

MACKINAC BRIDGE AUTHORITY (EXCERPT)
Act 214 of 1952

254.317 Mackinac bridge authority; bridge construction, tolls, utility lines, lease; appropriation, sale or lease; revenues, priority.

Sec. 7.

The authority shall properly construct, maintain, operate, repair, manage and control the bridge, except as hereinafter provided, and shall determine the rates of tolls and charges to be made for the services and facilities afforded thereby and may make and enter into all contracts or agreements deemed necessary or desirable to the performance of its duties and the execution of its powers under this act including, but not limited to, power to permit use of the bridge by public carriers and for telephone, telegraph and other utility lines and to contract for such use and determine the terms and conditions thereof, and the rates to be charged therefor. The authority may in its discretion construct as a part of the bridge telephone, telegraph or other utility lines and mechanical equipment not inconsistent with the appropriate use of the bridge and may lease the right to use the same on such terms and for such considerations as it shall determine. Tolls, fees, rents and charges shall be fixed, imposed and collected for the use of the bridge and its services and facilities so as to make the revenues to be derived from the operation of the bridge fully sufficient, until such time as the principal of and interest on the bonds herein authorized are paid in full (a) pay all expenses of operating, repairing and maintaining the bridge, except to the extent that such expenses may be in whole or in part cared for by the state highway department as hereinafter provided, (b) make possible the prompt payment of principal of and interest on all bonds herein authorized and the making of all payments required to be made for such purpose and for the creation of a reserve therefor and a reserve for contingencies as may be provided in the resolution authorizing or the trust indenture securing the bonds. Such tolls, fees, rents, rates or other charges shall not be subject to supervision or regulation by any bureau, board, commission or agency. When the cost of the bridge, including all principal of and interest on the bonds issued hereunder and all advances made therefor, shall have been fully paid from such tolls, fees, rents, rates and charges, the collection therefor for the use of such bridge shall cease and the bridge shall be maintained and operated by the state as a free bridge.

In the event that the bonds herein authorized are sold prior to December 31, 1953, there shall be appropriated from the funds of the state highway department derived from taxes imposed upon gasoline or other motor fuels and on motor vehicles registered in the state to the Mackinac bridge authority amounts sufficient to pay all expenses of operating, repairing and maintaining the bridge in each fiscal year beginning with the fiscal year in which the bridge shall be opened for traffic, and until the cost of bridge, including all principal of and interest on the bonds issued hereunder and all advances made therefor shall have been fully paid: Provided, however, That the amount so appropriated to the authority shall not exceed in the aggregate \$417,000.00 in any one fiscal year. The amounts so paid shall be based upon requisitions of the authority subject to the audits hereinbefore described in this act. Inasmuch as the bridge will be an essential part of the public highway system of the state and the operation, repair and maintenance of the bridge will be the performance of an essential governmental function of the state, the provisions of this paragraph shall have the force of contract with the holders of the bonds issued for the bridge, subject only to prior pledges of said funds heretofore made: Provided, That the state of Michigan shall not be liable for any bonds or other obligations issued under the provisions of this act, and the faith and credit of the state shall not be pledged in carrying out any such obligations under this act.

It may be provided in the resolution authorizing or the trust indenture securing the bonds that the authority may not sell, encumber, lease or otherwise dispose of the bridge or any substantial part thereof while the bonds are outstanding, except under such provisions as may be therein provided.

At such time as the cost of the bridge, including all principal of and interest on the bonds issued hereunder and all advances made therefor, shall have been fully paid from such tolls, fees, rents, rates and charges, said bridge shall thereafter be maintained and operated by the state highway commissioner, who is hereby authorized to continue to charge such tolls, fees, rates and charges for the use of said bridge as are deemed necessary by him to reimburse the state highway department for all sums theretofore paid by said department pursuant to the provisions of this act for operation and maintenance of the bridge: Provided, however, That at such time as said reimbursement has been made, said bridge shall thereafter be maintained and operated by the state highway commissioner as a free bridge.

History: 1952, Act 214, Imd. Eff. Apr. 30, 1952 ;-- Am. 1953, Act 141, Imd. Eff. May 29, 1953