



February 3, 1999

SENATE BILL No. 306

DIGEST OF SB306 (Updated February 2, 1999 11:46 am - DI 92)

Citations Affected: IC 8-22.

Synopsis: Leases by airport authorities and boards. Extends from 10 to 15 years the term of a contract or lease that a board of aviation commissioners or an airport authority may enter into for the maintenance, operation, or use of the airport or a part of the airport. Extends from 20 to 40 years the initial term of a lease that a board of aviation commissioners or an airport authority may enter into for a parcel of airport land for a use connected with the operation and convenience of the airport.

Effective: July 1, 1999; March 1, 2001.

Riegsecker

January 7, 1999, read first time and referred to Committee on Transportation and Interstate Cooperation.
February 2, 1999, reported favorably — Do Pass.

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SB 306—LS 6938/DI 87+



February 3, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

SENATE BILL No. 306

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 8-22-2-5 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) The board may adopt and use
3 a seal. Applications, assurances, contracts, and other instruments
4 necessary in the board's performance of its duties and the exercise of
5 its powers may be executed in its name or in the name of the eligible
6 entity, as the case may be, by the president or vice president of the
7 board and attested by its secretary or assistant secretary. However, the
8 board may by resolution prescribe another method of execution.
9 (b) The board, on behalf of the eligible entity, exclusively has the
10 following powers:
11 (1) To acquire, establish, construct, improve, equip, maintain,
12 control, lease, and regulate municipal airports and landing fields
13 and other air navigation facilities, for the use of airplanes and
14 other aircraft, either inside or outside the corporate limits of the
15 entity, subject to statutory limitations; to acquire by lease (with or
16 without the option to purchase) airports, landing fields, air
17 navigation facilities, and any other structures, equipment, and

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1 related improvements; and to erect, install, construct and maintain
2 at those airports facilities for the servicing of aircraft and for the
3 comfort and accommodation of air travelers and the public; and
4 the fiscal body of the entity may by ordinance provide that any
5 land suitable for these purposes that is owned by the entity shall
6 be put under the control of the board of aviation commissioners
7 for aviation and public purposes. However, if at the time of the
8 creation, appointment, and qualification of the board in an entity,
9 the entity owns or controls an airport, landing field, or other air
10 navigation facilities, then the exclusive control, management, and
11 authority over the airport, landing field, or other air navigation
12 facilities shall at once be transferred to the board without the
13 adoption of an ordinance; and the department, board, officer, or
14 officers of the entity, or other persons having possession or
15 control, shall at once turn over and deliver to the board all
16 personal property, records, books, plans, maps, and other papers
17 and documents relating to the aviation business of the entity. The
18 unexpended balance of any fund or funds appropriated by the
19 entity for aviation purposes becomes a part of the aviation fund of
20 the department of aviation. Before land may be purchased by an
21 entity for the establishment of an airport or landing field or an
22 airport or landing field may be established by an entity the action
23 or acquisition of land must be granted by the aeronautics
24 commission of Indiana.

25 (2) To elect a secretary from its membership or to employ a
26 secretary, and to employ superintendents, managers, engineers,
27 surveyors, attorneys, clerks, guards, mechanics, laborers, and all
28 employees the board considers expedient, and to prescribe and
29 assign their respective duties and authorities and to fix and
30 regulate their compensation, in accordance with the
31 appropriations made by the fiscal body of the entity. All
32 employees shall be selected irrespective of their political
33 affiliations.

34 (3) To make rules and regulations, consistent with law, for the
35 management and control of its airports, landing fields, air
36 navigation facilities, and other property under its control. The
37 board may require a special detail of police or hire guards to
38 execute the orders and enforce the rules and regulations.

39 (4) To acquire by lease the use of an airport or landing field for
40 aircraft pending the acquisition and improvement of an airport or
41 landing field. However, a lease must be approved by ordinance or
42 resolution of the fiscal body of the entity before it takes effect.

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- 1 (5) To manage and operate all airports, landing fields, and other
 2 air navigation facilities acquired or maintained by the entity; and
 3 to lease all or part of an airport, landing field, or any buildings or
 4 other structures to fix, charge, and collect rentals, tolls, fees, and
 5 charges to be paid for the use of the whole or a part of the
 6 airports, landing fields, or other air navigation facilities by aircraft
 7 landing there and for the servicing of the aircraft; to construct
 8 public recreational facilities that will not interfere with air
 9 operational facilities; to fix, charge, and collect fees for public
 10 admissions and privileges; to make contracts for the operation and
 11 management of the airports, landing fields, and other air
 12 navigation facilities; and to provide for the use, management, and
 13 operation of the air navigation facilities through lessees, through
 14 its own employees, or otherwise. Contracts or leases for the
 15 maintenance, operation, or use of the airport or any part of it may
 16 be made for a term not exceeding ~~ten (10)~~ **fifteen (15)** years, and
 17 may be extended for similar terms of years, except that any
 18 parcels of the land of the airport may be leased for any use
 19 connected with the operation and convenience of the airport for
 20 an initial term not exceeding ~~twenty (20)~~ **forty (40)** years, and
 21 may be extended for a period not to exceed ten (10) years. If a
 22 person whose character, experience, and financial responsibility
 23 has been determined satisfactory by the board offers to erect a
 24 permanent structure that facilitates and is consistent with the
 25 operation, use, and purpose of the airport, on land belonging to
 26 the airport. A lease may be entered into for a period not to exceed
 27 ninety-nine (99) years. However, the fiscal body must pass an
 28 ordinance authorizing the board to enter into such a lease. The
 29 board may not grant an exclusive right for the use of a landing
 30 area under its jurisdiction. However, this does not prevent the
 31 making of leases in accordance with other provisions of this
 32 chapter. All contracts and leases are subject to restrictions and
 33 conditions that the board prescribes.
- 34 (6) To sell machinery, equipment, or material under the control of
 35 the board belonging to the eligible entity that is not required for
 36 aviation purposes. The proceeds shall be deposited with the
 37 entity's treasurer or controller to the credit of the department of
 38 aviation.
- 39 (7) To negotiate and execute contracts of sale or purchase, lease,
 40 personal services, materials, supplies, equipment, or any other
 41 transaction or business relative to an airport under the board's
 42 control. However, whenever the board determines to sell part or

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- 1 all of aviation lands or improvements owned by the eligible entity,
2 the sale must be in accordance with section 8 of this chapter.
- 3 (8) To vacate all or parts of roads, highways, streets, or alleys in
4 land under control of the board in the manner provided by statute.
- 5 (9) To approve, together with the fiscal body of the entity, any
6 state, county, city, or other highway, road, street, or other public
7 way, railroad, power line, or other right of way that may be laid
8 out or opened across an airport or in such proximity as to affect
9 the safe operation of the airport.
- 10 (10) To construct drainage and sanitary sewers with connections
11 and outlets as are necessary for the proper drainage and
12 maintenance of an airport or landing field acquired or maintained
13 under this chapter, including the necessary buildings and
14 improvements and for the public use of them, in the same manner
15 that the eligible entity may construct sewers and drains. However,
16 with respect to the construction of drains and sanitary sewers
17 beyond the boundaries of the airport or landing field, the board
18 shall proceed in the same manner as private owners of property
19 and may institute proceedings and negotiate with the departments,
20 bodies, and officers of the entity to secure the proper orders and
21 approvals.
- 22 (11) To order a public utility or public service corporation or
23 other person to remove or to install in underground conduits,
24 wires, cables, and power lines passing through or over the airport
25 or landing field or along the borders or within a reasonable
26 distance that may be determined to be necessary for the safety of
27 operations of the airport or landing field, upon payment to the
28 utility or other person due compensation for the expense of the
29 removal or reinstallation. The board must consent to any franchise
30 granted by state or local authorities for the construction or
31 maintenance of any railway, telephone, telegraph, electric power,
32 pipe, or conduit line upon, over, or through land under the control
33 of the board or within a reasonable distance of land that is
34 necessary for the safety of operation. The board must also consent
35 to the installation of overhead electric power lines carrying a
36 voltage of over forty-four hundred (4,400) volts and having poles,
37 standards, or supports over thirty (30) feet in height within
38 one-half (1/2) mile of a landing area acquired or maintained under
39 this chapter.
- 40 (12) To contract with any other state agency or instrumentality or
41 any political subdivision for the rendition of services, the rental
42 or use of equipment or facilities, or the joint purchase and use of

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1 equipment or facilities that are necessary for the operation,
 2 maintenance, or construction of an airport operated under this
 3 chapter.

4 SECTION 2. IC 8-22-3-11 (CURRENT VERSION) IS AMENDED
 5 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. The
 6 board may do all acts necessary or reasonably incident to carrying out
 7 the purposes of this chapter, including the following:

8 (1) As a municipal corporation, to sue and be sued in its own
 9 name.

10 (2) To have all the powers and duties conferred by statute upon
 11 boards of aviation commissioners. The board supersedes all
 12 boards of aviation commissioners within the district. The board
 13 has exclusive jurisdiction within the district.

14 (3) To protect all property owned or managed by the board.

15 (4) To adopt an annual budget and levy taxes in accordance with
 16 this chapter.

17 (A) The board may not levy taxes on property in excess of the
 18 following rate schedule, except as provided in sections 17 and
 19 25 of this chapter:

Total Assessed Property Valuation	Rate Per \$100 Of Assessed Valuation
\$100 million or less	\$0.30
More than \$100 million but not more than \$150 million	\$0.25
More than \$150 million but not more than \$200 million	\$0.20
More than \$200 million but not more than \$300 million	\$0.15
More than \$300 million	\$0.10

32 (B) Clause (A) does not apply to an authority that was
 33 established under IC 19-6-2 or IC 19-6-3 (before their repeal
 34 on April 1, 1980).

35 (C) The board of an authority that was established under
 36 IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes
 37 on property not in excess of twenty cents (\$0.20) on each one
 38 hundred dollars (\$100) of assessed valuation.

39 (5) To incur indebtedness in the name of the authority in
 40 accordance with this chapter.

41 (6) To adopt administrative procedures, rules, and regulations.

42 (7) To acquire property, real, personal, or mixed, by deed,

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- 1 purchase, lease, condemnation, or otherwise and dispose of it for
2 use or in connection with or for administrative purposes of the
3 airport; to receive gifts, donations, bequests, and public trusts and
4 to agree to conditions and terms accompanying them and to bind
5 the authority to carry them out; to receive and administer federal
6 or state aid; and to erect buildings or structures that may be
7 needed to administer and carry out this chapter.
- 8 (8) To determine matters of policy regarding internal organization
9 and operating procedures not specifically provided for otherwise.
- 10 (9) To adopt a schedule of reasonable charges and to collect them
11 from all users of facilities and services within the district.
- 12 (10) To purchase supplies, materials, and equipment to carry out
13 the duties and functions of the board in accordance with
14 procedures adopted by the board.
- 15 (11) To employ personnel that are necessary to carry out the
16 duties, functions, and powers of the board.
- 17 (12) To establish an employee pension plan. The board may, upon
18 due investigation, authorize and begin a fair and reasonable
19 pension or retirement plan and program for personnel, the cost to
20 be borne by either the authority or by the employee or by both, as
21 the board determines. If the authority was established under
22 IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must
23 be borne by the authority, and ordinances creating the plan or
24 making changes in it must be approved by the mayor of the city.
25 The plan may be administered and funded by a trust fund or by
26 insurance purchased from an insurance company licensed to do
27 business in Indiana or by a combination of them. The board may
28 also include in the plan provisions for life insurance, disability
29 insurance, or both.
- 30 (13) To sell surplus real or personal property in accordance with
31 law.
- 32 (14) To adopt and use a seal.
- 33 (15) To acquire, establish, construct, improve, equip, maintain,
34 control, lease, and regulate municipal airports, landing fields, and
35 other air navigation facilities, either inside or outside the district;
36 to acquire by lease (with or without the option to purchase)
37 airports, landing fields, or navigation facilities, and any structures,
38 equipment, or related improvements; and to erect, install,
39 construct, and maintain at the airport or airports facilities for the
40 servicing of aircraft and for the comfort and accommodation of air
41 travelers and the public. The Indiana department of transportation
42 must grant its approval before land may be purchased for the

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- 1 establishment of an airport or landing field and before an airport
2 or landing field may be established.
- 3 (16) To fix and determine exclusively the uses to which the
4 airport lands may be put. All uses must be necessary or desirable
5 to the airport or the aviation industry and must be compatible with
6 the uses of the surrounding lands as far as practicable.
- 7 (17) To elect a secretary from its membership, or to employ a
8 secretary, an airport director, superintendents, managers, a
9 treasurer, engineers, surveyors, attorneys, clerks, guards,
10 mechanics, laborers, and all employees the board considers
11 expedient, and to prescribe and assign their respective duties and
12 authorities and to fix and regulate the compensation to be paid to
13 the persons employed by it in accordance with the authority's
14 appropriations. All employees shall be selected irrespective of
15 their political affiliations.
- 16 (18) To make all rules and regulations, consistent with laws
17 regarding air commerce, for the management and control of its
18 airports, landing fields, air navigation facilities, and other
19 property under its control.
- 20 (19) To acquire by lease the use of an airport or landing field for
21 aircraft pending the acquisition and improvement of an airport or
22 landing field.
- 23 (20) To manage and operate airports, landing fields, and other air
24 navigation facilities acquired or maintained by an authority; to
25 lease all or part of an airport, landing field, or any buildings or
26 other structures, and to fix, charge, and collect rentals, tolls, fees,
27 and charges to be paid for the use of the whole or a part of the
28 airports, landing fields, or other air navigation facilities by aircraft
29 landing there and for the servicing of the aircraft; to construct
30 public recreational facilities that will not interfere with air
31 operational facilities; to fix, charge, and collect fees for public
32 admissions and privileges; and to make contracts for the operation
33 and management of the airports, landing fields, and other air
34 navigation facilities; and to provide for the use, management, and
35 operation of the air navigation facilities through lessees, its own
36 employees, or otherwise. Contracts or leases for the maintenance,
37 operation, or use of the airport or any part of it may be made for
38 a term not exceeding ~~ten (10)~~ **fifteen (15)** years and may be
39 extended for similar terms of years, except that any parcels of the
40 land of the airport may be leased for any use connected with the
41 operation and convenience of the airport for an initial term not
42 exceeding ~~twenty (20)~~ **forty (40)** years and may be extended for

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1 a period not to exceed ten (10) years. If a person whose character,
2 experience, and financial responsibility has been determined
3 satisfactory by the board offers to erect a permanent structure that
4 facilitates and is consistent with the operation, use, and purpose
5 of the airport on land belonging to the airport, a lease may be
6 entered into for a period not to exceed ninety-nine (99) years.
7 However, the board must pass an ordinance to enter into such a
8 lease. The board may not grant an exclusive right for the use of a
9 landing area under its jurisdiction. However, this does not prevent
10 the making of leases in accordance with other provisions of this
11 chapter. All contracts and leases are subject to restrictions and
12 conditions that the board prescribes. The authority may lease its
13 property and facilities for any commercial or industrial use it
14 considers necessary and proper, including the use of providing
15 airport motel facilities.

16 (21) To sell machinery, equipment, or material that is not required
17 for aviation purposes. The proceeds shall be deposited with the
18 treasurer of the authority.

19 (22) To negotiate and execute contracts for sale or purchase,
20 lease, personal services, materials, supplies, equipment, or any
21 other transaction or business relative to an airport under the
22 board's control and operation. However, whenever the board
23 determines to sell part or all of aviation lands, buildings, or
24 improvements owned by the authority, the sale must be in
25 accordance with law.

26 (23) To vacate all or parts of roads, highways, streets, or alleys,
27 whether inside or outside the district, in the manner provided by
28 statute.

29 (24) To annex lands to itself if the lands are owned by the
30 authority or are streets, roads, or other public ways.

31 (25) To approve any state, county, city, or other highway, road,
32 street or other public way, railroad, power line, or other
33 right-of-way to be laid out or opened across an airport or in such
34 proximity as to affect the safe operation of the airport.

35 (26) To construct drainage and sanitary sewers with connections
36 and outlets as are necessary for the proper drainage and
37 maintenance of an airport or landing field acquired or maintained
38 under this chapter, including the necessary buildings and
39 improvements and for the public use of them in the same manner
40 that the authority may construct sewers and drains. However, with
41 respect to the construction of drains and sanitary sewers beyond
42 the boundaries of the airport or landing field, the board shall

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1 proceed in the same manner as private owners of property and
 2 may institute proceedings and negotiate with the departments,
 3 bodies, and officers of an eligible entity to secure the proper
 4 orders and approvals; and to order a public utility or public
 5 service corporation or other person to remove or to install in
 6 underground conduits wires, cables, and power lines passing
 7 through or over the airport or landing field or along the borders or
 8 within a reasonable distance that may be determined to be
 9 necessary for the safety of operations, upon payment to the utility
 10 or other person of due compensation for the expense of the
 11 removal or reinstallation. The board must consent before any
 12 franchise may be granted by state or local authorities for the
 13 construction of or maintenance of railway, telephone, telegraph,
 14 electric power, pipe, or conduit line upon, over, or through land
 15 under the control of the board or within a reasonable distance of
 16 land that is necessary for the safety of operation. The board must
 17 also consent before overhead electric power lines carrying a
 18 voltage of more than four thousand four hundred (4,400) volts and
 19 having poles, standards, or supports over thirty (30) feet in height
 20 within one-half (1/2) mile of a landing area acquired or
 21 maintained under this chapter may be installed.

22 (27) To contract with any other state agency or instrumentality or
 23 any political subdivision for the rendition of services, the rental
 24 or use of equipment or facilities, or the joint purchase and use of
 25 equipment or facilities that are necessary for the operation,
 26 maintenance, or construction of an airport operated under this
 27 chapter.

28 (28) To provide air transportation in furtherance of the duties and
 29 responsibilities of the board.

30 (29) To promote or encourage aviation-related trade or commerce
 31 at the airports that it operates.

32 SECTION 3. IC 8-22-3-11 (DELAYED VERSION) IS AMENDED
 33 TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11.
 34 The board may do all acts necessary or reasonably incident to carrying
 35 out the purposes of this chapter, including the following:

36 (1) As a municipal corporation, to sue and be sued in its own
 37 name.

38 (2) To have all the powers and duties conferred by statute upon
 39 boards of aviation commissioners. The board supersedes all
 40 boards of aviation commissioners within the district. The board
 41 has exclusive jurisdiction within the district.

42 (3) To protect all property owned or managed by the board.



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- 1 (4) To adopt an annual budget and levy taxes in accordance with
 - 2 this chapter.
 - 3 (A) The board may not levy taxes on property in excess of the
 - 4 following rate schedule, except as provided in sections 17 and
 - 5 25 of this chapter:
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- | Total Assessed
Property Valuation | Rate Per
\$100 Of
Assessed
Valuation |
|--|---|
| \$300 million or less | \$0.10 |
| More than \$300 million
but not more than \$450 million | \$0.0833 |
| More than \$450 million
but not more than \$600 million | \$0.0667 |
| More than \$600 million
but not more than \$900 million | \$0.05 |
| More than \$900 million | \$0.0333 |
- (B) Clause (A) does not apply to an authority that was established under IC 19-6-2 or IC 19-6-3 (before their repeal on April 1, 1980).
 - (C) The board of an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes on property not in excess of six and sixty-seven hundredths cents (\$0.0667) on each one hundred dollars (\$100) of assessed valuation.
 - (5) To incur indebtedness in the name of the authority in accordance with this chapter.
 - (6) To adopt administrative procedures, rules, and regulations.
 - (7) To acquire property, real, personal, or mixed, by deed, purchase, lease, condemnation, or otherwise and dispose of it for use or in connection with or for administrative purposes of the airport; to receive gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying them and to bind the authority to carry them out; to receive and administer federal or state aid; and to erect buildings or structures that may be needed to administer and carry out this chapter.
 - (8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.
 - (9) To adopt a schedule of reasonable charges and to collect them from all users of facilities and services within the district.
 - (10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with

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- 1 procedures adopted by the board.
- 2 (11) To employ personnel that are necessary to carry out the
- 3 duties, functions, and powers of the board.
- 4 (12) To establish an employee pension plan. The board may, upon
- 5 due investigation, authorize and begin a fair and reasonable
- 6 pension or retirement plan and program for personnel, the cost to
- 7 be borne by either the authority or by the employee or by both, as
- 8 the board determines. If the authority was established under
- 9 IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must
- 10 be borne by the authority, and ordinances creating the plan or
- 11 making changes in it must be approved by the mayor of the city.
- 12 The plan may be administered and funded by a trust fund or by
- 13 insurance purchased from an insurance company licensed to do
- 14 business in Indiana or by a combination of them. The board may
- 15 also include in the plan provisions for life insurance, disability
- 16 insurance, or both.
- 17 (13) To sell surplus real or personal property in accordance with
- 18 law.
- 19 (14) To adopt and use a seal.
- 20 (15) To acquire, establish, construct, improve, equip, maintain,
- 21 control, lease, and regulate municipal airports, landing fields, and
- 22 other air navigation facilities, either inside or outside the district;
- 23 to acquire by lease (with or without the option to purchase)
- 24 airports, landing fields, or navigation facilities, and any structures,
- 25 equipment, or related improvements; and to erect, install,
- 26 construct, and maintain at the airport or airports facilities for the
- 27 servicing of aircraft and for the comfort and accommodation of air
- 28 travelers and the public. The Indiana department of transportation
- 29 must grant its approval before land may be purchased for the
- 30 establishment of an airport or landing field and before an airport
- 31 or landing field may be established.
- 32 (16) To fix and determine exclusively the uses to which the
- 33 airport lands may be put. All uses must be necessary or desirable
- 34 to the airport or the aviation industry and must be compatible with
- 35 the uses of the surrounding lands as far as practicable.
- 36 (17) To elect a secretary from its membership, or to employ a
- 37 secretary, an airport director, superintendents, managers, a
- 38 treasurer, engineers, surveyors, attorneys, clerks, guards,
- 39 mechanics, laborers, and all employees the board considers
- 40 expedient, and to prescribe and assign their respective duties and
- 41 authorities and to fix and regulate the compensation to be paid to
- 42 the persons employed by it in accordance with the authority's

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1 appropriations. All employees shall be selected irrespective of
 2 their political affiliations.
 3 (18) To make all rules and regulations, consistent with laws
 4 regarding air commerce, for the management and control of its
 5 airports, landing fields, air navigation facilities, and other
 6 property under its control.
 7 (19) To acquire by lease the use of an airport or landing field for
 8 aircraft pending the acquisition and improvement of an airport or
 9 landing field.
 10 (20) To manage and operate airports, landing fields, and other air
 11 navigation facilities acquired or maintained by an authority; to
 12 lease all or part of an airport, landing field, or any buildings or
 13 other structures, and to fix, charge, and collect rentals, tolls, fees,
 14 and charges to be paid for the use of the whole or a part of the
 15 airports, landing fields, or other air navigation facilities by aircraft
 16 landing there and for the servicing of the aircraft; to construct
 17 public recreational facilities that will not interfere with air
 18 operational facilities; to fix, charge, and collect fees for public
 19 admissions and privileges; and to make contracts for the operation
 20 and management of the airports, landing fields, and other air
 21 navigation facilities; and to provide for the use, management, and
 22 operation of the air navigation facilities through lessees, its own
 23 employees, or otherwise. Contracts or leases for the maintenance,
 24 operation, or use of the airport or any part of it may be made for
 25 a term not exceeding ~~ten (10)~~ **fifteen (15)** years and may be
 26 extended for similar terms of years, except that any parcels of the
 27 land of the airport may be leased for any use connected with the
 28 operation and convenience of the airport for an initial term not
 29 exceeding ~~twenty (20)~~ **forty (40)** years and may be extended for
 30 a period not to exceed ten (10) years. If a person whose character,
 31 experience, and financial responsibility has been determined
 32 satisfactory by the board offers to erect a permanent structure that
 33 facilitates and is consistent with the operation, use, and purpose
 34 of the airport on land belonging to the airport, a lease may be
 35 entered into for a period not to exceed ninety-nine (99) years.
 36 However, the board must pass an ordinance to enter into such a
 37 lease. The board may not grant an exclusive right for the use of a
 38 landing area under its jurisdiction. However, this does not prevent
 39 the making of leases in accordance with other provisions of this
 40 chapter. All contracts and leases are subject to restrictions and
 41 conditions that the board prescribes. The authority may lease its
 42 property and facilities for any commercial or industrial use it

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considers necessary and proper, including the use of providing airport motel facilities.
(21) To sell machinery, equipment, or material that is not required for aviation purposes. The proceeds shall be deposited with the treasurer of the authority.
(22) To negotiate and execute contracts for sale or purchase, lease, personal services, materials, supplies, equipment, or any other transaction or business relative to an airport under the board's control and operation. However, whenever the board determines to sell part or all of aviation lands, buildings, or improvements owned by the authority, the sale must be in accordance with law.
(23) To vacate all or parts of roads, highways, streets, or alleys, whether inside or outside the district, in the manner provided by statute.
(24) To annex lands to itself if the lands are owned by the authority or are streets, roads, or other public ways.
(25) To approve any state, county, city, or other highway, road, street or other public way, railroad, power line, or other right-of-way to be laid out or opened across an airport or in such proximity as to affect the safe operation of the airport.
(26) To construct drainage and sanitary sewers with connections and outlets as are necessary for the proper drainage and maintenance of an airport or landing field acquired or maintained under this chapter, including the necessary buildings and improvements and for the public use of them in the same manner that the authority may construct sewers and drains. However, with respect to the construction of drains and sanitary sewers beyond the boundaries of the airport or landing field, the board shall proceed in the same manner as private owners of property and may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph,

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1 electric power, pipe, or conduit line upon, over, or through land
2 under the control of the board or within a reasonable distance of
3 land that is necessary for the safety of operation. The board must
4 also consent before overhead electric power lines carrying a
5 voltage of more than four thousand four hundred (4,400) volts and
6 having poles, standards, or supports over thirty (30) feet in height
7 within one-half (1/2) mile of a landing area acquired or
8 maintained under this chapter may be installed.
9 (27) To contract with any other state agency or instrumentality or
10 any political subdivision for the rendition of services, the rental
11 or use of equipment or facilities, or the joint purchase and use of
12 equipment or facilities that are necessary for the operation,
13 maintenance, or construction of an airport operated under this
14 chapter.
15 (28) To provide air transportation in furtherance of the duties and
16 responsibilities of the board.
17 (29) To promote or encourage aviation-related trade or commerce
18 at the airports that it operates.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Transportation and Interstate Cooperation, to which was referred Senate Bill No. 306, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 306 as introduced.)

RIEGSECKER, Chairperson

Committee Vote: Yeas 8, Nays 0.

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