# HOUSE BILL NO. 483

INTRODUCED BY DRISCOLL, QUILICI, ADDY, KIMBERLEY, WHALEN, MCDONOUGH, GERVAIS, STRIZICH, PAVLOVICH, HANNAH, ROTH, T. NELSON, RAMIREZ, SIMON

IN THE HOUSE

JANUARY 28, 1989 INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.

JANUARY 30, 1989 FIRST READING.

- FEBRUARY 8, 1989 COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
- FEBRUARY 9, 1989 PRINTING REPORT.

ON MOTION, TAKEN FROM PRINTING AND REREFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.

FEBRUARY 14, 1989 COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 15, 1989 PRINTING REPORT.

- FEBRUARY 18, 1989 SECOND READING, DO PASS.
- FEBRUARY 20, 1989 ENGROSSING REPORT.
- FEBRUARY 21, 1989 THIRD READING, PASSED. AYES, 95; NOES, 0.

TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 28, 1989

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INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.

FIRST READING.

MARCH 15, 1989 COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.

MARCH	16,	1989	SECOND READING, CONCURRED IN.
MARCH	18,	1989	THIRD READING, CONCURRED IN. AYES, 46; NOES, 0.
			RETURNED TO HOUSE WITH AMENDMENTS.
		IN 3	THE HOUSE
MARCH	31,	1989	RECEIVED FROM SENATE.
			SECOND READING, AMENDMENTS CONCURRED IN.
APRIL	1, 1	1989	THIRD READING, AMENDMENTS CONCURRED IN.
			SENT TO ENROLLING.
			REPORTED CORRECTLY ENROLLED.

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LC 0557/01

Adaly Demberie. HEUSE BILL NO. 483 1 2 INTRODUCED BY 3 "AN ACT ALLOWING A FOR AN ACT ENTITLED: LOCAL 4 ENGAGE ECONOMIC DEVELOPMENT-RELATED 5 ΞN 6 ACTIVITIES DESIGNED TO AID COMMERCE AND STIMULATE THE 7 CREATION OF JOBS; AND AMENDING SECTIONS 7-14-1104, 8 7-14-1111, 7-14-1112, 7-14-1133, AND 7-14-1137, MCA." 9 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 11 Section 1. Section 7-14-1104, MCA, is amended to read: 12 "7-14-1104. Functions Purpose public and ----13 governmental functions. (1) The purposes of a port authority 14 are to: 15 (a) promote, stimulate, develop, and advance the 16 general welfare, commerce, economic development, and 17 prosperity of the state and its citizens; 18 (b) endeavor to increase the volume of commerce within 19 the jurisdiction of the port authority and the state through 20 planning, advertising, acquisition, establishment, 21 development, regulation, and protection of ports and 22 transportation and storage facilities that promote the safe, 23 efficient, and economical handling of commerce; 24 (c) cooperate and act in conjunction with other

25 organizations, public or private, in the development of

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1	commerce, industry, manufacturing, services, natural
2	resources, agriculture, livestock, recreation, tourism,
3	health care, and other economic activity in the state;
4	(d) support the creation, expansion, modernization,
5	retention, and relocation of new and existing businesses and
6	industry in the state and otherwise stimulate, assist in,
7	and support the growth of all kinds of economic activity
8	that will tend to promote commerce and business development,
9	maintain the economic stability and prosperity of the state,
10	and thus provide maximum opportunities for employment and
11	improvement in the standard of living of citizens of the
12	state.
13	(2) The acquisition of any land or interest therein in
14	land pursuant to this part, the planning, acquisition,
15	establishment, development, construction, improvement,
16	maintenance, equipment, operation, regulation, and
17	protection of ports and transportation and storage
18	facilities, and the exercise of any powers granted to port
19	authorities and other public agencies to be severally or
20	jointly exercised are public and governmental functions,
21	exercised for a public purpose, and matters of public
22	necessity. All land and other property and privileges
23	acquired and used by or on behalf of any authority or other
24	public agency, as provided in this part, must be used for
25	public and governmental purposes and as a matter of public

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l necessity."

Section 2. Section 7-14-1111, MCA, is amended to read:
"7-14-1111. General powers of authority. An authority
has all the powers necessary or convenient to carry out the
purposes of this part, including but not limited to the
power to:

7 (1) certify annually to the governing bodies creating
8 it the amount of tax to be levied by the governing bodies
9 for port purposes;

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

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

(4) plan, establish, acquire, develop, construct,
purchase, enlarge, improve, maintain, equip, operate,
regulate, and protect ports and transportation and storage
facilities. For such purposes an authority may, by purchase,
gift, devise, lease, or otherwise, acquire real or personal
property or any interest therein, including easements.

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

23 (6) acquire, by purchase, gift, devise, lease, or
24 otherwise, existing ports and transportation and storage
25 facilities. However, an authority may not acquire or take

over any port or transportation and storage facility owned
 or controlled by another authority, county, municipality, or
 public agency without the consent of such authority, county,
 municipality, or public agency.

5 (7) provide financial and other support to 6 organizations in its jurisdiction, including corporations 7 organized under the provisions of the development corporation act in Title 32, chapter 4, whose purpose is to 8 9 promote, stimulate, develop, and advance the general welfare, economic development, and prosperity of the state 10 and its citizens by stimulating, assisting in, and 11 12 supporting the growth of all kinds of economic activity, 13 including the creation, expansion, modernization, retention, 14 and relocation of new and existing businesses and industry 15 in the state, all of which will tend to promote business 16 development, maintain the economic stability and prosperity 17 of the state, and thus provide maximum opportunities for 18 employment and improvement in the standards of living of 19 citizens of the state. Financial support authorized by this 20 subsection is limited to the use of port authority revenues, 21 including federal and state money as provided in 7-14-1136, 22 to make grants and loans and to otherwise provide financial 23 and other support to organizations, including corporations organized under the provisions of the development 24 25 corporation act in Title 32, chapter 4. An authority may

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not borrow, bond, or in any way pledge the credit of the 1 2 authority or of state, county, or municipal governments to 3 provide financial support to such economic development 4 organizations or to any other private entities."

Section 3. Section 7-14-1112, MCA, is amended to read: 5 б "7-14-1112. Rules. An authority may adopt, amend, and repeal such reasonable resolutions, rules, and orders as it 7 8 considers necessary for its own administration, management, 9 and governance as well as for the management, government 10 governance, and use of any port or transportation and 11 storage facility owned by it or under its control. No rule, 12 order, or standard prescribed by the commission may be 13 inconsistent with or contrary to any act of the congress of 14 the United States or any regulation promulgated or standard 15 established pursuant thereto. The authority shall keep on 16 file at the principal office of the authority a copy of all 17 its rules for public inspection."

Section 4. Section 7-14-1133, MCA, is amended to read: 18 19 "7-14-1133. Bonds and obligations. (1) An authority may borrow money for any of its corporate purposes, except 20 21 for providing financial support to private organizations, 22 and issue bonds therefor, including refunding bonds, in such 23 form and upon such terms as it determines, payable out of 24 any revenues of the authority, including revenues derived 25 Erom:

(a) any port or transportation and storage facility; 1 (b) taxes levied pursuant to 7-14-1131 or 67-10-402; (c) grants or contributions from the federal 3 government; or 4

5 (d) other sources.

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(2) The bonds may be issued by resolution of the 6 authority, without an election and without any limitation of 7 amount, except that no bonds may be issued at any time if 8 the total amount of principal and interest to become due in 9 any year on such bonds and on any then outstanding bonds for 10 which revenues from the same source are pledged exceeds the 11 amount of such revenues to be received in that year, as 12 estimated in the resolution authorizing the issuance of the 13 bonds. The authority shall take all action necessary and 14 possible to impose, maintain, and collect rates, charges, 15 rentals, and taxes, if any are pledged, sufficient to make 16 17 the revenues from the pledged source in such year at least equal to the amount of principal and interest due in that 18 19 year.

(3) The bonds may be sold at public or private sale 20 and may bear interest as provided in 17-5-102. Except as 21 otherwise provided in this part, any bonds issued pursuant 22 23 to this part by an authority may be payable as to principal and interest solely from revenues of the authority and shall 24 state on their face the applicable limitations or 25

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restrictions regarding the source from which such principal
 and interest are payable.

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

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

Section 5. Section 7-14-1137, MCA, is amended to read: 18 "7-14-1137. Tax exemption. Any property in this state 19 acquired by an authority for port purposes pursuant to the 20 21 provisions of this part, and any income derived by the 22 authority from the ownership, operation, or control thereof 23 of the property, and income the authority has derived from 24 organizations, including corporations organized under Title 32, chapter 4, are exempt from taxation to the same extent 25

1 as other property used for public purposes."

2 <u>NEW SECTION.</u> Section 6. Severability. If a part of 3 {this act] is invalid, all valid parts that are severable 4 from the invalid part remain in effect. If a part of {this 5 act] is invalid in one or more of its applications, the part 6 remains in effect in all valid applications that are 7 severable from the invalid applications.

### -End-

# 51st Legislature

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# HB 0483/02

# HB 0483/02

APPROVED BY COMM. ON BUSINESS AND ECONOMIC DEVELOPMENT

1	HOUSE BILL NO. 483
2	INTRODUCED BY DRISCOLL, QUILICI, ADDY, KIMBERLEY,
3	WHALEN, MCDONOUGH, GERVAIS, STRIZICH, PAVLOVICH,
4	HANNAH, ROTH, T. NELSON, RAMIREZ, SIMON
5	
6	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL PORT
7	AUTHORITY TO ENGAGE IN ECONOMIC DEVELOPMENT-RELATED
8	ACTIVITIES DESIGNED TO AID COMMERCE AND STIMULATE THE
9	CREATION OF JOBS; AND AMENDING SECTIONS 7-14-1104,
10	7-14-1111, 7-14-1112, 7-14-1133, AND 7-14-1137, MCA."
11	
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13	Section 1. Section 7-14-1104, MCA, is amended to read:
14	"7-14-1104. Punctions Purpose public and
15	governmental functions. (1) The purposes of a port authority
16	are to:
17	(a) promote, stimulate, develop, and advance the
17 18	(a) promote, stimulate, develop, and advance the general welfare, commerce, economic development, and
18	general welfare, commerce, economic development, and
18 19	general welfare, commerce, economic development, and prosperity of the state and its citizens;
18 19 20	general welfare, commerce, economic development, and prosperity of the state and its citizens; (b) endeavor to increase the volume of commerce within
18 19 20 21	<pre>general welfare, commerce, economic development, and prosperity 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</pre>
18 19 20 21 22	<pre>general welfare, commerce, economic development, and prosperity 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,</pre>

1	safe, efficient, and economical handling of commerce;
2	(c) cooperate and act in conjunction with other
3	organizations, public or private, in the development of
4	commerce, industry, manufacturing, services, natural
5	resources, agriculture, livestock, recreation, tourism,
6	health care, and other economic activity in the state;
7	(d) support the creation, expansion, modernization,
8	retention, and relocation of new and existing businesses and
9	industry in the state and otherwise stimulate, assist in,
10	and support the growth of all kinds of economic activity
11	that will tend to promote commerce and business development,
12	maintain the economic stability and prosperity of the state,
13	and thus provide maximum opportunities for employment and
14	improvement in the standard of living of citizens of the
15	state.
16	(2) The acquisition of any land or interest therein in
17	land pursuant to this part, the planning, acquisition,
18	establishment, development, construction, improvement,
19	maintenance, equipment, operation, regulation, and
20	protection of ports and transportation and storage
21	facilities, and the exercise of any powers granted to port
22	authorities and other public agencies to be severally or
23	jointly exercised are public and governmental functions,
24	exercised for a public purpose, and matters of public

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necessity. All land and other property and privileges

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acquired and used by or on behalf of any authority or other
 public agency, as provided in this part, must be used for
 public and governmental purposes and as a matter of public
 necessity."

5 Section 2. Section 7-14-1111, MCA, is amended to read: 6 "7-14-1111. General powers of authority. An authority 7 has all the powers necessary or convenient to carry out the 8 purposes of this part, including but not limited to the 9 power to:

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

13 (2) sue and be sued, have a seal, and have perpetual14 succession;

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

(4) plan, establish, acquire, develop, construct,
purchase, enlarge, improve, maintain, equip, operate,
regulate, and protect ports and transportation and storage
facilities. For such purposes an authority may, by purchase,
gift, devise, lease, or otherwise, acquire real or personal
property or any interest therein, including easements.

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

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1 (6) acquire, by purchase, gift, devise, lease, or 2 otherwise, existing ports and transportation and storage 3 facilities. However, an authority may not acquire or take 4 over any port or transportation and storage facility owned 5 or controlled by another authority, county, municipality, or 6 public agency without the consent of such authority, county, 7 municipality, or public agency.

(7) provide financial and other 8 support ŧο 9 organizations in its jurisdiction, including corporations organized under the provisions of the development 10 corporation act in Title 32, chapter 4, whose purpose is to 11 12 promote, stimulate, develop, and advance the general welfare, economic development, and prosperity of the state 13 and its citizens by stimulating, assisting in, and 14 supporting the growth of all kinds of economic activity, 15 16 including the creation, expansion, modernization, retention, and relocation of new and existing businesses and industry 17 in the state, all of which will tend to promote business 18 development, maintain the economic stability and prosperity 19 of the state, and thus provide maximum opportunities for 20 21 employment and improvement in the standards of living of 22 citizens of the state. Financial-support-authorized-by-this subsection-is-limited-to-the-use-of-port-authority-revenues; 23 including-federal-and-state-money-as-provided-in--7-14-12367 24 25 to--make-grants-and-loans-and-to-otherwise-provide-financial

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and-other-support-to-organizations,--including--corporations 1 2 organized---under---the---provisions---of---the--development corporation-act-in-Title-327-chapter-4---An--authority--may 3 not--borrow7--bond7--or--in-any-way-pledge-the-credit-of-the 4 5 authority-or-of-state;-county;-or-municipal--governments--to provide--financial--support--to--such--economic--development 6 7 organizations-or-to-any-other-private-entities-" Section 3. Section 7-14-1112, MCA, is amended to read: 8 "7-14-1112. Rules. An authority may adopt, amend, and 9 repeal such reasonable resolutions, rules, and orders as it 10 considers necessary for its own administration, management, 11 12 and governance as well as for the management, government 13 governance, and use of any port or transportation and storage facility owned by it or under its control. No rule, 14 15 order, or standard prescribed by the commission may be inconsistent with or contrary to any act of the congress of 16 17 the United States or any regulation promulgated or standard established pursuant thereto. The authority shall keep on 18 file at the principal office of the authority a copy of all 19 its rules for public inspection." 20

Section 4. Section 7-14-1133, MCA, is amended to read: "7-14-1133. Bonds and obligations. (1) An authority may borrow money for any of its corporate purposes, except for providing financial support to private organizations, and issue bonds therefor, including refunding bonds, in such HB 0483/02

form and upon such terms as it determines, payable out of
 any revenues of the authority, including revenues derived
 from:

4 (a) any port or transportation and storage facility;
5 (b) taxes levied pursuant to 7-14-1131 or 67-10-402;
6 (c) grants or contributions from the federal
7 government; or

8 (d) other sources.

(2) The bonds may be issued by resolution of the 9 authority, without an election and without any limitation of 10 amount, except that no bonds may be issued at any time if 11 the total amount of principal and interest to become due in 12 any year on such bonds and on any then outstanding bonds for 13 which revenues from the same source are pledged exceeds the 14 amount of such revenues to be received in that year, as 15 estimated in the resolution authorizing the issuance of the 16 bonds. The authority shall take all action necessary and 17 possible to impose, maintain, and collect rates, charges, 18 rentals, and taxes, if any are pledged, sufficient to make 19 the revenues from the pledged source in such year at least 20 equal to the amount of principal and interest due in that 21 22 year.

(3) The bonds may be sold at public or private sale
and may bear interest as provided in 17-5-102. Except as
otherwise provided in this part, any bonds issued pursuant

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to this part by an authority may be payable as to principal
 and interest solely from revenues of the authority and shall
 state on their face the applicable limitations or
 restrictions regarding the source from which such principal
 and interest are payable.

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

11 (5) For the security of any such bonds, the authority, 12 county, or municipality may by resolution make and enter 13 into any covenant, agreement, or indenture and may exercise any additional powers authorized to be exercised by a 14 15 municipality under Title 7, chapter 7, parts 44 and 45. The sums required from time to time to pay principal and 16 17 interest and to create and maintain a reserve for the bonds 18 may be paid from any revenues referred to in this part, 19 prior to the payment of current costs of operation and 20 maintenance of the facilities.

(6) NOTHING IN THIS SECTION OR 7-14-1134 MAY BE
 CONSTRUED TO LIMIT THE USE OF PORT AUTHORITY REVENUES,
 INCLUDING PEDERAL AND STATE MONEY AS DESCRIBED IN 7-14-1136,
 TO MAKE GRANTS AND LOANS OR TO OTHERWISE PROVIDE FINANCIAL
 AND OTHER SUPPORT TO ORGANIZATIONS, INCLUDING CORPORATIONS

ORGANIZED	UNDER	THE	PROVIS	IONS	OF	THE	DEVELOPM	ENT
CORPORATION	ACT	IN	TITLE	32,	CHAP	TER 4	. UNDER	NO
CIRCUMSTANC	ES MAY	THE	CREDIT	OF T	HE S	TATE,	COUNTY,	OR
MUNICIPAL	GOVERNM	IENTS	OR THE	IR AGE	NCIES	OR AL	JTHORITIES	BE
PLEDGED TO	PROVIDE	FINA	NCIAL S	UPPORT	то	SUCH	DEVELOPM	ENT
ORGANZATION	<u>s.</u> "							
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from taxat	ion to	the s	ame exte	ent as	othei	prop	erty used	for

16 public purposes."

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17 <u>NEW SECTION.</u> Section 6. Severability. If a part of 18 [this act] is invalid, all valid parts that are severable 19 from the invalid part remain in effect. If a part of [this 20 act] is invalid in one or more of its applications, the part 21 remains in effect in all valid applications that are 22 severable from the invalid applications.

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51st Legislature

HB 0483/03

RE-REFFERED AND

APPROVED BY COMM. ON BUSINESS AND ECONOMIC DEVELOPMENT AS AMENDED HOUSE BILL NO. 483 1 2 INTRODUCED BY DRISCOLL, QUILICI, ADDY, KIMBERLEY, 3 WHALEN, MCDONOUGH, GERVAIS, STRIZICH, PAVLOVICH, HANNAH, ROTH, T. NELSON, RAMIREZ, SIMON 4 5 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL PORT 6 ECONOMIC DEVELOPMENT-RELATED 7 AUTHORITY TO ENGAGE IN 8 ACTIVITIES DESIGNED TO AID COMMERCE AND STIMULATE THE AMENDING SECTIONS 7-14-1104, 9 CREATION OF JOBS; AND 10 7-14-1111, 7-14-1112, 7-14-1133, AND 7-14-1137, MCA." 11 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA; Section 1. Section 7-14-1104, MCA, is amended to read: 13 14 \*7-14-1104. Functions Purpose --public and 15 governmental functions. (1) The purposes of a port authority 16 are to: 17 stimulate, develop, and advance the (a) promote, general welfare, commerce, economic 18 development, and prosperity of ITS JURISDICTION AND OF the state and its 19 20 citizens; 21 (b) endeavor to increase the volume of commerce within 22 the jurisdiction of the port authority and the state through acquisition, 23 planning, advertising, establishment, 24 development, CONSTRUCTION, IMPROVEMENT, MAINTENANCE, EQUIPMENT, OPERATION, regulation, and protection of ports 25



1	and transportation and storage facilities that promote the
2	safe, efficient, and economical handling of commerce;
3	(c) cooperate and act in conjunction with other
4	organizations, public or private, in the development of
5	commerce, industry, manufacturing, services, natural
6	resources, agriculture, livestock, recreation, tourism,
7	health care, and other economic activity in the state;
8	(d) support the creation, expansion, modernization,
9	retention, and relocation of new and existing businesses and
10	industry in the state and otherwise stimulate, assist in,
11	and support the growth of all kinds of economic activity
12	that will tend to promote commerce and business development,
13	maintain the economic stability and prosperity of ITS
14	JURISDICTION AND OF the state, and thus provide maximum
15	opportunities for employment and improvement in the standard
16	of living of citizens of the state.
17	(2) The acquisition of any land or interest therein in
18	land pursuant to this part, the planning, acquisition,
10	

19 establishment, development, construction, improvement, 20 maintenance, equipment, operation, regulation, and 21 protection of ports and transportation and storage 22 facilities, and the exercise of any powers granted to port authorities and other public agencies to be severally or 23 24 jointly exercised are public and governmental functions, exercised for a public purpose, and matters of public 25

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necessity. All land and other property and privileges 1 acquired and used by or on behalf of any authority or other 2 3 public agency, as provided in this part, must be used for public and governmental purposes and as a matter of public 4 necessity." 5

6 Section 2. Section 7-14-1111, MCA, is amended to read: "7-14-1111. General powers of authority. An authority 7 8 has all the powers necessary or convenient to carry out the 9 purposes of this part, including but not limited to the power to: 10

(1) certify annually to the governing bodies creating 11 it the amount of tax to be levied by the governing bodies 12 13 for port purposes;

14 (2) sue and be sued, have a seal, and have perpetual 15 succession;

16 (3) execute such contracts and other instruments and 17 take such other action as may be necessary or convenient to 18 carry out the purposes of this part;

19 (4) plan, establish, acquire, develop, construct, 20 purchase, enlarge, improve, maintain, equip, operate, 21 regulate, and protect ports and transportation and storage facilities. For such purposes an authority may, by purchase, 22 23 gift, devise, lease, or otherwise, acquire real or personal 24 property or any interest therein, including easements.

25 (5) establish comprehensive port zoning regulations in

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1 accordance with the laws of this state:

2 (6) acquire, by purchase, gift, devise, lease, or 3 otherwise, existing ports and transportation and storage facilities. However, an authority may not acquire or take 4 5 over any port or transportation and storage facility owned 6 or controlled by another authority, county, municipality, or 7 public agency without the consent of such authority, county, 8 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 JURISDICTION AND OF the state and its citizens by 15 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 provide maximum opportunities for employment and improvement 22 23 in the standards of living of citizens of the state. 24 Financial-support-authorized-by-this-subsection--is--limited 25 to-the-use-of-port-authority-revenues--including-federal-and

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1 state--money--as--provided--in-7-14-11367-to-make-grants-and loans-and-to-otherwise-provide-financial-and--other--support 2 3 to-organizations7-including-corporations-organized-under-the 4 provisions--of--the-development-corporation-act-in-Title-32-5 chapter-4---An-authority-may-not-borrow--bond--or-in-any-way 6 pledge-the-credit-of-the-authority-or-of-state;--county;--or 7 municipal--governments--to-provide-financial-support-to-such economic-development-organizations-or-to-any--other--private 8 9 entities-"

Section 3. Section 7-14-1112, MCA, is amended to read: 10 11 "7-14-1112. Rules. An authority may adopt, amend, and 12 repeal such reasonable resolutions, rules, and orders as it 13 considers necessary for its own administration, management, 14 and governance as well as for the management, government 15 governance, and use of any port or transportation and 16 storage facility owned by it or under its control. No rule, order, or standard prescribed by the commission may be 17 inconsistent with or contrary to any act of the congress of 18 19 the United States or any regulation promulgated or standard established pursuant thereto. The authority shall keep on 20 file at the principal office of the authority a copy of all 21 22 its rules for public inspection."

23 Section 4. Section 7-14-1133, MCA, is amended to read: "7-14-1133. Bonds and obligations. (1) An authority 24 25 may borrow money for any of its corporate purposes, except

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for providing financial support to private organizations 2 THROUGH THE ISSUING OF BONDS AS PROVIDED IN 7-14-1134 AND 3 THIS SECTION TO AN ORGANIZATION, INCLUDING A CORPORATION 4 ORGANIZED UNDER THE PROVISIONS OF TITLE 32, CHAPTER 4, WHOSE 5 PRUPOSE IS TO ADVANCE ECONOMIC DEVELOPMENT OF ITS JURISDICTION AND THE STATE AND (TS CITIZENS, and issue bonds 6 7 therefor, including refunding bonds, in such form and upon 8 such terms as it determines, payable out of any revenues of 9 the authority, including revenues derived from: 10 (a) any port or transportation and storage facility; 11 (b) taxes levied pursuant to 7-14-1131 or 67-10-402; 12 (c) grants or contributions from the federal 13 government; or 14 (d) other sources. 15 (2) The bonds may be issued by resolution of the 16 authority, without an election and without any limitation of 17 amount, except that no bonds may be issued at any time if 18 the total amount of principal and interest to become due in 19 any year on such bonds and on any then outstanding bonds for 20 which revenues from the same source are pledged exceeds the 21 amount of such revenues to be received in that year, as 22 estimated in the resolution authorizing the issuance of the 23 bonds. The authority shall take all action necessary and 24 possible to impose, maintain, and collect rates, charges, 25 rentals, and taxes, if any are pledged, sufficient to make

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the revenues from the pledged source in such year at least
 equal to the amount of principal and interest due in that
 year.

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

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

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

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l	maintenance of the facilities.
2	(6) NOTHING IN THIS SECTION OR 7-14-1134 MAY BE
3	CONSTRUED TO LIMIT THE USE OF PORT AUTHORITY REVENUES,
4	INCLUDING FEDERAL AND STATE MONEY AS DESCRIBED IN 7-14-1136,
5	TO MAKE GRANTS AND LOANS OR TO OTHERWISE PROVIDE FINANCIAL
6	AND OTHER SUPPORT TO ORGANIZATIONS, INCLUDING CORPORATIONS
7	ORGANIZED UNDER THE PROVISIONS OF THE DEVELOPMENT
8	CORPORATION ACT IN TITLE 32, CHAPTER 4. UNDER NO
9	CIRCUMSTANCES MAY THE CREDIT OF THE STATE, COUNTY, OR
10	MUNICIPAL GOVERNMENTS OR THEIR AGENCIES OR AUTHORITIES BE
11	PLEDGED TO PROVIDE FINANCIAL SUPPORT TO SUCH DEVELOPMENT
12	ORGANZATIONS."
13	Section 5. Section 7-14-1137, MCA, is amended to read:
14	*7-14-1137. Tax exemption. Any property in this state
15	acquired by an authority for port purposes pursuant to the
16	provisions of this part, and any income derived by the
17	authority from the ownership, operation, or control thereof
18	ofthe THEREOF, INCLUDING property ACQUIRED, and income the
19	authorityhas derived from organizations, including
20	corporations organized under Title 32, chapter 4, are exempt
21	from taxation to the same extent as other property used for
22	public purposes."
23	NEW SECTION. Section 6. Severability. If a part of

23 <u>NEW SECTION.</u> Section 6. Severability. If a part of 24 [this act] is invalid, all valid parts that are severable 25 from the invalid part remain in effect. If a part of [this

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act] is invalid in one or more of its applications, the part
 remains in effect in all valid applications that are
 severable from the invalid applications.

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1	HOUSE BILL NO. 483	1	and transportation and storage facilities that promote the
2	INTRODUCED BY DRISCOLL, QUILICI, ADDY, KIMBERLEY,	2	safe, efficient, and economical handling of commerce;
3	WHALEN, MCDONOUGH, GERVAIS, STRIZICH, PAVLOVICH,	3	{c} cooperate and act in conjunction with other
4	HANNAH, ROTH, T. NELSON, RAMIREZ, SIMON	4	organizations, public or private, in the development of
5		5	commerce, industry, manufacturing, services, natural
6	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL PORT	6	resources, agriculture, livestock, recreation, tourism,
7	AUTHORITY TO ENGAGE IN ECONOMIC DEVELOPMENT-RELATED	7	health care, and other economic activity in the state;
8	ACTIVITIES DESIGNED TO AID COMMERCE AND STIMULATE THE	8	(d) support the creation, expansion, modernization,
9	CREATION OF JOBS; AND AMENDING SECTIONS 7-14-1104,	9	retention, and relocation of new and existing businesses and
10	7-14-1111, 7-14-1112, 7-14-1133, AND 7-14-1137, MCA."	10	industry in the state and otherwise stimulate, assist in,
11		11	and support the growth of all kinds of economic activity
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	12	that will tend to promote commerce and business development,
13	Section 1. Section 7-14-1104, MCA, is amended to read:	13	maintain the economic stability and prosperity of ITS
14	7-14-1104. Punctions Purpose public and	14	JURISDICTION AND OF the state, and thus provide maximum
15	governmental functions. (1) The purposes of a port authority	15	opportunities for employment and improvement in the standard
16	are to:	16	of living of citizens of the state.
17	(a) promote, stimulate, develop, and advance the	17	(2) The acquisition of any land or interest therein in
18	general welfare, commerce, economic development, and	18	land pursuant to this part, the planning, acquisition,
19	prosperity of ITS JURISDICTION AND OF the state and its	19	establishment, development, construction, improvement,
20	citizens;	20	maintenance, equipment, operation, regulation, and
21	(b) endeavor to increase the volume of commerce within	21	protection of ports and transportation and storage
22	the jurisdiction of the port authority and the state through	22	facilities, and the exercise of any powers granted to port
23	planning, advertising, acquisition, establishment,	23	authorities and other public agencies to be severally or
24	development, CONSTRUCTION, IMPROVEMENT, MAINTENANCE,	24	jointly exercised are public and governmental functions,
25	EQUIPMENT, OPERATION, regulation and protection of ports	25	exercised for a public purpose, and matters of public
	A		-2- НВ 463



# THIRD READING

1 necessity. All land and other property and privileges
2 acquired and used by or on behalf of any authority or other
3 public agency, as provided in this part, must be used for
4 public and governmental purposes and as a matter of public
5 necessity."

6 Section 2. Section 7-14-1111, MCA, is amended to read:
7 \*7-14-1111. General powers of authority. An authority
8 has all the powers necessary or convenient to carry out the
9 purposes of this part, including but not limited to the
10 power to:

11 (1) certify annually to the governing bodies creating 12 it the amount of tax to be levied by the governing bodies 13 for port purposes;

14 (2) sue and be sued, have a seal, and have perpetual 15 succession;

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

(4) plan, establish, acquire, develop, construct,
purchase, enlarge, improve, maintain, equip, operate,
regulate, and protect ports and transportation and storage
facilities. For such purposes an authority may, by purchase,
gift, devise, lease, or otherwise, acquire real or personal
property or any interest therein, including easements.

25 (5) establish comprehensive port zoning regulations in

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1 accordance with the laws of this state;

(6) acquire, by purchase, gift, devise, lease, or
otherwise, existing ports and transportation and storage
facilities. However, an authority may not acquire or take
over any port or transportation and storage facility owned
or controlled by another authority, county, municipality, or
public agency without the consent of such authority, county,
municipality, or public agency.

9 and other support to (7) provide financial 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 stimulating, assisting in, and supporting the growth of all 16 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 in the standards of living of citizens of the state. 23 24 Pinancial-support-authorized-by-this-subsection--is-~limited to-the-use-of-port-authority-revenues; including-federal-and 25

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1 state--money--as--provided--in-7-14-11367-to-make-grants-and 2 loans-and-to-otherwise-provide-financial-and--other--support 3 to-organizations7-including-corporations-organized-under-the 4 provisions--of--the-development-corporation-act-in-Title-327 5 chapter-4---An-authority-may-not-borrow--bond--or-in-any-way 6 pledge-the-credit-of-the-authority-or-of-state;--county;--or 7 municipal--governments--to-provide-financial-support-to-such 8 economic-development-organizations-or-to-any--other--private 9 entities"

10 Section 3. Section 7-14-1112, MCA, is amended to read: 11 "7-14-1112. Rules. An authority may adopt, amend, and 12 repeal such reasonable resolutions, rules, and orders as it 13 considers necessary for its own administration, management, and governance as well as for the management, government 14 15 governance, and use of any port or transportation and 16 storage facility owned by it or under its control. No rule, 17 order, or standard prescribed by the commission may be 18 inconsistent with or contrary to any act of the congress of 19 the United States or any regulation promulgated or standard 20 established pursuant thereto. The authority shall keep on 21 file at the principal office of the authority a copy of all 22 its rules for public inspection."

23 Section 4. Section 7-14-1133, MCA, is amended to read:
24 "7-14-1133. Bonds and obligations. (1) An authority
25 may borrow money for any of its corporate purposes, except

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1	for providing financial support to private organizations
2	THROUGH THE ISSUING OF BONDS AS PROVIDED IN 7-14-1134 AND
3	THIS SECTION TO AN ORGANIZATION, INCLUDING A CORPORATION
4	ORGANIZED UNDER THE PROVISIONS OF TITLE 32, CHAPTER 4, WHOSE
5	PRUPOSE IS TO ADVANCE ECONOMIC DEVELOPMENT OF ITS
6	JURISDICTION AND THE STATE AND ITS CITIZENS, and issue bonds
7	therefor, including refunding bonds, in such form and upon
8	such terms as it determines, payable out of any revenues of
9	the authority, including revenues derived from:
10	<ul><li>(a) any port or transportation and storage facility;</li></ul>
11	(b) taxes levied pursuant to 7-14-1131 or 67-10-402;
12	(c) grants or contributions from the federal
13	government; or
14	(d) other sources.
15	(2) The bonds may be issued by resolution of the
16	authority, without an election and without any limitation of
17	amount, except that no bonds may be issued at any time if
18	the total amount of principal and interest to become due in
19	any year on such bonds and on any then outstanding bonds for
20	which revenues from the same source are pledged exceeds the
21	amount of such revenues to be received in that year, as
22	estimated in the resolution authorizing the issuance of the
23	bonds. The authority shall take all action necessary and
24	possible to impose, maintain, and collect rates, charges,
25	rentals, and taxes, if any are pledged, sufficient to make

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maintenance of the facilities.

the revenues from the pledged source in such year at least
 equal to the amount of principal and interest due in that
 year.

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

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

17 (5) For the security of any such bonds, the authority, 18 county, or municipality may by resolution make and enter 19 into any covenant, agreement, or indenture and may exercise 2.0 any additional powers authorized to be exercised by a 21 municipality under Title 7, chapter 7, parts 44 and 45. The 22 sums required from time to time to pay principal and 23 interest and to create and maintain a reserve for the bonds 24 may be paid from any revenues referred to in this part, 25 prior to the payment of current costs of operation and

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2 (6) NOTHING IN THIS SECTION OR 7-14-1134 MAY BE 3 CONSTRUED TO LIMIT THE USE OF PORT AUTHORITY REVENUES, Δ INCLUDING FEDERAL AND STATE MONEY AS DESCRIBED IN 7-14-1136, TO MAKE GRANTS AND LOANS OR TO OTHERWISE PROVIDE FINANCIAL 5 AND OTHER SUPPORT TO ORGANIZATIONS, INCLUDING CORPORATIONS 6 7 ORGANIZED UNDER THE PROVISIONS OF THE DEVELOPMENT CORPORATION ACT 8 IN TITLE 32, CHAPTER 4. UNDER NO 9 CIRCUMSTANCES MAY THE CREDIT OF THE STATE, COUNTY, OR 10 MUNICIPAL GOVERNMENTS OR THEIR AGENCIES OR AUTHORITIES BE 11 PLEDGED TO PROVIDE FINANCIAL SUPPORT TO SUCH DEVELOPMENT 12 ORGANZATIONS." 13 Section 5. Section 7-14-1137, MCA, is amended to read: 14 "7-14-1137. Tax exemption. Any property in this state acquired by an authority for port purposes pursuant to the 15 provisions of this part, and any income derived by the 16 authority from the ownership, operation, or control thereof 17 of--the THEREOF, INCLUDING property ACQUIRED, and income the 18 19 authority--has derived from organizations, including 20 corporations organized under Title 32, chapter 4, are exempt 21 from taxation to the same extent as other property used for 22 public purposes."

23 <u>NEW SECTION.</u> Section 6. Severability. If a part of
24 [this act] is invalid, all valid parts that are severable
25 from the invalid part remain in effect. If a part of [this

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1 act] is invalid in one or more of its applications, the part

2 remains in effect in all valid applications that are

3 severable from the invalid applications.

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# SENATE STANDING COMMITTEE REPORT

March 15, 1989

MR. PRESIDENT: We, your committee on Business and Industry, having had under consideration HB 483 (third reading copy -- blue), respectfully report that HB 483 be amended and as so amended be concurred in:

Sponsor: Driscoll (Thayer)

1. Page 5, line 24. Following: "(1)" Strike: "An" Insert: "Except for providing financial support to a private development organization, including a corporation organized under Title 32, chapter 4, whose purpose is to advance the economic development of its jurisdiction and of the state and its citizens, an"

2. Page 5, line 25 through page 6, line 6. Strike: "<u>, except</u>" on line 25 through "<u>CITIZENS,</u>" page 6, line 6

3. Page 8, line 6. Following: "<u>TO</u>" Insert: "private development"

4. Page 8, line 12. Strike: "<u>ORGANZATIONS</u>" Insert: "organizations"

5. Page 8, line 20. Following: "<u>chapter 4,</u>" Insert: "whose purpose is to advance the economic development of its jurisdiction and of the state and its citizens,"

AND AS AMENDED BE CONCURRED IN

Signed; Chairman

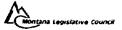
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AS AMENDED

1	HOUSE BILL NO. 483	1	and transportation and storage facilities that promote the
2	INTRODUCED BY DRISCOLL, QUILICI, ADDY, KIMBERLEY,	2	safe, efficient, and economical handling of commerce;
3	WHALEN, MCDONOUGH, GERVAIS, STRIZICH, PAVLOVICH,	3	(c) cooperate and act in conjunction with other
4	HANNAH, ROTH, T. NELSON, RAMIREZ, SIMON	4	organizations, public or private, in the development of
5		* 5	
6	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL PORT		commerce, industry, manufacturing, services, natural
7	AUTHORITY TO ENGAGE IN ECONOMIC DEVELOPMENT-RELATED	6	resources, agriculture, livestock, recreation, tourism,
8	ACTIVITIES DESIGNED TO AID COMMERCE AND STIMULATE THE	7	health care, and other economic activity in the state;
9	CREATION OF JOBS; AND AMENDING SECTIONS 7-14-1104.	8	(d) support the creation, expansion, modernization,
10	7-14-1111, 7-14-1112, 7-14-1133, AND 7-14-1137, MCA."	9	retention, and relocation of new and existing businesses and
- 11		10	industry in the state and otherwise stimulate, assist in,
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	11	and support the growth of all kinds of economic activity
13	Section 1. Section 7-14-1104, MCA, is amended to read:	12	that will tend to promote commerce and business development,
		13	maintain the economic stability and prosperity of ITS
14	"7-14-1104. Functions Purpose public and	14	JURISDICTION AND OF the state, and thus provide maximum
15	governmental functions. (1) The purposes of a port authority	15	opportunities for employment and improvement in the standard
16	<u>are to:</u>	16	of living of citizens of the state.
17	(a) promote, stimulate, develop, and advance the	17	(2) The acquisition of any land or interest therein in
18	general welfare, commerce, economic development, and	18	land pursuant to this part, the planning, acquisition,
19	prosperity of ITS JURISDICTION AND OF the state and its	19	establishment, development, construction, improvement,
20	citizens;	20	maintenance, equipment, operation, regulation, and
21	(b) endeavor to increase the volume of commerce within	21	protection of ports and transportation and storage
22	the jurisdiction of the port authority and the state through	22	facilities, and the exercise of any powers granted to port
23	planning, advertising, acquisition, establishment,	23	authorities and other public agencies to be severally or
24	development, CONSTRUCTION, IMPROVEMENT, MAINTENANCE,	24	jointly exercised are public and governmental functions,
25	EQUIPMENT, OPERATION, regulation, and protection of ports	25	exercised for a public purpose, and matters of public
			-2- REFERENCE BILL



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1 necessity. All land and other property and privileges 2 acquired and used by or on behalf of any authority or other 3 public agency, as provided in this part, must be used for 4 public and governmental purposes and as a matter of public 5 necessity."

Section 2. Section 7-14-1111, MCA, is amended to read:
"7-14-1111. General powers of authority. An authority
has all the powers necessary or convenient to carry out the
purposes of this part, including but not limited to the
power to:

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

14 (2) sue and be sued, have a seal, and have perpetual 15 succession;

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

(4) plan, establish, acquire, develop, construct,
purchase, enlarge, improve, maintain, equip, operate,
regulate, and protect ports and transportation and storage
facilities. For such purposes an authority may, by purchase,
gift, devise, lease, or otherwise, acquire real or personal
property or any interest therein, including easements.

25 (5) establish comprehensive port zoning regulations in

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1 accordance with the laws of this state;

2 (6) acquire, by purchase, gift, devise, lease, or
3 otherwise, existing ports and transportation and storage
4 facilities. However, an authority may not acquire or take
5 over any port or transportation and storage facility owned
6 or controlled by another authority, county, municipality, or
7 public agency without the consent of such authority, county,
8 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	Pinancial-support-authorized-by-this-subsectionislimited
25	to-the-use-of-port-authority-revenues,-including-federal-and

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1	statemoneyasprovidedin-7-14-11367-to-make-grants-and
2	loans-and-to-otherwise-provide-financial-andothersupport
3	to-organizations,-including-corporations-organized-under-the
4	provisionsofthe-development-corporation-act-in-Title-327
5	chapter-4An-authority-may-not-borrowbondor-in-any-way
6	pledge-the-credit-of-the-authority-or-of-state;county;or
7	municipalgovernmentsto-provide-financial-support-to-such
8	economic-development-organizations-or-to-anyotherprivate
9	entities."

10 Section 3. Section 7-14-1112, MCA, is amended to read: 11 "7-14-1112. Rules. An authority may adopt, amend, and 12 repeal such reasonable resolutions, rules, and orders as it 13 considers necessary for its own administration, management, and governance as well as for the management, government 14 governance, and use of any port or transportation and 15 16 storage facility owned by it or under its control. No rule, order, or standard prescribed by the commission may be 17 18 inconsistent with or contrary to any act of the congress of the United States or any regulation promulgated or standard 19 established pursuant thereto. The authority shall keep on 20 file at the principal office of the authority a copy of all 21 22 its rules for public inspection."

Section 4. Section 7-14-1133, MCA, is amended to read:
"7-14-1133. Bonds and obligations. (1) An EXCEPT FOR
PROVIDING FINANCIAL SUPPORT TO A PRIVATE DEVELOPMENT

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1	ORGANIZATION, INCLUDING A CORPORATION ORGANIZED UNDER TITLE
2	32, CHAPTER 4, WHOSE PURPOSE IS TO ADVANCE THE ECONOMIC
3	DEVELOPMENT OF ITS JURISDICTION AND OF THE STATE AND ITS
4	CITIZENS, AN authority may borrow money for any of its
5	corporate purposes <u>7-except-for-providingfinancialsupport</u>
б	toprivateorganizations THROUGHTHE-ISSUING-OP-BONDS-AS
7	PROVIDED-IN-7-14-1134-AND-THIS-SECTION-TOANORGANIBATION7
8	INCLUDINGACORPORATIONORGANIZED-UNDER-THE-PROVISIONS-OF
9	TITLE-327-CHAPTER-47-WHOSE-PURPOSE-ISTOADVANCEECONOMIC
10	DEVELOPMENTOPITSJURISDICTIONANDTHESTATEAND-ITS
11	<b><u>EITIBENS</u></b> and issue bonds therefor, including refunding
12	bonds, in such form and upon such terms as it determines,
13	payable out of any revenues of the authority, including
14	revenues derived from:
15	<ul><li>(a) any port or transportation and storage facility;</li></ul>
16	(b) taxes levied pursuant to 7-14-1131 or 67-10-402;
17	(c) grants or contributions from the federal
18	government; or
19	(d) other sources.
20	(2) The bonds may be issued by resolution of the

20 (2) The bonds may be issued by resolution of the 21 authority, without an election and without any limitation of 22 amount, except that no bonds may be issued at any time if 23 the total amount of principal and interest to become due in 24 any year on such bonds and on any then outstanding bonds for 25 which revenues from the same source are pledged exceeds the

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amount of such revenues to be received in that year, as 1 2 estimated in the resolution authorizing the issuance of the bonds. The authority shall take all action necessary and 3 4 possible to impose, maintain, and collect rates, charges, 5 rentals, and taxes, if any are pledged, sufficient to make 6 the revenues from the pledged source in such year at least equal to the amount of principal and interest due in that 7 8 year.

9 (3) The bonds may be sold at public or private sale 10 and may bear interest as provided in 17-5-102. Except as 11 otherwise provided in this part, any bonds issued pursuant 12 to this part by an authority may be payable as to principal 13 and interest solely from revenues of the authority and shall state on their face the applicable limitations or 14 15 restrictions regarding the source from which such principal 16 and interest are payable.

17 (4) Bonds issued by an authority, county, or 18 municipality pursuant to the provisions of this part are 19 declared to be issued for an essential public and 20 governmental purpose by a political subdivision within the 21 meaning of 15-30-111(2)(a).

(5) For the security of any such bonds, the authority,
county, or municipality may by resolution make and enter
into any covenant, agreement, or indenture and may exercise
any additional powers authorized to be exercised by a

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1 municipality under Title 7, chapter 7, parts 44 and 45. The 2 sums required from time to time to pay principal and 3 interest and to create and maintain a reserve for the bonds 4 may be paid from any revenues referred to in this part, 5 prior to the payment of current costs of operation and 6 maintenance of the facilities.

7 (6) NOTHING IN THIS SECTION OR 7-14-1134 NAY BE 8 CONSTRUED TO LIMIT THE USE OF PORT AUTHORITY REVENUES, 9 INCLUDING FEDERAL AND STATE MONEY AS DESCRIBED IN 7-14-1136. 10 TO MAKE GRANTS AND LOANS OR TO OTHERWISE PROVIDE FINANCIAL 11 AND OTHER SUPPORT TO PRIVATE DEVELOPMENT ORGANIZATIONS, INCLUDING CORPORATIONS ORGANIZED UNDER THE PROVISIONS OF THE 12 DEVELOPMENT CORPORATION ACT IN TITLE 32, CHAPTER 4. UNDER NO 13 14 CIRCUMSTANCES MAY THE CREDIT OF THE STATE, COUNTY, OR 15 MUNICIPAL GOVERNMENTS OR THEIR AGENCIES OR AUTHORITIES BE 16 PLEDGED TO PROVIDE FINANCIAL SUPPORT TO SUCH DEVELOPMENT

17 ORGANEATIONS."

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Section 5. Section 7-14-1137, MCA, is amended to read: 18 19 \*7-14-1137. Tax exemption. Any property in this state 20 acquired by an authority for port purposes pursuant to the 21 provisions of this part, and any income derived by the 22 authority from the ownership, operation, or control thereof 23 of-the THEREOF, INCLUDING property ACQUIRED, and income the 24 authority---has derived from organizations, including 25 corporations organized under Title 32, chapter 4, WHOSE

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PURPOSE IS TO ADVANCE THE ECONOMIC DEVELOPMENT OF ITS
 JURISDICTION AND OF THE STATE AND ITS CITIZENS, are exempt
 from taxation to the same extent as other property used for
 public purposes."

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5 <u>NEW SECTION.</u> Section 6. Severability. If a part of 6 [this act] is invalid, all valid parts that are severable 7 from the invalid part remain in effect. If a part of [this 8 act] is invalid in one or more of its applications, the part 9 remains in effect in all valid applications that are 10 severable from the invalid applications.

-End-