

## CHAPTER 120. PORT DISTRICTS

\*\*\*\*\* ACT 234 OF 1925 THIS ACT IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

### PORT DISTRICTS

#### Act 234 of 1925

AN ACT to provide for the creation and establishment of port districts; to prescribe their rights, powers, duties and privileges; to prescribe their powers of regulation in certain cases; to prescribe their powers in respect to acquiring, improving, enlarging, extending, operating, maintaining and financing various projects and the conditions upon which certain of said projects may extend into another state or county.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—Am. 1955, Act 190, Imd. Eff. June 14, 1955.

*The People of the State of Michigan enact:*

\*\*\*\*\* 120.1 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### 120.1 Port districts; incorporation, exercise of powers.

Sec. 1. Port districts are hereby authorized to be created in the various counties of this state, as in this act provided. Such districts whether heretofore or hereafter created, shall be bodies corporate and have a corporate seal, and may sue and be sued and may contract and be contracted with. Port districts shall have all the powers specifically granted to them and any powers implied or necessary for the exercise of the powers specifically granted. Whenever in this act any power is granted to a port district, it shall be exercised by the port commission unless otherwise provided herein, and whenever in this act any power is granted to a port commission it shall be deemed to be granted to the port district but to be exercised by such port commission.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2290;—CL 1948, 120.1;—Am. 1955, Act 190, Imd. Eff. June 14, 1955;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.2 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### 120.2 Referendum petition; filing, examination, certification; resolution of board of supervisors.

Sec. 2. At any general election or at any special election which may be called for that purpose, the board of county supervisors of any county in this state, may or on petition of 10 per cent of the qualified electors of such county based on the total vote cast in the last county election shall, by resolution, submit to the voters of such county the proposition of creating a port district which will be coextensive with the limits of such county as now or hereafter established. Such petition shall be filed with the county clerk, who shall, within 15 days, examine the signatures thereof and certify to the sufficiency or insufficiency thereof, and for such purpose the county clerk shall have access to all registration books in the possession of the officers of any incorporated city or town in such proposed port district.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2291;—CL 1948, 120.2.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.3 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### 120.3 Insufficient petitions; certification of sufficiency; submission of proposition at election.

Sec. 3. If such petition be found to be insufficient, it shall be returned to the person or persons filing the same, who may, within 10 days thereafter, amend or add names thereto, when the same shall be returned to the county clerk who shall have an additional 15 days to examine the same and attach his certificate thereto. No person having signed such petition shall be allowed to withdraw his name therefrom after the filing of the same with the county clerk. Whenever such petition shall be certified to as sufficient, the county clerk shall forthwith transmit the same, together with his certificate of sufficiency attached thereto, to the board of county supervisors, who shall submit such proposition at the next general election, or the board of county supervisors may at their first meeting after the date of such certificate, by resolution call a special election to be held not less than 30 days nor more than 60 days from the date of such certificate.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2292;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.3.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.4 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.4 Election; notice, form of ballot.**

Sec. 4. The notice of the election shall state the boundaries of the proposed port district and the object of such election. In submitting the said question to the voters for their approval or rejection, the proposition shall be expressed on said ballot substantially in the following terms: "Port of ....., Yes" (giving the name of the principal port city within such proposed port district, or if there be more than 1 city within such district, such name as may be determined by the board of county supervisors). "Port of ....., No" (giving the name of the principal port city within such proposed port district, or if there be more than 1 city of the same class within such district, such name as may be determined by the board of county supervisors).

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2293;—CL 1948, 120.4.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.5 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.5 Formation; procedure, referendum, effective date of creation.**

Sec. 5. Any city or township, or any 2 or more whole contiguous cities or townships, or any combination thereof, by resolution of their respective governing bodies, approved by a majority vote of the electors may form a port district. The resolution shall designate the name of the port district and the cities or townships to be included in the port district. The proposition to create the port district shall be submitted at a general or special election held simultaneously in each city or township having indicated its desire to become a part of the port district, and the date of such election shall be set forth in the resolution. The procedures relative to conducting the election shall be as nearly as may be in the same form as provided herein for the formation of a port district coterminous with a county and when not so provided in conformity with the general election laws or the charter of each city. The creation of the port district shall become effective upon the filing with the secretary of state and county clerk of the county in which the cities or townships are located, of certified copies of each resolution, each election notice, and each official canvass of votes showing that in each city or township the proposition was approved by a majority of the electors voting on the proposition.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2294;—CL 1948, 120.5;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.6 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.6 Formation of district comprising more than 1 county; limitation; lesser port districts.**

Sec. 6. A port district may be comprised of more than 1 whole county if the electors in such counties so elect, and the same procedure shall be followed as is prescribed in this act for the formation of a port district coextensive with a county, except that the board of county supervisors of the respective counties composing the proposed district shall each act in the submission of the proposition and have charge of the elections in their respective counties. No lesser port district shall ever be created within the limits in whole or in part of any port district. No port district shall consist of more than 5 whole contiguous counties.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2295;—CL 1948, 120.6;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.7 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.7 Formation of district; canvass and declaration of election results; three-fifths vote.**

Sec. 7. Within 5 days after such election the board of supervisors shall canvass the returns and if at such election 3/5 of the voters voting upon such proposition shall vote in favor of the formation of such district, the board of county supervisors shall so declare in its canvass of the returns of such election and such voting district shall then be and become a municipal corporation of the state of Michigan and the name of such port district shall be "port of ....." (inserting the name appearing on the ballot).

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2296;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.7.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.8 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.8 Formation of district; election and survey expense.**

Sec. 8. All the expenses of elections for the formation of such port districts shall be paid by the county or counties holding election, and such expenditure is hereby declared to be for county purposes. Prior to the

adoption of a resolution by the board of supervisors to submit the question of establishing a port district to the electors, said board may expend not to exceed 5,000 dollars for purposes of making a survey and study of a port district plan.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2297;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.8.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.9 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.9 Port commission, appointment, term, vacancies.**

Sec. 9. The control and management of the port district shall be exercised through a port commission consisting of 5 members who shall be appointed by the boards of supervisors. In port districts the boundaries of which are coterminous with a single county at least 2 members shall be residents of the city constituting the seat of the county in which the port district lies. In any port district located in more than 1 county, representation on the port commission from each county covered by the port district shall be, as near as may be, in proportion to the state equalized value of the county in relation to the total state equalized value of the port district. The terms of office of the persons appointed shall be so arranged and designated at the time of their appointment that the term of 2 members shall expire in 3 years, 2 in 2 years, and 1 in 1 year, from July 1 following the appointment. Annually thereafter the boards of supervisors shall appoint the member or members to serve for 3 years as the term of any member or members appointed by them shall expire; any vacancy occurring among the commissioners shall be filled for the unexpired term by the board of supervisors. In any port district, the boundaries of which are coterminous with a city or township or coterminous with 1 or more whole cities or coterminous with 1 or more whole townships, the appointment of members of the port commission shall be made by the governing body of the city or township or cities or townships in which the port district is located, and such members shall hold office and be appointed in the same manner for the same term and subject to the same conditions as members of port districts appointed by the boards of supervisors.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2298;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.9;—Am. 1952, Act 184, Eff. Sept. 18, 1952;—Am. 1953, Act 32, Eff. Oct. 2, 1953;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.10 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.10 Port commission; service of member; quorum; passage of resolution; transaction of business; eligibility to hold office; financial interest prohibited; waiver; vacancy; removal; oath.**

Sec. 10. A member of the commission shall continue to serve until a successor is appointed and qualified. A majority of the port commissioners constitutes a quorum for the transaction of business and the concurrence of the majority of the commissioners shall be necessary for the passage of a resolution. The business of the commission shall not be transacted unless there are in office at least a majority of the full number of commissioners fixed by law. A person shall not be eligible to hold the office of port commissioner unless the person is a qualified voter, a property owner within the port district, and is and has been a resident in the port district for at least 3 years. A member of a port commission shall not have a financial interest in the profits of a contract or business transaction with the port district. This prohibition shall not apply if the commission declares, on the record, and it is found by unanimous vote of the members present not having a financial interest, that the best interests of the district are to be served by the waiving of the prohibition in a particular case, and then only if competitive purchasing and contracting are used in the case, or if the members of the commission not having an interest, unanimously determine that competitive purchasing or contracting is not feasible in that particular case. A vacancy in the office of port commissioner may occur by death, resignation, or removal as provided in this section, by conviction of a felony, by statutory disqualification, or by a permanent disability preventing the proper discharge of the duties of a commissioner. The county board of commissioners may remove a port commissioner for habitual misconduct, misfeasance, habitual or wilful neglect of duty, or when the board is satisfied that the officer is incompetent to properly execute the duties of the office. A member of a port district appointed by the governing body of a city or township or cities or townships as provided in section 9, may be removed by the governing body for any of the reasons set forth in this section. A commissioner, within 20 days after the commission receives notice of appointment, shall qualify by taking and subscribing the constitutional oath of office.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2299;—CL 1948, 120.10;—Am. 1952, Act 184, Eff. Sept. 18, 1952;—Am.

1953, Act 32, Eff. Oct. 2, 1953;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1978, Act 248, Imd. Eff. June 20, 1978.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.10a THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.10a Conducting business at public meeting; notice.**

Sec. 10a. The business which the commission or a board or committee created pursuant to this act may perform shall be conducted at a public meeting of the commission held in compliance with Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976.

**History:** Add. 1978, Act 248, Imd. Eff. June 20, 1978.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.11 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.11 Port commission; submission of propositions at elections, canvass of votes.**

Sec. 11. At any general state election propositions may be submitted to the electors on such subjects as the port commission of a port district may by resolution prescribe subject to the limitations and pursuant to the requirements of this act. At the request of the port commission the governing body of the cities or townships or the county or counties comprising the port district shall call a special election for the submission of propositions and the expenses of such elections shall be paid by the port district. It shall be the duty of the election officials of the cities or townships or the county or counties in a port district to prepare the ballots or voting machines for general or special elections so that questions submitted by the port commission shall be submitted to the electors. The canvass of votes on such questions shall, if the port district be located in a single county, be made by the board of county canvassers, and if it be located in more than 1 county, be made by the board of state canvassers. The general election laws of the state shall govern the conduct of all such elections and the qualifications of electors.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2300;—Am. 1931, Act 299, Eff. Sept. 18, 1931;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.11;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.12 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.12 Port commission; commissioners, compensation; mileage, expenses.**

Sec. 12. Port commissioners shall receive such compensation as shall be determined and fixed by resolution of the governing body of the cities or townships or the board of supervisors of the county or counties in which the port district is located. Port commissioners, while actually engaged in the performance of their duties, outside the area of the port, shall also be paid their actual traveling expenses, both said traveling expenses and mileage to be submitted in writing to the port commission, and to be audited and approved in writing by said port commission before payment.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2301;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—Am. 1939, Act 153, Imd. Eff. May 26, 1939;—Am. 1941, Act 290, Imd. Eff. June 17, 1941;—CL 1948, 120.12;—Am. 1955, Act 190, Imd. Eff. June 14, 1955;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.13 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.13 Port commission; acquisition of property.**

Sec. 13. Each port commission shall have power to acquire by purchase or condemnation, or both, all lands, property, property rights, leases or easements necessary for the purposes of the port districts and to exercise domain in the acquirement or damaging of all land, property, property rights, leases or easements. Such right of domain shall be exercised in the same manner and by the same procedure as is and may be provided by law for the taking of private property by the board of county supervisors in this state, except insofar as such may be inconsistent with the provisions of this act, and the duties devolving upon the county treasurer under such law shall be and the same are hereby imposed upon the county treasurer for the county in which such property is located for the purposes of this act.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2302;—CL 1948, 120.13;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.13a THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.13a Port commission; acceptance of gifts, grants or loan; approval.**

Sec. 13a. Each port commission may accept gifts, grants, loans or contributions from the United States of America, this state, local municipalities, foundations, any public or private agency or any individual. In port districts coterminous with a county or counties, such authority shall not be exercised without first obtaining the approval therefor by a majority vote of the members elect of the board of supervisors of each county wherein the port district is situated.

**History:** Add. 1964, Act 95, Eff. Aug. 28, 1964.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.14 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.14 Port districts; powers.**

Sec. 14. Each port district shall have power to lay out, construct, condemn, purchase, acquire, improve, enlarge, extend, maintain, conduct and operate, seawall jetties, piers, wharves, docks, boat landings, warehouses, storehouses, elevators, grain bins, cold storage plants, terminal icing plants, bunkers, oil tanks, ferries, canals, locks, bridges, seaways, tramways, cableways, conveyors, modern appliances for the economical handling, storing and transporting of freight and handling of passengers traffic and other harbor improvements, and rail and water transfer and terminal facilities, (the foregoing being sometimes hereinafter referred to as "public improvements") and in connection with the operation of the port district to perform all customary services including the receiving, delivering, handling, weighing, measuring and reconditioning of all commodities received, and the advertisement of the business of the port district. No such public improvement shall be acquired without first obtaining the approval thereof by a 2/3 vote of the members present and voting of the board or boards of supervisors of the county or counties in which the port district is situated. In addition to the foregoing powers each port commission shall have the following powers:

(b) Subject to the paramount authority of the federal government and the state or any municipality thereof, to regulate the construction of structures in navigable waters including the establishment of harbor lines, pierhead lines and bulkhead lines.

(c) To require within the area designated as the port area by the comprehensive port plan the repair, rebuilding, or in the alternative the removal, by the owners, of private marine facilities when said private marine facilities are determined by the port commission to constitute a hazard to navigation. The determination of the port commission shall be made in the manner and in accordance with the standards prescribed in the building and safety code of the municipality wherein said private facility is located.

(d) The powers granted in subsections (b) and (c) above shall be exercised by the port commission in accordance with such rules and regulations as shall be adopted by a majority vote of the port commission and approved by a majority vote of the members elect of the board of supervisors. If within 180 days after submission to said board such board fails to disapprove such rules and regulations, it shall be thereupon presumed that such board has approved the same. Appeals from determinations of the port commission shall be had in the same manner as appeals on "contested cases" as provided in Act No. 197 of the Public Acts of 1952, as amended, being sections 24.101 to 24.110 of the Compiled Laws of 1948.

(e) To represent the port district before all federal, state and local agencies.

(f) To cooperate with other public agencies and with industry and business in port improvement matters.

(g) To lay out, construct, condemn, purchase, acquire, operate, lease, sell and convey planned industrial districts within the confines of the area designated as the port area by the comprehensive port plan and adjacent to existing port facilities and improvements.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2303;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.14;—Am. 1955, Act 190, Imd. Eff. June 14, 1955;—Am. 1961, Act 10, Imd. Eff. May 3, 1961;—Am. 1966, Act 318, Eff. Mar. 10, 1967;—Am. 1968, Act 250, Imd. Eff. July 1, 1968.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.15 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.15 Port district public improvement; issue of evidence of indebtedness.**

Sec. 15. Whenever in order to carry out the purposes of this act it becomes necessary to acquire property which cannot be wholly paid for out of any funds which may be available to the commission under the provisions of section 24, the commission is authorized and empowered to issue notes, bonds or other evidences of indebtedness which shall be a lien upon the property to be acquired for such purposes, which lien may be secured by a mortgage, trust deed, or other form of indenture, and is also authorized and empowered



to, in the name of the port district, guarantee the payment in whole or in part of any and all such notes, bonds or other evidences of indebtedness according to the terms thereof, or of any mortgage, trust deed or other security issued in connection therewith.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2304;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.15;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.16 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.16 Port district public improvements; bonds for public improvement, revenue, full faith and credit, approvals.**

Sec. 16. In lieu of the bonds authorized in section 15, any port district may issue revenue bonds as provided in Act No. 94 of the Public Acts of 1933, as amended, being sections 141.101 to 141.139 of the Compiled Laws of 1948, or as may be provided in any other appropriate statute of this state, for the purpose of financing the whole or any part of the cost of acquiring, improving, enlarging, extending or repairing any of the public improvements mentioned in section 14 and in such case any such public improvements shall be deemed to be a "public improvement" under said act, and the port district shall be governed by the provisions of said act in all matters covered thereby. No such bonds shall be issued without first obtaining the approval therefor by a majority vote of the governing body of each of the cities, townships or counties that are member units of the port districts. Revenue bonds which pledge the faith and credit of the port district shall be controlled by the general revenue limitations of section 24. No bonds, which pledge the faith and credit of the county or counties wherein the port district is situated, shall be issued without first obtaining the approval of the electors.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2305;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.16;—Am. 1955, Act 190, Imd. Eff. June 14, 1955;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.17 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.17 Port district public improvements; lands, leases and easements.**

Sec. 17. Each port commission shall have power to own and control lands, leases, and all easements in land necessary for the purposes of the port district.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2306;—CL 1948, 120.17.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.18 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.18 Port district public improvements; streams.**

Sec. 18. Each port commission shall have power to improve navigable and nonnavigable streams of the United States and the state of Michigan within the port district.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2307;—CL 1948, 120.18.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.19 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.19 Port district public improvements; waterways, creation.**

Sec. 19. Each port commission shall have power to create and improve for harbor purposes any waterways within the port district; to regulate and control all such waters and all natural or artificial waterways within the limits of such port district so far and to the full extent that this state can grant the same and remove obstructions therefrom.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2308;—CL 1948, 120.19.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.20 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.20 Public improvements; income producing; payment in lieu of taxes.**

Sec. 20. Any port district owning and operating an income-producing public improvement shall pay from such income annual sums in lieu of taxes to the county, city, school district or other taxing unit of the state, with respect to any real or personal property held by it and which constitutes a part of such improvement. The

amount so paid to each taxing unit in each year shall be equivalent to the taxes which would have been paid if such property were not exempt from taxation. The port district shall have the same right of appeal as is provided by law to any other taxpayer insofar as any levy or assessment of such taxes is concerned.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2309;—CL 1948, 120.20;—Am. 1955, Act 190, Imd. Eff. June 14, 1955;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.21 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.21 Commodities; tolls, fees, rents; approval.**

Sec. 21. Each port district shall have power to fix and collect tolls, fees, rents and other charges for the use of the services, property, facilities and commodities furnished by it, subject to review and approval of a majority of the members present and voting of the board or boards of supervisors of the county or counties in which the port district is situated. The tolls, fees, rents and other charges shall at no time be less than necessary to satisfy the requirements of any statute, ordinance or resolution under which revenue bonds then outstanding shall have been issued by the port district.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2310;—CL 1948, 120.21;—Am. 1955, Act 190, Imd. Eff. June 14, 1955;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.22 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.22 Lease of property; maximum term, bond.**

Sec. 22. Each port commission shall have power to lease under such covenants and conditions as the commission may prescribe, all storage facilities, wharves, piers, bulkheads, docks, sheds, warehouses, industrial locations and other property owned and controlled by said port district upon such terms as the port commission may deem proper: Provided, That no lease shall be executed for longer than a period of 50 years and every such lease shall be secured by a bond with surety satisfactory to or approved by the port commission.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2311;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.22;—Am. 1955, Act 190, Imd. Eff. June 14, 1955.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.23 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.23 Sale of property; approval.**

Sec. 23. Each port commission shall have power to sell and convey any property in anywise acquired and owned by the port district whenever the port commission of such district shall have by resolution declared such property to be no longer needed for the purpose of the port district: Provided, That the power herein granted to the commission shall not be exercised without first obtaining the approval therefor by a 2/3 vote of the members elect of the board of supervisors of the county or counties in which such property is located.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2312;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.23;—Am. 1955, Act 190, Imd. Eff. June 14, 1955.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.24 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.24 Port commission; taxes, special assessments; allocation of millage.**

Sec. 24. Each port commission shall have power to raise revenue by a tax to be levied on all taxable property within such port district, not exceeding 2 mills in any one year on each dollar of the assessed valuation of the taxable property in such port district. The tax shall be for such number of years as approved by the electors of the cities or townships or of the county or counties and shall be levied and collected in the same manner now provided for the levy of state and county taxes under the general tax law, and shall be paid to the county treasurer having custody of the port district fund, to the credit of such fund, and such tax shall not exceed \$1,500,000.00 in any one year. If the port commission is authorized under any present or future law of the state to establish special assessment zones and to raise revenue through the medium of special assessments for benefits within such zones, taxes so assessed shall be in excess of such 2 mill limitation. This act shall not authorize a county allocation board to allocate millage within the 15 mill limitation for capital construction purposes, except to meet any deficiency in the payments of principal or interest upon bonds

regularly issued with the approval of the electors. Funds may be appropriated from regular millage for operating purposes only in an amount to be established by the board of supervisors, and the board of supervisors may also appropriate for any purposes moneys obtained as revenues from the operation of the port.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2313;—Am. 1931, Act 299, Eff. Sept. 18, 1931;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.24;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1964, Act 24, Imd. Eff. Apr. 29, 1964;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

#### **120.24a, 120.24b Repealed. 1958, Act 178, Imd. Eff. Apr. 18, 1958.**

**Compiler's note:** The repealed sections provided for port districts' estimates and reports of amounts necessary to be raised by general tax.

\*\*\*\*\* *120.25 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130* \*\*\*\*\*

#### **120.25 Port commission; bond issues, limit, approval by governing bodies or electors.**

Sec. 25. Each port commission shall have power to borrow money and issue bonds to an amount not greater in any one year than 1/5 of 1% of the total assessed valuation of such port district, nor to a total amount including all outstanding bonded indebtedness of such district exceeding 2% of the assessed valuation of such district and at a rate of interest not to exceed 6% after a resolution to that effect is passed by the majority of the board of commissioners and approved by a 3/5 majority of the members elect of the governing body of the cities or townships or of the board of supervisors of the county or counties of the port district, and the question shall be submitted to a vote of the electors of the district at a general election and 51% of the electors voting on such resolution shall vote in favor thereof. The election officials of the cities or townships or of the county or counties in the port district shall prepare the ballots or voting machines. The canvass of votes on such question shall, if the port district be located in a single county, be made by the board of county canvassers, and if it be located in more than 1 county, be made by the board of state canvassers. The general election laws of the state shall govern the conduct of the vote and qualifications of electors. In any port district having an assessed valuation of \$50,000,000.00 or less, the commission shall have power to borrow money and issue bonds to an amount not greater in any one year than 1 1/2% of the total assessed valuation of such district. General bonds for any such district may be issued for any period not exceeding 30 years. No bond or evidence of indebtedness shall be negotiated at less than par and the accrued interest. The question of a bond issue may be submitted to the electors at the same time that the question of the creation of a port district is submitted to them, but a vote authorizing a bond issue shall be invalid unless the creation of the district is also authorized by the electors voting thereon. In such case the expense of the elections shall be paid by the cities or townships or the county or counties and the question of the bond issue shall be submitted in substantially the following form: "Shall the port commission, if authority be given for its creation at this election, have the power to issue ..... in bonds for port improvements?"

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2314;—Am. 1931, Act 299, Eff. Sept. 18, 1931;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—Am. 1937, Act 12, Imd. Eff. Apr. 24, 1937;—CL 1948, 120.25;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1964, Act 96, Eff. Aug. 28, 1964.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* *120.26 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130* \*\*\*\*\*

#### **120.26 Port commission; assistants and employees.**

Sec. 26. Each port commission shall have power to employ such assistants, clerks, inspectors, engineers, legal counsel or other employes for carrying out the purposes of the port commission, and fix the salaries, compensation and bonds of such employes as it may by resolution provide, subject, however, to the provisions of section 34 hereof.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—Am. 1931, Act 299, Eff. Sept. 18, 1931;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.26.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* *120.27 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130* \*\*\*\*\*

#### **120.27 Port commission; expenditures, authority, bids.**

Sec. 27. No port district coterminous with a county, or comprising an area greater than a county, shall be empowered to make any expenditure or any commitment for the expenditure of funds, arising from any



source whatsoever, except to the extent that the same shall have been first duly authorized by the port district budget committee if there be one and specific appropriations made by the board or boards of supervisors of such county or counties: Provided, That nothing in this act contained shall be construed as preventing a port district from making any expenditure or commitment, or performing any act, required by any statute or by the terms of any ordinance or resolution pertaining to the issuance of revenue bonds, if such issuance was approved by the board or boards of supervisors as required in section 16 of this act. In all cases involving the expenditure of \$1,000.00, or more, each port commission shall enter into contract with the lowest competent and reliable bidder for all work to be done and for the purchase of all supplies and materials required by the port district.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2316;—CL 1948, 120.27;—Am. 1955, Act 190, Imd. Eff. June 14, 1955;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.28 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.28 Port commission; lease of harbor area, rents.**

Sec. 28. The port commission of each port district shall have full power and authority to lease the harbor area belonging to the state of Michigan situated within such port district, to the highest bidder upon such terms and conditions as shall conform to the provisions of this act and to the comprehensive scheme of harbor improvement as herein later provided. Every such lease shall provide that the rental thereunder shall be payable to the county treasurer wherein such port district is situated for the use of such port district and to go into a special fund hereinafter provided for: Provided, That where the port district covers 2 or more counties such rents shall be paid to the county treasurer designated by the port commission.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2317;—CL 1948, 120.28;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.29 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.29 Port commission; election and powers of officers; rules; seal; recording proceedings of board; disposition and disbursement of funds of port district; office; access to maps, charts, plans, and documents.**

Sec. 29. The port commission shall elect from among its members a chairperson, vice-chairperson, and secretary. The officers selected shall possess and exercise the powers granted to them by the commission. The port commission, by resolution, shall adopt rules governing the transaction of its business and shall adopt an official seal. Proceedings of the board of commissioners shall be by resolution recorded in a book kept for that purpose. The funds of the port district shall be paid to the county treasurer, of the county in which the port district is situated, or if it consists of 2 or more whole counties, then to the county treasurer designated by the commission. Disbursements shall be made by the officer on warrants drawn by the county auditor, or, in port districts not having a county auditor, on warrants drawn by the county clerk, on order of, or vouchers approved by, the port commission. The port commission shall have an office in which they shall keep maps, charts, plans, and documents relating to the land and waters and all matters for which the commission is responsible. The commission shall have access to other maps, charts, plans, and documents relating to port district in the office or custody of a public board, commission, or officer.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2318;—Am. 1937, Act 277, Imd. Eff. July 22, 1937;—CL 1948, 120.29;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1978, Act 248, Imd. Eff. June 20, 1978.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.29a THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: SEE (2) of 120.130 \*\*\*\*\*

#### **120.29a Availability of writings to public.**

Sec. 29a. A writing prepared, owned, used, in the possession of, or retained by the commission or a board or committee created pursuant to this act in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

**History:** Add. 1978, Act 248, Imd. Eff. June 20, 1978.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.30 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

### **120.30 Comprehensive port plan of harbor improvements; notice, hearing, approval by municipalities, restrictions.**

Sec. 30. It shall be the duty of the port commission of any port district, before creating any improvements hereunder, to adopt a comprehensive port plan of harbor improvement in such port district after a public hearing thereon, of which at least 10 days' notice shall be published in a daily newspaper of general circulation in such port district. Such comprehensive port plan shall include an indication of the relationship of the area designated as the port area by the comprehensive port plan to land transportation and other land uses related to port activities. The port commission shall submit to the legislative body of any city, village or township, for its approval, that portion of the comprehensive plan which includes territory lying within the boundaries of the said city, village or township. Such submission shall be made by delivering the said portion of the comprehensive port plan to the clerk of the city, village or township involved, and if approved by the legislative body thereof, shall take effect from the date of such approval. If within 180 days after submission the legislative body of such city, village or township fails to disapprove such portion of the plan as shall have been submitted, it shall be thereupon presumed that such city, village or township has approved the same and such portion of the plan shall become effective without further notice. If the legislative body of the city, village or township to which a portion of the plan as amended or altered has been submitted disapproves the same, the commission may proceed to make such public improvements on lands leased or owned by the port commission as are prescribed in said plan to be made in the other part or parts of the port district. The port commission shall have the power to amend or alter the comprehensive port plan: Provided, however, That wherever such amendments or alterations of the comprehensive port plan include any area or territory lying within a city, village or township, that portion of the amendment or alteration shall be submitted to the legislative body of said city, village or township for its approval. Such submission shall be made by delivering the said portion of the comprehensive port plan, as amended or altered, to the clerk of the city, village or township involved, and if approved by the legislative body thereof, shall take effect from the date of such approval. If within 180 days after submission the legislative body of such city, village or township fails to disapprove that portion of the amendment or alteration of the comprehensive plan, it shall be thereupon presumed that such city, village or township has approved the same, and such portion of the comprehensive plan, as amended or altered, shall become effective without further notice. If the legislative body of the city, village or township to which a portion of the plan as amended or altered has been submitted disapproves the same, the commission may proceed to make such public improvements on lands leased or owned by the port commission as are prescribed in such amendment or alteration of the port plan to be made in the other part or parts of the port district. Wherever the legislative body of any city, village or township has approved that portion of the comprehensive port plan which includes the area or territory of such city, village or township, it shall be the duty of the port commission to recommend the zoning district classifications for the area to said legislative body: Provided, however, That nothing herein contained shall be construed as conferring, directly or indirectly, upon said port district, or port district commission or authority, power or powers to acquire, own, maintain or operate the Detroit, Michigan—Windsor, Ontario, Canada tunnel or international bridge: And provided further, That where any language in said act is in conflict with this prohibition, then and in that event any such language shall be deemed to be void and of no force or effect.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2319;—Am. 1931, Act 299, Eff. Sept. 18, 1931;—CL 1948, 120.30;—Am. 1955, Act 190, Imd. Eff. June 14, 1955.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.31 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

### **120.31 Property rights in improvements; cooperation between port district and certain other public bodies.**

Sec. 31. No improvements shall be acquired or constructed by the port district unless such improvements shall, when completed, be the property of such port district, the county in which such port district is located, any commercial waterway district created within its boundaries, any city within such port district, the state of Michigan, or the United States of America, and the funds of such port district may be expended in the acquirement or construction of any harbor improvement embraced in such general plan adopted as in this act provided, in conjunction with the county in which such port district is located, any commercial waterway district created within its boundaries, any city in such port district, the state of Michigan, or the United States of America, or any or all of them.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2320;—Am. 1931, Act 299, Eff. Sept. 18, 1931;—CL 1948, 120.31.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.32 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.32 Power to borrow in anticipation of tax.**

Sec. 32. (1) A port commission is hereby authorized, prior to the receipt of taxes raised by a levy, to borrow money or issue the warrants of the district in anticipation of the revenues to be derived by the district from the levy of taxes for the purpose described in this act. The warrants shall be redeemed from the first money available from the levy of taxes when collected.

(2) Bonds and notes issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2321;—CL 1948, 120.32;—Am. 2002, Act 447, Imd. Eff. June 17, 2002.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.33 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.33 Fund created; special funds; disbursement.**

Sec. 33. The county treasurer of the county in which the port district is located, or in the event that the district covers 2 or more whole counties, then the county treasurer designated by the port commission shall create a fund to be known as the "Port of ..... Fund," into which shall be paid all money received by him from the collection of taxes in behalf of such port district, and no money shall be disbursed therefrom except upon warrants of the county auditor, or upon order of or vouchers approved by the port commission. The county treasurer shall also maintain such other special funds as may be prescribed by the port commission, into which shall be placed such moneys as the port commission may by its resolution direct, and from which disbursements shall be made upon proper warrants of the county auditor or county clerk issued against the same by authority of the port commission.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2322;—CL 1948, 120.33;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.34 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.34 Annual reports; budgets; budget committee.**

Sec. 34. The commission shall on or before September 1 of each year submit a written report to the governor, the legislature, the public service commission, and the governing body of the cities or townships or the board of supervisors of the county or counties of the port district, which report shall contain a statement of the doings of the port commission during the preceding calendar year and such recommendations as to legislation as in the opinion of the commission may be necessary or expedient to enable the commission better to administer the affairs of the port district and to carry out the purposes for which the port district was enacted. In port districts coterminous with a county the commission shall also file with the board of supervisors of the county on or before September 1 of each year a budget setting out in detail its program for the ensuing year, together with the several amounts estimated by the commission to be necessary for the purposes indicated therein. The board of supervisors may decrease the budget proposed by the commission and also eliminate specific items. In port districts coterminous with 2 or more counties, the boards of supervisors of the counties included in the port district shall appoint a port district budget committee composed of not more than 15 members of the boards of supervisors. Representation on the port district budget committee from each county in the port district shall be, as near as may be, in proportion to the state equalized value of the county in relation to the total state equalized value of the port district. The port district budget committee shall review the budget request of the commission and recommend to the boards of supervisors of the counties in the port district the budget for the port district. The boards of supervisors may decrease the budget recommended by the port district budget committee and also eliminate specific items. The budget shall be approved by boards of supervisors with 66-2/3% of the state equalized value of the total port district and the budget as approved shall be reported to the port district budget committee and port commissions, and shall become final and binding on the boards of supervisors of all the counties in the port district, and the boards of supervisors shall appropriate their proportionate share of the total budget for the port district. The budget shall be apportioned between the counties in proportion to the state equalized value of the county in relation to the total state equalized value of the port district. No money shall be expended by the commission for any purpose not included in the budget as approved by the port district budget committee and the boards of supervisors of the county or counties in the district. In port districts coterminous with a county, all disbursements shall be made by the county treasurer on warrants drawn by the board of county auditors, or in port districts having no board of county auditors on warrants drawn by the county clerk, upon

order of vouchers approved by the port commission. In port districts of 2 or more counties, disbursements shall be made by the county treasurer designated by the commission subject to the same conditions imposed on the county treasurer of a port district coterminous with 1 county. Port districts coterminous with a city or township shall follow the same procedure, as near as may be, substituting the local governing body and local officers where applicable for the board of supervisors and county officials, and be subject to the same conditions as set forth for county port districts, and port districts coterminous with 2 or more cities or townships shall in the same manner follow the procedure as near as may be and be subject to the same conditions as set forth for port districts coterminous with 2 or more counties.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2323;—Am. 1933, Act 67, Imd. Eff. May 1, 1933;—CL 1948, 120.34;—Am. 1958, Act 178, Imd. Eff. Apr. 18, 1958;—Am. 1966, Act 318, Eff. Mar. 10, 1967.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.34a THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.34a Port districts coterminous with cities and townships; powers of local governing bodies.**

Sec. 34a. In construing this act, port districts coterminous with a city or township shall follow the same procedure, as near as may be, substituting the local governing body and local officers where applicable for the board of supervisors and county officials, shall enjoy the same powers and be subject to the same conditions as set forth for county port districts, and port districts coterminous with 2 or more cities or townships shall in the same manner follow the same procedure, as near as may be, shall enjoy the same powers and be subject to the same conditions as set forth for port districts coterminous with 2 or more counties.

**History:** Add. 1960, Act 40, Eff. Aug. 17, 1960.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

\*\*\*\*\* 120.35 THIS SECTION IS SUBJECT TO CONDITIONAL REPEAL: See (2) of 120.130 \*\*\*\*\*

#### **120.35 Construction of act.**

Sec. 35. This act shall not be construed to repeal, amend, or modify any law heretofore enacted, providing a method of harbor improvement, regulation or control in this state, but shall be held to be an additional and concurrent method providing for such purpose and except by agreement between the port commission and the parties at interest, shall not be construed to include within its terms any property now or hereafter devoted to public use, owned, operated or controlled by any person, municipality or private corporation.

**History:** 1925, Act 234, Eff. Aug. 27, 1925;—CL 1929, 2324;—CL 1948, 120.35.

**Compiler's note:** For repeal of act, see MCL 120.130 and Compiler's note thereto.

#### **120.36 Repealed. 1966, Act 318, Eff. Mar. 10, 1967.**

**Compiler's note:** The repealed section provided that nothing in port district act deemed to constitute a grant of state land.

## **PORT DISTRICTS**

### **Act 251 of 1966**

AN ACT relating to declare certain policies of the state of Michigan; to designate the department of commerce as the agency of this state to cooperate and negotiate with port districts and others; to provide for the making of grants to port districts and the administration thereof; to authorize studies to assist in stimulating port traffic; to authorize the department to represent the state before other governmental units; to direct the establishment of port promotional programs; and to provide other powers, rights and duties of the department.

**History:** 1966, Act 251, Imd. Eff. July 11, 1966.

*The People of the State of Michigan enact:*

#### **120.51 Department of commerce designated state agency; cooperation and negotiation with port districts and harbor facilities.**

Sec. 1. The department of commerce is designated the state agency to cooperate and negotiate with port districts, port authorities, other governments, governmental units and agencies thereof in matters concerning the planning, acquisition, development, operation, maintenance and administration of port and commercial harbor facilities in this state.

**History:** 1966, Act 251, Imd. Eff. July 11, 1966.

**Compiler's note:** See Compiler's note to MCL 120.130.

**Transfer of powers:** See MCL 247.821.

#### **120.52 Requests for matching grants by port districts; disbursement of funds.**

Sec. 2. Any port district created in accordance with the laws of this state, after receiving the approval of a majority of the members of the board of supervisors of the county in which the port district is situated, may request matching grants from the state to assist the port district in the planning, acquisition, development or expansion of port facilities, including lands, buildings, warehouses and similar facilities, acquired or to be acquired by the port district. The requests shall be filed with the department of commerce and the department shall include in its annual budget request, a listing of the funds requested by the various port districts and the recommendations of the department with respect thereto. Funds appropriated by the legislature to the various port districts shall be disbursed through the department which shall enter into appropriate agreements with the port districts prescribing the terms and conditions of the grants in accordance with the applicable laws of this state. The department shall on or before September 1 of each year submit a written report to the governor and the legislature.

**History:** 1966, Act 251, Imd. Eff. July 11, 1966.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.53 Cooperation and agreements with United States; conduct of studies, research programs; purpose, approval.**

Sec. 3. The department may cooperate and enter into agreements with the United States and any agency or department thereof in the conduct of studies, research programs and related investigations designed to make available to port districts of this state, information to assist in stimulating, increasing or developing traffic within the port districts; but in no case shall the department obligate the state without legislative approval. To the greatest extent possible, any such studies shall be conducted in conjunction with port districts of this state.

**History:** 1966, Act 251, Imd. Eff. July 11, 1966.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.54 Investigation of transportation rates; representation of state and port districts.**

Sec. 4. The department shall conduct investigations of transportation rates and shall represent the state and the various port districts before any agency of this state, the United States, or any agency or department thereof, on all matters relative to the establishment, continuance, modification or discontinuance of transportation rates insofar as the rates affect port districts or shipping operations on the navigable waters of this state.

**History:** 1966, Act 251, Imd. Eff. July 11, 1966.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.55 Budget requests; purposes.**



Sec. 5. The department shall include in its annual budget request such funds as shall be necessary to permit the conduct of the programs and activities authorized by the provisions of this act, including administrative costs thereof.

**History:** 1966, Act 251, Imd. Eff. July 11, 1966.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.56 Construction of act.**

Sec. 6. In construing this act, port districts coterminous with a city or township shall follow the same procedure as is prescribed for counties, substituting the local governing body and officers where applicable for the board of supervisors and county officials. Whenever in this act any power is granted to a port district, it shall be exercised by the port commission unless otherwise provided herein. Whenever in this act any power is granted to a port commission it shall be deemed to be granted to the port district but to be exercised by such port commission.

**History:** 1966, Act 251, Imd. Eff. July 11, 1966.

**Compiler's note:** See Compiler's note to MCL 120.130.

**HERTEL-LAW-T. STOPCZYNSKI PORT AUTHORITY ACT**  
**Act 639 of 1978**

AN ACT to authorize the establishing of port authorities in cities and counties; to prescribe the powers and duties of port authorities, cities, and counties; to authorize the incurrence of contract obligations and the issuance and payment of bonds or other evidences of indebtedness; to provide for a pledge by a city or county of its full faith and credit for the payment of contract obligations entered into under this act and the levy of taxes without limitation as to rate or amount to the extent necessary; to validate obligations issued; to provide for the adoption of a port facilities plan; to provide for the financing of the operating budget of port authorities; to prescribe penalties and provide remedies; and to repeal acts and parts of acts.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979;—Am. 1998, Act 188, Eff. Mar. 23, 1999.

*The People of the State of Michigan enact:*

**120.101 Short title.**

Sec. 1. This act shall be known and may be cited as the "Hertel-Law-T. Stopczynski port authority act".

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.102 Definitions.**

Sec. 2. As used in this act:

(a) "Authority" means a port authority created under this act and may also include the area within the jurisdiction of an authority.

(b) "Constituent unit" means a city or county requesting the incorporation of an authority.

(c) "Governing body of the city" means the city council or city commission of a city requesting incorporation of an authority created under this act.

(d) "Governing body of the county" means the county board of commissioners of a county participating in an authority created under this act.

(e) "Port facilities" means those facilities owned by the port authority such as: seawall jetties; piers; wharves; docks; boat landings; marinas; warehouses; storehouses; elevators; grain bins; cold storage plants; terminal icing plants; bunkers; oil tanks; ferries; canals; locks; bridges; tunnels; seaways; conveyors; modern appliances for the economical handling, storage, and transportation of freight and handling of passenger traffic; transfer and terminal facilities required for the efficient operation and development of ports and harbors; other harbor improvements; or improvements, enlargements, remodeling, or extensions of any of these buildings or structures.

(f) "Project" means the acquisition, purchase, construction, reconstruction, rehabilitation, remodeling, improvement, enlargement, repair, condemnation, maintenance, or operation of port facilities.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.103 Port authority; exercise of powers and duties; jurisdiction.**

Sec. 3. An authority may exercise and apply any or all of its powers and duties as prescribed and set forth in this act, within the respective boundaries of the county or counties creating a port authority under this act, including jurisdiction over commercially navigable water lying therein.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.104 Port authority; incorporation; recommendations; articles of incorporation; body corporate and politic; public purpose.**

Sec. 4. (1) A city and county, a combination of counties or a combination consisting of at least 1 city and 1 county, by joint resolution of their respective governing bodies, may request the governor to authorize the incorporation of an authority. The governor shall consider the recommendations of the department of state highways and transportation and the department of commerce in authorizing the authority. The initial articles of incorporation shall be approved by the governor and may thereafter be amended by resolution of the authority, subject to approval by the governor. After approval by the governor, the articles of incorporation and any amendments to those articles shall be effective upon filing with the secretary of state.

(2) An authority created under this act shall be a body corporate and politic.

(3) The exercise by an authority of the powers conferred by this act shall be considered and held to be an

essential governmental function and a benefit to, and a legitimate public purpose of the state, the authority, and the constituent units.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.105 Port authority; appointment and terms of members; vacancy; reappointment; chairperson, vice-chairperson, and secretary-treasurer; quorum; voting; expenses; liability.**

Sec. 5. (1) Except as provided in subsection (5), an authority shall consist of 5 or 7 members as follows:

(a) One member shall be appointed by the governor.

(b) The remaining members shall be appointed by the governing body of each city and the governing body of each county that requested the incorporation of the authority. The representation on, and the number of members of, the authority shall be determined by agreement among the incorporating units and included within the joint resolution requesting incorporation of the authority.

(2) The members first appointed shall serve staggered terms. After the first appointment, each member shall serve a term of 4 years, except that a person appointed to fill a vacancy shall be appointed for the balance of the unexpired term. A member shall be eligible for reappointment.

(3) The members shall elect 1 of their membership as chairperson and another as vice-chairperson, shall designate the terms of office of those officers, and shall appoint a secretary-treasurer who need not be a member. A majority of the members of the authority shall constitute a quorum. The affirmative vote of a majority of the members shall be necessary for any action taken by the authority.

(4) The members shall serve without compensation but shall be reimbursed for all necessary travel and other expenses incurred in the discharge of their duties.

(5) An authority that is established in a county having a population of 1,500,000 or more shall consist of 5 members as follows:

(a) One member shall be appointed by the governor.

(b) Two members shall be appointed by a majority of all the members of the county board of commissioners of the county. The members appointed shall be nominated by the commissioners on the board who do not reside within the political boundaries of a city having a population of 750,000 or more.

(c) Two members shall be appointed by the mayor of a city having a population of 750,000 or more that is located in the county.

(6) To the extent not protected by the immunity conferred by 1964 PA 170, MCL 691.1401 to 691.1415, a member of the authority appointed under this section who exercises the powers contained in this act in good faith is immune from civil or administrative liability arising from that conduct, unless the conduct was gross negligence or willful and wanton misconduct.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979;—Am. 2001, Act 244, Imd. Eff. Jan. 8, 2002.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.106 Bond of secretary-treasurer.**

Sec. 6. Before the issuance of any bonds, notes, or other evidences of indebtedness under this act, the secretary-treasurer of an authority shall execute a bond in the penal sum of \$100,000.00, conditioned upon the faithful performance of the duties of the office and executed by a surety company authorized to transact business in this state as surety. The bond shall be filed in the office of the secretary of state. The premium of the bond shall be a current expense of the authority.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.107 Advisory committees and councils.**

Sec. 7. An authority may organize and create advisory committees and councils to serve at the pleasure of the authority for terms and purposes considered to be in the best interest of furthering the intent and purpose of this act. The committees and councils shall be made up of persons especially skilled, knowledgeable, or experienced in international trade, finance, commerce, transportation, or labor. Members of the committees or councils shall serve without compensation but shall be entitled to reasonable and necessary expenses incurred in the discharge of their duties.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.108 Port authority; powers generally.**

Sec. 8. An authority may:

- (a) Adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business.
- (b) Sue and be sued on the same basis as the state; and adopt and register with the secretary of state an official seal and alter that seal at its pleasure.
- (c) Maintain offices at a place or places, either within or without its jurisdiction as it may determine.
- (d) Acquire, construct, reconstruct, rehabilitate, improve, maintain, lease as lessor or as lessee, repair, or operate port facilities within its territorial jurisdiction, including the dredging of ship channels and turning basins and the filling and grading of land therefor. An authority may operate a leased facility, owned by the authority, if the lessee defaults and a new lease is negotiated or competitively bid.
- (e) Designate the location and character of the port facilities which the authority may hold or own or over which it is authorized to act and regulate all matters related to the location and character of those port facilities.
- (f) Acquire, hold, and dispose of real and personal property.
- (g) Make directly, or through the hiring of expert consultants, investigations and surveys of whatever nature, including studies of business conditions, freight rates, port services, physical surveys of the conditions of channels and structures, and the necessity for additional port facilities for the development and improvement of commerce and recreation and for the more expeditious handling of that commerce and recreation, and make studies, surveys, and estimates, as necessary for the execution of its powers under this act.
- (h) Promulgate all necessary rules to fulfill the purposes of this act.
- (i) Issue its bonds, notes, or other evidences of indebtedness as provided in this act.
- (j) Fix and revise from time to time and charge and collect rates, fees, rentals, or other charges for the use of a facility owned by the authority.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.109 Port authority; additional powers.**

Sec. 9. An authority may:

- (a) Appear in its own behalf before boards, commissions, departments, or other agencies of the federal government or of any state or international conferences and before committees of the congress of the United States and the state legislature in all matters relating to the design, establishment, construction, extension, operation, improvement, repair, or maintenance of a project operated and maintained by the authority under this act, and appear before any federal or state agencies in matters relating to transportation rates, port services and charges, demurrage, switching, wharfage, towage, pilotage, differentials, discriminations, labor relations, trade practices, river and harbor improvements, aids to navigation, permits for structures in navigable waters, and all other matters affecting the physical development of, and the business interest of, the authority and those it serves.
- (b) Make application for, receive and accept from any federal, state, or municipal agency, foundation, public or private agency, or individual, a grant or loan for, or in aid of, the planning, construction, operation, or financing of a port facility; and receive and accept contributions from any source of money, property, labor, or other things of value, to be held, used, and applied for the purposes for which the grant or contribution may be made.
- (c) Appoint an executive director who shall be the chief administrative officer of the authority, and to whom the authority may delegate any of its administrative powers and authorizations. During employment the executive director shall not have a financial interest in port facilities or projects over which the authority has jurisdiction or power or authorization to act.
- (d) Employ personnel as is necessary and employ the services of private consultants and engineers, legal counsel, accountants, construction and financial experts, and other agents for rendering professional and technical assistance and advice as may be necessary, and whose compensation, including the executive director, shall be determined by the authority.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.110 Port authority; additional powers.**

Sec. 10. An authority may:

- (a) Subject to the authority of the federal government and the state and with the agreement of the constituent units, provide for the preservation of navigation within its territorial jurisdiction, including the establishment by regulation of lines beyond which piers, bulkheads, wharves, pilings, structures, obstructions,

or extensions of any character may not be built, erected, constructed, or extended; provide by regulation for the stationing, anchoring, and movement of vessels or other watercraft; adopt rules to prevent material, refuse, or matter of any kind from being thrown into, deposited, or placed where it may fall, or be washed, into navigable waters under its jurisdiction; ascertain the depth and course of the channels of those navigable waters; erect and maintain, authorize the erection and maintenance of, and make rules respecting wharves, bulkheads, piers, and piling, and the keeping of the same in repair, to prevent injury to navigation or health; regulate the use of wharves, docks, piers, bulkheads, or pilings owned by it; lease or rent the same, and impose and collect dockage from vessels and watercraft lying at, or using the same; and collect wharfage and other charges upon goods, wares, merchandise or other articles landed at, shipped from, stored on, or passed over the same.

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

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

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

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.111 Port authority; liability.**

Sec. 11. Except with respect to docks or wharves owned, controlled, or operated by, the authority, this act shall not be construed to impose a duty upon an authority to a person using its waters in regard to the safety thereof, or to render an authority liable for loss of life or injury or damage to person or property, by reason of an obstruction in, or unsafe condition of, any part of its waters, nor shall this act be construed to render the authority liable in damages or otherwise for an omission to pass or enforce a rule or resolution made under this act.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.112 Acquisition of property by purchase, lease, or condemnation; sale or removal of structures; sale or lease of property.**

Sec. 12. (1) An authority may acquire by purchase or lease, when it considers the purchase or lease expedient, lands, structures, property, rights, rights of way, franchises, easements, and other interests in lands as it considers necessary or convenient for the construction or operation of a project, upon terms and at a price as considered reasonable and agreed upon between the authority and the owner thereof.

(2) An authority may acquire by condemnation lands, property rights, rights of way, franchises, easements, and other property, or parts thereof or rights therein, of a person, partnership, association, or corporation considered by the authority to be necessary for the construction or efficient operation of a project. However, a facility currently operated as a port facility by a terminal operator or a facility owned or operated by and for the exclusive use of the owner or operator and a facility owned or operated by a common carrier or public utility shall be exempt from this subsection. The condemnation shall be made in the manner provided by Act No. 295 of the Public Acts of 1966, as amended, being sections 213.361 to 213.391 of the Michigan Compiled Laws, except where that procedure may be inconsistent with this act.

(3) An authority may sell or remove the buildings or other structures upon lands taken by the authority, and may sell or lease lands or rights or interest in lands or other property taken or purchased for the purposes of this act.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.113 Contracts for acquisition, improvement, enlargement, or extension of port facilities; payment of cost; pledge of full faith and credit; tax levy; methods of raising funds; assessment of costs.**

Sec. 13. (1) An authority and 1 or more constituent units may enter into a contract or contracts for the acquisition, improvement, enlargement, or extension of port facilities and for the payment of the cost thereof by the contracting constituent units, with interest, over a period of not more than 40 years.

(2) Each contracting constituent unit shall pledge its full faith and credit for the payment of its obligations



under the contract. If the constituent unit has taxing power, each year it shall levy a tax upon all real and personal property within the constituent unit, which may be imposed without limitation as to rate or amount, to the extent necessary for the prompt payment of that part of the contract obligations as shall fall due before the following year's tax collection. The tax shall be in addition to any tax which the contracting constituent unit may otherwise be authorized to levy and may be imposed without limitation as to rate or amount, but shall not be in excess of the rate or amount necessary to pay the contract obligation. If any contracting constituent unit at the time of its annual tax levy has on hand in cash any amount pledged to the payment of the current obligations for which the tax levy is to be made, then the annual tax levy may be reduced by that amount. For the purpose of obtaining the credit, funds may be raised by a contracting constituent unit in 1 or more of the following methods:

- (a) By service charge to users of the facilities owned by the port authority.
- (b) By setting aside state collected funds disbursed to the contracting constituent unit.
- (c) By special assessment upon lands benefited.
- (d) By setting aside any other available money.

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

(4) If a constituent unit, other than a county, operating under this act elects to raise money to pay all or a portion of its share of the cost of a project by assessing the costs upon benefited lands, its governing body shall so determine by resolution and fix the district therefor. The governing body shall then cause a special assessment roll to be prepared and thereafter the proceedings in respect to the special assessment roll and the making and collection of the special assessments on the roll, shall be in accordance with the provisions of the statute or charter governing special assessments in the constituent unit, except that the total assessment may be divided into any number of installments not exceeding 30, and any person assessed shall have the right at the hearing upon the special assessment roll to object to the special assessment district previously established.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.114 Revenue bonds; applicability of revenue bond act; revenue bonds payable solely from revenues or income.**

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

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

(3) Revenue bonds issued pursuant to this section shall not be considered to constitute a debt of this state, a political subdivision of this state, the authority, or any constituent unit, or a pledge of the faith and credit of this state or a political subdivision of this state or of the authority or any constituent unit, but shall be payable solely from the revenues or income to be derived from the projects. The revenue bonds shall contain on their face a statement to the effect that the bonds and attached coupons are payable solely from revenues and are not a general obligation of this state, a political subdivision of this state, the authority, or a constituent unit, and neither the faith and credit nor the taxing power of this state, a political subdivision of this state, the authority, or a constituent unit, is pledged to the payment of the principal of or the interest on the bonds.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979;—Am. 1983, Act 23, Imd. Eff. Apr. 5, 1983;—Am. 2002, Act 412, Imd. Eff. June 3, 2002.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.114a Violation of MCL 168.1 to 168.992 applicable to petitions; penalties.**

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

**History:** Add. 1998, Act 188, Eff. Mar. 23, 1999.

#### **120.115 Revenue bonds; form; date; denomination; place of payment; redemption; validity of**

**signature or facsimile; issuance in coupon or registered form; registration, reconversion, and interchange of bonds.**

Sec. 15. An authority shall determine the form of the bonds of each series issued pursuant to section 14, including any interest coupons to be attached thereto, the date of the bonds, the denomination of the bonds, and the place of payment of principal and interest, which may be at any bank or trust company within or without the state. The bonds of each series may be made redeemable before their maturity or maturities at the option of the authority, at a price and under the terms and conditions as may be fixed by the authority before issuance of the bonds. If an officer whose signature or a facsimile of whose signature appears on any bonds or coupons ceases to be an officer before delivery of the bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until the delivery. The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of coupon and registered bonds.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.116 Revenue bonds; trust agreement.**

Sec. 16. Revenue bonds issued pursuant to this act shall be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company, within or without the state. The trust agreement may pledge or assign the rentals and other revenues of the authority, but shall not convey or mortgage part or all of a project. The trust agreement shall contain provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition or construction of a project and the extension, enlargement, improvement, maintenance, operation, repair, and insurance of a project and the custody, safeguarding, and application of all money and may contain provisions for the employment of consulting engineers in connection with the construction and operation of a project. The trust agreement shall set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action by the bondholders and may contain any other provisions the authority may consider reasonable and proper for the security of the bondholders.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.117 Bonds as securities; investment; deposit.**

Sec. 17. (1) Bonds issued under this act are securities in which all public officers and public agencies of the state and its political subdivisions and all banks, trust companies, savings and loan associations, investment companies, and others carrying on a banking business, all insurance companies and insurance associations and others carrying on an insurance business, all administrators, executors, guardians, trustees and other fiduciaries, and all other persons may legally and properly invest funds, including capital in their control or belonging to them.

(2) Bonds issued under this act are securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or other obligations of the state is authorized by law.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.118 Additional bonds for acquisition of port facilities; authorization; resolution; issuance and execution of bonds; seal; negotiable instruments; maturities; payment; tax exemption; issuance of bonds or notes subject to revised municipal finance act.**

Sec. 18. (1) In addition to the bonds authorized in section 14, bonds may be issued for the purpose of acquiring port facilities, as follows:

(a) By the issuance of bonds in anticipation of payments to become due under contracts by which 1 or more constituent units agree to pay to an authority operating under this act certain sums toward the cost of the acquisition, improvement, enlargement, or extension of a project that may be made under this act. Contracts are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

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

(c) By money advanced, from time to time, before or during construction of a project, by a public

corporation, for which an authority operating under this act shall reimburse the corporation with interest not to exceed 8% per annum or without interest as may be agreed, when funds are available for reimbursement. The obligation of an authority to make the reimbursement may be evidenced by a contract or note, which contract or note may be made payable out of the payments to be made by constituent units under contracts made pursuant to subdivision (b), or out of the proceeds of bonds issued pursuant to this act by the county or out of any other available funds.

(2) Bonds issued under this section shall be authorized by a resolution adopted by the authority. The bonds shall be issued in the name of the authority and shall be executed by the chairperson and secretary-treasurer of the authority, who shall also cause their facsimile signatures to be affixed to the interest coupons to be attached to the bonds. The authority shall adopt a seal that shall be affixed to the bonds. Bonds issued under this section shall be negotiable instruments and shall mature not more than 40 years after the date of issuance. The bonds and coupons shall be made payable in lawful money of the United States and shall be exempt from all taxation whatsoever by this state or by any taxing authority within this state.

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

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979;—Am. 1983, Act 23, Imd. Eff. Apr. 5, 1983;—Am. 2002, Act 412, Imd. Eff. June 3, 2002.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.119 Validation of bonds or notes; contesting validity.**

Sec. 19. Bonds or notes issued under this act by an authority are validated. An authority acting under this act or any constituent unit, including the county, shall not contest the validity of bonds or notes issued under this act or any contract which provides the security therefor, after the bonds are sold and delivered and the authority has received the consideration therefor.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.120 Contract for use of port facilities; increase in charges; duration of contract.**

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

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.121 Dock, waterfront, or riparian property; transfer, possession, or control.**

Sec. 21. The governing bodies of constituent units may, by majority vote, and with or without consideration, transfer or cause to be transferred to the authority or may place in its possession and control, by lease, or other contract or agreement, either for a limited period or in fee, any dock, waterfront, or riparian property owned or controlled by a constituent unit.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.122 Tax exemption.**

Sec. 22. (1) An authority created under this act shall be exempt from and shall not be required to pay taxes on property, both real and personal, belonging to the authority, which is used exclusively for a public purpose. However, the exemption shall not apply to property belonging to an authority while a private enterprise is a lessee of the property under a written lease. The bonds, notes, or other evidences of indebtedness, or their transfer, issued by an authority as authorized in this act, the interest thereon, the income derived, and the profit from a sale, shall be exempt from taxation, other than inheritance and estate taxes, within this state.

(2) This section constitutes a covenant and agreement with the holders of bonds, notes, or other evidences of indebtedness issued by an authority.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

#### **120.123 Plan for future development, construction, and improvement of port and facilities; notice; comments; hearing; adoption; modification, amendment, or extension; plans for**

**specific projects.**

Sec. 23. (1) An authority created on or after May 1, 1984 shall within 2 years after its creation prepare or cause to be prepared a plan for the future development, construction, and improvement of the port and its facilities, including the maps, profiles, and other data and descriptions necessary to set forth the location and character of the work to be undertaken by the authority. An authority in existence before May 1, 1984 shall prepare or cause to be prepared the plan provided for in this subsection not later than September 30, 1985. The authority shall notify the legislature on April 15, 1985, as to the progress of the plan. The authority shall cause notice by publication to be given upon the completion of the plan in a daily newspaper of general circulation in the area under the jurisdiction of the authority. The notice shall fix the time and place for hearing on the plan, which shall be not less than 30 nor more than 60 days after publication of the notice. Any interested person may file written comments to the plan, if those comments are filed with the secretary-treasurer of the authority not less than 5 days before the date fixed for the hearing. After the hearing, the authority may adopt the plan, with any modifications or amendments, as the official plan of the authority. The authority, after adoption of the plan, may modify, amend, or extend the plan after notice and hearing in the manner prescribed in this subsection.

(2) The plan and any modification, amendment, or extension, when adopted by the authority after notice and hearing, shall be conclusive except that plans for specific projects, to be undertaken in execution of the official plan, shall not be adopted by the authority without prior individual approval by the governing bodies of its constituent units, the state transportation department, and the department of commerce.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979;—Am. 1984, Act 256, Imd. Eff. Nov. 30, 1984.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.124 Operating budget.**

Sec. 24. (1) The authority shall submit in writing a detailed estimate of the budget required for the business and conduct of an authority's affairs, initially, for a 2-year period, and annually thereafter to the governing bodies of its constituent units, the department of commerce, and the department of state highways and transportation for approval. The state shall provide 50% of the operating budget of the authority, to be included in the department of state highways and transportation budget which shall be subject to legislative approval. Fifty percent of the operating budget of an authority in which not more than 1 county and not more than 1 city participate shall be funded equally by the participating county and city.

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

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

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.125 Surplus of unencumbered funds; disposition.**

Sec. 25. If at the end of a fiscal year a surplus of unencumbered funds remains after providing for the operating expenses of an authority, the authority may pay that surplus into the general funds of the state and of its constituent units in the same proportion which the appropriations made by each to the authority bear to each other.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.126 Entry on lands, waters, and premises; purpose; reimbursement for actual damages.**

Sec. 26. For the purpose of making surveys, soundings, drillings, examinations, and investigations as it considers necessary or convenient for the purposes of this act, an authority and its authorized agents and employees may enter upon the lands, waters, and premises in the authority and that entry shall not be considered a trespass; nor shall an entry for these purposes be considered an entry under any condemnation proceedings which may be then pending. The authority shall make reimbursement for actual damages resulting to the lands, waters, or premises as a result of these activities.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.127 Employees of port authority; transfer and payment of sick leave and annual leave; salary rate; job seniority and pension rights.**

Sec. 27. (1) The employees of an authority, existing on the effective date of this act, of a city or county which creates or participates in an authority created under this act shall become the employees of that succeeding authority.

(2) Each employee at his or her option may transfer all or part of accumulated sick leave and shall be paid 1/2 of all unused accumulated sick leave not transferred. The employee also may transfer all or part of accumulated annual leave not to exceed more than 27 days and shall be paid for all unused accumulated annual leave not transferred.

(3) The transferred employee shall continue at his or her present salary rate, and if greater than that paid in the constituent unit for similar work, shall remain at the current level until matched by that constituent unit.

(4) Job seniority and pension rights shall be credited as if first employed by the constituent unit.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.128 Annual report; audit.**

Sec. 28. An authority shall make an annual report of its activities within 3 months after the close of its fiscal year to the governor and to the governing body of each constituent unit. The report shall include a complete operating and financial statement covering its operations during the year. The authority shall cause an audit of its books and accounts to be made at least once each year by a certified public accountant, with the cost to be treated as an operation expense.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.129 Liberal construction; powers cumulative.**

Sec. 29. This act, being necessary for the welfare of the state and its inhabitants shall be liberally construed to effect its purposes. Powers granted in this act shall be cumulative and not exclusive of one another and may be exercised notwithstanding that bonds, notes, or other evidences of indebtedness are not issued.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** See Compiler's note to MCL 120.130.

**120.130 Repeal of MCL 120.1 to 120.35; effective date of subsection (1).**

Sec. 30. (1) Act No. 234 of the Public Acts of 1925, as amended, being sections 120.1 to 120.35 of the Compiled Laws of 1970, is repealed.

(2) Subsection (1) shall not take effect until the constituent bodies of each port authority created pursuant to Act No. 234 of the Public Acts of 1925 and in existence on the effective date of this act participate in the creation of an authority pursuant to this act and the membership of the commission governing that authority is appointed.

**History:** 1978, Act 639, Imd. Eff. Jan. 11, 1979.

**Compiler's note:** The Monroe Port Authority has not created an authority under this act, and continues to operate under, and derive its power from, Act 234 of 1925, being MCL 120.1 to 120.35 of the Michigan Compiled Laws.



**MARITIME AND PORT FACILITY ASSISTANCE GRANT PROGRAM ACT**  
**Act 159 of 2022**

AN ACT to create the maritime and port facility assistance grant program to award grants to owners of port facilities; to provide the powers and duties of certain state governmental officers and entities; and to create certain funds.

**History:** 2022, Act 159, Imd. Eff. July 19, 2022.

*The People of the State of Michigan enact:*

**120.151 Short title.**

Sec. 1. This act may be cited as the "maritime and port facility assistance grant program act".

**History:** 2022, Act 159, Imd. Eff. July 19, 2022.

**120.153 Definitions.**

Sec. 3. As used in this act:

- (a) "Fund" means the maritime and port facility assistance fund created in section 7.
- (b) "Grant program" means the maritime and port facility assistance grant program created in section 5.
- (c) "Green marine certification" means a certification issued or awarded by a nationally recognized maritime organization identified by the office that ranks or evaluates port facilities on various criteria, including, but not limited to, any of the following:
  - (i) Greenhouse gas and air pollutants.
  - (ii) Spill prevention and stormwater management.
  - (iii) Dry bulk handling and storage.
  - (iv) Community impacts.
  - (v) Environmental leadership.
  - (vi) Waste management.
- (d) "Office" means the maritime and port facility assistance office created in section 10s of 1951 PA 51, MCL 247.660s.
- (e) "Port facility" means a commercial facility located alongside a navigable waterway used for commercial vessels and includes any of the following types of facilities:
  - (i) A seawall jetty, pier, wharf, or dock.
  - (ii) A warehouse, storehouse, elevator, grain bin, cold storage plant, terminal icing plant, bunker, or oil tank.
  - (iii) A ferry, canal, lock, seaway, or conveyor.
  - (iv) A modern appliance for the economical handling, storage, or transportation of freight and handling of passenger traffic.
  - (v) A transfer or terminal facility required for the efficient operation or development of a port or harbor.
  - (vi) Any other port or harbor improvement to assist with commercial operations.
  - (vii) An improvement, enlargement, remodeling, or extension of a facility described in this section.

**History:** 2022, Act 159, Imd. Eff. July 19, 2022.

**120.155 Maritime and port facility assistance grant program; application and certification requirements.**

Sec. 5. (1) The maritime and port facility assistance grant program is created. Subject to subsections (2) to (4), the office shall administer the grant program and may award grants to owners of port facilities that submit a grant application on a form prescribed by the office that contains the information required by the office. A grant awarded under this section by the office may be used by the owner of a port facility for public purposes, including 1 or more of the following:

- (a) Increasing the amount of either of the following:
  - (i) Direct port facility activity, including the amount or value of freight moving through the port facility.
  - (ii) Overall maritime-related economic development or maritime-related transportation opportunities in the port facility's region.
- (b) Achieving or improving green marine certification.
- (c) Matching federal funding opportunities.
- (d) Dredging waterways and harbors.
- (e) Repairing seawalls.
- (f) Transitioning to cleaner technology.

(g) Other projects related to port facilities as determined by the office.

(2) The office shall give higher priority in awarding a grant to an owner of a port facility that has achieved green marine certification or that has submitted a grant application to fund achieving or improving green marine certification over other grant applicants.

(3) A grant awarded by the office under this section must include a statement defining measurable, annual goals for the grant funding recipient. For the 3 years after a grant is awarded, the office shall annually evaluate the grant funding recipient to determine whether the grant funding recipient is meeting its annual goals as defined in the grant award.

(4) The office may award grants of not more than \$2,500,000.00 per grant annually. The office shall not award more than 50% of the amount available under the grant program in a single year to 1 grant applicant, unless there are no other grant applicants in that year.

(5) A grant applicant must certify both of the following to the office:

(a) When applying for a grant, both of the following:

(i) That the grant applicant is currently in compliance with all state and federal environmental laws and regulations applicable to the grant applicant's port facility.

(ii) That the grant applicant has not received notice of any violation of a state or federal environmental law or regulation applicable to the grant applicant's port facility in the 3 years before the grant is applied for.

(b) Annually, if participating in the grant program for more than 1 year, that the grant applicant has not received notice of any violation of a state environmental law or regulation applicable to the grant applicant's port facility in the past year.

**History:** 2022, Act 159, Imd. Eff. July 19, 2022.

#### **120.157 Maritime and port facility assistance fund.**

Sec. 7. (1) The maritime and port facility assistance fund is created in the state treasury.

(2) The state treasurer shall deposit money and other assets received from any source into the fund. The state treasurer shall direct the investment of money in the fund and credit interest and earnings from the investments to the fund.

(3) Money in the fund at the close of the fiscal year does not lapse to the general fund.

(4) The office is the administrator of the fund for audits of the fund.

(5) The office shall expend money from the fund, on appropriation, only for the purposes described in section 5, and in section 10s of 1951 PA 51, MCL 247.660s.

**History:** 2022, Act 159, Imd. Eff. July 19, 2022.