

IN THE HOUSE

APRIL 10, 1991

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 11, 1991

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

HOUSE BILL NO. 853

INTRODUCED BY *John Scott, James Kimberley, Bader McCallum, Jim N. D.*

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE POWERS OF A PORT AUTHORITY; REQUIRING THE ELECTION OF LOCAL PORT AUTHORITY COMMISSIONERS; AND AMENDING SECTIONS 7-14-1101, 7-14-1103, 7-14-1104, 7-14-1111, 7-14-1112, 7-14-1125, AND 7-14-1126, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-14-1101, MCA, is amended to read:

"7-14-1101. Local port authority. (1) Any county or municipality may, by resolution of its governing body, create a public body, corporate and politic, to be known as a local port authority, authorized to exercise its functions upon the appointment and qualification of the first commissioners thereof. Such a governing body may by resolution determine to exercise any or all powers granted to such authorities in this part, unless such powers have been conferred upon a local or regional port authority.

(2) Upon the adoption of a resolution creating a local port authority, the governing body of the county or municipality shall, pursuant to the resolution, appoint not less than five persons as commissioners of the authority. The commissioners who are first appointed must be designated

to serve for terms of 1, 2, 3, 4, and 5 years, respectively, but thereafter each commissioner must be appointed elected for a term of 5 years, except that vacancies occurring other than by expiration of a term must be filled for the unexpired term by the governing body."

NEW SECTION. Section 2. Election of local port

authority commissioners. (1) Any registered elector in the county or municipality in which the local port authority is located may file a petition of candidacy with the election administrator. The petition must contain the signatures of not less than 25 registered electors of the county or municipality. The petition must be filed at least 75 days before the election day.

(2) The election must be conducted at the time provided in 13-1-104(3) and in the manner provided by 13-1-401.

(3) If no nomination petitions are filed for one or more commissioner offices, the appropriate local governing body shall appoint one or more commissioners as necessary to fill those offices.

Section 3. Section 7-14-1103, MCA, is amended to read:

"7-14-1103. Commissioners. (1) The powers of each authority are vested in the commissioners thereof. A majority of the commissioners of an authority constitutes a quorum for the purpose of conducting business of the authority and exercising its powers for all other purposes.



-2- INTRODUCED BILL HB 853

1 Action may be taken by the authority upon a vote of not less
2 than a majority of the commissioners present.

3 (2) There must be elected a chairman and vice-chairman
4 from among the commissioners. An authority may employ an
5 executive director, secretary, technical experts, and such
6 other officers, agents, and employees, permanent and
7 temporary, as it may require and shall determine their
8 qualifications, duties, and compensation. An authority may
9 delegate to one or more of its agents or employees such
10 powers or duties as it considers proper.

11 (3) A commissioner of an authority is entitled to
12 receive expenses, as provided in 2-18-501 through 2-18-503,
13 incurred in the discharge of his duties. Each commissioner
14 shall hold office until his successor has been appointed or
15 elected and has qualified. The certificates of the
16 appointment, and reappointment, or election of commissioners
17 must be filed with the authority."

18 **Section 4.** Section 7-14-1104, MCA, is amended to read:

19 "7-14-1104. **Purpose** -- public and governmental
20 functions. (1) The purposes of a port authority are to:

21 (a) promote, stimulate, develop, and advance the
22 general welfare, commerce, economic development, and
23 prosperity of its jurisdiction and of the state and its
24 citizens;

25 (b) endeavor to increase the volume of commerce within

1 the jurisdiction of the port authority and the state through
2 planning, advertising, acquisition, establishment,
3 development, construction, improvement, maintenance,
4 equipment, operation, regulation, and protection of ports
5 and-transportation-and-storage facilities that promote the
6 safe, efficient, and economical handling of commerce;

7 (c) cooperate and act in conjunction with other
8 organizations, public or private, in the development of
9 commerce, industry, manufacturing, services, natural
10 resources, agriculture, livestock, recreation, tourism,
11 health care, and other economic activity in the state;

12 (d) support the creation, expansion, modernization,
13 retention, and relocation of new and existing businesses and
14 industry in the state and otherwise stimulate, assist in,
15 and support the growth of all kinds of economic activity
16 that will tend to promote commerce and business development,
17 maintain the economic stability and prosperity of its
18 jurisdiction and of the state, and thus provide maximum
19 opportunities for employment and improvement in the standard
20 of living of citizens of the state.

21 (2) The acquisition of any land or interest in land
22 pursuant to this part, the planning, acquisition,
23 establishment, development, construction, improvement,
24 maintenance, equipment, operation, regulation, and
25 protection of ports--and--transportation--and--storage port

1 authority facilities, and the exercise of any powers granted
 2 to port authorities and other public agencies to be
 3 severally or jointly exercised are public and governmental
 4 functions, exercised for a public purpose, and matters of
 5 public necessity. All land and other property and privileges
 6 acquired and used by or on behalf of any authority or other
 7 public agency, as provided in this part, must be used for
 8 public and governmental purposes and as a matter of public
 9 necessity."

10 **Section 5.** Section 7-14-1111, MCA, is amended to read:

11 "7-14-1111. **General powers of authority.** An authority
 12 has all the powers necessary or convenient to carry out the
 13 purposes of this part, including but not limited to the
 14 power to:

15 (1) certify annually to the governing bodies creating
 16 it the amount of tax to be levied by the governing bodies
 17 for port purposes;

18 (2) sue and be sued, have a seal, and have perpetual
 19 succession;

20 (3) execute such contracts and other instruments and
 21 take such other action as may be necessary or convenient to
 22 carry out the purposes of this part;

23 (4) plan, establish, acquire, develop, construct,
 24 purchase, enlarge, improve, maintain, equip, operate,
 25 regulate, and protect ~~ports-and-transportation-and-storage~~

1 facilities. For such purposes an authority may, by purchase,
 2 gift, devise, lease, or otherwise, acquire real or personal
 3 property or any interest therein, including easements.

4 (5) establish comprehensive port zoning regulations in
 5 accordance with the laws of this state;

6 (6) acquire, by purchase, gift, devise, lease, or
 7 otherwise, existing ~~ports--and--transportation--and--storage~~
 8 facilities as may be necessary or convenient to carry out
 9 the purposes of this part. However, an authority may not
 10 acquire or take over any ~~port-or-transportation-and-storage~~
 11 facility owned or controlled by another authority, county,
 12 municipality, or public agency without the consent of such
 13 authority, county, municipality, or public agency.

14 (7) provide financial and other support to
 15 organizations in its jurisdiction, including corporations
 16 organized under the provisions of the development
 17 corporation act in Title 32, chapter 4, whose purpose is to
 18 promote, stimulate, develop, and advance the general
 19 welfare, economic development, and prosperity of its
 20 jurisdiction and of the state and its citizens by
 21 stimulating, assisting in, and supporting the growth of all
 22 kinds of economic activity, including the creation,
 23 expansion, modernization, retention, and relocation of new
 24 and existing businesses and industry in the state, all of
 25 which will tend to promote business development, maintain

1 the economic stability and prosperity of the state, and thus
2 provide maximum opportunities for employment and improvement
3 in the standards of living of citizens of the state."

4 **Section 6.** Section 7-14-1112, MCA, is amended to read:

5 "7-14-1112. **Rules.** An authority may adopt, amend, and
6 repeal such reasonable resolutions, rules, and orders as it
7 considers necessary for its own administration, management,
8 and governance as well as for the management, governance,
9 and use of any ~~port-or-transportation-and--storage~~ facility
10 owned by it or under its control. No rule, order, or
11 standard prescribed by the commission may be inconsistent
12 with or contrary to any act of the congress of the United
13 States or any regulation promulgated or standard established
14 pursuant thereto. The authority shall keep on file at the
15 principal office of the authority a copy of all its rules
16 for public inspection."

17 **Section 7.** Section 7-14-1125, MCA, is amended to read:

18 "7-14-1125. **Granting of operation and use privileges.**

19 (1) In connection with the operation of a ~~port--or~~
20 ~~transportation-and-storage~~ facility owned or controlled by
21 an authority, the authority may enter into contracts,
22 leases, and other arrangements for terms not to exceed 30
23 years with any persons:

24 (a) granting the privilege of using or improving the
25 ~~port or-transportation-and-storage~~ authority facility or any

1 portion or facility thereof or space therein for commercial
2 purposes;

3 (b) conferring the privilege of supplying goods,
4 commodities, services, or facilities at the port ~~or~~
5 ~~transportation-and-storage~~ authority facility; and

6 (c) making available services to be furnished by the
7 authority or its agents at the ~~port or-transportation-and~~
8 ~~storage~~ facility.

9 (2) In each case the authority may establish the terms
10 and conditions and fix the charges, rentals, or fees for the
11 privileges or services, which must be reasonable and uniform
12 for the same class of privilege or service and must be
13 established with due regard to the property and improvements
14 used and the expenses of operation to the authority."

15 **Section 8.** Section 7-14-1126, MCA, is amended to read:

16 "7-14-1126. **Port property -- disposal.** Except as may be
17 limited by the terms and conditions of any grant, loan, or
18 agreement authorized by 7-14-1136, an authority may sell,
19 lease, or otherwise dispose of any ~~port--transportation--and~~
20 ~~storage~~ facility, or other property or portion thereof or
21 interest therein acquired pursuant to this part. Such
22 disposal by sale, lease, or otherwise must be in accordance
23 with the laws of this state governing the disposition of
24 other public property."

25 NEW SECTION. **Section 9.** Codification instruction.

LC 1478/01

1 [Section 2] is intended to be codified as an integral part
2 of Title 7, chapter 14, part 11, and the provisions of Title
3 7, chapter 14, part 11, apply to [section 2].

-End-

APPROVED BY COMM.
ON LOCAL GOVERNMENT

HOUSE BILL NO. 853

INTRODUCED BY SCOTT, DRISCOLL, KIMBERLEY, KEATING,
BLAYLOCK, KILPATRICK, BECKER, MCCULLOCH, T. NELSON, WHALEN,
FORRESTER, FAGG, HAGER, RYE, R. JOHNSON, TOWE, SOUTHWORTH,
BENGTSON, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE POWERS
OF A PORT AUTHORITY; ~~REQUIRING THE ELECTION OF LOCAL PORT~~
~~AUTHORITY COMMISSIONERS~~ GRANTING THE LOCAL GOVERNING BODY
DISCRETION IN ESTABLISHING MILL LEVIES FOR A PORT AUTHORITY;
AND AMENDING SECTIONS ~~7-14-1101, 7-14-1103, 7-14-1104,~~
~~7-14-1111, 7-14-1112, 7-14-1125, AND 7-14-1126, 7-14-1131,~~
AND 7-14-1133, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-14-1101, MCA, is amended to read:
"7-14-1101. Local port authority. (1) Any county or
municipality may, by resolution of its governing body,
create a public body, corporate and politic, to be known as
a local port authority, authorized to exercise its functions
upon the appointment and qualification of the first
commissioners thereof. Such a governing body may by
resolution determine to exercise any or all powers granted
to such authorities in this part, unless such powers have
been conferred upon a local or regional port authority.

(2) Upon the adoption of a resolution creating a local
port authority, the governing body of the county or
municipality shall, pursuant to the resolution, appoint not
less than five persons as commissioners of the authority.
The commissioners who are first appointed must be designated
to serve for terms of 1, 2, 3, 4, and 5 years, respectively,
but thereafter each commissioner must be appointed elected
for a term of 5 years, except that vacancies occurring other
than by expiration of a term must be filled for the
unexpired term by the governing body."

NEW SECTION. Section 2. Election of local port
authority commissioners. (1) Any registered elector in the
county or municipality in which the local port authority is
located may file a petition of candidacy with the election
administrator. The petition must contain the signatures of
not less than 25 registered electors of the county or
municipality. The petition must be filed at least 75 days
before the election day.

(2) The election must be conducted at the time provided
in 13-1-104(3) and in the manner provided by 13-1-401.

(3) If no nomination petitions are filed for one or
more commissioner offices, the appropriate local governing
body shall appoint one or more commissioners as necessary to
fill those offices.

Section 3. Section 7-14-1103, MCA, is amended to read:



~~"7-14-1103. Commissioners:--(1)--The--powers--of--each authority--are--vested--in--the--commissioners--thereof;--A majority--of--the--commissioners--of--an--authority--constitutes--a quorum--for--the--purpose--of--conducting--business--of--the authority--and--exercising--its--powers--for--all--other--purposes. Action--may--be--taken--by--the--authority--upon--a--vote--of--not--less than--a--majority--of--the--commissioners--present.~~

~~(2)--There--must--be--elected--a--chairman--and--vice--chairman from--among--the--commissioners;--An--authority--may--employ--an executive--director,--secretary,--technical--experts,--and--such other--officers,--agents,--and--employees,--permanent--and temporary,--as--it--may--require--and--shall--determine--their qualifications,--duties,--and--compensation;--An--authority--may delegate--to--one--or--more--of--its--agents--or--employees--such powers--or--duties--as--it--considers--proper.~~

~~(3)--A--commissioner--of--an--authority--is--entitled--to receive--expenses,--as--provided--in--2-10-501--through--2-10-503, incurred--in--the--discharge--of--his--duties;--Each--commissioner shall--hold--office--until--his--successor--has--been--appointed--or elected--and--has--qualified;--The--certificates--of--the appointment,--and--reappointment,--or--election--of--commissioners must--be--filed--with--the--authority."~~

Section 1. Section 7-14-1104, MCA, is amended to read:

"7-14-1104. Purpose -- public and governmental functions. (1) The purposes of a port authority are to:

(a) promote, stimulate, develop, and advance the general welfare, commerce, economic development, and prosperity of its jurisdiction and of the state and its citizens;

(b) endeavor to increase the volume of commerce within the jurisdiction of the port authority and the state through planning, advertising, acquisition, establishment, development, construction, improvement, maintenance, equipment, operation, regulation, and protection of ports and--transportation--and--storage TRANSPORTATION, STORAGE, AND OTHER facilities that promote the safe, efficient, and economical handling of commerce;

(c) cooperate and act in conjunction with other organizations, public or private, in the development of commerce, industry, manufacturing, services, natural resources, agriculture, livestock, recreation, tourism, health care, and other economic activity in the state;

(d) support the creation, expansion, modernization, retention, and relocation of new and existing businesses and industry in the state and otherwise stimulate, assist in, and support the growth of all kinds of economic activity that will tend to promote commerce and business development, maintain the economic stability and prosperity of its jurisdiction and of the state, and thus provide maximum opportunities for employment and improvement in the standard

1 of living of citizens of the state.

2 (2) The acquisition of any land or interest in land
 3 pursuant to this part, the planning, acquisition,
 4 establishment, development, construction, improvement,
 5 maintenance, equipment, operation, regulation, and
 6 protection of ~~ports--and--transportation--and--storage~~ port
 7 authority facilities, and the exercise of any powers granted
 8 to port authorities and other public agencies to be
 9 severally or jointly exercised are public and governmental
 10 functions, exercised for a public purpose, and matters of
 11 public necessity. All land and other property and privileges
 12 acquired and used by or on behalf of any authority or other
 13 public agency, as provided in this part, must be used for
 14 public and governmental purposes and as a matter of public
 15 necessity."

16 **Section 2.** Section 7-14-1111, MCA, is amended to read:

17 "7-14-1111. **General powers of authority.** An authority
 18 has all the powers necessary or convenient to carry out the
 19 purposes of this part, including but not limited to the
 20 power to:

21 (1) ~~certify annually to the governing bodies creating~~
 22 ~~it--the--amount--of--tax--to--be--levied--by--the--governing--bodies~~
 23 REQUEST ANNUALLY THE AMOUNT OF TAX TO BE LEVIED BY THE
 24 GOVERNING BODY FOR PORT PURPOSES, WHICH REQUEST THE
 25 GOVERNING BODY MAY IN ITS DISCRETION APPROVE for port

1 purposes;

2 (2) sue and be sued, have a seal, and have perpetual
 3 succession;

4 (3) execute such contracts and other instruments and
 5 take such other action as may be necessary or convenient to
 6 carry out the purposes of this part;

7 (4) plan, establish, acquire, develop, construct,
 8 purchase, enlarge, improve, maintain, equip, operate,
 9 regulate, and protect ~~ports-and-transportation--and--storage~~
 10 TRANSPORTATION, STORAGE, OR OTHER facilities. For such
 11 purposes an authority may, by purchase, gift, devise, lease,
 12 or otherwise, acquire real or personal property or any
 13 interest therein, including easements.

14 (5) establish comprehensive port zoning regulations in
 15 accordance with the laws of this state;

16 (6) acquire, by purchase, gift, devise, lease, or
 17 otherwise, existing ~~ports--and--transportation--and--storage~~
 18 TRANSPORTATION, STORAGE, OR OTHER facilities as may be
 19 necessary or convenient to carry out the purposes of this
 20 part. However, an authority may not acquire or take over any
 21 port-or-transportation-and-storage TRANSPORTATION, STORAGE,
 22 OR OTHER facility owned or controlled by another authority,
 23 county, municipality, or public agency without the consent
 24 of such authority, county, municipality, or public agency.

25 (7) provide financial and other support to

1 organizations in its jurisdiction, including corporations
 2 organized under the provisions of the development
 3 corporation act in Title 32, chapter 4, whose purpose is to
 4 promote, stimulate, develop, and advance the general
 5 welfare, economic development, and prosperity of its
 6 jurisdiction and of the state and its citizens by
 7 stimulating, assisting in, and supporting the growth of all
 8 kinds of economic activity, including the creation,
 9 expansion, modernization, retention, and relocation of new
 10 and existing businesses and industry in the state, all of
 11 which will tend to promote business development, maintain
 12 the economic stability and prosperity of the state, and thus
 13 provide maximum opportunities for employment and improvement
 14 in the standards of living of citizens of the state."

15 **Section 3.** Section 7-14-1112, MCA, is amended to read:

16 "7-14-1112. Rules. An authority may adopt, amend, and
 17 repeal such reasonable resolutions, rules, and orders as it
 18 considers necessary for its own administration, management,
 19 and governance as well as for the management, governance,
 20 and use of any ~~port--or--transportation--and--storage~~
 21 TRANSPORTATION, STORAGE, OR OTHER facility owned by it or
 22 under its control. No rule, order, or standard prescribed by
 23 the commission may be inconsistent with or contrary to any
 24 act of the congress of the United States or any regulation
 25 promulgated or standard established pursuant thereto. The

1 authority shall keep on file at the principal office of the
 2 authority a copy of all its rules for public inspection."

3 **Section 4.** Section 7-14-1125, MCA, is amended to read:

4 "7-14-1125. Granting of operation and use privileges.

5 (1) In connection with the operation of a ~~port---~~
 6 ~~transportation-and-storage~~ TRANSPORTATION, STORAGE, OR OTHER
 7 facility owned or controlled by an authority, the authority
 8 may enter into contracts, leases, and other arrangements for
 9 terms not to exceed 30 years with any persons:

10 (a) granting the privilege of using or improving the
 11 ~~port or-transportation-and-storage~~ authority facility or any
 12 portion or facility thereof or space therein for commercial
 13 purposes;

14 (b) conferring the privilege of supplying goods,
 15 commodities, services, or facilities at the port or
 16 ~~transportation-and-storage~~ authority facility; and

17 (c) making available services to be furnished by the
 18 authority or its agents at the ~~port or-transportation-and~~
 19 ~~storage~~ TRANSPORTATION, STORAGE, OR OTHER facility.

20 (2) In each case the authority may establish the terms
 21 and conditions and fix the charges, rentals, or fees for the
 22 privileges or services, which must be reasonable and uniform
 23 for the same class of privilege or service and must be
 24 established with due regard to the property and improvements
 25 used and the expenses of operation to the authority."

1 **Section 5.** Section 7-14-1126, MCA, is amended to read:
 2 "7-14-1126. **Port property -- disposal.** Except as may be
 3 limited by the terms and conditions of any grant, loan, or
 4 agreement authorized by 7-14-1136, an authority may sell,
 5 lease, or otherwise dispose of any ~~port, transportation--and~~
 6 ~~storage~~ TRANSPORTATION, STORAGE, OR OTHER facility, or other
 7 property or portion thereof or interest therein acquired
 8 pursuant to this part. Such disposal by sale, lease, or
 9 otherwise must be in accordance with the laws of this state
 10 governing the disposition of other public property."

11 ~~NEW-SECTION:--Section-9:--Codification-----instruction-~~
 12 ~~{Section-2}-is-intended-to-be-codified-as-an--integral--part~~
 13 ~~of-Title-77-chapter-147-part-117-and-the-provisions-of-Title~~
 14 ~~77-chapter-147-part-117-apply-to-{section-2};~~

15 **SECTION 6.** SECTION 7-14-1131, MCA, IS AMENDED TO READ:
 16 "7-14-1131. **Municipal tax levy.** The port authority may
 17 certify request annually to from the governing bodies the
 18 amount of tax to be levied by each municipality
 19 participating in the creation of the port authority, and the
 20 municipality may levy the amount certified requested,
 21 pursuant to provisions of law authorizing cities and other
 22 political subdivisions of this state to levy taxes. The levy
 23 made may not exceed the maximum levy permitted by 67-10-402
 24 for port purposes or any lower limit that may have been
 25 established by the municipality or municipalities in the

1 resolution creating the authority. The municipality shall
 2 collect the taxes certified requested by a port authority
 3 that it has authorized in the same manner as other taxes are
 4 levied and collected and make payment to the port authority.
 5 The proceeds of such taxes when and as paid to the port
 6 authority must be deposited in a special account or accounts
 7 in which other revenues of the authority are deposited and
 8 may be expended by the authority as provided for in this
 9 part. Prior to the issuance of bonds under 7-14-1133 and
 10 7-14-1134, the port authority or the municipality may by
 11 resolution covenant and agree that the total amount of such
 12 taxes then authorized by law, or such portion thereof as may
 13 be specified by the resolution, will be certified requested,
 14 levied, and deposited annually as provided in this section
 15 until the bonds and interest thereon are fully paid."

16 **SECTION 7.** SECTION 7-14-1133, MCA, IS AMENDED TO READ:
 17 "7-14-1133. **Bonds and obligations.** (1) Except for
 18 providing financial support to a private development
 19 organization, including a corporation organized under Title
 20 32, chapter 4, whose purpose is to advance the economic
 21 development of its jurisdiction and of the state and its
 22 citizens, an authority may borrow money for any of its
 23 corporate purposes and issue bonds therefor, including
 24 refunding bonds, in such form and upon such terms as it
 25 determines, payable out of any revenues of the authority,

1 including revenues derived from:

- 2 (a) any port or transportation and storage facility;
- 3 (b) taxes levied pursuant to 7-14-1131 or 67-10-402;
- 4 (c) grants or contributions from the federal
5 government; or
- 6 (d) other sources.
- 7 (2) The bonds may be issued by resolution of the
8 authority, without an election and without any limitation of
9 amount, except that no bonds may be issued at any time if
10 the total amount of principal and interest to become due in
11 any year on such bonds and on any then outstanding bonds for
12 which revenues from the same source are pledged exceeds the
13 amount of such revenues to be received in that year, as
14 estimated in the resolution authorizing the issuance of the
15 bonds. The authority shall take all action necessary and
16 possible to impose, maintain, and collect rates, charges,
17 and rentals, and to request taxes, if any are pledged,
18 sufficient to make the revenues from the pledged source in
19 such year at least equal to the amount of principal and
20 interest due in that year.
- 21 (3) The bonds may be sold at public or private sale and
22 may bear interest as provided in 17-5-102. Except as
23 otherwise provided in this part, any bonds issued pursuant
24 to this part by an authority may be payable as to principal
25 and interest solely from revenues of the authority and shall

1 state on their face the applicable limitations or
2 restrictions regarding the source from which such principal
3 and interest are payable.

4 (4) Bonds issued by an authority, county, or
5 municipality pursuant to the provisions of this part are
6 declared to be issued for an essential public and
7 governmental purpose by a political subdivision within the
8 meaning of 15-30-111(2)(a).

9 (5) For the security of any such bonds, the authority,
10 county, or municipality may by resolution make and enter
11 into any covenant, agreement, or indenture and may exercise
12 any additional powers authorized to be exercised by a
13 municipality under Title 7, chapter 7, parts 44 and 45. The
14 sums required from time to time to pay principal and
15 interest and to create and maintain a reserve for the bonds
16 may be paid from any revenues referred to in this part,
17 prior to the payment of current costs of operation and
18 maintenance of the facilities.

19 (6) Nothing in this section or 7-14-1134 may be
20 construed to limit the use of port authority revenues,
21 including federal and state money as described in 7-14-1136,
22 to make grants and loans or to otherwise provide financial
23 and other support to private development organizations,
24 including corporations organized under the provisions of the
25 development corporation act in Title 32, chapter 4. Under no

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1 circumstances may the credit of the state, county, or
2 municipal governments or their agencies or authorities be
3 pledged to provide financial support to such development
4 organizations."

-End-

HOUSE BILL NO. 853

INTRODUCED BY SCOTT, DRISCOLL, KIMBERLEY, KEATING,
BLAYLOCK, KILPATRICK, BECKER, MCCULLOCH, T. NELSON, WHALEN,
FORRESTER, FAGG, HAGER, RYE, R. JOHNSON, TOWE, SOUTHWORTH,
BENGTSON, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE POWERS
OF A PORT AUTHORITY; ~~REQUIRING THE ELECTION OF LOCAL PORT
AUTHORITY COMMISSIONERS~~ REQUIRING THE APPOINTMENT OR
ELECTION OF LOCAL PORT AUTHORITY COMMISSIONERS; GRANTING THE
LOCAL GOVERNING BODY DISCRETION IN ESTABLISHING MILL LEVIES
FOR A PORT AUTHORITY; AND AMENDING SECTIONS 7-14-1101,
7-14-1103, 7-14-1101, 7-14-1103, 7-14-1104, 7-14-1111,
7-14-1112, 7-14-1125, AND 7-14-1126, 7-14-1131, AND
7-14-1133, MCA."

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municipality may, by resolution of its governing body,
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a local port authority, authorized to exercise its functions
upon the appointment and qualification of the first
commissioners thereof. Such a governing body may by
resolution determine to exercise any or all powers granted~~

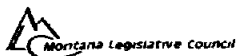
~~to such authorities in this part, unless such powers have
been conferred upon a local or regional port authority.~~

~~(2) Upon the adoption of a resolution creating a local
port authority, the governing body of the county or
municipality shall, pursuant to the resolution, appoint not
less than five persons as commissioners of the authority.
The commissioners who are first appointed must be designated
to serve for terms of 1, 2, 3, 4, and 5 years, respectively,
but thereafter each commissioner must be appointed elected
for a term of 5 years, except that vacancies occurring other
than by expiration of a term must be filled for the
unexpired term by the governing body."~~

NEW SECTION. Section 2. Election of local port
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county or municipality in which the local port authority is
located may file a petition of candidacy with the election
administrator. The petition must contain the signatures of
not less than 25 registered electors of the county or
municipality. The petition must be filed at least 75 days
before the election day.

(2) The election must be conducted at the time provided
in 13-1-104(3) and in the manner provided by 13-1-401.

(3) If no nomination petitions are filed for one or
more commissioner offices, the appropriate local governing
body shall appoint one or more commissioners as necessary to



1 ~~fill those offices.~~
 2 ~~Section 37--Section 7-14-1103, MCA, is amended to read:~~
 3 ~~"7-14-1103--Commissioners,--(1)--The--powers--of--each~~
 4 ~~authority--are--vested--in--the--commissioners--thereof,--A~~
 5 ~~majority--of--the--commissioners--of--an--authority--constitutes--a~~
 6 ~~quorum--for--the--purpose--of--conducting--business--of--the~~
 7 ~~authority--and--exercising--its--powers--for--all--other--purposes.~~
 8 ~~Action--may--be--taken--by--the--authority--upon--a--vote--of--not--less~~
 9 ~~than--a--majority--of--the--commissioners--present.~~
 10 ~~(2)--There--must--be--elected--a--chairman--and--vice--chairman~~
 11 ~~from--among--the--commissioners. An--authority--may--employ--an~~
 12 ~~executive--director,--secretary,--technical--experts,--and--such~~
 13 ~~other--officers,--agents,--and--employees,--permanent--and~~
 14 ~~temporary,--as--it--may--require--and--shall--determine--their~~
 15 ~~qualifications,--duties,--and--compensation. An--authority--may~~
 16 ~~delegate--to--one--or--more--of--its--agents--or--employees--such~~
 17 ~~powers--or--duties--as--it--considers--proper.~~
 18 ~~(3)--A--commissioner--of--an--authority--is--entitled--to~~
 19 ~~receive--expenses,--as--provided--in--2-10-501--through--2-10-503~~
 20 ~~incurred--in--the--discharge--of--his--duties. Each--commissioner~~
 21 ~~shall--hold--office--until--his--successor--has--been--appointed--or~~
 22 ~~elected--and--has--qualified. The--certificates--of--the~~
 23 ~~appointment,--and--reappointment,--or--election--of--commissioners~~
 24 ~~must--be--filed--with--the--authority."~~
 25 SECTION 1. SECTION 7-14-1101, MCA, IS AMENDED TO READ:

1 ~~"7-14-1101. Local port authority. (1) Any county or~~
 2 ~~municipality may, by resolution of its governing body,~~
 3 ~~create a public body, corporate and politic, to be known as~~
 4 ~~a local port authority, authorized to exercise its functions~~
 5 ~~upon the appointment and qualification of the first~~
 6 ~~commissioners thereof. Such a governing body may by~~
 7 ~~resolution determine to exercise any or all powers granted~~
 8 ~~to such authorities in this part, unless such powers have~~
 9 ~~been conferred upon a local or regional port authority.~~
 10 ~~(2) Upon the adoption of a resolution creating a local~~
 11 ~~port authority, the governing body of the county or~~
 12 ~~municipality shall, pursuant to the resolution, appoint not~~
 13 ~~less than five persons as commissioners of the authority.~~
 14 ~~The commissioners who are first appointed must be designated~~
 15 ~~to serve for terms of 1, 2, 3, 4, and 5 years, respectively,~~
 16 ~~but thereafter each commissioner must be appointed or~~
 17 ~~elected for a term of 5 years, except that vacancies~~
 18 ~~occurring other than by expiration of a term must be filled~~
 19 ~~for the unexpired term by the governing body."~~
 20 NEW SECTION. SECTION 2. ELECTION OF LOCAL PORT
 21 AUTHORITY COMMISSIONERS. (1) ANY REGISTERED ELECTOR IN THE
 22 COUNTY OR MUNICIPALITY IN WHICH THE LOCAL PORT AUTHORITY IS
 23 LOCATED MAY FILE A PETITION OF CANDIDACY WITH THE ELECTION
 24 ADMINISTRATOR. THE PETITION MUST CONTAIN THE SIGNATURES OF
 25 NOT LESS THAN 25 REGISTERED ELECTORS OF THE COUNTY OR

1 MUNICIPALITY. THE PETITION MUST BE FILED AT LEAST 75 DAYS
2 BEFORE THE ELECTION DAY.

3 (2) THE ELECTION MUST BE CONDUCTED AT THE TIME PROVIDED
4 IN 13-1-104(3) AND IN THE MANNER PROVIDED BY 13-1-401.

5 (3) IF NO NOMINATION PETITIONS ARE FILED FOR ONE OR
6 MORE COMMISSIONER OFFICES, THE APPROPRIATE LOCAL GOVERNING
7 BODY SHALL APPOINT ONE OR MORE COMMISSIONERS AS NECESSARY TO
8 FILL THOSE OFFICES.

9 SECTION 3. SECTION 7-14-1103, MCA, IS AMENDED TO READ:

10 "7-14-1103. Commissioners. (1) The powers of each
11 authority are vested in the commissioners thereof. A
12 majority of the commissioners of an authority constitutes a
13 quorum for the purpose of conducting business of the
14 authority and exercising its powers for all other purposes.
15 Action may be taken by the authority upon a vote of not less
16 than a majority of the commissioners present.

17 (2) There must be elected a chairman and vice-chairman
18 from among the commissioners. An authority may employ an
19 executive director, secretary, technical experts, and such
20 other officers, agents, and employees, permanent and
21 temporary, as it may require and shall determine their
22 qualifications, duties, and compensation. An authority may
23 delegate to one or more of its agents or employees such
24 powers or duties as it considers proper.

25 (3) A commissioner of an authority is entitled to

1 receive expenses, as provided in 2-18-501 through 2-18-503,
2 incurred in the discharge of his duties. Each commissioner
3 shall hold office until his successor has been appointed or
4 elected and has qualified. The certificates of the
5 appointment, and reappointment, or election of commissioners
6 must be filed with the authority."

7 **Section 4.** Section 7-14-1104, MCA, is amended to read:

8 "7-14-1104. Purpose -- public and governmental
9 functions. (1) The purposes of a port authority are to:

10 (a) promote, stimulate, develop, and advance the
11 general welfare, commerce, economic development, and
12 prosperity of its jurisdiction and of the state and its
13 citizens;

14 (b) endeavor to increase the volume of commerce within
15 the jurisdiction of the port authority and the state through
16 planning, advertising, acquisition, establishment,
17 development, construction, improvement, maintenance,
18 equipment, operation, regulation, and protection of ports
19 and--transportation-and-storage TRANSPORTATION, STORAGE, AND
20 OTHER facilities that promote the safe, efficient, and
21 economical handling of commerce;

22 (c) cooperate and act in conjunction with other
23 organizations, public or private, in the development of
24 commerce, industry, manufacturing, services, natural
25 resources, agriculture, livestock, recreation, tourism,

1 health care, and other economic activity in the state;

2 (d) support the creation, expansion, modernization,
3 retention, and relocation of new and existing businesses and
4 industry in the state and otherwise stimulate, assist in,
5 and support the growth of all kinds of economic activity
6 that will tend to promote commerce and business development,
7 maintain the economic stability and prosperity of its
8 jurisdiction and of the state, and thus provide maximum
9 opportunities for employment and improvement in the standard
10 of living of citizens of the state.

11 (2) The acquisition of any land or interest in land
12 pursuant to this part, the planning, acquisition,
13 establishment, development, construction, improvement,
14 maintenance, equipment, operation, regulation, and
15 protection of ports--and--transportation--and--storage port
16 authority facilities, and the exercise of any powers granted
17 to port authorities and other public agencies to be
18 severally or jointly exercised are public and governmental
19 functions, exercised for a public purpose, and matters of
20 public necessity. All land and other property and privileges
21 acquired and used by or on behalf of any authority or other
22 public agency, as provided in this part, must be used for
23 public and governmental purposes and as a matter of public
24 necessity."

25 **Section 5.** Section 7-14-1111, MCA, is amended to read:

1 "7-14-1111. General powers of authority. An authority
2 has all the powers necessary or convenient to carry out the
3 purposes of this part, including but not limited to the
4 power to:

5 (1) ~~certify annually to the governing bodies creating~~
6 ~~it--the--amount--of--tax--to--be--levied--by--the--governing--bodies~~
7 REQUEST ANNUALLY THE AMOUNT OF TAX TO BE LEVIED BY THE
8 GOVERNING BODY FOR PORT PURPOSES, WHICH REQUEST THE
9 GOVERNING BODY MAY IN ITS DISCRETION APPROVE for port
10 purposes;

11 (2) sue and be sued, have a seal, and have perpetual
12 succession;

13 (3) execute such contracts and other instruments and
14 take such other action as may be necessary or convenient to
15 carry out the purposes of this part;

16 (4) plan, establish, acquire, develop, construct,
17 purchase, enlarge, improve, maintain, equip, operate,
18 regulate, and protect ports-and-transportation--and--storage
19 TRANSPORTATION, STORAGE, OR OTHER facilities. For such
20 purposes an authority may, by purchase, gift, devise, lease,
21 or otherwise, acquire real or personal property or any
22 interest therein, including easements.

23 (5) establish comprehensive port zoning regulations in
24 accordance with the laws of this state;

25 (6) acquire, by purchase, gift, devise, lease, or

1 otherwise, existing ~~ports--and--transportation-and-storage~~
 2 TRANSPORTATION, STORAGE, OR OTHER facilities as may be
 3 necessary or convenient to carry out the purposes of this
 4 part. However, an authority may not acquire or take over any
 5 ~~port-or-transportation-and-storage~~ TRANSPORTATION, STORAGE,
 6 OR OTHER facility owned or controlled by another authority,
 7 county, municipality, or public agency without the consent
 8 of such authority, county, municipality, or public agency.

9 (7) provide financial and other support to
 10 organizations in its jurisdiction, including corporations
 11 organized under the provisions of the development
 12 corporation act in Title 32, chapter 4, whose purpose is to
 13 promote, stimulate, develop, and advance the general
 14 welfare, economic development, and prosperity of its
 15 jurisdiction and of the state and its citizens by
 16 stimulating, assisting in, and supporting the growth of all
 17 kinds of economic activity, including the creation,
 18 expansion, modernization, retention, and relocation of new
 19 and existing businesses and industry in the state, all of
 20 which will tend to promote business development, maintain
 21 the economic stability and prosperity of the state, and thus
 22 provide maximum opportunities for employment and improvement
 23 in the standards of living of citizens of the state."

24 **Section 6.** Section 7-14-1112, MCA, is amended to read:

25 "7-14-1112. **Rules.** An authority may adopt, amend, and

1 repeal such reasonable resolutions, rules, and orders as it
 2 considers necessary for its own administration, management,
 3 and governance as well as for the management, governance,
 4 and use of any ~~port--or--transportation--and--storage~~
 5 TRANSPORTATION, STORAGE, OR OTHER facility owned by it or
 6 under its control. No rule, order, or standard prescribed by
 7 the commission may be inconsistent with or contrary to any
 8 act of the congress of the United States or any regulation
 9 promulgated or standard established pursuant thereto. The
 10 authority shall keep on file at the principal office of the
 11 authority a copy of all its rules for public inspection."

12 **Section 7.** Section 7-14-1125, MCA, is amended to read:

13 "7-14-1125. **Granting of operation and use privileges.**

14 (1) In connection with the operation of a ~~port--or~~
 15 ~~transportation-and-storage~~ TRANSPORTATION, STORAGE, OR OTHER
 16 facility owned or controlled by an authority, the authority
 17 may enter into contracts, leases, and other arrangements for
 18 terms not to exceed 30 years with any persons:

19 (a) granting the privilege of using or improving the
 20 ~~port or-transportation-and-storage~~ authority facility or any
 21 portion or facility thereof or space therein for commercial
 22 purposes;

23 (b) conferring the privilege of supplying goods,
 24 commodities, services, or facilities at the port or
 25 ~~transportation-and-storage~~ authority facility; and

1 (c) making available services to be furnished by the
 2 authority or its agents at the port or-transportation-and
 3 storage TRANSPORTATION, STORAGE, OR OTHER facility.

4 (2) In each case the authority may establish the terms
 5 and conditions and fix the charges, rentals, or fees for the
 6 privileges or services, which must be reasonable and uniform
 7 for the same class of privilege or service and must be
 8 established with due regard to the property and improvements
 9 used and the expenses of operation to the authority."

10 **Section 8.** Section 7-14-1126, MCA, is amended to read:

11 "7-14-1126. Port property -- disposal. Except as may be
 12 limited by the terms and conditions of any grant, loan, or
 13 agreement authorized by 7-14-1136, an authority may sell,
 14 lease, or otherwise dispose of any port-transportation--and
 15 storage TRANSPORTATION, STORAGE, OR OTHER facility, or other
 16 property or portion thereof or interest therein acquired
 17 pursuant to this part. Such disposal by sale, lease, or
 18 otherwise must be in accordance with the laws of this state
 19 governing the disposition of other public property."

20 ~~NEW SECTION--Section 9--Codification-----instruction--~~
 21 ~~{Section 2} is intended to be codified as an integral part~~
 22 ~~of Title 7, chapter 14, part 11, and the provisions of Title~~
 23 ~~7, chapter 14, part 11 apply to {section 2}.~~

24 **SECTION 9.** SECTION 7-14-1131, MCA, IS AMENDED TO READ:

25 "7-14-1131. Municipal tax levy. The port authority may

1 certify request annually to from the governing bodies the
 2 amount of tax to be levied by each municipality
 3 participating in the creation of the port authority, and the
 4 municipality may levy the amount certified requested,
 5 pursuant to provisions of law authorizing cities and other
 6 political subdivisions of this state to levy taxes. The levy
 7 made may not exceed the maximum levy permitted by 67-10-402
 8 for port purposes or any lower limit that may have been
 9 established by the municipality or municipalities in the
 10 resolution creating the authority. The municipality shall
 11 collect the taxes certified requested by a port authority
 12 that it has authorized in the same manner as other taxes are
 13 levied and collected and make payment to the port authority.
 14 The proceeds of such taxes when and as paid to the port
 15 authority must be deposited in a special account or accounts
 16 in which other revenues of the authority are deposited and
 17 may be expended by the authority as provided for in this
 18 part. Prior to the issuance of bonds under 7-14-1133 and
 19 7-14-1134, the port authority or the municipality may by
 20 resolution covenant and agree that the total amount of such
 21 taxes then authorized by law, or such portion thereof as may
 22 be specified by the resolution, will be certified requested,
 23 levied, and deposited annually as provided in this section
 24 until the bonds and interest thereon are fully paid."

25 **SECTION 10.** SECTION 7-14-1133, MCA, IS AMENDED TO READ:

1 "7-14-1133. Bonds and obligations. (1) Except for
 2 providing financial support to a private development
 3 organization, including a corporation organized under Title
 4 32, chapter 4, whose purpose is to advance the economic
 5 development of its jurisdiction and of the state and its
 6 citizens, an authority may borrow money for any of its
 7 corporate purposes and issue bonds therefor, including
 8 refunding bonds, in such form and upon such terms as it
 9 determines, payable out of any revenues of the authority,
 10 including revenues derived from:

- 11 (a) any port or transportation and storage facility;
- 12 (b) taxes levied pursuant to 7-14-1131 or 67-10-402;
- 13 (c) grants or contributions from the federal
 14 government; or
- 15 (d) other sources.

16 (2) The bonds may be issued by resolution of the
 17 authority, without an election and without any limitation of
 18 amount, except that no bonds may be issued at any time if
 19 the total amount of principal and interest to become due in
 20 any year on such bonds and on any then outstanding bonds for
 21 which revenues from the same source are pledged exceeds the
 22 amount of such revenues to be received in that year, as
 23 estimated in the resolution authorizing the issuance of the
 24 bonds. The authority shall take all action necessary and
 25 possible to impose, maintain, and collect rates, charges,

1 and rentals, and to request taxes, if any are pledged,
 2 sufficient to make the revenues from the pledged source in
 3 such year at least equal to the amount of principal and
 4 interest due in that year.

5 (3) The bonds may be sold at public or private sale and
 6 may bear interest as provided in 17-5-102. Except as
 7 otherwise provided in this part, any bonds issued pursuant
 8 to this part by an authority may be payable as to principal
 9 and interest solely from revenues of the authority and shall
 10 state on their face the applicable limitations or
 11 restrictions regarding the source from which such principal
 12 and interest are payable.

13 (4) Bonds issued by an authority, county, or
 14 municipality pursuant to the provisions of this part are
 15 declared to be issued for an essential public and
 16 governmental purpose by a political subdivision within the
 17 meaning of 15-30-111(2)(a).

18 (5) For the security of any such bonds, the authority,
 19 county, or municipality may by resolution make and enter
 20 into any covenant, agreement, or indenture and may exercise
 21 any additional powers authorized to be exercised by a
 22 municipality under Title 7, chapter 7, parts 44 and 45. The
 23 sums required from time to time to pay principal and
 24 interest and to create and maintain a reserve for the bonds
 25 may be paid from any revenues referred to in this part,

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1 prior to the payment of current costs of operation and
2 maintenance of the facilities.

3 (6) Nothing in this section or 7-14-1134 may be
4 construed to limit the use of port authority revenues,
5 including federal and state money as described in 7-14-1136,
6 to make grants and loans or to otherwise provide financial
7 and other support to private development organizations,
8 including corporations organized under the provisions of the
9 development corporation act in Title 32, chapter 4. Under no
10 circumstances may the credit of the state, county, or
11 municipal governments or their agencies or authorities be
12 pledged to provide financial support to such development
13 organizations."

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 18, 1991

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 853 (third reading copy -- blue), respectfully report that House Bill No. 853 be amended and as so amended be concurred in:

1. Page 4, line 12.

Following: "appoint"

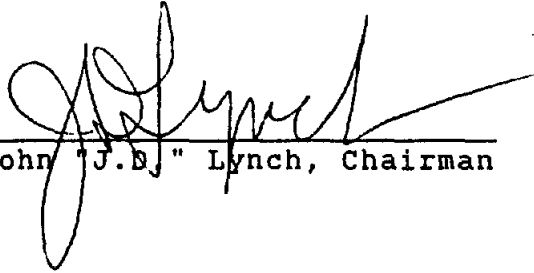
Insert: "or, at the option of the governing body, elect, as provided in [section 2],"

2. Page 6, line 19.

Strike: "AND"

Insert: "or"

Signed: _____


John "J.D." Lynch, Chairman

191 3-18-91
Amd. Coord.

SB 3/18 0:25
Sec. of Senate

SENATE
HB 853

1 HOUSE BILL NO. 853

2 INTRODUCED BY SCOTT, DRISCOLL, KIMBERLEY, KEATING,
3 BLAYLOCK, KILPATRICK, BECKER, MCCULLOCH, T. NELSON, WHALEN,
4 FORRESTER, FAGG, HAGER, RYE, R. JOHNSON, TOWE, SOUTHWORTH,
5 BENGTON, CRIPPEN

6
7 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE POWERS
8 OF A PORT AUTHORITY; ~~REQUIRING THE ELECTION OF LOCAL PORT~~
9 ~~AUTHORITY COMMISSIONERS~~ REQUIRING THE APPOINTMENT OR
10 ELECTION OF LOCAL PORT AUTHORITY COMMISSIONERS; GRANTING THE
11 LOCAL GOVERNING BODY DISCRETION IN ESTABLISHING MILL LEVIES
12 FOR A PORT AUTHORITY; AND AMENDING SECTIONS 7-14-1101,
13 7-14-1103, 7-14-1101, 7-14-1103, 7-14-1104, 7-14-1111,
14 7-14-1112, 7-14-1125, AND 7-14-1126, 7-14-1131, AND
15 7-14-1133, MCA."

16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

18 Section 1. Section 7-14-1101, MCA, is amended to read:
19 "7-14-1101. Local port authority. (1) Any county or
20 municipality may, by resolution of its governing body,
21 create a public body, corporate and politic, to be known as
22 a local port authority, authorized to exercise its functions
23 upon the appointment and qualification of the first
24 commissioners thereof. Such a governing body may by
25 resolution determine to exercise any or all powers granted

1 to such authorities in this part, unless such powers have
2 been conferred upon a local or regional port authority.
3 (2) Upon the adoption of a resolution creating a local
4 port authority, the governing body of the county or
5 municipality shall, pursuant to the resolution, appoint not
6 less than five persons as commissioners of the authority.
7 The commissioners who are first appointed must be designated
8 to serve for terms of 1, 2, 3, 4, and 5 years, respectively,
9 but thereafter each commissioner must be appointed elected
10 for a term of 5 years, except that vacancies occurring other
11 than by expiration of a term must be filled for the
12 unexpired term by the governing body."

13 NEW SECTION: Section 2. Election of local port
14 authority commissioners. (1) Any registered elector in the
15 county or municipality in which the local port authority is
16 located may file a petition of candidacy with the election
17 administrator. The petition must contain the signatures of
18 not less than 25 registered electors of the county or
19 municipality. The petition must be filed at least 75 days
20 before the election day.

21 (2) The election must be conducted at the time provided
22 in 13-1-104(3) and in the manner provided by 13-1-401.

23 (3) If no nomination petitions are filed for one or
24 more commissioner offices, the appropriate local governing
25 body shall appoint one or more commissioners as necessary to

1 ~~fill those offices:~~

2 ~~Section 3, Section 7-14-1103, MCA, is amended to read:~~
3 ~~"7-14-1103. Commissioners, (1) The powers of each~~
4 ~~authority are vested in the commissioners thereof. A~~
5 ~~majority of the commissioners of an authority constitutes a~~
6 ~~quorum for the purpose of conducting business of the~~
7 ~~authority and exercising its powers for all other purposes.~~
8 ~~Action may be taken by the authority upon a vote of not less~~
9 ~~than a majority of the commissioners present:~~

10 ~~(2) There must be elected a chairman and vice chairman~~
11 ~~from among the commissioners. An authority may employ an~~
12 ~~executive director, secretary, technical experts, and such~~
13 ~~other officers, agents, and employees, permanent and~~
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9 ~~been conferred upon a local or regional port authority.~~

10 ~~(2) Upon the adoption of a resolution creating a local~~
11 ~~port authority, the governing body of the county or~~
12 ~~municipality shall, pursuant to the resolution, appoint OR,~~
13 ~~AT THE OPTION OF THE GOVERNING BODY, ELECT, AS PROVIDED IN~~
14 ~~[SECTION 2], not less than five persons as commissioners of~~
15 ~~the authority. The commissioners who are first appointed~~
16 ~~must be designated to serve for terms of 1, 2, 3, 4, and 5~~
17 ~~years, respectively, but thereafter each commissioner must~~
18 ~~be appointed or elected for a term of 5 years, except that~~
19 ~~vacancies occurring other than by expiration of a term must~~
20 ~~be filled for the unexpired term by the governing body."~~

21 NEW SECTION. SECTION 2. ELECTION OF LOCAL PORT
22 AUTHORITY COMMISSIONERS. (1) ANY REGISTERED ELECTOR IN THE
23 COUNTY OR MUNICIPALITY IN WHICH THE LOCAL PORT AUTHORITY IS
24 LOCATED MAY FILE A PETITION OF CANDIDACY WITH THE ELECTION
25 ADMINISTRATOR. THE PETITION MUST CONTAIN THE SIGNATURES OF

1 NOT LESS THAN 25 REGISTERED ELECTORS OF THE COUNTY OR
 2 MUNICIPALITY. THE PETITION MUST BE FILED AT LEAST 75 DAYS
 3 BEFORE THE ELECTION DAY.

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 5 IN 13-1-104(3) AND IN THE MANNER PROVIDED BY 13-1-401.

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 15 authority and exercising its powers for all other purposes.
 16 Action may be taken by the authority upon a vote of not less
 17 than a majority of the commissioners present.

18 (2) There must be elected a chairman and vice-chairman
 19 from among the commissioners. An authority may employ an
 20 executive director, secretary, technical experts, and such
 21 other officers, agents, and employees, permanent and
 22 temporary, as it may require and shall determine their
 23 qualifications, duties, and compensation. An authority may
 24 delegate to one or more of its agents or employees such
 25 powers or duties as it considers proper.

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 2 receive expenses, as provided in 2-18-501 through 2-18-503,
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 4 shall hold office until his successor has been appointed or
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8 **Section 4.** Section 7-14-1104, MCA, is amended to read:

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11 (a) promote, stimulate, develop, and advance the
 12 general welfare, commerce, economic development, and
 13 prosperity of its jurisdiction and of the state and its
 14 citizens;

15 (b) endeavor to increase the volume of commerce within
 16 the jurisdiction of the port authority and the state through
 17 planning, advertising, acquisition, establishment,
 18 development, construction, improvement, maintenance,
 19 equipment, operation, regulation, and protection of ~~ports~~
 20 ~~and--transportation-and-storage~~ TRANSPORTATION, STORAGE, AND
 21 OR OTHER facilities that promote the safe, efficient, and
 22 economical handling of commerce;

23 (c) cooperate and act in conjunction with other
 24 organizations, public or private, in the development of
 25 commerce, industry, manufacturing, services, natural

1 resources, agriculture, livestock, recreation, tourism,
 2 health care, and other economic activity in the state;
 3 (d) support the creation, expansion, modernization,
 4 retention, and relocation of new and existing businesses and
 5 industry in the state and otherwise stimulate, assist in,
 6 and support the growth of all kinds of economic activity
 7 that will tend to promote commerce and business development,
 8 maintain the economic stability and prosperity of its
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 10 opportunities for employment and improvement in the standard
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 12 (2) The acquisition of any land or interest in land
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 17 authority facilities, and the exercise of any powers granted
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 2 "7-14-1111. **General powers of authority.** An authority
 3 has all the powers necessary or convenient to carry out the
 4 purposes of this part, including but not limited to the
 5 power to:
 6 (1) ~~certify annually to the governing bodies creating~~
 7 ~~it the amount of tax to be levied by the governing bodies~~
 8 REQUEST ANNUALLY THE AMOUNT OF TAX TO BE LEVIED BY THE
 9 GOVERNING BODY FOR PORT PURPOSES, WHICH REQUEST THE
 10 GOVERNING BODY MAY IN ITS DISCRETION APPROVE for port
 11 purposes;
 12 (2) sue and be sued, have a seal, and have perpetual
 13 succession;
 14 (3) execute such contracts and other instruments and
 15 take such other action as may be necessary or convenient to
 16 carry out the purposes of this part;
 17 (4) plan, establish, acquire, develop, construct,
 18 purchase, enlarge, improve, maintain, equip, operate,
 19 regulate, and protect ~~ports-and-transportation--and--storage~~
 20 TRANSPORTATION, STORAGE, OR OTHER facilities. For such
 21 purposes an authority may, by purchase, gift, devise, lease,
 22 or otherwise, acquire real or personal property or any
 23 interest therein, including easements.
 24 (5) establish comprehensive port zoning regulations in
 25 accordance with the laws of this state;

1 (6) acquire, by purchase, gift, devise, lease, or
 2 otherwise, existing ~~ports--and--transportation-and-storage~~
 3 TRANSPORTATION, STORAGE, OR OTHER facilities as may be
 4 necessary or convenient to carry out the purposes of this
 5 part. However, an authority may not acquire or take over any
 6 ~~port-or-transportation-and-storage~~ TRANSPORTATION, STORAGE,
 7 OR OTHER facility owned or controlled by another authority,
 8 county, municipality, or public agency without the consent
 9 of such authority, county, municipality, or public agency.

10 (7) provide financial and other support to
 11 organizations in its jurisdiction, including corporations
 12 organized under the provisions of the development
 13 corporation act in Title 32, chapter 4, whose purpose is to
 14 promote, stimulate, develop, and advance the general
 15 welfare, economic development, and prosperity of its
 16 jurisdiction and of the state and its citizens by
 17 stimulating, assisting in, and supporting the growth of all
 18 kinds of economic activity, including the creation,
 19 expansion, modernization, retention, and relocation of new
 20 and existing businesses and industry in the state, all of
 21 which will tend to promote business development, maintain
 22 the economic stability and prosperity of the state, and thus
 23 provide maximum opportunities for employment and improvement
 24 in the standards of living of citizens of the state."

25 **Section 6.** Section 7-14-1112, MCA, is amended to read:

1 "7-14-1112. Rules. An authority may adopt, amend, and
 2 repeal such reasonable resolutions, rules, and orders as it
 3 considers necessary for its own administration, management,
 4 and governance as well as for the management, governance,
 5 and use of any ~~port--or--transportation--and--storage~~
 6 TRANSPORTATION, STORAGE, OR OTHER facility owned by it or
 7 under its control. No rule, order, or standard prescribed by
 8 the commission may be inconsistent with or contrary to any
 9 act of the congress of the United States or any regulation
 10 promulgated or standard established pursuant thereto. The
 11 authority shall keep on file at the principal office of the
 12 authority a copy of all its rules for public inspection."

13 **Section 7.** Section 7-14-1125, MCA, is amended to read:

14 "7-14-1125. Granting of operation and use privileges.

15 (1) In connection with the operation of a ~~port--or~~
 16 ~~transportation-and-storage~~ TRANSPORTATION, STORAGE, OR OTHER
 17 facility owned or controlled by an authority, the authority
 18 may enter into contracts, leases, and other arrangements for
 19 terms not to exceed 30 years with any persons:

20 (a) granting the privilege of using or improving the
 21 ~~port or-transportation-and-storage~~ authority facility or any
 22 portion or facility thereof or space therein for commercial
 23 purposes;

24 (b) conferring the privilege of supplying goods,
 25 commodities, services, or facilities at the port or

1 ~~transportation-and-storage~~ authority facility; and
 2 (c) making available services to be furnished by the
 3 authority or its agents at the port ~~or-transportation-and~~
 4 ~~storage~~ TRANSPORTATION, STORAGE, OR OTHER facility.

5 (2) In each case the authority may establish the terms
 6 and conditions and fix the charges, rentals, or fees for the
 7 privileges or services, which must be reasonable and uniform
 8 for the same class of privilege or service and must be
 9 established with due regard to the property and improvements
 10 used and the expenses of operation to the authority."

11 **Section 8.** Section 7-14-1126, MCA, is amended to read:

12 "7-14-1126. Port property -- disposal. Except as may be
 13 limited by the terms and conditions of any grant, loan, or
 14 agreement authorized by 7-14-1136, an authority may sell,
 15 lease, or otherwise dispose of any port~~-transportation--and~~
 16 ~~storage~~ TRANSPORTATION, STORAGE, OR OTHER facility, or other
 17 property or portion thereof or interest therein acquired
 18 pursuant to this part. Such disposal by sale, lease, or
 19 otherwise must be in accordance with the laws of this state
 20 governing the disposition of other public property."

21 ~~NEW-SECTION:--Section-9--Codification-----Instruction--~~
 22 ~~{Section-2}-is-intended-to-be-codified-as-an-integral-part~~
 23 ~~of-Title-77-chapter-147-part-117-and-the-provisions-of-Title~~
 24 ~~77-chapter-147-part-117-apply-to-{section-2}:~~

25 **SECTION 9.** SECTION 7-14-1131, MCA, IS AMENDED TO READ:

1 "7-14-1131. Municipal tax levy. The port authority may
 2 ~~certify request~~ annually ~~to~~ from the governing bodies the
 3 amount of tax to be levied by each municipality
 4 participating in the creation of the port authority, and the
 5 municipality may levy the amount ~~certified~~ requested,
 6 pursuant to provisions of law authorizing cities and other
 7 political subdivisions of this state to levy taxes. The levy
 8 made may not exceed the maximum levy permitted by 67-10-402
 9 for port purposes or any lower limit that may have been
 10 established by the municipality or municipalities in the
 11 resolution creating the authority. The municipality shall
 12 collect the taxes ~~certified~~ requested by a port authority
 13 that it has authorized in the same manner as other taxes are
 14 levied and collected and make payment to the port authority.
 15 The proceeds of such taxes when and as paid to the port
 16 authority must be deposited in a special account or accounts
 17 in which other revenues of the authority are deposited and
 18 may be expended by the authority as provided for in this
 19 part. Prior to the issuance of bonds under 7-14-1133 and
 20 7-14-1134, the port authority or the municipality may by
 21 resolution covenant and agree that the total amount of such
 22 taxes then authorized by law, or such portion thereof as may
 23 be specified by the resolution, will be ~~certified~~ requested,
 24 levied, and deposited annually as provided in this section
 25 until the bonds and interest thereon are fully paid."

1 **SECTION 10. SECTION 7-14-1133, MCA, IS AMENDED TO READ:**

2 *7-14-1133. Bonds and obligations. (1) Except for
3 providing financial support to a private development
4 organization, including a corporation organized under Title
5 32, chapter 4, whose purpose is to advance the economic
6 development of its jurisdiction and of the state and its
7 citizens, an authority may borrow money for any of its
8 corporate purposes and issue bonds therefor, including
9 refunding bonds, in such form and upon such terms as it
10 determines, payable out of any revenues of the authority,
11 including revenues derived from:

12 (a) any port or transportation and storage facility;

13 (b) taxes levied pursuant to 7-14-1131 or 67-10-402;

14 (c) grants or contributions from the federal
15 government; or

16 (d) other sources.

17 (2) The bonds may be issued by resolution of the
18 authority, without an election and without any limitation of
19 amount, except that no bonds may be issued at any time if
20 the total amount of principal and interest to become due in
21 any year on such bonds and on any then outstanding bonds for
22 which revenues from the same source are pledged exceeds the
23 amount of such revenues to be received in that year, as
24 estimated in the resolution authorizing the issuance of the
25 bonds. The authority shall take all action necessary and

1 possible to impose, maintain, and collect rates, charges,
2 and rentals, and to request taxes, if any are pledged,
3 sufficient to make the revenues from the pledged source in
4 such year at least equal to the amount of principal and
5 interest due in that year.

6 (3) The bonds may be sold at public or private sale and
7 may bear interest as provided in 17-5-102. Except as
8 otherwise provided in this part, any bonds issued pursuant
9 to this part by an authority may be payable as to principal
10 and interest solely from revenues of the authority and shall
11 state on their face the applicable limitations or
12 restrictions regarding the source from which such principal
13 and interest are payable.

14 (4) Bonds issued by an authority, county, or
15 municipality pursuant to the provisions of this part are
16 declared to be issued for an essential public and
17 governmental purpose by a political subdivision within the
18 meaning of 15-30-111(2)(a).

19 (5) For the security of any such bonds, the authority,
20 county, or municipality may by resolution make and enter
21 into any covenant, agreement, or indenture and may exercise
22 any additional powers authorized to be exercised by a
23 municipality under Title 7, chapter 7, parts 44 and 45. The
24 sums required from time to time to pay principal and
25 interest and to create and maintain a reserve for the bonds

1 may be paid from any revenues referred to in this part,
2 prior to the payment of current costs of operation and
3 maintenance of the facilities.

4 (6) Nothing in this section or 7-14-1134 may be
5 construed to limit the use of port authority revenues,
6 including federal and state money as described in 7-14-1136,
7 to make grants and loans or to otherwise provide financial
8 and other support to private development organizations,
9 including corporations organized under the provisions of the
10 development corporation act in Title 32, chapter 4. Under no
11 circumstances may the credit of the state, county, or
12 municipal governments or their agencies or authorities be
13 pledged to provide financial support to such development
14 organizations."

-End-