

AERONAUTICS CODE OF THE STATE OF MICHIGAN (EXCERPT)
Act 327 of 1945

259.131 Aeronautical facilities; general obligation bonds; revenue bonds; additional security; “revenues” defined.

Sec. 131.

(1) The legislative body of any political subdivision in this state may submit to the qualified electors of the political subdivision at any regular or special election called for that purpose the question of the issuance of general obligation bonds of the political subdivision, the proceeds of which shall be used for the acquisition, construction, operation, maintenance, and equipping of airports and landing fields, including buildings, structures, or facilities relating to them and the necessary land for them. A majority vote of the qualified voters voting on the question shall authorize the issuance of the general obligation bonds. General obligation bonds issued under this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) Revenue bonds may be issued for the purposes set forth in subsection (1), and the legislative body of the political subdivision may pledge as security for the bonds all or any portion of the landing fees, concession fees, rents, charges, or any other revenues derived from the operation of the airport. The revenue bonds shall be issued in accordance with the applicable provisions of the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140. However, the fees, rents, or charges pledged that are fixed and established under the provisions of a lease or contract shall not be subject to revision or change except in the manner provided in the lease or contract. As additional security for the payment of the principal of and interest on any revenue bonds issued under the provisions of this section, any issuing political subdivision may, by resolution adopted by a majority vote of its governing body, agree that if the funds pledged for the payment of the revenue bonds are not sufficient to pay the principal and interest on the bonds as they become due, the political subdivision shall advance sufficient money out of its general funds for the payment of the principal and interest, if the proceeds of the revenue bonds are used exclusively within the territorial limits of the county in which the political subdivision is located, and the treasurer of the political subdivision shall promptly make the advancement. The political subdivision shall be reimbursed for any money advanced out of funds pledged for the payment of the revenue bonds subsequently paid or collected.

(3) Except for the additional security that may be agreed upon by resolution of the governing body as provided in this section, the principal of and interest on the revenue bonds shall be payable solely from the revenues described in this section. As used in this section, "revenues" means net revenues after operating expenses.

History: 1945, Act 327, Imd. Eff. May 28, 1945 ;-- CL 1948, 259.131 ;-- Am. 1955, Act 34, Imd. Eff. Apr. 19, 1955 ;-- Am. 1956, Act 163, Imd. Eff. Apr. 16, 1956 ;-- Am. 1957, Act 228, Imd. Eff. June 6, 1957 ;-- Am. 1958, Act 194, Eff. Sept. 13, 1958 ;-- Am. 2002, Act 342, Imd. Eff. May 23, 2002