS FOR
20 REPRESENTED EMPLOYEES ARE SUBJECT TO BOARD APPROVAL.

21 (D) THE APPOINTMENT, DISMISSAL, DISCIPLINE, DEMOTION,
22 PROMOTION, AND CLASSIFICATION OF EMPLOYEES OF THE REGIONAL
23 AUTHORITY.

24 (E) THE NEGOTIATION, SUPERVISION, AND ENFORCEMENT OF OTHER
25 CONTRACTS AS APPROVED BY THE BOARD AND ENTERED INTO BY THE REGIONAL
26 AUTHORITY AND THE SUPERVISION OF CONTRACTORS AND SUBCONTRACTORS OF
27 THE REGIONAL AUTHORITY IN THEIR PERFORMANCE OF THEIR DUTIES.

1 (5) THE CHIEF EXECUTIVE OFFICER MAY EXECUTE AND DELIVER, AND
2 DELEGATE SIGNATORY POWER FOR, CONTRACTS, LEASES, OBLIGATIONS, AND
3 OTHER INSTRUMENTS APPROVED BY THE BOARD OR FOR WHICH POWER TO
4 APPROVE HAS BEEN DELEGATED TO THE CHIEF EXECUTIVE OFFICER OF THE
5 REGIONAL AUTHORITY BY THIS CHAPTER OR BY ACTION OF THE BOARD. THE
6 CHIEF EXECUTIVE OFFICER HAS ALL POWERS INCIDENT TO THE PERFORMANCE
7 OF HIS OR HER DUTIES THAT ARE PRESCRIBED BY THIS CHAPTER OR BY THE
8 BOARD. THE BOARD MAY DELEGATE ADDITIONAL POWERS TO THE CHIEF
9 EXECUTIVE OFFICER NOT ENUMERATED IN THIS CHAPTER. IF THE CHIEF
10 EXECUTIVE OFFICER IS TEMPORARILY ABSENT OR DISABLED, HE OR SHE MAY
11 DESIGNATE A QUALIFIED PERSON AS ACTING CHIEF EXECUTIVE OFFICER TO
12 PERFORM THE DUTIES OF THE OFFICE. IF THE CHIEF EXECUTIVE OFFICER
13 FAILS OR IS UNABLE TO DESIGNATE AN ACTING CHIEF EXECUTIVE OFFICER,
14 THE BOARD SHALL DESIGNATE AN ACTING CHIEF EXECUTIVE OFFICER FOR THE
15 PERIOD OF ABSENCE OR DISABILITY OF THE CHIEF EXECUTIVE OFFICER.

16 (6) A REGIONAL AUTHORITY SHALL ESTABLISH PROCUREMENT POLICIES
17 AND PROCEDURES CONSISTENT WITH THE PROCUREMENT POLICIES OF THE FAA
18 AND ANY APPLICABLE STATE LAWS OR RULES, INCLUDING ANY COMPETITIVE
19 BIDDING REQUIREMENTS.

20 (7) A REGIONAL AUTHORITY MAY ENTER INTO A LEASE PURCHASE OR
21 INSTALLMENT PURCHASE CONTRACT FOR A PERIOD NOT TO EXCEED THE
22 ANTICIPATED USEFUL LIFE OF THE ITEM PURCHASED. THE AUTHORITY MAY
23 ENTER INTO A COOPERATIVE PURCHASING AGREEMENT WITH THIS STATE OR
24 ANOTHER PUBLIC ENTITY FOR THE PURCHASE OF GOODS, INCLUDING, BUT NOT
25 LIMITED TO, RECYCLED GOODS, AND SERVICES NECESSARY FOR THE
26 AUTHORITY.

27 (8) A MEMBER OF THE BOARD OR AN OFFICER, APPOINTEE, OR

1 EMPLOYEE OF A REGIONAL AUTHORITY IS A PUBLIC SERVANT UNDER 1968 PA
2 317, MCL 15.321 TO 15.330, AND IS SUBJECT TO ANY OTHER APPLICABLE
3 LAW WITH RESPECT TO CONFLICTS OF INTEREST. THE BOARD SHALL
4 ESTABLISH AN ETHICS POLICY GOVERNING THE CONDUCTING OF AIRPORT
5 BUSINESS AND THE CONDUCT OF AIRPORT EMPLOYEES. A REGIONAL AUTHORITY
6 SHALL ESTABLISH POLICIES THAT ARE NO LESS STRINGENT THAN THOSE
7 PROVIDED FOR PUBLIC OFFICERS AND EMPLOYEES BY 1973 PA 196, MCL
8 15.341 TO 15.348, AND COORDINATE EFFORTS FOR THE REGIONAL AUTHORITY
9 TO PRECLUDE THE OPPORTUNITY FOR AND THE OCCURRENCE OF TRANSACTIONS
10 BY THE REGIONAL AUTHORITY THAT WOULD CREATE A CONFLICT OF INTEREST
11 INVOLVING MEMBERS OF THE BOARD OR EMPLOYEES OF THE AUTHORITY.

12 (9) A MEMBER OF THE BOARD OR AN OFFICER, APPOINTEE, OR
13 EMPLOYEE OF THE REGIONAL AUTHORITY IS NOT SUBJECT TO PERSONAL
14 LIABILITY WHEN ACTING IN GOOD FAITH WITHIN THE SCOPE OF HIS OR HER
15 AUTHORITY AND IS NOT SUBJECT TO LIABILITY FOR ANY LIABILITY OF THE
16 REGIONAL AUTHORITY. THE BOARD MAY DEFEND AND INDEMNIFY A MEMBER OF
17 THE BOARD OR AN OFFICER, APPOINTEE, OR EMPLOYEE OF THE REGIONAL
18 AUTHORITY AGAINST LIABILITY ARISING OUT OF THE DISCHARGE OF HIS OR
19 HER OFFICIAL DUTIES. A REGIONAL AUTHORITY MAY INDEMNIFY AND PROCURE
20 INSURANCE INDEMNIFYING MEMBERS OF THE BOARD AND OFFICERS,
21 APPOINTEES, AND EMPLOYEES OF THE REGIONAL AUTHORITY FROM PERSONAL
22 LOSS OR ACCOUNTABILITY FOR LIABILITY ASSERTED BY A PERSON WITH
23 REGARD TO BONDS OR OTHER OBLIGATIONS OF THE REGIONAL AUTHORITY, OR
24 FROM ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE
25 ISSUANCE OF THE BONDS OR OTHER OBLIGATIONS OR BY REASON OF ANY
26 OTHER ACTION TAKEN OR THE FAILURE TO ACT BY THE REGIONAL AUTHORITY.
27 THE REGIONAL AUTHORITY MAY ALSO PURCHASE AND MAINTAIN INSURANCE ON

1 BEHALF OF ANY PERSON AGAINST ANY LIABILITY ASSERTED AGAINST THE
2 PERSON AND INCURRED BY THE PERSON IN ANY CAPACITY OR ARISING OUT OF
3 THE STATUS OF THE PERSON AS A MEMBER OF THE BOARD OR AN OFFICER OR
4 EMPLOYEE OF THE REGIONAL AUTHORITY, WHETHER OR NOT THE REGIONAL
5 AUTHORITY WOULD HAVE THE POWER TO INDEMNIFY THE PERSON AGAINST THAT
6 LIABILITY UNDER THIS SUBSECTION. A REGIONAL AUTHORITY, PURSUANT TO
7 BYLAW, CONTRACT, AGREEMENT, OR RESOLUTION OF ITS BOARD, MAY
8 OBLIGATE ITSELF IN ADVANCE TO DEFEND AND INDEMNIFY PERSONS.

9 (10) A REGIONAL AUTHORITY SHALL INDEMNIFY AND HOLD HARMLESS
10 THE LOCAL GOVERNMENT FOR ANY CIVIL CLAIM EXISTING OR ANY CIVIL
11 ACTION OR PROCEEDING PENDING BY OR AGAINST THE LOCAL GOVERNMENT
12 INVOLVING OR RELATING TO THE AIRPORT, AIRPORT FACILITIES, OR ANY
13 CIVIL LIABILITY RELATED TO THE OBLIGATIONS OF THE LOCAL GOVERNMENT
14 ISSUED OR INCURRED WITH RESPECT TO THE AIRPORT THAT WAS PENDING AT
15 THE TIME OF, OR THAT WAS INCURRED BEFORE, THE TRANSFER OF
16 OPERATIONAL JURISDICTION OF THE AIRPORT TO THE REGIONAL AUTHORITY.

17 SEC. 143. (1) A REGIONAL AUTHORITY MAY DO ANY OF THE
18 FOLLOWING:

19 (A) ADOPT A CORPORATE SEAL.

20 (B) SUE OR BE SUED IN ANY COURT OF THIS STATE OR FILE SUIT IN
21 ANY FEDERAL COURT.

22 (C) PLAN, PROMOTE, EXTEND, MAINTAIN, ACQUIRE, PURCHASE,
23 CONSTRUCT, INSTALL, IMPROVE, REPAIR, ENLARGE, AND OPERATE ALL
24 AIRPORTS AND AIRPORT FACILITIES UNDER THE OPERATIONAL JURISDICTION
25 OF OR OWNED BY THE REGIONAL AUTHORITY.

26 (D) ASSUME AND PERFORM THE OBLIGATIONS AND THE COVENANTS
27 RELATED TO THE AIRPORT THAT ARE CONTAINED IN AN AGREEMENT OR OTHER

1 DOCUMENT BY THE LOCAL GOVERNMENT OR BETWEEN THE LOCAL GOVERNMENT
2 AND THE STATE OR THE FAA RELATIVE TO GRANTS FOR THE AIRPORT OR
3 AIRPORT FACILITIES.

4 (E) ACQUIRE, BY GRANT, PURCHASE, DEVISE, LEASE, THE EXERCISE
5 OF THE RIGHT OF EMINENT DOMAIN, OR OTHERWISE, AND HOLD REAL AND
6 PERSONAL PROPERTY, IN FEE SIMPLE OR ANY LESSER INTEREST OR BY
7 EASEMENT, AS THE REGIONAL AUTHORITY CONSIDERS NECESSARY EITHER FOR
8 THE CONSTRUCTION OF AIRPORT FACILITIES OR FOR THE EFFICIENT
9 OPERATION OR EXTENSION OF ANY AIRPORT FACILITIES ACQUIRED OR
10 CONSTRUCTED OR TO BE CONSTRUCTED UNDER THIS CHAPTER, AND, EXCEPT AS
11 OTHERWISE PROVIDED BY THIS ACT, HOLD IN ITS NAME, LEASE, AND
12 DISPOSE OF ALL REAL AND PERSONAL PROPERTY OWNED BY OR UNDER THE
13 OPERATIONAL JURISDICTION OF THE REGIONAL AUTHORITY. THE ACQUISITION
14 OF LAND BY A REGIONAL AUTHORITY FOR AN AIRPORT OR AIRPORT
15 FACILITIES IN FURTHERANCE OF THE PURPOSES OF THE REGIONAL
16 AUTHORITY, AND THE EXERCISE OF ANY OTHER POWERS OF THE REGIONAL
17 AUTHORITY, ARE PUBLIC, GOVERNMENTAL, AND MUNICIPAL FUNCTIONS,
18 PURPOSES AND USES EXERCISED FOR A PUBLIC PURPOSE, AND MATTERS OF
19 PUBLIC NECESSITY.

20 (F) ENTER INTO ALL CONTRACTS AND AGREEMENTS NECESSARY OR
21 INCIDENTAL TO THE PERFORMANCE OF ITS DUTIES AND EXECUTION OF ITS
22 POWERS UNDER THIS CHAPTER WITH A DEPARTMENT OR AGENCY OF THE UNITED
23 STATES, WITH A STATE OR LOCAL GOVERNMENTAL AGENCY, OR WITH ANOTHER
24 PERSON, PUBLIC OR PRIVATE, ON TERMS AND CONDITIONS ACCEPTABLE TO
25 THE REGIONAL AUTHORITY CONSISTENT WITH SECTION 142(6).

26 (G) HAVE AND EXERCISE EXCLUSIVE RESPONSIBILITY TO STUDY AND
27 PLAN ANY IMPROVEMENTS, EXPANSION, OR ENHANCEMENTS THAT AFFECT THE

1 AIRPORT, AND COMMISSION PLANNING, ENGINEERING, ECONOMIC, AND OTHER
2 STUDIES TO PROVIDE INFORMATION FOR MAKING DECISIONS ABOUT THE
3 LOCATION, DESIGN, MANAGEMENT, AND OTHER FEATURES OF THE AIRPORT OR
4 AIRPORT FACILITIES.

5 (H) EXERCISE RESPONSIBILITY FOR DEVELOPING ALL ASPECTS OF THE
6 AIRPORT AND AIRPORT FACILITIES, INCLUDING, BUT NOT LIMITED TO, ALL
7 OF THE FOLLOWING:

8 (i) THE LOCATION OF TERMINALS, HANGARS, AIDS TO AIR
9 NAVIGATION, PARKING LOTS AND STRUCTURES, CARGO FACILITIES, AND ALL
10 OTHER FACILITIES AND SERVICES NECESSARY TO SERVE PASSENGERS AND
11 OTHER CUSTOMERS OF THE AIRPORT.

12 (ii) STREET AND HIGHWAY ACCESS AND EGRESS WITH THE OBJECTIVE
13 OF MINIMIZING, TO THE EXTENT PRACTICABLE, TRAFFIC CONGESTION ON
14 ACCESS ROUTES IN THE VICINITY OF THE AIRPORT.

15 (iii) PARTICIPATION IN DEMONSTRATION PROGRAMS AND ECONOMIC
16 DEVELOPMENT.

17 (I) ACT AS A SPONSOR AND SUBMIT REQUESTS FOR, ACCEPT, AND BE
18 RESPONSIBLE TO PERFORM ALL OF THE ASSURANCES ASSOCIATED WITH
19 ACCEPTING GRANTS FROM THE FAA OR ANOTHER AGENCY OF THE UNITED
20 STATES OR OF THIS STATE WITH RESPECT TO THE AIRPORT UNDER THE
21 OPERATIONAL JURISDICTION OF THE REGIONAL AUTHORITY, AND PERFORM THE
22 DUTIES AND RESPONSIBILITIES PREVIOUSLY ASSUMED BY THE LOCAL
23 GOVERNMENT BY VIRTUE OF ITS ACCEPTANCE OF GRANTS FROM THE FAA OR
24 ANOTHER AGENCY OF THE UNITED STATES OR THIS STATE.

25 (J) ENTER INTO AGREEMENTS TO USE THE FACILITIES OR SERVICES OF
26 THIS STATE, A SUBDIVISION OR DEPARTMENT OF THIS STATE, A COUNTY OR
27 MUNICIPALITY, OR THE FEDERAL GOVERNMENT OR AN AGENCY OF THE FEDERAL

1 GOVERNMENT AS NECESSARY OR DESIRABLE TO ACCOMPLISH THE PURPOSES OF
2 THIS CHAPTER FOR CONSIDERATION OR PURSUANT TO A COST-ALLOCATION
3 FORMULA IN COMPLIANCE WITH ITS OBLIGATIONS UNDER APPLICABLE FEDERAL
4 LAW, REGULATIONS, AND ASSURANCES ASSOCIATED WITH ACCEPTING GRANTS
5 FROM THE FAA OR ANOTHER AGENCY OF THE UNITED STATES OR THIS STATE,
6 INCLUDING, BUT NOT LIMITED TO, POLICIES OF THE FAA PROHIBITING
7 REVENUE DIVERSION OR THE PAYMENT OF FEES EXCEEDING THE VALUE OF
8 SERVICES PROVIDED BY A GOVERNMENTAL AGENCY.

9 (K) ALLOW THIS STATE, A SUBDIVISION OR DEPARTMENT OF THIS
10 STATE, A COUNTY OR MUNICIPALITY, OR THE FEDERAL GOVERNMENT OR AN
11 AGENCY OF THE FEDERAL GOVERNMENT TO USE AIRPORT FACILITIES OR THE
12 SERVICES OF THE REGIONAL AUTHORITY AS NECESSARY OR DESIRABLE TO
13 ACCOMPLISH THE PURPOSES OF THIS CHAPTER, FOR CONSIDERATION
14 ACCEPTABLE TO THE REGIONAL AUTHORITY IN COMPLIANCE WITH ITS
15 OBLIGATIONS UNDER APPLICABLE FEDERAL LAW, REGULATIONS, AND
16 ASSURANCES ASSOCIATED WITH ACCEPTING GRANTS FROM THE FAA OR ANOTHER
17 AGENCY OF THE UNITED STATES OR THIS STATE.

18 (I) ADOPT AND ENFORCE IN A COURT OF COMPETENT JURISDICTION OF
19 THIS STATE REASONABLE RULES, REGULATIONS, AND ORDINANCES FOR THE
20 ORDERLY, SAFE, EFFICIENT, AND SANITARY OPERATION AND USE OF AIRPORT
21 FACILITIES, AND ESTABLISH CIVIL AND CRIMINAL PENALTIES FOR THE
22 VIOLATION OF RULES, REGULATIONS, AND ORDINANCES AUTHORIZED UNDER
23 THIS CHAPTER TO THE SAME EXTENT AS THE LOCAL GOVERNMENT.

24 (M) ENTER INTO EXCLUSIVE OR NONEXCLUSIVE CONTRACTS, LEASES,
25 FRANCHISES, OR OTHER ARRANGEMENTS WITH ANY PERSON OR PERSONS FOR
26 GRANTING THE PRIVILEGE OF USING, IMPROVING, OR HAVING ACCESS TO THE
27 AIRPORT, THE AIRPORT FACILITIES, OR A PORTION OF THE AIRPORT OR THE

1 AIRPORT FACILITIES, FOR COMMERCIAL AIRLINE-RELATED PURPOSES
2 CONSISTENT WITH ITS OBLIGATIONS UNDER APPLICABLE FEDERAL LAW,
3 REGULATIONS, AND ASSURANCES ASSOCIATED WITH ACCEPTING GRANTS FROM
4 THE FAA OR ANOTHER AGENCY OF THE UNITED STATES OR THIS STATE.

5 (N) ENTER INTO EXCLUSIVE OR NONEXCLUSIVE CONTRACTS, LEASES, OR
6 OTHER ARRANGEMENTS NOT DESCRIBED IN SUBDIVISION (M) FOR
7 COMMERCIALLY REASONABLE TERMS CONSISTENT WITH ITS OBLIGATIONS UNDER
8 APPLICABLE FEDERAL LAW, REGULATIONS, AND ASSURANCES ASSOCIATED WITH
9 ACCEPTING GRANTS FROM THE FAA OR ANOTHER AGENCY OF THE UNITED
10 STATES OR THIS STATE.

11 (O) APPLY FOR AND RECEIVE LOANS, GRANTS, GUARANTEES, OR OTHER
12 FINANCIAL ASSISTANCE IN AID OF AIRPORT FACILITIES AND THE OPERATION
13 OF THE AIRPORT FROM A STATE, FEDERAL, COUNTY, OR MUNICIPAL
14 GOVERNMENT OR AGENCY OR FROM ANOTHER SOURCE, PUBLIC OR PRIVATE,
15 INCLUDING FINANCIAL ASSISTANCE FOR PLANNING, CONSTRUCTING,
16 IMPROVING, OR OPERATING THE AIRPORT, FOR PROVIDING SECURITY AT THE
17 AIRPORT, OR FOR PROVIDING GROUND ACCESS TO THE AIRPORT.

18 (P) APPOINT AND VEST WITH POLICE POWERS AIRPORT LAW
19 ENFORCEMENT OFFICERS, GUARDS, OR POLICE OFFICERS UNDER THIS
20 CHAPTER. THE LAW ENFORCEMENT OFFICERS, GUARDS, OR POLICE OFFICERS
21 OF THE REGIONAL AUTHORITY HAVE THE FULL POLICE POWERS AND AUTHORITY
22 OF PEACE OFFICERS IN THE AREAS OVER WHICH THE REGIONAL AUTHORITY
23 HAS OPERATIONAL JURISDICTION, INCLUDING, BUT NOT LIMITED TO, THE
24 PREVENTION AND DETECTION OF CRIME, THE POWER TO INVESTIGATE AND
25 ENFORCE THE LAWS OF THIS STATE, RULES, REGULATIONS, AND ORDINANCES
26 ISSUED BY THE REGIONAL AUTHORITY, AND, TO THE EXTENT PERMITTED OR
27 REQUIRED BY FEDERAL LAW AND REGULATIONS, REQUIREMENTS OF FEDERAL

1 LAW AND REGULATIONS GOVERNING AIRPORT SECURITY. THE OFFICERS MAY
2 ISSUE SUMMONSES, MAKE ARRESTS, AND INITIATE CRIMINAL PROCEEDINGS. A
3 REGIONAL AUTHORITY IS RESPONSIBLE FOR ALL ACTIONS OF ITS OFFICERS
4 COMMITTED UNDER COLOR OF THEIR OFFICIAL POSITION AND AUTHORITY.

5 (Q) PROCURE INSURANCE OR BECOME A SELF-FUNDED INSURER AGAINST
6 LOSS IN CONNECTION WITH THE PROPERTY, ASSETS, OR ACTIVITIES OF THE
7 REGIONAL AUTHORITY.

8 (R) INVEST MONEY OF THE REGIONAL AUTHORITY, CONSISTENT WITH
9 APPLICABLE STATE LAW AND THE CONTRACTUAL OBLIGATIONS OF THE
10 REGIONAL AUTHORITY, AT THE BOARD'S DISCRETION, IN INSTRUMENTS,
11 OBLIGATIONS, SECURITIES, OR PROPERTY DETERMINED PROPER BY THE
12 BOARD, AND NAME AND USE DEPOSITORIES FOR ITS MONEY.

13 (S) FIX, CHARGE, AND COLLECT RATES, FEES, RENTALS, AND CHARGES
14 IN AND FOR THE USE AND OPERATION OF THE AIRPORT OR AIRPORTS UNDER
15 THE OPERATIONAL JURISDICTION OF THE REGIONAL AUTHORITY.

16 (2) EXCEPT AS OTHERWISE PROHIBITED BY THIS CHAPTER, A REGIONAL
17 AUTHORITY HAS ALL THE POWERS OF A POLITICAL SUBDIVISION UNDER THIS
18 ACT. THE POWERS GRANTED TO A REGIONAL AUTHORITY ARE PUBLIC AND
19 GOVERNMENTAL FUNCTIONS.

20 (3) EXCEPT FOR THE REGIONAL AUTHORITY'S EXCLUSIVE JURISDICTION
21 OVER LANDING FIELDS AND OTHER AERONAUTICAL FACILITIES, THIS CHAPTER
22 DOES NOT LIMIT THE POWER OF A LOCAL GOVERNMENT IN WHICH AN AIRPORT
23 IS LOCATED TO ZONE PROPERTY UNDER THE MICHIGAN ZONING ENABLING ACT,
24 2006 PA 110, MCL 125.3101 TO 125.3702, OR TO ENGAGE IN LAND
25 PLANNING UNDER THE MICHIGAN PLANNING ENABLING ACT, 2008 PA 33, MCL
26 125.3801 TO 125.3885, WITH RESPECT TO PROPERTY THAT IS NOT PART OF
27 THE AIRPORT.

1 (4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE
2 CONTRARY, A REGIONAL AUTHORITY SHALL NOT IMPOSE OR LEVY TAXES,
3 EXCEPT THE REGIONAL AUTHORITY MAY IMPOSE FEES OR CHARGES PERMITTED
4 BY FEDERAL LAW.

5 (5) UNLESS A REGIONAL AUTHORITY OBTAINS THE APPROVAL OF THE
6 LEGISLATIVE BODY, THE REGIONAL AUTHORITY SHALL NOT INCUR ANY
7 INDEBTEDNESS PLEDGING, ON A SUPERIOR BASIS, ANY REVENUES FROM
8 AIRPORT FACILITIES THAT ARE OTHERWISE PLEDGED TO SECURE ANY
9 OBLIGATION, NOTE, BOND, OR OTHER INSTRUMENT OF INDEBTEDNESS FOR
10 WHICH THE FULL FAITH AND CREDIT OF THE LOCAL GOVERNMENT HAS BEEN
11 PLEDGED. THE LOCAL GOVERNMENT MAY ESTABLISH CONDITIONS UNDER WHICH
12 THE REGIONAL AUTHORITY MAY INCUR INDEBTEDNESS PLEDGING, ON A PARITY
13 BASIS, ANY REVENUES FROM AIRPORT FACILITIES THAT ARE OTHERWISE
14 PLEDGED TO SECURE ANY OBLIGATION, NOTE, BOND, OR OTHER INSTRUMENT
15 OF INDEBTEDNESS FOR WHICH THE FULL FAITH AND CREDIT OF THE LOCAL
16 GOVERNMENT HAS BEEN PLEDGED.

17 (6) ON THE CREATION OR INCORPORATION OF AN AUTHORITY UNDER
18 THIS CHAPTER, THE LOCAL GOVERNMENT SHALL NOT PLEDGE AIRPORT
19 FACILITIES OR ASSETS TO SECURE ANY INSTRUMENT OF INDEBTEDNESS
20 EXCEPT TO SECURE BONDS ISSUED FOR AIRPORT CAPITAL IMPROVEMENT
21 PROJECTS AFTER THE CREATION OR INCORPORATION OF THE REGIONAL
22 AUTHORITY AND BEFORE THE APPROVAL DATE.

23 (7) A REGIONAL AUTHORITY SHALL NOT TAKE ANY ACTION CONTRARY TO
24 OBLIGATIONS ASSUMED OR ENTERED INTO UNDER STATE LAW OR FEDERAL
25 RULES OR REGULATIONS OR ANY AGREEMENT ENTERED INTO OR ASSUMED WITH
26 RESPECT TO STATE OR FEDERAL GRANTS.

27 (8) A LOCAL GOVERNMENT SHALL NOT TAKE ANY ACTION CONTRARY TO

1 OBLIGATIONS OR COVENANTS UNDER APPLICABLE STATE OR FEDERAL LAW,
2 REGULATIONS, AND ASSURANCES ASSOCIATED WITH THE STATE OR FEDERAL
3 GOVERNMENT.

4 (9) IF A LOCAL GOVERNMENT PREVIOUSLY ACTED AS A SPONSOR AND
5 ACTION BY, OR CONCURRENCE OF, THE LOCAL GOVERNMENT IS REQUIRED TO
6 COMPLETE A PROJECT RELATED TO THE AIRPORT OR AIRPORT FACILITIES,
7 THE LOCAL GOVERNMENT SHALL NOT WITHHOLD, CONDITION, OR DELAY
8 CONCURRENCE WITH ANY REGIONAL AUTHORITY ACTION NECESSARY TO
9 COMPLETE THE PROJECT IN ACCORDANCE WITH OBLIGATIONS UNDER
10 APPLICABLE FEDERAL LAW, REGULATIONS, AND ASSURANCES ASSOCIATED WITH
11 ACCEPTING GRANTS FROM THE FAA OR ANOTHER AGENCY OF THE UNITED
12 STATES OR THIS STATE.

13 (10) A REGIONAL AUTHORITY SHALL SERVE AS THE AGENT OF THE
14 LOCAL GOVERNMENT FOR THE PREPARATION, SUBMISSION, EXECUTION, AND
15 ADMINISTRATION OF ANY STATE OR FEDERAL GRANTS PENDING ON THE
16 APPROVAL DATE. THE REGIONAL AUTHORITY SHALL ALSO ACT AS THE
17 CUSTODIAN OF ALL MONEY RECEIVED OR TO BE RECEIVED BY THE LOCAL
18 GOVERNMENT OR THE REGIONAL AUTHORITY FOR THE PROJECTS FOR WHICH THE
19 GRANTS WERE AWARDED.

20 SEC. 144. (1) ALL OF THE FOLLOWING OCCUR ON THE APPROVAL DATE:

21 (A) THE REGIONAL AUTHORITY MAY ACQUIRE, AND SHALL ASSUME THE
22 EXCLUSIVE RIGHT, RESPONSIBILITY, AND AUTHORITY TO OCCUPY, OPERATE,
23 CONTROL, AND USE, THE AIRPORT AND THE AIRPORT FACILITIES OWNED BY
24 THE LOCAL GOVERNMENT ON THAT DATE, SUBJECT ONLY TO ANY RESTRICTIONS
25 IMPOSED BY THIS ACT.

26 (B) THE LOCAL GOVERNMENT SHALL CONVEY TITLE TO OR ENTER INTO A
27 LEASE OF THE REAL PROPERTY COMPRISING THE AIRPORT WITH THE REGIONAL

1 AUTHORITY, WHICH SHALL OTHERWISE ACQUIRE AND SUCCEED TO ALL RIGHTS,
2 TITLE, AND INTERESTS IN AND TO THE FIXTURES, EQUIPMENT, MATERIALS,
3 FURNISHINGS, AND OTHER PERSONAL PROPERTY OWNED AND USED FOR
4 PURPOSES OF THE AIRPORT ON THAT DATE BY THE LOCAL GOVERNMENT. THE
5 OFFICERS OF THE LOCAL GOVERNMENT SHALL EXECUTE THE INSTRUMENTS OF
6 CONVEYANCE, ASSIGNMENT, AND TRANSFER THAT ARE NECESSARY AND
7 APPROPRIATE TO COMPLY WITH THIS SUBDIVISION.

8 (C) THE REGIONAL AUTHORITY SHALL ASSUME, ACCEPT, AND BECOME
9 SOLELY LIABLE FOR ALL OF THE LAWFUL OBLIGATIONS, PROMISES,
10 COVENANTS, COMMITMENTS, AND OTHER REQUIREMENTS IN RESPECT OF THE
11 AIRPORT OF THE LOCAL GOVERNMENT, WHETHER KNOWN OR UNKNOWN,
12 CONTINGENT OR MATURED, EXCEPT FOR ANY FULL FAITH AND CREDIT PLEDGE
13 OF THE LOCAL GOVERNMENT IN RESPECT OF BONDS ISSUED BY THE LOCAL
14 GOVERNMENT FOR AIRPORT PURPOSES, AND SHALL PERFORM ALL OF THE
15 DUTIES AND OBLIGATIONS AND IS ENTITLED TO ALL OF THE RIGHTS OF THE
16 LOCAL GOVERNMENT IN RESPECT OF THE AIRPORT UNDER ANY ORDINANCES,
17 AGREEMENTS, OR OTHER INSTRUMENTS AND UNDER LAW. CONSISTENT WITH
18 THIS CHAPTER, THIS ASSUMPTION INCLUDES, AND ANY PERSON SHALL
19 TRANSFER TO THE REGIONAL AUTHORITY, ALL LICENSES, PERMITS,
20 APPROVALS, OR AWARDS RELATED TO THE AIRPORT; ALL GRANT AGREEMENTS,
21 GRANT PREAPPLICATIONS, AND THE RIGHT TO RECEIVE THE BALANCE OF ANY
22 MONEY PAYABLE UNDER THE AGREEMENTS; THE RIGHT TO RECEIVE ANY MONEY,
23 INCLUDING ANY PASSENGER FACILITY CHARGES, PAYABLE TO THE LOCAL
24 GOVERNMENT ON THE APPROVAL DATE AND MONEY PAID TO THE LOCAL
25 GOVERNMENT AFTER THE APPROVAL DATE; THE BENEFIT OF CONTRACTS AND
26 AGREEMENTS; AND ALL OF THE LOCAL GOVERNMENT'S DUTIES, LIABILITIES,
27 RESPONSIBILITIES, AND OBLIGATIONS AS SPONSOR OF THE AIRPORT, EXCEPT

1 FOR ANY OBLIGATION OR LIABILITIES CONTESTED IN GOOD FAITH BY THE
2 REGIONAL AUTHORITY.

3 (2) ALL LAWFUL ACTIONS, COMMITMENTS, AND PROCEEDINGS,
4 INCLUDING, BUT NOT LIMITED TO, REVENUE BOND FINANCINGS FOR WHICH A
5 NOTICE OF INTENT RESOLUTION HAS BEEN ADOPTED, OF THE LOCAL
6 GOVERNMENT MADE, GIVEN, OR UNDERTAKEN BEFORE THE DATE OF ASSUMPTION
7 BY THE REGIONAL AUTHORITY UNDER THIS SECTION ARE RATIFIED,
8 CONFIRMED, AND VALIDATED ON ASSUMPTION BY THE REGIONAL AUTHORITY.
9 ALL ACTIONS, COMMITMENTS, OR PROCEEDINGS UNDERTAKEN SHALL, AND ALL
10 ACTIONS, COMMITMENTS, OR PROCEEDINGS OF THE LOCAL GOVERNMENT IN
11 RESPECT OF THE AIRPORT IN THE PROCESS OF BEING UNDERTAKEN BY, BUT
12 NOT YET A COMMITMENT OR OBLIGATION OF, THE LOCAL GOVERNMENT IN
13 RESPECT OF THE AIRPORT MAY, FROM AND AFTER THE DATE OF ASSUMPTION
14 BY THE REGIONAL AUTHORITY UNDER THIS SECTION, BE UNDERTAKEN AND
15 COMPLETED BY THE REGIONAL AUTHORITY IN THE MANNER AND AT THE TIMES
16 PROVIDED IN THIS CHAPTER OR OTHER APPLICABLE LAW AND IN ANY LAWFUL
17 AGREEMENTS MADE BY THE LOCAL GOVERNMENT BEFORE THE DATE OF
18 ASSUMPTION BY THE REGIONAL AUTHORITY UNDER THIS SECTION.

19 (3) THE EXCLUSIVE RIGHT AND AUTHORITY TO OCCUPY, OPERATE,
20 CONTROL, AND USE THE AIRPORT FACILITIES INCLUDES, BUT IS NOT
21 LIMITED TO, ALL OF THE FOLLOWING:

22 (A) OPERATIONAL JURISDICTION OVER ALL REAL PROPERTY OF THE
23 AIRPORT, INCLUDING, BUT NOT LIMITED TO, TERMINALS, RUNWAYS,
24 TAXIWAYS, APRONS, HANGARS, AIDS TO AIR NAVIGATION, VEHICLES OR
25 FACILITIES, PARKING FACILITIES FOR PASSENGERS AND EMPLOYEES, AND
26 BUILDINGS AND FACILITIES USED TO OPERATE, MAINTAIN, AND MANAGE THE
27 AIRPORT, SUBJECT TO ANY LIENS ON THE REAL PROPERTY AND RESTRICTIONS

1 AND LIMITATIONS ON THE USE OF THE REAL PROPERTY.

2 (B) THE LOCAL GOVERNMENT'S RIGHT, TITLE, AND INTEREST IN, AND
3 ALL OF THE LOCAL GOVERNMENT'S RESPONSIBILITIES ARISING UNDER,
4 LEASES, CONCESSIONS, AND OTHER CONTRACTS FOR AIRPORT FACILITIES.

5 (4) THE ACQUISITIONS, ASSUMPTIONS, SUCCESSIONS, OR TRANSFERS
6 DESCRIBED UNDER THIS SECTION INCLUDE, BUT ARE NOT LIMITED TO, ALL
7 OF THE FOLLOWING:

8 (A) ALL CONTRACTS AND OTHER OBLIGATIONS WITH AIRLINES,
9 TENANTS, CONCESSIONAIRES, LEASEHOLDERS, AND OTHERS AT THE AIRPORT.

10 (B) ALL FINANCIAL OBLIGATIONS SECURED BY REVENUES AND FEES
11 GENERATED FROM THE OPERATIONS OF THE AIRPORT, INCLUDING, BUT NOT
12 LIMITED TO, AIRPORT REVENUE BONDS, SPECIAL FACILITIES REVENUE
13 BONDS, AND ALL BONDED INDEBTEDNESS ASSOCIATED WITH THE AIRPORT.

14 (C) ALL CASH BALANCES AND INVESTMENTS RELATING TO OR RESULTING
15 FROM OPERATIONS OF THE AIRPORT FOR WHICH OPERATIONAL JURISDICTION
16 HAS BEEN TRANSFERRED TO A REGIONAL AUTHORITY, ALL MONEY HELD UNDER
17 AN ORDINANCE, RESOLUTION, OR INDENTURE RELATED TO OR SECURING
18 OBLIGATIONS OF THE LOCAL GOVERNMENT THAT HAVE BEEN ASSUMED BY THE
19 REGIONAL AUTHORITY, ALL OF THE ACCOUNTS RECEIVABLE OR CHOSSES IN
20 ACTION ARISING FROM OPERATIONS OF THE AIRPORT, AND ALL BENEFITS OF
21 CONTRACTS AND AGREEMENTS.

22 (D) ALL OFFICE EQUIPMENT, INCLUDING, BUT NOT LIMITED TO,
23 COMPUTERS, RECORDS AND FILES, SOFTWARE, AND SOFTWARE LICENSES
24 REQUIRED FOR FINANCIAL MANAGEMENT, PERSONNEL MANAGEMENT, ACCOUNTING
25 AND INVENTORY SYSTEMS, AND GENERAL ADMINISTRATION.

26 SEC. 145. (1) THE TRANSFER OF THE OPERATIONAL JURISDICTION
27 OVER AN AIRPORT TO A REGIONAL AUTHORITY MAY NOT IN ANY WAY IMPAIR

1 ANY CONTRACT WITH AN AIRLINE, VENDOR, TENANT, BONDHOLDER, OR OTHER
2 PARTY IN PRIVITY WITH THE LOCAL GOVERNMENT.

3 (2) ON THE TRANSFER OF OPERATIONAL JURISDICTION OVER AN
4 AIRPORT UNDER SECTION 144, THE LOCAL GOVERNMENT IS RELIEVED FROM
5 ALL FURTHER COSTS AND RESPONSIBILITY ARISING FROM OR ASSOCIATED
6 WITH CONTROL, OPERATION, DEVELOPMENT, AND MAINTENANCE OF THE
7 AIRPORT, EXCEPT AS OTHERWISE REQUIRED UNDER OBLIGATIONS RETAINED BY
8 THE LOCAL GOVERNMENT UNDER THIS CHAPTER OR AS OTHERWISE AGREED BY
9 THE LOCAL GOVERNMENT.

10 (3) THE LOCAL GOVERNMENT SHALL COMPLY WITH ALL OF THE
11 FOLLOWING:

12 (A) REFRAIN FROM ANY ACTION THAT WOULD IMPAIR THE REGIONAL
13 AUTHORITY'S EXERCISE OF THE POWERS GRANTED TO THE REGIONAL
14 AUTHORITY UNDER THIS CHAPTER OR THAT COULD CAUSE THE REGIONAL
15 AUTHORITY TO VIOLATE ITS RATE OR BOND COVENANTS.

16 (B) REFRAIN FROM ANY ACTION TO SELL, TRANSFER, OR OTHERWISE
17 ENCUMBER OR DISPOSE OF AIRPORT FACILITIES OWNED BY THE LOCAL
18 GOVERNMENT WITHOUT THE CONSENT OF THE REGIONAL AUTHORITY AND, IF
19 NECESSARY, THE FAA AND THE DEPARTMENT.

20 (C) TAKE ALL ACTION REASONABLY NECESSARY TO CURE ANY DEFECTS
21 IN TITLE TO AIRPORT FACILITIES TRANSFERRED TO THE REGIONAL
22 AUTHORITY.

23 (D) ON INCORPORATION OF A REGIONAL AUTHORITY AND BEFORE THE
24 APPROVAL DATE, CONDUCT OPERATIONS OF THE AIRPORT IN THE ORDINARY
25 AND USUAL COURSE OF BUSINESS.

26 (E) MAINTAIN AND REPAIR, INCLUDING PROVIDE SNOW REMOVAL FOR,
27 ANY ROAD THAT PROVIDES INGRESS AND EGRESS TO THE AIRPORT OVER WHICH

1 RESPONSIBILITY FOR MAINTENANCE AND REPAIR IS RETAINED BY THE LOCAL
2 GOVERNMENT PURSUANT TO AGREEMENT OR LAW.

3 (4) AT THE REQUEST OF A REGIONAL AUTHORITY, THE LOCAL
4 GOVERNMENT MAY PROVIDE THE REGIONAL AUTHORITY WITH TRANSITIONAL
5 SERVICES PREVIOUSLY PERFORMED BY THE LOCAL GOVERNMENT AND RELATED
6 TO THE OPERATION OF THE AIRPORT UNTIL THE DATE THE REGIONAL
7 AUTHORITY ELECTS TO ASSUME THE SERVICES. THE REGIONAL AUTHORITY
8 SHALL PAY THE COST OF THE SERVICES IN COMPLIANCE WITH ITS
9 OBLIGATIONS UNDER APPLICABLE FEDERAL LAW, REGULATIONS, AND
10 ASSURANCES ASSOCIATED WITH ACCEPTING GRANTS FROM THE FAA OR ANOTHER
11 AGENCY OF THE UNITED STATES OR THIS STATE, INCLUDING, BUT NOT
12 LIMITED TO, POLICIES OF THE FAA THAT PROHIBIT REVENUE DIVERSION OR
13 THE PAYMENT OF FEES THAT EXCEED THE VALUE OF SERVICES PROVIDED BY A
14 GOVERNMENTAL AGENCY.

15 SEC. 146. (1) EMPLOYEES AT AN AIRPORT MAY TRANSFER TO THE
16 REGIONAL AUTHORITY TO WHICH OPERATIONAL JURISDICTION OF THE AIRPORT
17 WILL BE TRANSFERRED AS PROVIDED IN THIS SECTION ON 1 OR MORE DATES
18 AGREED TO BY THE REGIONAL AUTHORITY AND THE LOCAL GOVERNMENT. THE
19 DATE OR DATES MUST BE AS SOON AS ADMINISTRATIVELY FEASIBLE, BUT NOT
20 LATER THAN 180 DAYS AFTER THE APPROVAL DATE. THE INITIAL TERMS OF
21 EMPLOYMENT, INCLUDING FOR PURPOSES OF PENSION AND OTHER BENEFITS,
22 FOR TRANSFERRING EMPLOYEES MUST BE SUBSTANTIALLY SIMILAR TO THE
23 TERMS OF EMPLOYMENT FOR THE EMPLOYEES IMMEDIATELY BEFORE THE
24 TRANSFER. THE REGIONAL AUTHORITY SHALL OFFER TO ENTER INTO A
25 COLLECTIVE BARGAINING AGREEMENT COVERING TRANSFERRING EMPLOYEES WHO
26 ON THEIR TRANSFER DATE WERE COVERED BY A COLLECTIVE BARGAINING
27 AGREEMENT WITH THE LOCAL GOVERNMENT. THE AGREEMENT OFFERED BY THE

1 REGIONAL AUTHORITY MUST HAVE SUBSTANTIALLY SIMILAR TERMS OF
2 EMPLOYMENT AS THE LOCAL GOVERNMENT COLLECTIVE BARGAINING AGREEMENT
3 AND REMAIN IN EFFECT FOR THE SAME PERIOD. THE REGIONAL AUTHORITY
4 SHALL BECOME THE EMPLOYER OF TRANSFERRING EMPLOYEES ON THE DATE OF
5 TRANSFER WITHOUT A BREAK IN EMPLOYMENT AND SHALL RECOGNIZE THE
6 LENGTH OF SERVICE OF THE TRANSFERRING EMPLOYEES WITH THE LOCAL
7 GOVERNMENT FOR PURPOSES OF THE REGIONAL AUTHORITY'S BENEFIT PLANS
8 AND PROGRAMS. THE LOCAL GOVERNMENT IS NOT AN EMPLOYER OF ANY
9 EMPLOYEE AT THE AIRPORT AFTER THE TRANSFER DATE. THE ACCRUED LOCAL
10 GOVERNMENT PENSION BENEFITS OR CREDITS OF A TRANSFERRING EMPLOYEE
11 MUST NOT BE DIMINISHED BECAUSE OF THE TRANSFER. INSTEAD, THE
12 PENSION BENEFITS AND CREDITS MUST BE TRANSFERRED TO THE RETIREMENT
13 SYSTEM OR PENSION PLAN ESTABLISHED BY THE REGIONAL AUTHORITY AS
14 PROVIDED IN SUBSECTIONS (2) AND (3).

15 (2) BY THE APPROVAL DATE, THE REGIONAL AUTHORITY SHALL
16 ESTABLISH A RETIREMENT SYSTEM OR PENSION PLAN THAT INITIALLY
17 PROVIDES BENEFITS TO EACH TRANSFERRING EMPLOYEE THAT ARE
18 SUBSTANTIALLY SIMILAR TO THE BENEFITS PROVIDED BY THE LOCAL
19 GOVERNMENT'S RETIREMENT SYSTEM OR PENSION PLAN BEFORE THE APPROVAL
20 DATE. THE REGIONAL AUTHORITY'S RETIREMENT SYSTEM OR PENSION PLAN
21 SHALL CREDIT A TRANSFERRING EMPLOYEE FOR HIS OR HER PRIOR
22 EMPLOYMENT WITH THE LOCAL GOVERNMENT, INCLUDING FOR PURPOSES OF
23 ELIGIBILITY, VESTING, AND ACCRUALS, AND THE EMPLOYEE SHALL MAKE ANY
24 MANDATORY EMPLOYEE CONTRIBUTION TO THE REGIONAL AUTHORITY'S
25 RETIREMENT SYSTEM OR PENSION PLAN.

26 (3) THE LOCAL GOVERNMENT SHALL, AS SOON AS ADMINISTRATIVELY
27 FEASIBLE, BUT NOT LATER THAN 180 DAYS AFTER ALL EMPLOYEE TRANSFERS

1 UNDER SUBSECTION (1), TRANSFER TO THE TRUSTEES OF THE REGIONAL
2 AUTHORITY RETIREMENT SYSTEM OR PENSION PLAN BOTH OF THE FOLLOWING:

3 (i) FOR DEFINED BENEFIT PLANS, ALL ACCRUED BENEFITS, ALL
4 ACCRUED LIABILITIES, AND A SHARE OF THE ASSETS OF THE LOCAL
5 GOVERNMENT'S PLAN SUFFICIENT TO FUND THE TRANSFERRING EMPLOYEES'
6 ACCRUED BENEFITS TO THE EXTENT THAT THE BENEFITS HAVE BEEN FUNDED
7 BY THE LOCAL GOVERNMENT ON OR BEFORE THE TRANSFER DATE.

8 (ii) FOR DEFINED CONTRIBUTION PLANS, THE AMOUNT CREDITED TO
9 EACH TRANSFERRING EMPLOYEE'S ACCOUNT IN THE LOCAL GOVERNMENT'S
10 RETIREMENT SYSTEM OR PENSION PLAN ON OR BEFORE THE TRANSFER DATE.
11 FOR PURPOSES OF THIS SUBPARAGRAPH, THE LOCAL GOVERNMENT SHALL FULLY
12 VEST THE ACCOUNT OF THE TRANSFERRING EMPLOYEE ON THE DAY
13 IMMEDIATELY PRECEDING THE TRANSFER DATE AND SHALL MAKE
14 CONTRIBUTIONS ON BEHALF OF THE TRANSFERRING EMPLOYEE FOR THE
15 PORTION OF THE TRANSFER YEAR IN WHICH THE EMPLOYEE WAS EMPLOYED BY
16 THE LOCAL GOVERNMENT AND ELIGIBLE TO PARTICIPATE IN THE PLANS
17 REGARDLESS OF ANY ALLOCATION REQUIREMENTS THAT OTHERWISE MIGHT
18 PREVENT THE TRANSFERRING EMPLOYEE FROM RECEIVING A CONTRIBUTION FOR
19 THE YEAR OF THE TRANSFER.

20 (4) THE LOCAL GOVERNMENT SHALL TRANSFER THE AMOUNTS TO BE
21 TRANSFERRED UNDER SUBSECTION (3) IN CASH OR IN SOME OTHER FORM
22 ACCEPTABLE TO THE TRUSTEES. THE TRANSFER OF MONEY TO THE TRUSTEES
23 UNDER THIS SUBSECTION TERMINATES THE LOCAL GOVERNMENT'S OBLIGATION
24 TO THE TRANSFERRING EMPLOYEES AND THE TRANSFERRING EMPLOYEES'
25 RIGHTS UNDER THE LOCAL GOVERNMENT'S RETIREMENT SYSTEM AND PENSION
26 PLANS.

27 (5) IF THE LOCAL GOVERNMENT HAS AN OBLIGATION TO PROVIDE

1 RETIREE HEALTH BENEFITS OR PAYMENTS TO TRANSFERRING EMPLOYEES, THE
2 REGIONAL AUTHORITY SHALL ASSUME THE OBLIGATIONS. THE REGIONAL
3 AUTHORITY SHALL NOT ASSUME OBLIGATIONS IN EXCESS OF THE AMOUNT
4 PROPERLY ALLOCABLE TO THE TRANSFERRING EMPLOYEES. THE LOCAL
5 GOVERNMENT SHALL, AS SOON AS ADMINISTRATIVELY FEASIBLE BUT NOT
6 LATER THAN 180 DAYS AFTER ALL EMPLOYEE TRANSFERS UNDER SUBSECTION
7 (1), TRANSFER TO THE REGIONAL AUTHORITY AN AMOUNT SUFFICIENT TO
8 FUND THE TRANSFERRING EMPLOYEES' ACCRUED BENEFITS TO THE EXTENT
9 THAT THE BENEFITS HAVE BEEN FUNDED BY THE LOCAL GOVERNMENT ON OR
10 BEFORE THE TRANSFER DATE. THE REGIONAL AUTHORITY SHALL TRANSFER THE
11 AMOUNTS REQUIRED TO BE TRANSFERRED UNDER THIS SUBSECTION TO A
12 QUALIFYING ENTITY ESTABLISHED BY THE REGIONAL AUTHORITY IN CASH, OR
13 IN SOME OTHER FORM ACCEPTABLE TO THE QUALIFYING ENTITY. THE
14 TRANSFER OF MONEY TO A QUALIFYING ENTITY ESTABLISHED BY THE
15 REGIONAL AUTHORITY UNDER THIS SUBSECTION TERMINATES THE LOCAL
16 GOVERNMENT'S OBLIGATIONS TO THE TRANSFERRING EMPLOYEES AND THE
17 TRANSFERRING EMPLOYEES' RIGHTS TO RECEIVE THE BENEFITS FROM THE
18 LOCAL GOVERNMENT.

19 (6) THIS SECTION ONLY APPLIES TO LOCAL GOVERNMENT EMPLOYEES
20 WHO TRANSFER THEIR EMPLOYMENT TO THE REGIONAL AUTHORITY IN
21 ACCORDANCE WITH THIS SECTION.

22 (7) AN EMPLOYEE HIRED BY THE REGIONAL AUTHORITY, OTHER THAN A
23 TRANSFERRING EMPLOYEE, IS ELIGIBLE TO PARTICIPATE IN THE BENEFIT
24 PLANS ESTABLISHED BY THE REGIONAL AUTHORITY, IN ACCORDANCE WITH AND
25 SUBJECT TO THE TERMS OF THE PLANS AS ESTABLISHED BY THE REGIONAL
26 AUTHORITY, IN ITS SOLE DISCRETION.

27 (8) AS USED IN THIS SECTION:

1 (A) "TRANSFER DATE" MEANS THE EARLIER OF THE DATE OF TRANSFER
2 OR THE DEADLINE FOR TRANSFER OF EMPLOYMENT TO THE REGIONAL
3 AUTHORITY.

4 (B) "TRANSFERRING EMPLOYEE" MEANS AN EMPLOYEE AT THE AIRPORT
5 WHO TIMELY TRANSFERS TO THE REGIONAL AUTHORITY BY THE TRANSFER
6 DATE.

7 SEC. 147. A REGIONAL AUTHORITY MAY ACCEPT THE TRANSFER OF
8 OPERATIONAL JURISDICTION OF OTHER PUBLICLY OWNED AIRPORTS, IN AND
9 OUTSIDE OF THE LOCAL GOVERNMENT. IN ACCEPTING A TRANSFER, THE
10 REGIONAL AUTHORITY SHALL NOT ASSUME FINANCIAL OBLIGATIONS OTHER
11 THAN THOSE ASSOCIATED WITH THE OPERATION OF THE AIRPORT BEING
12 TRANSFERRED AND WITH DEBT ISSUED TO FINANCE IMPROVEMENTS AT THE
13 AIRPORT BEING TRANSFERRED.

14 SEC. 148. (1) FOR THE PURPOSE OF ACQUIRING, PURCHASING,
15 CONSTRUCTING, IMPROVING, INSTALLING, ENLARGING, FURNISHING,
16 EQUIPPING, REEQUIPPING, OR REPAIRING AIRPORTS AND AIRPORT
17 FACILITIES FOR WHICH OPERATIONAL JURISDICTION IS TRANSFERRED UNDER
18 THIS CHAPTER OR IS ACQUIRED BY THE REGIONAL AUTHORITY, A REGIONAL
19 AUTHORITY MAY ISSUE SELF-LIQUIDATING BONDS OF THE AUTHORITY IN
20 ACCORDANCE WITH AND EXERCISE ALL OF THE POWERS CONFERRED ON PUBLIC
21 CORPORATIONS BY THE REVENUE BOND ACT OF 1933, 1933 PA 94, MCL
22 141.101 TO 141.140.

23 (2) A REGIONAL AUTHORITY MAY BORROW MONEY AND ISSUE MUNICIPAL
24 SECURITIES IN ACCORDANCE WITH AND EXERCISE ALL OF THE POWERS
25 CONFERRED ON MUNICIPALITIES BY THE REVISED MUNICIPAL FINANCE ACT,
26 2001 PA 34, MCL 141.2101 TO 141.2821.

27 (3) ALL BONDS OR OTHER EVIDENCES OF INDEBTEDNESS ISSUED BY A

1 REGIONAL AUTHORITY UNDER THIS CHAPTER, AND THE INTEREST ON THEM,
2 ARE FREE AND EXEMPT FROM ALL TAXATION IN THIS STATE, EXCEPT
3 INHERITANCE AND ESTATE TAXES AND TAXES ON GAINS REALIZED FROM THE
4 SALE, PAYMENT, OR OTHER DISPOSITION OF THEM.

5 (4) ON REQUEST OF THE BOARD OF A REGIONAL AUTHORITY, THE
6 LEGISLATIVE BODY MAY TAKE 1 OR MORE OF THE FOLLOWING ACTIONS:

7 (A) PLEDGE THE FULL FAITH AND CREDIT OF THE LOCAL GOVERNMENT
8 BEHIND ANY OBLIGATION OR EVIDENCE OF INDEBTEDNESS OF THE REGIONAL
9 AUTHORITY.

10 (B) ADVANCE MONEY TO THE REGIONAL AUTHORITY FOR WORKING
11 CAPITAL AND OTHER PURPOSES OF THE REGIONAL AUTHORITY ON TERMS AND
12 CONDITIONS AGREED TO BY THE REGIONAL AUTHORITY AND THE LOCAL
13 GOVERNMENT CONSISTENT WITH OBLIGATIONS UNDER APPLICABLE FEDERAL
14 LAW, REGULATIONS, AND ASSURANCES ASSOCIATED WITH ACCEPTING GRANTS
15 FROM THE FAA OR ANOTHER AGENCY OF THE UNITED STATES OR THIS STATE.

16 (C) APPROPRIATE AND GRANT MONEY TO THE REGIONAL AUTHORITY IN
17 FURTHERANCE OF ITS PURPOSES.

18 (D) GRANT AND CONVEY TO THE REGIONAL AUTHORITY REAL OR
19 PERSONAL PROPERTY OF ANY KIND OR NATURE, OR ANY INTEREST IN REAL OR
20 PERSONAL PROPERTY, FOR CARRYING OUT THE AUTHORIZED PURPOSES OF THE
21 REGIONAL AUTHORITY.

22 (5) A PLEDGE MADE UNDER SUBSECTION (4) MUST BE AT THE
23 DISCRETION OF THE LEGISLATIVE BODY AND MAY BE SUBJECT TO AN
24 AGREEMENT PROVIDING FOR TERMS AND CONDITIONS OF THE PLEDGE AND FOR
25 REPAYMENT OF ANY AMOUNT PAID UNDER THE PLEDGE AS THE REGIONAL
26 AUTHORITY AND THE LOCAL GOVERNMENT DETERMINE TO BE NECESSARY AND
27 ADVISABLE CONSISTENT WITH OBLIGATIONS UNDER APPLICABLE FEDERAL LAW,

1 REGULATIONS, AND ASSURANCES ASSOCIATED WITH ACCEPTING GRANTS FROM
2 THE FAA OR ANOTHER AGENCY OF THE UNITED STATES OR THIS STATE.

3 (6) AN AGREEMENT BY AN AUTHORITY TO REPAY AN ADVANCE MADE
4 UNDER THIS SECTION AND ANY OBLIGATION INCURRED BY THE REGIONAL
5 AUTHORITY UNDER THE AGREEMENT IS NOT SUBJECT TO THE REVISED
6 MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821.

7 (7) FOR THE PURPOSE OF MORE EFFECTIVELY MANAGING ITS DEBT
8 SERVICE, A REGIONAL AUTHORITY MAY ENTER INTO AN INTEREST RATE
9 EXCHANGE OR SWAP, HEDGE, OR SIMILAR AGREEMENT OR AGREEMENTS IN
10 CONNECTION WITH THE ISSUANCE OR PROPOSED ISSUANCE OF OBLIGATIONS OR
11 OTHER EVIDENCES OF INDEBTEDNESS OR IN CONNECTION WITH ITS THEN
12 OUTSTANDING OBLIGATIONS OR OTHER EVIDENCES OF INDEBTEDNESS. THE
13 AUTHORITY MAY CREATE A RESERVE FUND FOR THE PAYMENT OF THE INTEREST
14 RATE EXCHANGE OR SWAP, HEDGE, OR SIMILAR AGREEMENT.

15 (8) AN AGREEMENT ENTERED INTO UNDER THIS SECTION MUST COMPLY
16 WITH ALL OF THE FOLLOWING REQUIREMENTS:

17 (A) THE AGREEMENT IS NOT A DEBT OF THE REGIONAL AUTHORITY
18 ENTERING INTO THE AGREEMENT FOR ANY STATUTORY DEBT LIMITATION
19 PURPOSE.

20 (B) THE AGREEMENT IS PAYABLE FROM GENERAL FUNDS OF THE
21 REGIONAL AUTHORITY OR, SUBJECT TO ANY EXISTING CONTRACTS, FROM ANY
22 AVAILABLE MONEY OR REVENUE SOURCES, INCLUDING REVENUES THAT ARE
23 SPECIFIED BY THE AGREEMENT, SECURING THE OBLIGATION OR EVIDENCE OF
24 INDEBTEDNESS IN CONNECTION WITH THE AGREEMENT.

25 (9) NOTWITHSTANDING ANYTHING IN THIS CHAPTER OR ANY OTHER LAW
26 TO THE CONTRARY, ALL ORDINANCES, RESOLUTIONS, AND OTHER PROCEEDINGS
27 OF THE LOCAL GOVERNMENT WITH RESPECT TO ANY OUTSTANDING BONDS,

1 NOTES, OR EVIDENCES OF INDEBTEDNESS OR LIABILITY ASSUMED BY A
2 REGIONAL AUTHORITY UNDER THIS CHAPTER CONSTITUTE A CONTRACT BETWEEN
3 THE REGIONAL AUTHORITY AND THE HOLDERS OF THE BONDS, NOTES, OR
4 EVIDENCES OF INDEBTEDNESS OR LIABILITY AND MUST HAVE THEIR
5 PROVISIONS ENFORCEABLE AGAINST THE REGIONAL AUTHORITY OR ANY OR ALL
6 OF ITS SUCCESSORS OR ASSIGNS, BY MANDAMUS OR ANY OTHER APPROPRIATE
7 ACTION OR PROCEEDING IN LAW OR IN EQUITY IN ANY COURT OF COMPETENT
8 JURISDICTION IN ACCORDANCE WITH LAW.

9 (10) BONDS, NOTES, OR EVIDENCES OF INDEBTEDNESS OR LIABILITY
10 THAT ARE ASSUMED BY A REGIONAL AUTHORITY UNDER THIS CHAPTER ARE
11 PAYABLE SOLELY FROM AND SECURED SOLELY BY THE SOURCES OF REVENUE
12 THAT WERE PLEDGED TO THOSE BONDS, NOTES, OR EVIDENCES OF
13 INDEBTEDNESS OR LIABILITY UNDER THE ORDINANCE, RESOLUTION, OR OTHER
14 PROCEEDINGS OF THE LOCAL GOVERNMENT.

15 (11) THIS CHAPTER AND ANY OTHER LAW DO NOT RELIEVE A REGIONAL
16 AUTHORITY FROM ANY BONDED OR OTHER DEBT OR LIABILITY LAWFULLY
17 CONTRACTED BY THE LOCAL GOVERNMENT WITH RESPECT TO THE AIRPORT AND
18 OUTSTANDING ON THE EFFECTIVE DATE OF THE TRANSFER OF THE
19 OPERATIONAL JURISDICTION OVER THE AIRPORT TO THE REGIONAL
20 AUTHORITY.

21 (12) A REGIONAL AUTHORITY SHALL NOT TAKE ANY ACTION TO IMPAIR
22 THE RIGHTS OR REMEDIES OF THE HOLDERS OF THE BONDS OR OTHER
23 OBLIGATIONS OF THE LOCAL GOVERNMENT THAT OWNS THE AIRPORT THAT WERE
24 LAWFULLY ISSUED BEFORE THE TRANSFER OF OPERATIONAL JURISDICTION OF
25 THE AIRPORT TO THE REGIONAL AUTHORITY.

26 (13) BEGINNING ON THE APPROVAL DATE, TRUSTEES, PAYING AGENTS,
27 AND REGISTRARS FOR ANY OBLIGATION OF THE LOCAL GOVERNMENT THAT HAS

1 BEEN ASSUMED BY THE REGIONAL AUTHORITY UNDER SECTION 144 SHALL
2 PERFORM ALL OF THEIR DUTIES AND OBLIGATIONS AND PROVIDE ALL NOTICES
3 RELATED TO THE OBLIGATIONS AS IF THE REGIONAL AUTHORITY WERE THE
4 ISSUER OF THE OBLIGATIONS. THE TRUSTEES, PAYING AGENTS, AND
5 REGISTRARS SHALL CARE FOR AND CONSIDER ALL REVENUES AND MONEY
6 PLEDGED TO SECURE OBLIGATIONS OF THE LOCAL GOVERNMENT THAT HAVE
7 BEEN ASSUMED BY THE REGIONAL AUTHORITY UNDER SECTION 144 AS
8 REVENUES AND MONEY OF THE REGIONAL AUTHORITY. THE REGIONAL
9 AUTHORITY SHALL INDEMNIFY AND HOLD HARMLESS THE TRUSTEES, PAYING
10 AGENTS, AND REGISTRARS FROM LIABILITY INCURRED IN COMPLIANCE WITH
11 THIS SUBSECTION.

12 SEC. 149. THE EFFECTUATION OF THE AUTHORIZED PURPOSES OF A
13 REGIONAL AUTHORITY MUST BE IN ALL RESPECTS FOR THE BENEFIT OF THE
14 PEOPLE OF THE REGION THE AIRPORT SERVES AND IN ORDER TO MEET
15 PRESENT AND FUTURE STATE AND REGIONAL NEEDS WITH RESPECT TO THE
16 PROVISION OF ADEQUATE, SAFE, AND EFFICIENT AIRPORT FACILITIES AND
17 SERVICES TO THE PUBLIC AND TO PROMOTE THE ECONOMIC DEVELOPMENT AND
18 WELL-BEING OF THIS STATE. BY PERFORMING AN ESSENTIAL GOVERNMENTAL
19 FUNCTION, THE REGIONAL AUTHORITY IS NOT REQUIRED TO PAY TAXES OR
20 ASSESSMENTS OF ANY KIND OR NATURE WHATSOEVER ON ANY PROPERTY
21 REQUIRED OR USED FOR AIRPORT OR AIRPORT FACILITY PURPOSES OR ON ANY
22 RATES, FEES, RENTALS, RECEIPTS, OR INCOME AT ANY TIME RECEIVED BY
23 IT.