

**REFUNDING BONDS OF MACKINAC BRIDGE AUTHORITY; TRANSFER OF AUTHORITY TO
STATE HIGHWAY DEPARTMENT (EXCERPT)
Act 13 of 1966**

254.362 Refunding bonds; amount; application of funds, pledge of state credit, appropriation.

Sec. 2. The refunding bonds shall be issued in an amount sufficient to pay the costs of refunding of said outstanding bonds, which costs of refunding shall be deemed to include (a) the principal amount of the bonds to be refunded, (b) the amount of premium required to be paid for the redemption of the bonds to be refunded, (c) a reserve fund to be used for operation and maintenance costs of the bridge or for payment of interest or principal on the refunding bonds, which reserve fund shall be in a total amount not exceeding \$1,000,000.00, and (d) costs and other expenses of refunding in an amount not exceeding 1/8 of 1% of the principal amount of bonds to be refunded. Money of the Mackinac bridge authority on hand in any of the funds provided in the existing trust indenture at the time of refunding shall be used and applied as follows: first, an amount sufficient to pay the interest due on the outstanding bonds to be refunded on the redemption date fixed therefor shall be deposited with the paying agent for the outstanding bonds, and second the balance shall be applied to reduce the amount of refunding for which the refunding bonds authorized by this act are to be issued. The full faith and credit of the state shall be pledged to the prompt payment of the principal of and interest on the refunding bonds as they become due. There is appropriated from the general fund each year during the life of any refunding bonds issued under this act a sum equal to the amount of the principal and interest payments due and payable thereon in each such year.

History: 1966, Act 13, Imd. Eff. Apr. 6, 1966.