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**REPEAL INTERNATIONAL
TRADEPORT DEVELOPMENT
AUTHORITY ACT**

House Bill 4652
Sponsor: Rep. Gerald Law
**Committee: Urban Policy and Economic
Development**

Complete to 5-9-97

A SUMMARY OF HOUSE BILL 4652 AS INTRODUCED 4-22-97

House Bill 4652 would repeal the International Tradeport Development Authority Act (MCL 125.2521 to 125.2546). Enacted as Public Act 325 of 1994, the act allows a qualified county, or two or more qualified counties that are located adjacent to each other, to create "international tradeport development authorities" to provide for economic development in areas surrounding certain airports. A development authority established under the act may acquire and develop property within a development zone by purchase, lease, or other legal means. However, an authority does not have the power to acquire property by condemnation. An authority has the same powers ordinarily granted to similar types of public corporations, such the power to enter into contracts, receive funds, borrow money and issue bonds, invest money, hire staff, and so forth.

The act specifies the purposes for which an authority can issue bonds, and specifies general requirements for the issuance of bonds (generally, the powers granted to other, similar authorities). Bonds issued by an authority are for maturities of up to 20 years, and are exempt from state and local taxation. Furthermore, bonds or other obligations of an authority are payable solely from the revenues or funds of the authority and are not a debt, liability, or obligation of the state or of the participating local governments, nor do they constitute a pledge of the faith and credit of the state or the local governments.

The act also provides for financing of such authorities from a combination of tax increment financing and contributions from participating counties.

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