

## CHAPTER 254. BRIDGES

### BRIDGES AND CULVERTS

#### Act 354 of 1925

AN ACT to provide for the construction, improvement, repair and maintenance of bridges; to provide for inter-municipal and interstate bridges; to provide for bridges over navigable streams and for their operation; to provide for the construction, improvement and maintenance of bridges over mill races; and to regulate the altering of the stage of water, and the widening and deepening of the channel of watercourses.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925.

*The People of the State of Michigan enact:*

#### **254.1 Bridges and culverts; construction, improvement and repair; part of road.**

Sec. 1. Bridges and culverts shall be considered in all respects as a part of the road upon which they are, or are proposed to be located. The construction, improvement, repair and maintenance thereof, including adequate approaches and the doing of any act or the performance of any work necessary for the protection thereof, and also including the maintenance and operation of movable span bridges, shall be considered in all respects except as hereinafter otherwise provided, the same as the construction, improving and maintaining of the road upon which any such bridge or culvert is situated, and, except as hereinafter otherwise provided, shall be paid for accordingly.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4522;—CL 1948, 254.1.

#### **254.2-254.4 Repealed. 1958, Act 77, Eff. Sept. 13, 1958.**

**Compiler's note:** The repealed sections provided for bridge plans and specifications, petitions for construction over navigable streams, and removal of obstructions.

#### **254.5 Obstructions to navigation; powers of commissioner; removal costs; failure to remove, penalty.**

Sec. 5. The commissioner or commissioners having in charge the construction or maintenance of any bridge shall have the power to provide for the removal of any booms, rafts, logs or other obstruction in the stream and to direct the time in which, and the places where, such booms, rafts, logs or other obstructions in such stream shall be allowed to remain and when the same shall be removed, whenever, in the opinion of such commissioner or commissioners such booms, rafts, logs or other obstructions are a menace to the bridge, or interfere with the construction or maintenance thereof. The person, firm or corporation responsible for any such boom, raft, logs or other obstruction shall be liable for the cost of such removal, to be recovered in an action of trespass on the case, or to be assessed upon any property of such person, firm or corporation when certified by such commissioner or commissioners to the proper township clerk, and any person who shall fail to comply with such directions of the commissioner or commissioners shall be deemed guilty of a misdemeanor and, on conviction thereof, shall be punished by a fine of not more than 500 dollars or by imprisonment in the county jail for not more than 90 days, or by both such fine and imprisonment, in the discretion of the court.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4526;—CL 1948, 254.5.

### INTER-MUNICIPAL BRIDGES.

#### **254.6 Inter-township, bridge; construction, repair, expense, joint action.**

Sec. 6. Whenever the commissioners of highways and township boards of any 2 adjoining townships in either the same or different counties shall determine that a bridge on or across the township line over any stream or sink-hole, either crossing or running along the boundary line between such townships, should be constructed, rebuilt or repaired, such bridge shall be constructed, rebuilt or repaired and maintained at the joint expense of such townships. The commissioners of the townships interested, either of whom may give notice to the other of meetings of said commissioners for the purposes herein mentioned, shall jointly agree on the plans and specifications for such bridge, subject to the approval of an engineer assigned to the job by the state highway commissioner in case the structure shall cost more than 2,500 dollars, and upon the proportion of the cost thereof that each such township shall bear.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4527;—CL 1948, 254.6.

**Former law:** See section 9 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4423.

#### **254.7 Repealed. 1958, Act 77, Eff. Sept. 13, 1958.**

**Compiler's note:** The repealed section provided for township disbursements for bridge construction and maintenance.

#### **254.8 Townships and commissioners construed; authority to contract.**

Sec. 8. The word "townships", as used in the 2 last preceding sections, shall be deemed to include cities and incorporated villages, both in their relation to each other and to townships, and when the word commissioner is used with reference to townships, it shall be deemed to include the corporate authorities of cities and incorporated villages. And such commissioners or corporate authorities may make such equitable contracts with the corresponding authorities as will secure the construction, rebuilding or repairing and maintenance of such bridges as they may deem advisable.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4529;—CL 1948, 254.8.

**Former law:** See section 11 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4425.

#### **254.9 Failure to join; petition to state commissioner.**

Sec. 9. Whenever any such township, city or incorporated village shall fail upon request to join in building, rebuilding, or repairing such bridge or to contribute its just share thereto, any such township, city or village desiring the building, rebuilding or repairing of such bridge may, by its township board or legislative body, as the case may be, by petition in the form of a resolution or otherwise, apply to the state highway commissioner for an order for the construction, rebuilding or repairing of such bridge and for determining the respective proportions which each township, city and village shall contribute for the construction, rebuilding or repairing of such bridge and for keeping the same in repair, as well as for deciding the kind of bridge or road to be constructed.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4530;—CL 1948, 254.9.

**Former law:** See section 27 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4441.

#### **254.10 Failure to join; hearing, notice.**

Sec. 10. Upon receipt of such petition, the state highway commissioner shall set a day for hearing, which shall be not less than 10 nor more than 20 days thereafter, and shall give notice thereof to each township, city and village interested or to be affected by registered letter addressed to the clerk of each such township, city and village and mailed at least 7 days before said day of hearing. The hearing shall be held at some convenient place in the county in which it is proposed to construct, rebuild or repair such bridge.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4531;—CL 1948, 254.10.

**Former law:** See section 28 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4442.

#### **254.11 Failure to join; commissioner, duties; approval of supervisors of navigable rivers.**

Sec. 11. The commissioner may adjourn the hearing from time to time in his discretion. He shall hear the parties and may make such independent investigation as he may deem desirable, and shall either grant or refuse the prayer of the petition. If he shall grant the same, he shall designate the kind of bridge to be built, and shall cause to be prepared the plans and specifications therefor: Provided, That if the same be on a navigable stream the approval of the board of supervisors of the proper county shall be secured before any construction work shall be done.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4532;—CL 1948, 254.11.

**Former law:** See section 29 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4443.

#### **254.12 Failure to join; determination of quota, alteration.**

Sec. 12. The state highway commissioner shall also determine the quota or proportion which each township, city and village named shall contribute thereto, and whether the whole amount shall be raised the first year, or only a part, and, if only a part, what part the first and what part the second year, but no part of it shall be deferred more than 2 years. He shall also determine the quota of each towards keeping the same in repair, which shall remain the same till altered by him, or by the consent of each township, city and village, which is a party to such proceedings.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4533;—CL 1948, 254.12.

**Former law:** See section 29 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4443.

#### **254.13 Failure to join; copy of determination, filing; tax levy.**

Sec. 13. A copy of the determination of the state highway commissioner shall be filed with the clerk of each township, city and village affected, and thereupon such bridge shall be constructed, rebuilt, repaired and

maintained in accordance therewith. Each such township, city and village shall cause to be levied and assessed upon the taxable property therein an amount sufficient to pay for its quota of costs as above determined, which shall be disbursed by the treasurers of the respective townships, cities and villages in the manner provided in section 7 hereof.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4534;—CL 1948, 254.13.

**Former law:** See section 30 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4444.

#### **254.14 Inter-county bridge; failure of boards of commissioners to agree on apportionment, petition to state commissioner.**

Sec. 14. Whenever the boards of county road commissioners of adjoining counties are unable to agree on the apportionment of the costs of constructing, rebuilding, repairing or maintaining an inter-county bridge on a county road, either of such boards may petition the state highway commissioner to decide the issues upon which they have been unable to agree, and thereupon the state highway commissioner shall proceed and may make such orders and determinations in the matter as is herein above provided in case of a similar petition by a township, city or village.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4535;—CL 1948, 254.14.

#### **254.15 Interstate bridge; commissioners' authority to contract; supervisors, fund raising, special tax, limitation.**

Sec. 15. The board of county road commissioners of any county bordering on a stream which is the boundary line between such county and a county in another state, is hereby authorized, in conjunction with the proper highway authorities of such adjoining county or state, to construct, rebuild, repair and maintain a bridge, or bridges, across such stream at such place or places within the limits of such boundary as may be agreed upon by said board of county road commissioners and highway authorities, whenever said board of county road commissioners shall deem it necessary, and to enter into a contract with the proper highway authorities of such adjoining county or state relative thereto: Provided, however, That the board of supervisors of such county shall provide by resolution for the raising of funds to pay for the construction, rebuilding, repairing or maintaining of such bridge, or bridges, and for such purposes the board of supervisors of such county may levy a special tax not to exceed 1 mill on the assessed valuation of all the property of such county for such part of the cost of constructing, rebuilding, repairing or maintaining of such bridge, or bridges, as shall be allotted to such county; and such board of supervisors is hereby authorized, at any regular or special meeting of such board, to borrow on the faith and credit of such county, such sums of money as may be needed to carry out the purposes aforesaid, not exceeding the amount specified in this act, and to levy such amount to be collected with the next ensuing assessment.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—Am. 1927, Act 81, Imd. Eff. Apr. 25, 1927;—CL 1929, 4536;—CL 1948, 254.15.

**Former law:** See section 10 of Ch. 16 of Act 283 of 1909, being CL 1915, § 4527.

#### **254.16 Repealed. 1958, Act 77, Eff. Sept. 13, 1958.**

**Compiler's note:** The repealed section authorized state highway commissioner to enter into contracts for construction and maintenance of bridges on nontrunkline roads.

### **GENERAL PROVISIONS.**

#### **254.17 Bridge; specifications by state department without cost.**

Sec. 17. The bridge specifications of the state highway department shall provide such requirements for load capacity, clearances, allowable unit stresses and loads, distributions, workmanship, impact and deterioration allowances as in the judgment of the state highway commissioner are necessary to meet the requirements of existing and future growth of traffic highway improvements and local needs. Such specifications may, at his option, be revised from time to time as he may deem best and shall be furnished free of cost to all proper parties requesting the same.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4538;—CL 1948, 254.17.

#### **254.18 Repealed. 1958, Act 77, Eff. Sept. 13, 1958.**

**Compiler's note:** The repealed section provided that no bridge be constructed by the state within city or village having a population of 6,000, and provided for joint action on a boundary bridge.

#### **254.19 Bridge; carrying capacity.**

Sec. 19. Hereafter no bridge shall be constructed which shall have a carrying capacity less than that specified by the bridge specifications of the state highway department, current at the time the work of

construction is commenced, or which shall have a roadway width at the narrowest part thereof, of less than 19 feet, measured above top of curb, or which shall have a clear height for vehicles of less than 14 feet: Provided, That the provisions of this section as to width shall not be applicable to bridges on township and village roads which have an average traffic count, as determined by the state highway department, of less than 500 vehicles in 14 hours, until on and after the first day of July 1927.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4540;—CL 1948, 254.19.

#### **254.19a Federally compliant and risk-based inspection plan.**

Sec. 19a. The state transportation department shall institute and implement a federally compliant and risk-based inspection plan for all bridges under its jurisdiction.

**History:** Add. 1968, Act 222, Eff. Feb. 2, 1969;—Am. 1982, Act 375, Imd. Eff. Dec. 28, 1982;—Am. 2016, Act 16, Eff. May 23, 2016.

#### **254.20 Posting of narrow and one-lane bridges; uniform traffic control devices.**

Sec. 20. Every bridge which has a clear 2-way roadway width of less than 19 feet, but more than 17 feet at the narrowest part thereof, shall be posted as a narrow bridge; and every bridge which has a clear 2-way roadway width, as so measured, of 17 feet or less, shall be posted as a 1-lane bridge. Such posting shall be in accordance with the manual of uniform traffic control devices adopted pursuant to section 608 of Act No. 300 of the Public Acts of 1949, being section 257.608 of the Compiled Laws of 1948.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4541;—CL 1948, 254.20;—Am. 1965, Act 274, Imd. Eff. July 21, 1965

#### **254.21 Movable bridge; warning, protection, penalty.**

Sec. 21. All movable bridges shall be provided with warning lights, signs, protection gates and other devices as shall be prescribed by the state highway commissioner and as may be required by the board of supervisors in its permit for construction, which said lights, signs, protection gates and other devices shall be so constructed, placed, maintained and operated as to provide reasonable safety to the public. Protection gates or devices shall at all times be closed before the draw or swing span is opened for any purpose and shall be kept closed until the draw or swing is closed, and the bridge is ready for public travel. Any person who shall wilfully violate any of the provisions hereof shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not more than 50 dollars or by imprisonment in the county jail for not more than 30 days, or by both such fine and imprisonment in the discretion of the court.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4542;—CL 1948, 254.21.

**Former law:** See sections 18, 19, and 20 of Ch. 8 of Act 283 of 1909, being CL 1915, §§ 4432 to 4434.

#### **254.22 Bridge over navigable stream; construction and maintenance.**

Sec. 22. Bridges over any navigable streams shall be so constructed as not to prevent or hinder the navigation of such streams by the usual crafts plying thereon. All such bridges shall be so constructed and maintained as not to interfere with the ordinary uses of said streams for driving logs or floating other materials or boats therein, and shall be constructed and maintained so as to offer and afford reasonable, adequate and proper means for the passage of boats, vessels, sawlogs, floating timber and rafts through the same.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4543;—CL 1948, 254.22.

**Former law:** See section 11 of Ch. 16 of Act 283 of 1909, being CL 1915, § 4528.

#### **254.23 Movable span bridge; rules, posting, duty of commissioner.**

Sec. 23. The commissioners having charge of movable span bridges shall cause to be posted in each commissioner's or operator's shelter rules and regulations governing the operation of the structure and all parts appertaining thereto, and shall see that every operator complies with such regulations. Such regulations shall be in accordance with the specifications of the state highway department as applying to movable bridges and with such other regulations in regard to signals, lights, etc., as may be prescribed by the war department of the United States government or as may be otherwise existent for the control of navigation.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4544;—CL 1948, 254.23.

#### **254.24 Repealed. 1958, Act 77, Eff. Sept. 13, 1958.**

**Compiler's note:** The repealed section provided for construction, control, and maintenance of bridges in villages.

### **ALTERATION OF WATERCOURSES.**

**254.25 Permit for alteration of watercourses.**

Sec. 25. Hereafter, no person, firm, corporation, or municipality shall artificially alter the stage of water or widen or deepen the channel of any watercourse, except drains established by public authority, without first securing a written permit therefor from the commissioner or commissioners having jurisdiction over all the bridges and culverts on or over said watercourse, or the portion thereof affected by such proposed change.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4546;—CL 1948, 254.25.

**254.26 Permit for alteration of watercourses; costs, payment, contract.**

Sec. 26. The person, firm, corporation or municipality to whom any such permit shall hereafter be issued, shall pay the full cost of all bridges and bridge approach work made necessary by such proposed alteration, and every such permit shall require the person, firm, corporation or municipality to whom the same is issued, his, their or its heirs, executors, administrators, successors and assigns, to bear and pay such part of the cost of the reconstruction of such bridges and approaches, or of existing bridges and approaches, and of the maintenance of all such bridges and approaches as the commissioner or commissioners having jurisdiction of the matter shall determine to be caused by such alteration. Such commissioner or commissioners may contract with any such person, firm, corporation or municipality relative to present and future costs of construction, reconstruction, repairs and maintenance of such bridges and approaches.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4547;—CL 1948, 254.26.

**MILL RACES.****254.27 Bridge over race; duty of water workers.**

Sec. 27. It shall be the duty of all owners, occupiers, or possessors of mills or other water works, where any race or races appertaining to the same may cross a public highway, to keep and maintain a good and sufficient bridge or bridges over the same, except where said mills have been erected and the races dug previous to the formation of said highway. Such bridges shall be constructed and maintained in compliance with the specifications of the commissioner or commissioners having jurisdiction over the road adjacent thereto.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4548;—CL 1948, 254.27.

**Former law:** See section 14 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4428.

**254.28 Bridge over race; failure to maintain, commissioner, duty.**

Sec. 28. In all cases where the owner or owners, occupiers, or possessors of any such mill or mills, or other water works, shall refuse or neglect to construct such bridge or bridges, or shall refuse or neglect to keep the same in good repair, it shall be the duty of the commissioner or commissioners having jurisdiction over the road adjacent thereto to proceed forthwith to erect or repair such bridge or bridges, at the expense of the person or persons whose duty it was to have erected or repaired the same.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4549;—CL 1948, 254.28.

**Former law:** See section 15 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4429.

**254.29 Bridge over race; expense, collection.**

Sec. 29. The expense so incurred may be recovered by such commissioner or commissioners in an action of assumpsit, or, at the option of said commissioner or commissioners, may be certified to the clerk of the township in which such mill or water works are situated and, when so certified, shall be assessed upon any property of such owner, owners, occupiers or possessors situated in such township and collected in the same manner as other taxes are assessed and collected.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4550;—CL 1948, 254.29.

**Former law:** See section 16 of Ch. 8 of Act 283 of 1909, being CL 1915, § 4430.

**254.30 Bridge and culvert; synonymous.**

Sec. 30. The words “bridge” and “culvert” as used in this act shall be considered as synonymous terms.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4551;—CL 1948, 254.30.

**254.32 Bridges excepted.**

Sec. 32. The provisions of this act shall not apply to any bridge across any river forming the boundary between this state and any foreign country.

**History:** 1925, Act 354, Imd. Eff. May 27, 1925;—CL 1929, 4553;—CL 1948, 254.32.



**BRIDGES OVER NAVIGABLE WATERS**  
**Act 398 of 1919**

AN ACT to authorize the construction of bridges over navigable streams and waters in certain cases, for the continuance of public highways over such water as avenues of public travel; to authorize the levying, spreading and collecting of special taxes and assessments for any such bridge; to authorize the borrowing of money and issuance of bonds under certain restrictions, regulations and limitations; to provide for the recovery by the owners of property or property rights abutting upon or adjoining any such highway of their damages resulting by reason of the construction of such bridge and providing the procedure for recovery of such damages; and to prescribe the powers and duties of certain officers with reference thereto.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919.

*The People of the State of Michigan enact:*

**254.51 Bridge over navigable waters in certain counties; petition.**

Sec. 1. Whenever in any county within this state there are any 2 or more organized townships, or any 1 or more townships and 1 or more villages, or 1 or more townships and 1 or more cities, or any combination of townships, villages and cities, or any combination of any of them, lying contiguous in such county, through the territory of which extends any public highway which crosses within said county and within or along the boundary line of any such township, village or city, any navigable water or stream, or which intersects with or leads to any highway so crossing such navigable water or stream, any 1 or more of such townships, villages or cities may, by its or their respective legislative bodies, petition the board of supervisors of said county for the construction or reconstruction of a bridge over such stream or water, whereon such highway may be continued as an avenue of public travel between points upon opposite sides of such water or stream. Such petition may be presented at any regular meeting of the said board of supervisors or at any special meeting thereof duly called for the presentation of such petition: Provided, That the provisions of this act shall apply only to counties having a population of 400,000 or more.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4554;—CL 1948, 254.51.

**254.52 Bridge over navigable waters in certain counties; meeting of county supervisors, notices; plans and specifications.**

Sec. 2. Unless such petition is to be presented to the annual meeting of said board of supervisors, or at an earlier meeting already appointed by the board to be held at least 30 days prior to such annual meeting, it may contain a request for a special meeting of said board, and may be delivered to the clerk of said board, who shall have authority, and whose duty it shall be, to call a special meeting of said board not more than 20 nor less than 10 days from the time he shall receive the petition. It shall be the said clerk's duty to inform all the members of said board to be found in the county of such meeting and the purpose thereof at least 5 days before such meeting is to be held, and at whatever meeting such petition is to be heard. It shall be the duty of such petitioner to give notice in writing to the township board at each township named and to the common council of any city and to the village council of any village named of the intention of the petitioner to ask for the hearing upon the same at such meeting, and of the purpose thereof. Such notice shall be delivered to the clerk of every township, city and village named, and if such clerk is not readily found, then to any member of the township board, and the mayor or some member of the common council of the city or cities named, and to a member of the council of the village or villages named, as the case may be, at least 7 days before said board is to be asked to hear said petition. For the purpose of facilitating by said board their determination of the kind and cost of the bridge proposed to be constructed or reconstructed, each township, city and village named in the said petition may present a plan or plans and specifications of such proposed bridge with or without drawings, and an estimate of each as to the cost thereof.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4555;—CL 1948, 254.52.

**254.53 Bridge over navigable waters in certain counties; board of supervisors, authority; type of bridge.**

Sec. 3. Upon presentation of any such petition said board of supervisors shall proceed to a consideration thereof. The said board shall have authority to make any necessary surveys, procure any appropriate plans and specifications, obtain estimates of probable cost of construction and take any other appropriate step for procuring necessary or desirable information with reference to the project embodied in such petition. Said board shall have full authority, by a majority vote of those voting thereon, to grant or deny the object of such petition and to determine the character and type of construction of any such bridge ordered thereon. The

several boards of supervisors of the counties of the state shall each likewise have authority, upon their own initiative, respectively, in a proper case, in the discretion of any such board, to order the construction of a bridge over any navigable stream or water within the county, as hereinbefore provided in cases when a petition is presented to a board of supervisors by a city, village or township for the construction of a bridge. Whenever in any case a bridge shall be ordered hereunder, said board shall determine and designate only a bascule type of bridge. No part of such bridge or its approaches shall be suspended over such highway.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4556;—CL 1948, 254.53.

#### **254.54 County under road system; authority of commissioners; specifications; type of bridges not to be changed.**

Sec. 4. In those counties in which the county road system, so-called, shall have been adopted, the board of supervisors shall upon the ordering of any such bridge duly certify such action to the county road commissioners of such county. Thereupon the said county road commissioners shall promptly proceed to establish a road district for the purpose of constructing or reconstructing such bridge. Said commissioners shall have authority to procure, if need be, any further surveys, plans, specifications and estimates of cost for such work of construction or reconstruction in addition to those which may have been obtained by the said board of supervisors. Such specifications shall not be final, but may be changed by the county road commissioners, but not after the hearing of objections hereinafter provided for, except after due notice and hearing thereon: Provided, Said road commissioners shall not at any time change the type of bridge ordered by the board of supervisors.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4557;—CL 1948, 254.54.

#### **254.55 County under road system; special assessment district, hearings, objections, boundary changes.**

Sec. 5. Said county road commissioners shall speedily prepare a proposed special assessment district for such work, fixing it by resolution which shall embody a description of the boundaries thereof. They shall fix a time and place to hear objections to such proposed special assessment district and give notice thereof as hereinafter provided. Such notice shall set forth a description of the boundaries of the proposed special assessment district or the several parcels of land proposed to be assessed on account of such work, and the time and place of hearing. At this hearing all parties or persons interested shall be given an opportunity to present their objections, if any, to such proposed special assessment district. Notice of this hearing shall be given by the county road commissioners at least 10 days prior to such hearing by causing a notice thereof to be published at least once in each week for 2 weeks in succession in some newspaper published and of general circulation in such county, and by posting in public and conspicuous places 5 notices in each township, city and village within which the assessment district lies in whole or in part, and within the limits of such district, and also by posting such notice in any public place which may be provided in the county seat for the posting of public notices. At this hearing the county road commissioners shall, subject to the foregoing, make any changes in the specifications deemed by them advisable, without further notice or hearing, provided such changes do not increase the estimates more than 10 per cent. If they do increase the estimates more than 10 per cent then a new hearing shall be had and notice thereof given, as in the first instance. At said hearing the county road commissioners may alter the boundaries of the proposed assessment district: Provided, however, That if said district is enlarged or otherwise altered so as to embrace additional lands, hearing thereon after due notice shall be had as hereinbefore provided.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4558;—CL 1948, 254.55.

#### **254.56 County under road system; commissioners' final order.**

Sec. 6. After hearing objections, the county road commissioners shall make their final order in writing, under their hands, determining that the proposed improvement shall be made according to the final specifications adopted by them, a copy of which specifications shall be attached to said order.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4559;—CL 1948, 254.56.

#### **254.57 County under road system; commissioners' powers and duties.**

Sec. 7. In so far as applicable hereto, the same powers are hereby conferred, and the same duties are hereby imposed upon said county road commissioners for the prosecution, completion and payment of such improvement, as are conferred and imposed by section 4684; section 4686 to section 4689, both inclusive; section 4691 to section 4706, both inclusive; section 4711 to section 4731, both inclusive; section 4733 to section 4745, both inclusive, of the Compiled Laws of 1915 as amended and as supplemented by Act No. 125 of the Public Acts of 1917, upon county road commissioners on behalf of the county or improvement district

with reference to works provided for in said sections and in said act, except as said Act No. 125 has been held invalid. And all the other rights created and all the other duties imposed by said sections and the said act are herewith likewise made applicable, in so far as appropriate to this act, including the method so provided for a board of review.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4560;—CL 1948, 254.57.

**Compiler's note:** For provisions of sections 4686 to 4689, sections 4691 to 4706, sections 4711 to 4731, and sections 4733 to 4745, referred to in this section, see MCL 247.416 to 247.419, MCL 247.421 to 247.436, MCL 247.441 to 247.460, and MCL 247.463 to 247.474, respectively. Section 4684, also referred to in this section, was repealed by Act 221 of 1933.

#### **254.58 County under road system; rights, duties, remedies, limitations; legislative intent.**

Sec. 8. With reference to the work in this act provided for which shall be done in any county in which the county road system, so-called, shall have been adopted, like rights are hereby created and like duties are hereby imposed; the acts and proceedings of said county road commissioners hereunder shall receive like effect and validity; like rights and remedies are preserved and restricted to any township, village, city and county affected hereunder by the construction or reconstruction of any such bridge; like rights and remedies are preserved and restricted to any persons, partnerships and corporations affected by any act of said county road commissioners made in connection with or following upon the improvement herewith authorized; and like duties are hereby enjoined upon the several city, village, township and county officials of the cities, villages, townships and county affected hereunder by such improvement, as are by the sections specifically enumerated above and by the said Act No. 125 respectively created and imposed; as are given to the acts and proceedings of county road commissioners; as are preserved or restricted to township, village, cities, counties, persons, firms and corporations affected by any order or determination made under the authority of said sections or any of them or under the authority of said Act No. 125, or are enjoined upon the several city, village, township and county officials mentioned in said sections and in said Act No. 125 with reference to the completion by county road commissioners of works of improvement provided for in said sections and in said Act No. 125. It is the legislative intent and purpose for the purpose of effectuating this act to make applicable hereto, in so far as may be, all the rights, duties, privileges, prerogatives, restrictions and limitations which are created and imposed by the sections above enumerated and by the said Act No. 125.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4561;—CL 1948, 254.58.

**Compiler's note:** For provisions of Act 125 of 1917, referred to in this section, see MCL 254.57 and Compiler's note thereto.

#### **254.59 County under road system; annual installments, apportionment of cost; announcement of decision, exemption.**

Sec. 9. Such county road commissioners shall have power and it shall be their duty to determine the number of annual installments, not exceeding 10, within which the money for the construction or reconstruction of any such bridge shall be raised. It shall apportion the whole cost of such work, in percentages, as between the special assessment area to be designated by them and whatever cities, villages and townships comprising said road districts and the county, or any or all of them, as in its discretion it shall determine. Such apportionment shall be made according to the benefits from such improvement accruing to the lands within such assessment area and the benefits to the public welfare and convenience of each of the cities, villages, townships and county, or any or all of them. The number of such installments, the road district aforesaid, the said special assessment area and said apportionment shall be designated and announced by said county road commissioners as soon as practicable after the approval of said specifications for said work. No township shall be entitled to any exemption from the payment of any assessment levied against it because of being entitled to the return of any county road taxes paid by it under section 26, chapter 4 of Act No. 283 of the Public Acts of 1909.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4562;—CL 1948, 254.59.

**Compiler's note:** Section 26, referred to near the end of this section, was repealed by Act 77 of 1958.

#### **254.60 County not under road system; supervisors' authority, delegation.**

Sec. 10. Whenever in any county in which the county road system, so-called, shall not have been adopted, the board of supervisors shall, pursuant to sections 1 and 2 hereof, have ordered a bridge to be constructed or reconstructed, full authority of every necessary character shall thereupon be vested in said board to construct or reconstruct as the case may be, such bridge. In furtherance thereof, said board may delegate any of its powers and duties to any of its officers, or to its committee or committees, or to any or all of them as it may deem suitable.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4563;—CL 1948, 254.60.



**254.61 County not under road system; powers and duties, legislative intent.**

Sec. 11. Thereafter in any county in which the county road system, so-called, shall not have been adopted, the board of supervisors shall proceed in such manner as it shall determine, either by the board as a whole, or by any of its officers, or its committee or committees or by any or all of them, to construct or reconstruct such bridge. For such purpose, in so far as applicable hereto, the same powers are hereby conferred, and the same duties are hereby imposed upon said board, and upon its officers, its committee or committees, or any or all of them, if said board shall determine to act through them or any of them, as are conferred and imposed by section 4684; section 4686 to section 4689, both inclusive; section 4691 to section 4706, both inclusive; section 4711 to section 4730, both inclusive; section 4733 to section 4745, both inclusive, of the Compiled Laws of 1915 as amended and as supplemented by Act No. 125 of the Public Acts of 1917. It is the legislative intent and purpose in this matter for the purpose of effectuating this act to make applicable hereto, in those counties in which the county road system, so-called, shall not have been adopted, all the rights, duties, privileges, prerogatives, restrictions and limitations which are created and imposed by the said sections and by the said Act No. 125.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4564;—CL 1948, 254.61.

**Compiler's note:** For provisions of sections referred to in this section, see Compiler's note to MCL 254.57.

**254.62 Bridge deemed public highway; county maintenance.**

Sec. 12. Upon the completion of any such bridge the same shall be and become a public highway and shall thereafter be maintained and repaired as such by said county.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4565;—CL 1948, 254.62.

**254.63 Tax limit; borrowing funds.**

Sec. 13. The limitation as to the sums which may be raised by taxation by the county for all highway purposes whether authorized by this, or other statutes, shall not exceed in any 1 year 5 dollars for each 1,000 dollars of assessed valuation for the preceding year; and the limitation as to sums which may be raised under this act by borrowing upon the faith and credit of the county shall not, with the existing indebtedness of such county, exceed 3 per cent of its assessed valuation, except that in counties having an assessed valuation of 5,000,000 dollars or less, where such limitation last named shall not exceed 5 per cent of the assessed valuation of such county. Nor shall the board of road commissioners or the board of supervisors, as the case may be, borrow in any 1 year upon the faith and credit of the county, either under the provisions of this, or any other act providing for the construction or repair of public buildings or bridges, any sum in excess of 1/10 of 1 mill on the assessed valuation of the county unless submitted to the electors of the county and approved by a majority of those voting thereon; except, however, in any county where the assessed valuation is less than 10,000,000 dollars, either said boards may borrow for such purposes to the amount of 1,000 dollars.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4566;—CL 1948, 254.63.

**254.64 Recovery of damages; plaintiffs; actions within year.**

Sec. 14. In the event of any owner of property or property rights abutting upon or adjoining said highway, or any township, village or municipality adjoining said stream, being damaged or injured in his or its property or property rights, or the value thereof by reason of the erection of said bridge, the person or persons, township, village or municipality so damaged or injured shall be entitled to recover the money value of such injury or damage suffered, from the county in which said bridge is constructed. Action for the recovery of damages shall be instituted by the person or persons, township, village or municipality injured or damaged, in the circuit court for the county in which said bridge is constructed, and such action shall be commenced within 1 year from the time when said bridge shall be fully completed.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4567;—CL 1948, 254.64.

**254.65 Recovery of damages; action by summons, service; alias and pluries summons.**

Sec. 15. Said action may be commenced by summons, in which the county in which said bridge is constructed shall be specified as party defendant, and service of said summons by the sheriff or other proper officer of the county upon any member of the board of supervisors of such county shall be sufficient for all purposes. Said summons shall be served by the sheriff or other proper officer at least 5 days before the return day thereof, by exhibiting the original and delivering a copy of the original. If for any cause service shall not be made in accordance with the foregoing, alias and pluries summons may be issued by the court in which action is instituted, as in other civil cases. Service of such summons shall be sufficient notice of the proceedings to bind the defendant and the property represented by it. The return of the officer upon the

summons of due service, shall be filed in the clerk's office before a jury shall be impanelled, and shall be sufficient evidence of service on the defendant and of the manner of service.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4568;—CL 1948, 254.65.

**254.66 Recovery of damages; pleadings, proceedings.**

Sec. 16. All pleadings in said cause, and all proceedings thereon shall be in such form as is required under the general laws of this state.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4569;—CL 1948, 254.66.

**254.67 Recovery of damages; tax levy.**

Sec. 17. The damages awarded by the jury in such cause, and the expenses thereof shall be paid by such county, to be raised by a general tax to be levied and collected according to the law with reference to general taxes in such county.

**History:** 1919, Act 398, Imd. Eff. May 13, 1919;—CL 1929, 4570;—CL 1948, 254.67.

**BONDS FOR BRIDGE CONSTRUCTION AND MAINTENANCE  
Act 109 of 1927**

**254.81-254.83 Repealed. 2002, Act 340, Imd. Eff. May 23, 2002.**

**INTERSTATE BRIDGE OVER NAVIGABLE STREAM  
Act 6 of 1911**

**254.91-254.94 Repealed. 2002, Act 341, Imd. Eff. May 23, 2002.**

## **BRIDGE ACROSS PORTAGE LAKE**

### **Act 181 of 1921**

AN ACT to supplement the laws relating to the improvement and maintenance of trunk line highways and bridges; to provide for the improvement, repair and maintenance of the bridge across Portage lake between the village of Houghton and city of Hancock in the county of Houghton, state of Michigan, as a part of the trunk line highway system; to define the duties of the state highway commissioner with respect thereto; and to provide for the payment of the costs thereof.

**History:** 1921, Act 181, Eff. Aug. 18, 1921.

*The People of the State of Michigan enact:*

#### **254.101 Bridge across Portage Lake declared state trunk line highway.**

Sec. 1. The bridge across Portage lake extending from Dakota street in the village of Houghton to Front street in the city of Hancock, Houghton county, is declared a part of the state trunk line highway system, and the improvement, repair and maintenance thereof shall be under the supervision and control of the state highway commissioner. The county of Houghton is hereby relieved of all duties, powers and obligations with respect to the future repair, maintenance and improvement of said bridge.

**History:** 1921, Act 181, Eff. Aug. 18, 1921;—CL 1929, 4578;—CL 1948, 254.101.

#### **254.102 State highway commissioner's obligations, contracts, execution of leases.**

Sec. 2. The state highway commissioner is authorized to carry out or assume the obligations of any contracts now existing with railroad companies or other corporations or persons with respect to rentals, damages, use, improvement, repair and maintenance of said bridge. Said state highway commissioner is authorized to make contracts for the enjoyment of the use of said bridge, jointly with railroad companies or other corporations or persons, and for the future maintenance, repair and improvement thereof, and to execute any leases, or other agreements necessary and proper in the premises.

**History:** 1921, Act 181, Eff. Aug. 18, 1921;—CL 1929, 4579;—CL 1948, 254.102.

#### **254.103 Payment of costs.**

Sec. The cost of all work herein provided with respect to said bridge shall be payable out of any funds available for the construction, repair and maintenance of trunk line bridges.

**History:** 1921, Act 181, Eff. Aug. 18, 1921;—CL 1929, 4580;—CL 1948, 254.103.

#### **254.104 Work performance; trunk line bridge.**

Sec. 4. All work involved in or incidental to the maintenance, repair and improvement of said bridge shall be performed in such manner as is or may be provided by law for the maintenance, repair and improvement of trunk line bridges, except when the manner of performing such work is prescribed by any existing contract and in such cases the work shall be performed in accordance with such contract, it being the intent hereof that said bridge in so far as the public interest therein is concerned, shall be regarded as a trunk line bridge.

**History:** 1921, Act 181, Eff. Aug. 18, 1921;—CL 1929, 4581;—CL 1948, 254.104.

#### **254.105 Rentals, damages, moneys due; disposition.**

Sec. 5. Any rentals, damages or other moneys becoming due and payable under any such contracts with respect to said bridge shall be paid to the state and placed to the credit of the general highway fund.

**History:** 1921, Act 181, Eff. Aug. 18, 1921;—CL 1929, 4582;—CL 1948, 254.105.

#### **254.106 State highway commissioner and other officers; authority.**

Sec. 6. The state highway commissioner and other proper officers are hereby authorized, empowered and directed to do all acts or things necessary to carry out the purpose of this act.

**History:** 1921, Act 181, Eff. Aug. 18, 1921;—CL 1929, 4583;—CL 1948, 254.106.

#### **254.107 Saving clause.**

Sec. 7. Nothing in this act contained shall operate to relieve any person, firm or corporation from the obligations of any existing contract, or the county of Houghton from any municipal obligation under its police powers.

**History:** 1921, Act 181, Eff. Aug. 18, 1921;—CL 1929, 4584;—CL 1948, 254.107.

**BRIDGE OVER CROOKED LAKE**  
**Act 82 of 1959**

**254.111,254.112 Repealed. 2000, Act 139, Imd. Eff. June 1, 2000.**

**INTERSTATE BRIDGE BETWEEN MICHIGAN AND WISCONSIN**  
**Act 98 of 1927**

**254.121-254.123 Repealed. 2002, Act 281, Imd. Eff. May 9, 2002.**

**INTERSTATE BRIDGE BETWEEN MICHIGAN AND WISCONSIN**  
**Act 191 of 1955**

**254.131 Repealed. 2002, Act 426, Imd. Eff. June 5, 2002.**

**EASEMENT FOR BRIDGE IN MACKINAC COUNTY**  
**Act 84 of 1959**

AN ACT to authorize the department of conservation to grant an easement over certain unpatented lake bottom lands in Mackinac county.

**History:** 1959, Act 84, Imd. Eff. June 29, 1959.

*The People of the State of Michigan enact:*

**254.141 Mackinac county bridge; conveyance of easement.**

Sec. 1. The state department of conservation is hereby authorized and directed to convey to the board of county road commissioners of Mackinac county an easement over the unpatented lake bottom lands between Hill's island and island number 8 in the Les Cheneaux islands in Mackinac county for the purpose of a bridge connecting Hill's island and island number 8.

**History:** 1959, Act 84, Imd. Eff. June 29, 1959.

**254.142 Bridge; part of public road system.**

Sec. 2. Before the conveyance authorized by this act is made, the board of county road commissioners of Mackinac county shall file with the department of conservation evidence of its acceptance of the bridge and roads connecting thereto as a part of the public road system and shall submit plans and specifications relative to the structure. The department of conservation may make such recommended changes in the plans and specifications as are necessary to protect the public interest in the public navigable waters.

**History:** 1959, Act 84, Imd. Eff. June 29, 1959.



## STATE BRIDGE COMMISSION; PUBLIC WORKS

### Act 147 of 1935

AN ACT authorizing the acquisition, improvement, construction, operation and maintenance of certain public works by the state; providing for the creation of the state bridge commission; authorizing the issuance of revenue bonds of the state payable solely from earnings to pay the cost of such works; making such bonds exempt from taxation and making them eligible for certain investments; providing for the collection of fees, rents, tolls and other charges for the payment of such bonds and for the cost of maintenance, operation and repair of the works; declaring that no debt of the state shall be incurred in the exercise of any of the powers granted by this act; and providing for condemnation.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935.

*The People of the State of Michigan enact:*

#### **254.151 State bridge commission; issuance of revenue bonds for public works.**

Sec. 1. Issuance of revenue bonds for public works. The state bridge commission hereinafter created is hereby authorized and empowered to acquire by purchase and to construct, or partly acquire and partly construct, and to improve, enlarge, reconstruct, own, equip, operate and maintain the public works hereinafter specified, and to issue revenue bonds, payable solely from earnings, to pay the cost of such works.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.151.

**Compiler's note:** The catchlines following the act sections numbers were incorporated as part of the act as enacted.

By Act 302 of 1931 the state gave its consent to the construction of a bridge across the Saint Clair river at or near Port Huron by the Great Lakes bridge commission, created by act of congress.

The state bridge commission, referred to in this act, was transferred to the department of state highways and transportation and abolished by MCL 16.456.

#### **254.152 State bridge commission; definitions.**

Sec. 2. Definitions. As used in this act, the following words and terms shall have the following meanings:

(a) The word “commission” shall mean the state bridge commission hereinafter created, or, if said state bridge commission shall be abolished, any board or officer succeeding to the principal functions thereof or upon whom the powers given by this act to said commission shall be given by law.

(b) The word “works” shall include all property, rights, easements and franchises relating thereto and deemed or convenient for their operation, and shall embrace an international bridge over, and ferries across the Saint Clair River at or near Port Huron.

(c) The word “improvements” shall mean such repairs, replacements, additions and betterments of and to works acquired by purchase as are deemed necessary to place them in a safe and efficient condition for the use of the public, if such repairs, replacements, additions and betterments are ordered prior to the sale of any bonds for the acquisition of such works.

(d) The term “cost of works” as applied to works to be acquired by purchase, shall include the purchase price, cost of improvements, financing charges, interest during any period of disuse before completion of improvements, cost of engineering and legal expenses, plans, specifications and surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense and such other expenses as may be necessary or incident to the financing herein authorized, and the acquisition of the works and the placing of the same in operation.

(e) The term “cost of works” as applied to works to be constructed, shall embrace the cost of construction, the cost of all land, property, rights, easements and franchises acquired which are deemed necessary for such construction, the cost of all machinery and equipment, financing charges, interest prior to and during construction and for 6 months after completion of construction, cost of engineering and legal expenses, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense and such other expenses as may be necessary or incident to the financing herein authorized and the construction of the works and the placing of the same in operation.

(f) The word “owner” shall include all individuals, incorporated companies, societies or associations having any title or interest in any properties, rights, easements or franchises to be acquired.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.152.

#### **254.153 State bridge commission; membership, oath, bond.**

Sec. 3. State bridge commission. There is hereby created a commission to be known as the “state bridge commission,” and by that name the commission may sue and be sued; plead and be impleaded; contract and

be contracted with; and have a common seal. The said commission shall consist of 3 members, who shall be appointed by the governor, with the advice and consent of the senate. The governor shall appoint the members of such commission as soon as may be after this act becomes effective. The said commissioners shall immediately enter upon their duties and shall hold office until the expiration of 2, 4 and 6 years, respectively, from the first day of April, 1935, the term of each to be designated by the governor, but their successors shall be appointed for the term of 6 years, excepting that any person appointed to fill a vacancy shall serve only for the unexpired term; and any commissioner shall be eligible for reappointment. Each commissioner before entering upon his duties shall take, subscribe and file his oath of office as required by law. Before the issuance of any bonds under the provisions of this act, each commissioner shall execute a bond, to be approved by the governor, in the penalty of 10,000 dollars, conditioned according to law, which bond shall be filed and recorded as are other bonds required of state officials. The commission shall elect 1 of its members as chairman and shall also elect a secretary who may not be a member of the commission. The state treasurer shall act as treasurer of the commission.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.153.

#### **254.154 State bridge commission; acquisition of necessary property.**

Sec. 4. Acquisition of necessary property. The commission shall have power to acquire by purchase upon such terms and conditions and in such manner as it may deem proper, and to acquire by condemnation in accordance with and subject to the provisions of any and all existing laws applicable to the condemnation of property for public use, any land, rights, easements, franchises and other property deemed necessary or proper for the construction, operation and maintenance of such works. Title to all property acquired or condemned shall be taken in the name of the state. The state shall be under no obligation to accept and pay for any property condemned under this act except from the funds provided by this act, and in any proceedings to condemn such orders may be made by the court having jurisdiction of the suit, action or proceeding as may be just to the state and to the owners of the property to be condemned. No property shall be acquired under this act upon which any lien or other encumbrance exists, unless at the time such property is acquired a sufficient sum of money be deposited in trust to pay and redeem such lien or encumbrance in full.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.154.

#### **254.155 State bridge commission; purchase of public works.**

Sec. 5. Purchase of works. The commission is hereby authorized to acquire by purchase whenever it shall deem such purchase expedient, but solely by means of or with the proceeds of revenue bonds hereinafter authorized, any public works hereinabove specified, or any such works wholly or partly constructed, and any franchises, easements, permits and contracts for the construction of any such works, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof, title thereto to be taken in the name of the state.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.155.

#### **254.156 Improvement of public works.**

Sec. 6. Improvement of works purchased. At or before the time any such works shall be acquired by purchase, it shall be the duty of the commission to determine what repairs, replacements, additions or betterments will be necessary to place the works in safe and efficient condition for use, and to cause an estimate of the cost of such improvement to be made, and submitted to the commission by an engineer or engineers appointed by it; such improvements shall be ordered by the commission before the sale of any revenue bonds hereinafter authorized for the acquisition of such works, and shall be paid for out of the proceeds of such bonds.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.156.

#### **254.157 Construction of public works; agreements with other states and Canada.**

Sec. 7. Construction of works. The commission is hereby authorized to construct, whenever it shall deem such construction expedient, any public works hereinabove specified, the cost of such construction to be paid wholly by means of or with the proceeds of revenue bonds hereinafter authorized. The commission is hereby authorized to make agreements with any company, corporation or commission, incorporated or created under the laws of an adjoining state or of Canada, respecting the construction, maintenance and use of any public works which said commission is authorized by this act to acquire or construct, together with all appurtenances of such works, and is authorized to purchase within this state and within any adjoining state or within the Dominion of Canada, solely from funds provided under the authority of this act, any such works already constructed or partly constructed, and such lands, structures, rights of way, franchises, surveys, plans, works,

plant, machinery, and easements and other interests in lands, including lands under water and riparian rights of any person, railroad or other corporation or municipality or political subdivision, deemed necessary for the construction of any such works or for the operation thereof, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof, title thereto to be taken in the name of the state.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.157.

#### **254.158 Revenue bonds for public works; sale, notice; signature; report to administrative board.**

Sec. 8. Revenue bonds. The commission is hereby authorized to provide by resolution for the issuance of revenue bonds of the state (A) for the purpose of paying the cost as hereinabove defined of any 1 or more public works which said commission is authorized by this act to acquire or construct, which resolution shall recite an estimate of such cost, or (B) to refund any revenue bonds, heretofore or hereafter issued under the provisions of this act, not earlier than 1 year prior to either the date of maturity of such revenue bonds or the date upon which they may be redeemed prior to maturity, or at any time, upon the surrender for payment of at least an equal par amount of revenue bonds authorized by said resolution to be refunded: Provided, That any issue of such refunding bonds shall not exceed the total par amount of outstanding revenue bonds, less any available funds and sinking fund balances. Such refunding bonds shall be sold to the highest bidder upon sealed bids, the same to be publicly opened by the commission. No bid shall be accepted by the commission except upon the express approval of the state treasurer. Highest bidder is hereby defined as the person, firm or corporation submitting a proposal which shall effect the greatest saving of interest upon the bonds refunded. Notice of such sale shall be published at least 7 days prior to the day of opening bids in the Michigan Investor, the Bond Buyer and such other financial journals as the commission may deem advisable. No sale of such refunding bonds shall be made at a figure of less than that required to redeem and pay the bonds refunded and effect a net saving of at least  $\frac{1}{2}$  of 1% upon the bonds refunded. The principal and interest of such bonds shall be payable solely from the special fund herein provided for such payment. Such revenue bonds shall bear interest at not more than 6 per centum per annum, payable semi-annually, and shall mature at such time or times not more than 40 years from their date or dates as may be fixed by such resolution. All such revenue bonds may be made redeemable before maturity at the option of the commission at such price or prices and under such terms and conditions as may be fixed by the commission prior to the issuance of the bonds. The principal and interest of such revenue bonds may be made payable in any lawful medium. The commission shall determine the form of the bonds and the interest coupons to be attached thereto and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest thereof, which may be at any bank or trust company within or without the state. Revenue bonds issued by the commission shall be signed by the governor and by the chairman of the commission, under the great seal of the state, attested by the secretary of state, and the coupons attached thereto shall bear the facsimile signature of said chairman of the commission. Any refunding bonds issued shall be signed solely by the chairman and the secretary of the commission, under the seal of the commission. All bonds issued under this act shall contain a statement on their face that the state shall not be obligated to pay the same or the interest thereon except from the revenues of the works. In case any of the officers whose signatures appear on the bonds and coupons shall cease to be such officers before the delivery of such bonds, such signatures shall nevertheless be valid and sufficient for all purposes the same as if they had remained in office until such delivery. All such revenue bonds shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. Such bonds shall be exempt from all taxation, state, county and municipal, and unless otherwise provided by law, shall be lawful investments in the same manner and to the same extent as other bonds of the state. Provision may be made for the registration of any of the bonds in the name of the owner as to principal alone or as to both principal and interest. The commission may sell such bonds in such manner and for such price as it may determine to be for the best interests of the state, taking into consideration the financial responsibility of the purchaser and the terms and conditions of the purchase, and especially the availability of the proceeds of the bonds when required for payment of the cost of the works, but no such sale shall be made at a price so low as to require the payment of more than 6 per cent interest on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values. The proceeds of such bonds shall be used solely for the payment of the cost of the works, or, in the case of refunding bonds, for the payment of the revenue bonds refunded, and shall be checked out in such manner and under such restrictions, if any, as the commission may provide. If the proceeds of the revenue bonds, by error of calculation or otherwise, shall be less than the cost of the works, additional bonds may in like manner be issued to provide the amount of such deficit and, unless otherwise provided in the trust indenture hereinafter mentioned, shall be deemed to be of

the same issue and shall be entitled to payment from the same fund, without preference or priority of the bonds first issued for the same works. If the proceeds of bonds issued for any such works shall exceed the cost thereof, the surplus shall be paid into the fund hereinafter provided for the payment of principal and interest of such bonds. Prior to the preparation of definitive bonds, the commission may under like restrictions issue temporary bonds with or without coupons, exchangeable for definitive bonds upon the issuance of the latter. Such revenue bonds may be issued without any other proceedings or the happening of any other conditions or things than those proceedings, conditions and things which are specified and required by this act or by the constitution of the state. In the discretion of the commission revenue bonds of a single issue may be issued for the purpose of paying the cost of any 1 or more public works, whether of the same class or 2 or more classes.

A report shall be made by the commission to the state administrative board on or before the fifteenth day of January, fifteenth day of April, fifteenth day of July, fifteenth day of October of each year, which report shall state the receipts and disbursements during the preceding quarter, and shall contain such further information as the state administrative board shall require.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—Am. 1945, Act 63, Imd. Eff. Mar. 28, 1945;—CL 1948, 254.158.

#### **254.159 Lien on bond proceeds.**

Sec. 9. Lien upon bond proceeds. All moneys received from any revenue bonds issued pursuant to this act shall be applied solely to the payment of the cost of the works or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys until so applied, in favor of the holders of the bonds or the trustee hereinafter provided for in respect of such bonds.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.159.

#### **254.160 Trust indenture; collateral security, surety bonds; expenses.**

Sec. 10. Trust indenture. In the discretion of the commission, any series or issue of such revenue bonds may be secured by a trust indenture by and between the commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside of the state, but no such trust indenture shall convey or mortgage the works or any part thereof. Either the resolution providing for the issuance of revenue bonds or such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper, not in violation of law, including covenants setting forth the duties of the state and the commission in relation to the acquisition, construction, improvement, maintenance, operation, repair and insurance of the works, the custody, safeguarding and application of all moneys, and may provide that the works shall be acquired, constructed, or partly acquired and partly constructed, and paid for under the supervision and approval of consulting engineers employed or designated by the commission and satisfactory to the original purchasers of the bonds issued therefor, who may be given the right to require that security given by contractors and by any depositary of the proceeds of the bonds or revenues of the works or other moneys pertaining thereto, be satisfactory to such purchasers, their successors, assigns or nominees. Such resolution or indenture may set forth the rights and remedies of the bondholders and trustee, restricting the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations. Except as in this act otherwise provided, the commission may provide by resolution or by such trust indenture for the payment of the proceeds of the sale of the bonds and the revenues of the works to such officer, board or depositary as it may determine for the custody thereof, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. Any bank or trust company designated as a depositary, notwithstanding any provision of law to the contrary, is hereby authorized, with the approval of the commissioner of the state banking department, to pledge as collateral security for moneys deposited by the trustee in such depositary, direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States government, or other marketable securities eligible as security for the deposit of trust funds under regulations of the federal reserve board and having a market value (exclusive of accrued interest) at least equal to the amount of such deposit, or in lieu of such collateral security as to all or any part of such deposit, there shall have been lodged with the trustee, or with the secretary of the commission in the case of moneys deposited or remaining on deposit with the trustee, and remain in full force and effect as security for the moneys deposited, the indemnifying bond or bonds of a surety company or companies qualified as surety for United States government deposits and qualified to transact business in the state of Michigan in a sum at least equal to the amount of moneys deposited with such bank or trust company or such part thereof, such bond or bonds to be approved in writing by the commission: Provided, however, That it shall not be necessary for the trustee to give collateral security or file a surety bond as security for the deposit of that amount of the proceeds of the bonds which shall be paid out of the construction fund simultaneously with the delivery of the bonds: And provided further, however, That the cost of any surety bond furnished by the trustee may be paid for out of

funds from time to time in the hands of the trustee. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repairs of the works affected by such indenture.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—Am. 1937, Act 11, Imd. Eff. Apr. 22, 1937;—CL 1948, 254.160.

#### **254.161 Revenues; contracts with state highway department and Ontario; elimination of tolls.**

Sec. 11. Tolls, fees, rents, rates or other charges shall be fixed, charged and collected for the use of such works and shall be so fixed and adjusted, in respect to the aggregate of such tolls, fees, rents, rates or other charges from the works for which a single issue of revenue bonds is issued, as to provide a fund sufficient to pay (a) operating, repair and maintenance expenses, until such time as the bridge shall become a free bridge as hereinafter provided, and (b) such issue of bonds and the interest thereon, subject, however, to any applicable law or regulation of the United States of America now in force or hereafter to be enacted or made. Such tolls, fees, rents, rates or other charges shall not be subject to supervision or regulation by any state bureau, board, commission or agency. At or before the issuance of any revenue bonds, the commission shall by resolution create a sinking fund for the payment of the bonds and the interest thereon, and the payment of the charges of banks or trust companies for making payment of such bonds or interest, and shall set aside and pledge a sufficient amount of the net revenues of the works, hereby defined to be the revenues of the works remaining after the payment of the reasonable expense of operation, maintenance and repairs, such amount to be paid into such sinking fund at intervals to be determined by the commission prior to the issuance of the bonds, for (a) the interest upon such bonds as such interest shall fall due and (b) the necessary fiscal agency charges for paying bonds and interest and (c) the payment of the bonds as they fall due, or, if all bonds mature at 1 time, the proper maintenance of a sinking fund sufficient for the payment thereof at such time, and (d) a margin for the payment of premiums upon bonds retired by call or purchase as herein provided. Such required payments shall constitute a first charge upon all the net revenues of the works. Prior to the issuance of revenue bonds, the commission may provide by resolution or by such trust indenture for using the sinking fund or any part thereof in the purchase of any of the outstanding bonds payable therefrom at the market price thereof, but not exceeding the price, if any, at which the same shall at the next interest date be payable or redeemable, and all bonds redeemed or purchased shall forthwith be cancelled and shall not again be issued. The moneys in the sinking fund, less a reserve for payment of not exceeding 1 year's interest on the bonds, if not used within a reasonable time for the purchase of bonds for cancellation as above provided, shall be applied to the redemption of bonds by lot at the redemption price then applicable.

The commission is authorized and empowered to enter into any contract or contracts with the state highway department of the state of Michigan and the department of highways of the province of Ontario, for the maintenance of said bridge and its approaches.

When the bonds authorized and issued under the provisions of this act have been paid and retired, tolls or charges for its use by the public may be charged only to cover the payment of the reasonable expenses of operation, maintenance and repairs.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—Am. 1937, Act 11, Imd. Eff. Apr. 22, 1937;—CL 1948, 254.161;—Am. 1955, Act 65, Eff. Oct. 14, 1955.

#### **254.162 Powers of commission.**

Sec. 12. Powers. The commission shall have power to make and enter into all contracts or agreements necessary or incidental to the execution of its powers under this act, and may employ engineering, architectural and construction experts and inspectors and attorneys, and such other employees as may be deemed necessary, and may fix their compensation. All such compensation and all expenses incurred in carrying out the provisions of this act shall be paid solely from funds provided under the authority of this act, and no liability or obligation shall be incurred hereunder beyond the extent to which money shall have been provided under the authority of this act. The commission may accept from any federal agency grants for or in aid of the construction of any public works under this act, and may exercise any powers which may be conferred upon it by acts of the congress of the United States or which are necessary or convenient for the execution of its powers under this act. All public or private property damaged or destroyed in carrying out the powers granted under this act shall be restored or repaired and placed in their original condition, as nearly as practicable, or adequate compensation made therefor, out of funds provided by this act.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.162.

#### **254.163 Action by trustee and bondholders.**

Sec. 13. Action by trustee and bondholders. Any holder of any of such revenue bonds or any of the



coupons attached thereto, and the trustee, if any, except to the extent the rights herein given may be restricted by resolution passed before the issuance of the revenue bonds or by the trust indenture may, either at law or in equity, by suit, action, mandamus or other proceeding protect and enforce any and all rights granted hereunder or under such resolution or trust indenture and may enforce and compel performance of all duties required by this act or by such resolution or trust indenture to be performed by the commission, including the fixing, charging and collecting of tolls, fees, rents, rates and other charges for the use of such works.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.163.

#### **254.164 Acceptance of contributions; use.**

Sec. 14. Contributions. The commission shall have authority to receive and accept contributions of either money or property or other things of value to be held, used and applied for the purposes in this act provided. The state highway department, subject to the approval of the state administrative board, is hereby authorized to cooperate with the commission in the construction of any bridge under the provisions of this act and in securing federal aid therefor.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.164.

#### **254.165 Competing ferries.**

Sec. 15. Competing ferries. If the commission shall provide for the issuance hereunder of a single issue of revenue bonds for the purpose of paying the cost of constructing a bridge or tunnel and of acquiring a ferry or ferries within 5 miles of the location which shall be selected for such bridge or tunnel, the commission shall not be required to maintain or operate any such ferry but in the discretion of the commission any such ferry, with the appurtenances and property thereto connected and belonging, may be sold or otherwise disposed of or may be abandoned and dismantled whenever in the judgment of the commission it may seem expedient so to do. The proceeds of any sale or disposition of any ferry or ferries shall be paid into the sinking fund hereinabove provided for the bonds.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.165.

#### **254.166 Alternative methods of act.**

Sec. 16. Act provides alternative method. This act shall be deemed to provide an additional and alternative method for the doing of the things authorized hereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.166.

#### **254.167 Construction of act.**

Sec. 17. Act liberally construed. This act, being necessary for the welfare of the state and its inhabitants, shall be liberally construed to effect the purposes hereof.

**History:** 1935, Act 147, Imd. Eff. June 4, 1935;—CL 1948, 254.167.

### **STATE BRIDGE COMMISSION; SALE OF LANDS Act 294 of 1947**

#### **254.181 Repealed. 2000, Act 134, Imd. Eff. June 1, 2000.**

**BLUE WATER BRIDGE PLAZA EXPANSION OVERSIGHT REPORTING ACT**  
**Act 11 of 2010**

AN ACT to provide for certain duties of certain state agencies.

**History:** 2010, Act 11, Imd. Eff. Mar. 8, 2010.

*The People of the State of Michigan enact:*

**254.191 Short title.**

Sec. 1. This act shall be known and may be cited as the "blue water bridge plaza expansion oversight reporting act".

**History:** 2010, Act 11, Imd. Eff. Mar. 8, 2010.

**254.192 Written accounting of expenditures and updates.**

Sec. 2. The state transportation department shall provide, as directed in this section and at reasonable intervals, a written accounting of all expenditures related to the plaza expansion project and written updates as to whether the plaza expansion project is staying within the budget for project expenditures with full explanations for any expenditures beyond those budgeted. The written accounting and updates shall be provided to all of the following:

- (a) The members of the standing committees in the senate and house of representatives that deal primarily with transportation and local government issues. The written updates shall be submitted electronically.
- (b) Each member of the transportation appropriations subcommittee in the house of representatives and the senate.
- (c) Each elected state official in the county in which the expansion project is located.

**History:** 2010, Act 11, Imd. Eff. Mar. 8, 2010.

**INTERNATIONAL BRIDGE AUTHORITY**  
**Act 237 of 1935**

**254.201-254.216 Repealed. 1954, Act 99, Imd. Eff. Apr. 12, 1954;--2000, Act 243, Eff. Sept. 2, 2000.**

**254.201 Repealed. 1954, Act 99, Imd. Eff. Apr. 12, 1954.**

**Compiler's note:** The repealed section defined terms with respect to international bridge authority.

**254.202 Repealed. 2000, Act 243, Eff. Sept. 2, 2000.**

**Compiler's note:** The repealed section pertained to creation and appointment of international bridge authority.

**254.203-254.216 Repealed. 1954, Act 99, Imd. Eff. Apr. 12, 1954.**

**Compiler's note:** The repealed sections were a major portion of international bridge authority act.

## INTERNATIONAL BRIDGE AUTHORITY Act 99 of 1954

AN ACT authorizing the international bridge authority of Michigan to construct, maintain, repair, and operate a bridge or tunnel project from the Upper Peninsula of Michigan to the province of Ontario, Canada, and to provide for the acquisition and operation of the existing ferry system and buses in connection with the project; to prescribe the powers and duties of the authority including, but not limited to, the power to acquire necessary real and personal property and to exercise the power of condemnation; to provide for financing the project by the issuance of revenue bonds of the authority payable solely from tolls and other revenues; to provide that no debt of the state shall be incurred in the exercise of any such powers; to provide for the collection of tolls and other revenues to pay the bonds, the interest on the bonds, and the cost of maintenance, repair, and operation of the project; to exempt from taxes and assessments the project and the bonds and the income from the bonds; to authorize the issuance of revenue refunding bonds; to prescribe the rights and remedies of the holders of bonds issued under this act; to make an appropriation; to provide for the state transportation department to assume the powers and duties of the authority upon retirement of the outstanding bonds including, but not limited to, the power to enter into interlocal agreements; and to repeal acts and parts of acts.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954;—Am. 2000, Act 243, Imd. Eff. June 29, 2000.

*The People of the State of Michigan enact:*

### **254.221 International bridge authority; definitions.**

Sec. 1. As used in this act, the following words have the following meanings, unless the context indicates a different meaning or intent:

(a) “Authority” means the international bridge authority of Michigan created by section 2 of 1935 PA 237, MCL 254.202, or, if the authority is abolished, the board, body, or commission succeeding to the principal functions or to whom the powers given by this act to the authority are given by law.

(b) “Project” includes a bridge or tunnel, overpasses, underpasses, entrance plazas, toll houses, administration, storage and other buildings and facilities, and all equipment therefor, and may include buses and terminal facilities, the existing ferry system, and such approaches and approach highways as may be determined by the authority to be necessary to facilitate the flow of traffic or to connect the project with the existing highway systems, together with all property, rights, easements, and interests acquired by the authority for the construction or operation of the project.

(c) “Cost” includes the cost of construction or acquisition, the cost of the acquisition of all land, rights-of-way, property, rights, easements, and interests acquired by the authority for the construction, the cost of demolishing or removing any buildings or structures on land acquired, including the cost of acquiring any lands to which buildings or structures may be moved, the cost of acquiring the existing ferry system or any portion of that ferry system, operating between Sault Ste. Marie, Michigan, and Sault Ste. Marie in the province of Ontario, Canada, the purchase price of any buses operated by the authority, the cost of all machinery and equipment, financing charges, interest before and during construction and, if considered advisable by the authority, for a period not exceeding 1 year after completion of construction, cost of traffic estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of constructing, repairing, or improving the project, administrative expense, and such other expense as may be necessary or incident to the construction, repair, or improvement of the project, the financing of such project, and the placing and maintaining of the project in operation. Any money paid or advanced to the authority with its approval for traffic surveys, borings, preparation of plans and specifications, and other engineering services in connection with the construction, repair, or improvement of the project shall be regarded as a part of the cost of the project and shall be reimbursed out of the proceeds of the revenue bonds issued for the project as authorized in this act. Cost includes the cost to operate, maintain, repair, or improve the project.

(d) “Bonds” or “revenue bonds” means revenue bonds of the authority issued under this act.

(e) “Owner” includes all individuals, copartnerships, associations, or corporations and also municipalities, political subdivisions, and all public agencies and instrumentalities having any title or interest in any property, rights, easements, and interests authorized to be acquired by this act.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954;—Am. 2000, Act 243, Imd. Eff. June 29, 2000.

### **254.222 Revenue bonds; statement, expenses.**

Sec. 2. Revenue bonds issued under the provisions of this act shall not be deemed to constitute a debt of

the state or of any political subdivision thereof or a pledge of the faith and credit of the state or of any such political subdivision, but shall be payable solely from the funds provided therefor from revenues. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the state nor the authority shall be obligated to pay the same or the interest thereon except from revenues of the project and that neither the faith and credit nor the taxing power of the state or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds.

All expenses incurred in carrying out the provisions of this act shall be payable solely from funds provided under the authority of this act and no liability or obligation shall be incurred by the authority hereunder beyond the extent to which moneys shall have been provided under the provisions of this act.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.223 International bridge authority; powers and duties; value of assets; efficiencies.**

Sec. 3. (1) The authority is hereby authorized and empowered to do the following:

- (a) Adopt bylaws for the regulation of its affairs and the conduct of its business.
- (b) Adopt an official seal and alter the same at pleasure.
- (c) Maintain an office at the place or places within the state as it may designate.
- (d) Sue and be sued in its own name, plead, and be impleaded.
- (e) Determine the location of the project, determine, in its discretion and without reference to any other provisions of this act or any other law, the design standards and the materials of construction, and construct, maintain, repair, and operate the project.
- (f) Issue revenue bonds of the authority for any of its corporate purposes, payable solely from the tolls and revenues pledged for their payment, and to refund its bonds, all as provided in this act.
- (g) Fix and revise from time to time and charge and collect tolls and other charges for the use of the project.
- (h) Establish rules and regulations for the use of the project.
- (i) Acquire, hold, and dispose of real and personal property in the exercise of its powers and the performance of its duties under this act.
- (j) Acquire the existing ferry system, or any portion of that system, operating between Sault Ste. Marie, Michigan, and Sault Ste. Marie, in the province of Ontario, Canada, and maintain, repair, and operate this ferry system or portion of this system until the project is opened for traffic.
- (k) Acquire, maintain, repair, and operate buses between Sault Ste. Marie, Michigan, and Sault Ste. Marie in the province of Ontario, Canada.
- (l) Make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this act.
- (m) Employ consulting engineers, attorneys, accountants, construction and financial experts, superintendents, managers, and other employees and agents as may be necessary in its judgment and fix their compensation.
- (n) Receive and accept from any federal agency grants for or in aid of the construction, repair, or improvement of the project, and receive and accept aid or contributions from any source of money, property, labor, or other things of value, to be held, used, and applied only for the purposes for which such grants and contributions may be made.
- (o) Enter into contracts and leases to provide for the development and use of any real property owned by the authority in the United States or Canada for customs brokering or for the sale of articles for export and consumption outside the United States or Canada, respectively, to the extent that this use is not restricted by federal or Canadian law. The authority shall obtain proposals before entering into any contracts or leases for the development and use of its real property for the sale of articles for export and consumption outside of the United States. The authority shall advertise for proposals once each week for 2 successive weeks in a newspaper of general circulation in this state. The authority shall open and examine all proposals at a public meeting of the authority. The authority may reject any or all proposals, and shall readvertise, in the event of rejection of all proposals, in the manner required by this section. The revenue from these contracts or leases shall be deposited in the fund created by section 7. This subdivision does not exempt a person from the payment of any motor fuel, sales, or other taxes required to be paid under the laws of this state on articles or fuel sold or brought into this state irrespective of whether the articles or fuel is for export or consumption outside the United States or Canada.
- (p) Enter into an interlocal agreement with the owner of the Canadian portion of the project or its authorized agent under 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, to provide for joint operational and policy oversight and for operation, maintenance, repair, and improvement of the project in the United States and Canada by an administrative unit within the state transportation department. The governor shall appoint

the Michigan members of a separate joint United States-Canadian body created under the interlocal agreement to provide joint operational and policy oversight of the project. An employee of the state transportation department is not eligible for appointment to this body.

(q) Do all acts and things necessary or convenient to carry out the powers expressly granted in this act.

(2) Nothing in this act or the interlocal agreement shall preclude the joint United States-Canadian body created under the interlocal agreement entered into under subsection (1)(p) from appraising the fair market value of assets, from exploring opportunities to create efficiencies, or from studying proposals that may maximize the value of assets associated with the bridge project and be in the best interest of the people of the State of Michigan.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954;—Am. 1994, Act 44, Imd. Eff. Mar. 23, 1994;—Am. 2000, Act 243, Imd. Eff. June 29, 2000.

#### **254.223a Expenditure from bridge revenues; purposes; payment.**

Sec. 3a. If taxes or assessments are imposed by law in Canada on the Canadian portion of the project to be paid from bridge revenue under an interlocal agreement entered into pursuant to section 3(p), an equal sum may be expended in Michigan from bridge revenue for purposes similar to those of the taxes or assessments, for reasonable appurtenances, or for the maintenance or improvement of access to the bridge. If taxes or assessments are paid directly to a Canadian local unit of government, an equal sum shall be paid directly to a Michigan local unit of government.

**History:** Add. 2000, Act 243, Imd. Eff. June 29, 2000.

#### **254.224 Real property; purchase and conveyance by city of Sault Ste. Marie; condemnation proceedings; title; removal of property.**

Sec. 4. (1) The authority is hereby authorized and empowered to acquire by purchase, whenever it considers such purchase expedient, solely from funds provided under the authority of this act, such lands, structures, property, rights, rights-of-way, franchises, easements, and other interests in lands, including lands lying under water and riparian rights, which are located within or without the state, as it considers necessary or convenient for the construction, repair, improvement, and operation of the project, upon such terms and at such prices as it considers to be reasonable and that can be agreed upon between it and the owner thereof, and to take title thereto in the name of the authority.

(2) Notwithstanding any contrary provision of law, the city of Sault Ste. Marie is authorized and empowered to lease, lend, grant, or convey to the authority at its request upon such terms and conditions as the city considers reasonable and fair and without the necessity for any advertisement, order of court, or other action of formality, other than the regular and formal action of the governing body of the city, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the authority, including public highways and other real property already devoted to public use.

(3) If a reasonable price cannot be agreed upon, or if the owner is legally incapacitated, absent, unknown, or unable to convey valid title, the authority is hereby authorized and empowered to acquire by condemnation or by the exercise of the power of eminent domain any lands, property, rights, rights-of-way, franchises, easements, and other property, including public lands, parks, playgrounds, reservations, highways, or parkways, or parts thereof or rights therein, of any person, copartnership, association, railroad, public service, public utility or other corporation, municipality or political subdivision considered necessary or convenient for the construction, repair, or improvement or the efficient operation of the project or necessary in restoration of public or private property damaged or destroyed. Any such proceedings shall be conducted in accordance with and subject to the uniform condemnation procedures act, 1980 PA 87, MCL 213.51 to 213.75. Title to any property acquired by the authority shall be taken in the name of the authority.

(4) If the owner, lessee, or occupier of any property to be condemned refuses to remove his or her personal property from the property or give up possession of the property, the authority may proceed to obtain possession in any manner now or hereafter provided by law.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954;—Am. 2000, Act 243, Imd. Eff. June 29, 2000.

#### **254.225 Revenue bonds; issuance, principal and interest payments, date, form, signatures, coupon or registered, sale, approval, proceeds, use; interim receipts or temporary bonds.**

Sec. 5. The authority is hereby authorized to provide for the issuance, at one time or from time to time, of revenue bonds of the authority for the purpose of paying all or any part of the cost of the project. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment. The bonds shall be dated, shall bear interest at such rate or rates not exceeding 6% per annum, shall mature at such time or times not exceeding 40 years from their date, as may be determined by the authority,



and shall be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of the principal and interest, which may be at any bank or trust company within or without the state. The bonds shall be signed by the chairman of the authority or shall bear his facsimile signature, and the official seal of the authority or a facsimile thereof shall be impressed or imprinted thereon and attested by the secretary-treasurer of the authority, and any coupons attached thereto shall bear the facsimile signature of the chairman of the authority. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The authority may sell such bonds in such manner and for such price as it may determine will best effect the purposes of this act, subject to the approval of the state administrative board of the state of Michigan.

The proceeds of the bonds shall be used solely for the payment of the cost of the project, and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. If the proceeds of the bonds, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds shall exceed such cost, the surplus shall be deposited to the credit of the sinking fund for such bonds.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.226 Revenue bonds; secured by trust agreement, pledge, provisions, indemnifying bonds, expenses, approval.**

Sec. 6. In the discretion of the authority the bonds issued under the provisions of this act may be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust agreement or the resolution providing for the issuance of such bonds may pledge or assign the tolls and other revenues to be received, but shall not convey or mortgage the project or any part thereof. Such trust agreement or resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation and insurance of the project, the rates of toll to be charged, and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the operation of the project. Such trust agreement or resolution shall be subject to the approval of the state administrative board of the state of Michigan.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.227 Tolls; collection; contracts with public utilities; appropriation of revenue;**

**supervision and regulation; sinking fund; pledge.**

Sec. 7. The authority is hereby authorized to fix, revise, charge, and collect tolls for the use of the project, and to contract with any person, partnership, association, or corporation for the placing of telephone, telegraph, pipelines, and electric light or power lines, or for any other purpose, and to fix the terms, conditions, rents, and rates of charges for such use. The tolls shall be fixed and adjusted so as to provide a fund sufficient with other revenues, if any, to pay the cost of maintaining, repairing, and operating the project and the principal of and the interest on the bonds as they become due and payable, and to create reserves for these purposes. Revenue collected from the use or disposition of the project is appropriated exclusively for those purposes. The tolls shall not be subject to supervision or regulation by any other commission, board, bureau, or agency of the state. The tolls and all other revenues derived from the project, except that part necessary to pay the cost of maintenance, repair, and operation and to provide reserves as may be provided for in the resolution authorizing the issuance of bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in the resolution or trust agreement in a sinking fund that is hereby pledged to, and charged with, the payment of the principal of and the interest on those bonds as they become due, and the redemption price or the purchase price of bonds retired by call or purchase as provided in the resolution or trust agreement. The pledge is valid and binding from the time when the pledge is made. The tolls and other revenues or other money so pledged and thereafter received by the authority shall immediately be subject to the lien of the pledge without any physical delivery or further act, and the lien of the pledge is valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether the parties have notice of the lien. The resolution or trust agreement by which a pledge is created need not be filed or recorded except in the records of the authority. The use and disposition of money to the credit of the sinking fund are subject to the resolution authorizing the issuance of the bonds or the trust agreement. Except as may otherwise be provided in the resolution or trust agreement, the sinking fund is a fund for all the bonds without distinction or priority of one over another.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954;—Am. 2000, Act 243, Imd. Eff. June 29, 2000.

**254.228 Trust funds; depository acting as trustee.**

Sec. 8. All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this act. The resolution authorizing the bonds or the trust agreement securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this act and such resolution or trust agreement may provide.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

**254.229 Trust agreement or resolution; enforcement.**

Sec. 9. Any holder of bonds issued under the provisions of this act or any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by such trust agreement or the resolution authorizing the issuance of such bonds, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the state or granted hereunder or under such trust agreement or resolution, and may enforce and compel the performance of all duties required by this act or by such trust agreement or resolution to be performed by the authority or by any officer thereof, including the fixing, charging and collecting of tolls.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

**254.230 Bonds; negotiable instruments.**

Sec. 10. Notwithstanding any of the foregoing provisions of this act or any recitals in any bonds issued under the provisions of this act, all such bonds shall be deemed to be negotiable instruments under the laws of this state.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

**254.231 Purpose of project; taxation.**

Sec. 11. The exercise of the powers granted by this act will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and as the operation and maintenance of the project authorized by this act will constitute the performance of essential governmental functions, the authority shall not be required to pay any taxes or assessments upon the project or any property acquired or used by the authority under the provisions of this act or upon the income therefrom, and any bonds issued under the provisions of this act, their transfer and the

income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation within the state.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.232 Bonds made securities.**

Sec. 12. Bonds issued by the authority under the provisions of this act are hereby made securities in which all banks, bankers, savings banks, trust companies, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries may properly and legally invest any funds, including capital belonging to them or within their control.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.233 Revenue refunding bonds; purpose, regulation.**

Sec. 13. The authority is hereby authorized to provide for the issuance of revenue refunding bonds of the authority for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of this act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the authority, for the additional purpose of constructing improvements to the project. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the authority in respect of the same, shall be governed by the provisions of this act insofar as the same may be applicable.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.234 Vehicular traffic facilities; covenant with bondholders; limitations.**

Sec. 14. The state of Michigan covenants and agrees with the holders of the bonds issued under the provisions of this act that it will not construct or operate, or permit the construction or operation of, any bridge, tunnel or ferry service for vehicular traffic between the upper peninsula of Michigan and the province of Ontario, Canada, within 10 miles of the project: Provided, however, That nothing herein contained shall be construed to prevent the operation of the existing ferry service. Upon completing the construction of the project and opening the same to traffic the authority shall sell or otherwise dispose of all ferries and other property then owned by the authority and belonging to the ferry system, except any such properties as the authority may deem desirable to retain in connection with the operation of the project, and the proceeds of such sale or other disposition shall be applied to the payment of any remaining items of cost of the project or shall be deposited to the credit of the sinking fund for the bonds issued for such project.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954;—Am. 1955, Act 181, Eff. Oct. 14, 1955.

#### **254.235 Authorization for action; project maintenance and operation, report to governor, failure to pay tolls, surveying.**

Sec. 15. Any action taken by the authority under the provisions of this act may be authorized by resolution at any regular or special meeting, and each such resolution shall take effect immediately and need not be published or posted.

The project, when constructed and opened to traffic, shall be maintained and kept in good condition and repair by the authority. The project shall be operated by such force of toll-takers and other operating employees as the authority may in its discretion employ and shall be policed in such manner as the authority may determine.

All private property damaged or destroyed in carrying out the powers granted by this act shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made thereof out of funds provided under the authority of this act.

Within the first 90 days of each fiscal year of the authority, the authority shall make an annual report to the governor of its activities for the preceding fiscal year. Each such report shall set forth a complete operating and financial statement covering its operation during the year. The authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and the cost thereof may be treated as a part of the cost of construction or operation.

Any person who uses the project and fails or refuses to pay the toll provided therefor shall be punished by a fine of not more than \$100.00 or by imprisonment for not more than 30 days, or both, and in addition thereto the authority shall have a lien upon the vehicle driven by such person for the amount of such toll and may take and retain possession thereof until the amount of such toll and all charges in connection therewith shall have been paid.

The authority and its authorized agents and employees may enter upon any lands, waters and premises in the state for the purpose of making surveys, soundings, drillings and examinations as they may deem necessary or convenient for the purpose of this act, and such entry shall not be deemed a trespass, nor shall an entry for such purposes be deemed an entry under any condemnation proceedings which may be then pending. The authority shall make reimbursement for any actual damage resulting to such lands, waters and premises as a result of such activities. The state hereby consents to the use of all lands owned by it, including lands lying under water, which are deemed by the authority to be necessary for the construction or operation of the project.

Each member of the authority shall be reimbursed for his actual expenses necessarily incurred in the performance of his duties.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.236 Bonds; final payment; disposition of property; dissolution of authority; assumption of powers and responsibilities; use of property and funds; surveys and studies; availability of data.**

Sec. 16. (1) When all bonds issued under this act in connection with the project and the interest on those bonds is paid or a sufficient amount for the payment of the bonds and the interest on the bonds to their maturity is set aside in trust for the benefit of the bondholders, that portion of the project in Michigan, if then in good condition and repair, shall be conveyed by the authority to the state transportation department and that portion of the project in Canada shall be disposed of as directed by the proper authorities in Canada. Thereupon, the authority shall be dissolved and all funds of the authority not required for the payment of the bonds and the interest thereon shall be paid to the state transportation department and all machinery, equipment, and other property belonging to the authority shall be delivered to the state transportation department which shall assume all of the powers and responsibilities of the authority under this act and shall use that property and funds for the project.

(2) The authority is hereby authorized and directed to make surveys and studies of the project as may be necessary to effect the financing authorized by this act at the earliest practicable time, and for this purpose to employ consulting engineers, traffic engineers, legal and financial experts, and other employees and agents as it considers necessary. To effect the purpose of this act, the state transportation department shall make available to the authority all data in its possession which may be useful to the authority in making such surveys and studies.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954;—Am. 1955, Act 181, Eff. Oct. 14, 1955;—Am. 1958, Act 185, Eff. Sept. 13, 1958;—Am. 2000, Act 243, Imd. Eff. June 29, 2000.

#### **254.237 Powers; supplemental and additional.**

Sec. 17. The foregoing sections of this act shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby, and shall be regarded as supplemental and additional to powers conferred by other laws: Provided, however, That the issuance of revenue bonds or revenue refunding bonds under the provisions of this act need not comply with the requirements of any other law applicable to the issuance of bonds.

Except as otherwise expressly provided in this act, none of the powers granted to the authority under the provisions of this act shall be subject to the supervision or regulation or require the approval or consent of any municipality or political subdivision or any commission, board, bureau, official or agency thereof or of the state.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.238 Construction of act.**

Sec. 18. This act, being necessary for the welfare of the state and its inhabitants, shall be liberally construed to effect the purposes thereof.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.

#### **254.239 Repealed. 2000, Act No. 243, Imd. Eff. June 29, 2000.**

**Compiler's note:** The repealed section pertained to appointment and terms of current members of international bridge authority.

#### **254.240 Repeal.**

Sec. 20. The provisions of Act No. 237 of the Public Acts of 1935, as amended, being sections 254.201 to 254.216, inclusive, of the Compiled Laws of 1948, except for the provisions of section 2 thereof, are hereby repealed. All other general or special laws, or parts thereof, inconsistent herewith are hereby declared to be

inapplicable to the provisions of this act.

**History:** 1954, Act 99, Imd. Eff. Apr. 12, 1954.



**MACKINAC BRIDGE AUTHORITY**  
**Act 21 of 1950 (Ex. Sess.)**

AN ACT to create the Mackinac bridge authority and to prescribe its powers and duties; to provide for the determination of the physical and financial feasibility of a bridge connecting the Upper and Lower Peninsulas of Michigan; to provide for a board of consulting engineers and to prescribe its powers and duties; to provide for self-insurance; to provide for the funding of claims; to provide for the authority to enter into agreements with certain state agencies; to prescribe certain duties of certain state agencies; and to make an appropriation to carry out the provisions of this act.

**History:** 1950, Ex. Sess., Act 21, Imd. Eff. June 6, 1950;—Am. 2009, Act 71, Imd. Eff. July 9, 2009.

**Popular name:** Mackinac Bridge Authority Act

*The People of the State of Michigan enact:*

**254.301 Mackinac bridge authority, definitions.**

Sec. 1. As used in this act the following words and terms shall have the following meanings:

(a) The word “authority” shall mean the Mackinac bridge authority herein created.

(b) The word “board” shall refer to the members of the authority.

(c) The word “bridge” shall mean the project for the acquisition of which this act is adopted and shall mean a bridge or structure extending from the upper peninsula to the lower peninsula of Michigan, and shall be understood to include all of the following forming any part thereof or connected with or used or useful in the operation thereof: causeways, bridges, tunnels, roads, fills and approaches, or any combination thereof, parking space and facilities, park and recreation facilities, lighting facilities, terminal facilities, consisting of areas, structures and buildings in which rest rooms, waiting rooms, restaurant and similar facilities and other accommodations for the traveling public may be installed, including all fixtures, utility lines, accessories and equipment relating to any or all of the above, and including the improvement and beautification of such terminal areas at each end of the structure as may be designed to increase the use thereof, and including in all of the foregoing all real and personal property, tangible or intangible, licenses, franchises, easements and rights-of-way necessary thereto.

(d) The term “cost of the bridge” shall include all expenditures made in connection with the acquisition and construction thereof, financing charges, interest to accrue on the bonds during the period occupied by the construction of the bridge and for such period thereafter as may be determined by the board, with the approval of the state administrative board, cost of engineering and legal expenses, plans, specifications and surveys, other expenses necessary or incidental to determining the feasibility of the project, the cost of all land, property, rights, easements and franchises, reimbursement of all money which may have been heretofore or may hereafter be paid or advanced by the state of Michigan or any of its agencies, departments or subdivisions for any of the foregoing, and all other expenses properly incident to the acquisition of the bridge and the issuance of the bonds.

(e) The words “the state” shall mean the state of Michigan.

**History:** 1950, Ex. Sess., Act 21, Imd. Eff. June 6, 1950.

**Compiler's note:** The Mackinac bridge authority, referred to in this act, was transferred to the department of transportation by MCL 16.457.

**Transfer of powers:** See MCL 16.457.

**Popular name:** Mackinac Bridge Authority Act

**254.301a Self-insurance of bridge assets and activities; agreement; self-insurance reserve account; payments; litigation.**

Sec. 1a. (1) The authority may enter into an agreement with the state transportation department to provide for the self-insurance of bridge assets and activities. The agreement shall set forth the terms and conditions of the self-insurance consistent with this section.

(2) The agreement may provide that, to the extent that claims would otherwise have been paid under an insurance policy carried by the authority, the claims shall be paid from a self-insurance reserve account to be established and maintained by the authority. If there are insufficient funds in the account to pay a claim, the balance of the claim shall be paid by the state transportation department from funds constitutionally restricted to transportation purposes by section 9 of article IX of the state constitution of 1963.

(3) The self-insurance reserve account shall be funded by annual payments by the authority of at least \$200,000.00 until the total of the account equals at least \$1,000,000.00, as the authority and the state transportation department may agree. Once the account is fully funded, the authority may cease payments to

the account except to the extent that the payments again become necessary to restore a balance of \$1,000,000.00 after the payment of claims from the account.

(4) In any lawsuit filed against the authority for damages that are covered by the self-insurance agreement, the state transportation department shall defend the authority and control the course and disposition of the litigation as if the claim were against the state transportation department. The state transportation department shall advise the authority of pending litigation and consult with the authority regarding the potential disposition of the matter. The state transportation department's cost of the litigation and any settlement or judgment shall be paid as a claim from the self-insurance reserve account or state transportation department funds as provided in this section and the agreement.

**History:** Add. 2009, Act 71, Imd. Eff. July 9, 2009.

**Popular name:** Mackinac Bridge Authority Act

**254.302 Mackinac bridge authority; creation; powers; membership; compensation; expenses; oath; bond; election of chairperson; funds; quorum; personnel; executive secretary.**

Sec. 2. (1) The Mackinac bridge authority is created within the department of transportation as a nonsalaried entity, a public benefit corporation, and an agency and instrumentality of the state of Michigan. The Mackinac bridge authority is a body corporate and may by that name sue and be sued, plead and be impleaded, contract and be contracted with, have a corporate seal, and enjoy and carry out all powers granted to it in furtherance of the duty of the state of Michigan to provide and maintain a system of highways and bridges for the use and convenience of its inhabitants. In addition to the powers expressly granted to it under Michigan law, the authority shall have all powers necessary or convenient to carry out the things authorized and to effect the purposes of this act.

(2) The authority shall consist of 7 members, 6 to be appointed by the governor, with the advice and consent of the senate, for terms of 6 years each. The governor shall not appoint more than 3 members of the same political party. The seventh member shall be the director of the department of transportation or his or her designee from within the department of transportation who shall provide the authority board with input and expertise relating to this state's transportation system. Each vacancy in office of members of the board, whether caused by resignation, death, expiration of office, or otherwise, shall be filled by appointment by the governor, with the advice and consent of the senate. No member of the board shall receive compensation for his or her services. Each board member shall be entitled to reimbursement for all expenses necessarily incurred in the performance of his or her duties.

(3) The members of the board shall enter upon their duties after their appointment and shall qualify by taking and filing the oath of office and supplying any bond required by the state administrative board. Each member shall hold office until the appointment and qualification of his or her successor.

(4) The board shall elect 1 of the members of the board as chairperson of the authority. The chairperson shall serve as chairperson throughout his or her term of office. The treasurer of the state shall serve as treasurer of the authority. All funds of the authority shall be handled by the state treasurer, on behalf of the authority, in the same manner and shall be governed by the same provisions of law as apply to other state funds. Funds of the authority shall not be commingled with any other money. The money shall be deposited in a separate bank account, and interest or other earnings accrued shall be deposited in the same account. Money in the account or accounts shall be paid out by the state treasurer only on requisition of the chairperson of the authority or by another officer or agent of the authority that is authorized by the board.

(5) A quorum for the transaction of business shall consist of 4 of the members, and a quorum may bind the authority. The board shall make all necessary and appropriate rules and regulations for the orderly carrying on of its affairs. The department of transportation shall provide the authority with personnel sufficient to perform the authority's powers, duties, and functions under law. Subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, and subject to 1921 PA 2, MCL 17.1 to 17.3, the board shall have the authority to utilize the services of the department of transportation or other state departments or to contract for risk management, insurance, engineering, inspection, and other services related to the operation, maintenance, repair, and improvement of the Mackinac bridge. The authority in its sole discretion is authorized to employ legal and financial services that it deems necessary to consummate the financing of the bridge and the issuance and sale of bonds. The board may delegate to 1 or more of its members or to its officers, agents, and employees the powers and duties that it may deem proper.

(6) The director of the department of transportation shall serve as the appointing authority for the executive secretary of the authority, who shall become an employee of the department of transportation and a member of the state classified service. A candidate for the position of executive secretary of the authority need not be an employee of the department of transportation or the state classified service before selection under this

subsection. The executive secretary of the authority shall be selected by the director only after consultation with and the approval of the authority in accordance with rules applicable to employees in the state classified service. On all matters relating to the powers, duties, and functions of the authority under the law, the executive secretary shall report to the board. Personnel reviews of the executive secretary shall be conducted jointly by the department of transportation and the board or a designee of the board.

**History:** 1950, Ex. Sess., Act 21, Imd. Eff. June 6, 1950;—Am. 2005, Act 332, Imd. Eff. Dec. 28, 2005.

**Popular name:** Mackinac Bridge Authority Act

**254.303, 254.304 Repealed. 2005, Act 332, Imd. Eff. Dec. 28, 2005.**

**Compiler's note:** The repealed sections pertained to expenses of board members, power of board members to investigate, and allocation of funds, and the qualifications of employees and submission of legislative reports.

**Popular name:** Mackinac Bridge Authority Act

**MACKINAC BRIDGE AUTHORITY**  
**Act 214 of 1952**

AN ACT authorizing the Mackinac bridge authority to acquire a bridge and a utility tunnel connecting the Upper and Lower Peninsulas of Michigan, including causeways, tunnels, roads and all useful related equipment and facilities, including park, parking, recreation, lighting, and terminal facilities; extending the corporate existence of the authority; authorizing the authority to enjoy and carry out all powers incident to its corporate objects; authorizing the appropriation and use of state funds for the preliminary purposes of the authority; providing for the payment of the cost of the bridge and authorizing the authority to issue revenue bonds payable solely from the revenues of the bridge; granting the right of condemnation to the authority; granting the use of state land and property to the authority; making provisions for the payment and security of bonds and granting certain rights and remedies to the holders of bonds; authorizing banks and trust companies to perform certain acts in connection with the payment and security of bonds; authorizing the imposition of tolls and charges; authorizing the authority to secure the consent of the United States government to the construction of the bridge and to secure approval of plans, specifications, and location of the bridge; authorizing employment of engineers regardless of whether those engineers have been previously employed to make preliminary inspections or reports with respect to the bridge; authorizing the state transportation department to operate and maintain the bridge or to contribute to the bridge and enter into leases and agreements in connection with the bridge; exempting bonds and the property of the authority from taxation; prohibiting competing traffic facilities; authorizing the operation of ferries by the authority; authorizing the creation of the Mackinac Straits corridor authority; authorizing the operation of a utility tunnel by the authority or the Mackinac Straits corridor authority; providing for the construction and use of certain buildings; and making an appropriation.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952;—Am. 1992, Act 120, Imd. Eff. June 26, 1992;—Am. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

*The People of the State of Michigan enact:*

**254.311 Mackinac bridge authority; definitions; scope of act.**

Sec. 1. As used in this act:

(a) "Authority" means the Mackinac bridge authority created in 1950 (Ex Sess) PA 21, MCL 254.301 to 254.302. This subdivision does not apply to sections 14a, 14b, 14d, and 14e.

(b) "Board" means the members of the authority. This subdivision does not apply to section 14b.

(c) "Bridge" means the project for the acquisition of which this act is adopted and means a bridge or structure extending from the Upper Peninsula to the Lower Peninsula of Michigan, and includes all of the following forming any part of the bridge or connected with or used or useful in the operation of the bridge, causeways, bridges, tunnels, roads, fills and approaches, or any combination thereof, parking space and facilities, park and recreation facilities, lighting facilities, terminal facilities consisting of areas, structures, and buildings in which rest rooms, waiting rooms, restaurant and similar facilities, and other accommodations for the traveling public may be installed, including all fixtures, utility lines, accessories, and equipment relating to any or all of the above, and including the improvement and beautification of terminal areas at each end of the structure as may be designed to increase the use of the structure, and including all real and personal property, tangible or intangible, licenses, franchises, easements, and rights-of-way necessary thereto.

(d) "Cost of the bridge" includes all expenditures made in connection with the acquisition and construction of the bridge, financing charges, interest to accrue on the bonds during the period occupied by the construction of the bridge and for a period after construction of the bridge as determined by the board, the aggregate of such periods, however, not to exceed 7 years, cost of engineering and legal expenses, plans, specifications and surveys, other expenses necessary or incidental to determining the feasibility of the project, the cost of all land, property, rights, easements and franchises, reimbursement of all money that may have been or will be paid or advanced by the state of Michigan or any of its agencies, departments, or subdivisions, and all other expenses properly incident to the acquisition of the bridge and the issuance of the bonds.

(e) "The state" means the state of Michigan.

(f) "The bonds" means all bonds authorized to be issued by this act.

(g) "To construct" means to acquire through construction, purchase, gift, condemnation, or any combination thereof.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952;—Am. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

**254.312 Mackinac bridge authority; corporate existence, terms.**

Sec. 2. The corporate existence of the authority shall continue until all of its liabilities have been met and the bonds, including refunding bonds, have been paid in full or otherwise discharged and when all such liabilities and bonds have been discharged in full, all rights and properties of the authority shall pass to and be vested in the state.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.313 Repealed. 2005, Act 331, Imd. Eff. Dec. 28, 2005.**

**Compiler's note:** The repealed section pertained to power of the authority to conduct preliminary examinations and provisions relating to appropriations.

#### **254.314 Mackinac bridge authority; bridge construction, bond proceeds; property acquisition and condemnation, surveys, easements.**

Sec. 4. The authority is hereby authorized and empowered to construct a suitable bridge (as “construct” and “bridge” are above defined) joining and linking together the upper peninsula and the lower peninsula of Michigan and to operate, maintain, improve and repair such bridge. The cost of such construction of the bridge shall be paid from the proceeds of bonds issued hereunder and from any other funds legally available for the payment of such cost: Provided, That nothing herein contained shall be so construed as to permit the authority to incur obligations which would constitute an indebtedness of the state within the meaning of any constitutional prohibition or limitation.

In connection with the construction of the bridge the authority is hereby empowered to purchase or otherwise acquire all property and rights necessary thereto, including but not limited to roads, structures, rights-of-way, franchises, easements and other interests in lands, including lands under water, and the riparian rights of any person, natural or corporate, political entity or political subdivision, and including the right to cut off light, air and access to real property, upon such terms and at such prices as may be fair and reasonable. Whenever it shall become necessary, any such property may be condemned and the authority is hereby empowered in its discretion to condemn any property or interest therein which it may deem necessary for such purpose. In the condemnation of property or interest therein, the authority may proceed under any act applicable thereto, or it may invoke and proceed under the provisions of Act No. 149 of the Public Acts of 1911, as now or hereafter amended, and in so doing shall have all the rights, powers and privileges granted to “public corporations” as defined in that act. The authority may enter on any lands, waters and premises for the purpose of making surveys, soundings and examinations. The state of Michigan hereby expressly grants to the authority, without consideration, the right to use, and full easements and rights-of-way through, across, under and over any lands or property owned by the state or in which the state has any right, title or interest, which may be necessary or convenient to the construction and efficient operation of the bridge.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.315 Revenue bonds; purposes; sale or exchange of refunding bonds; contracts for fiscal agents' services; payment of principal, interest, and redemption premiums; serial bonds or term bonds; statement; signatures; negotiability; tax exemption; sale; approval; temporary bonds; recital; scope of section.**

Sec. 5. (1) The authority may by resolution of the board provide for the issuance of revenue bonds for the purpose of paying the cost of the bridge or for the purpose of refunding the bonds, including refunding bonds, or for any combination of these purposes. Refunding bonds may be either sold at not less than par and accrued interest or may be delivered in exchange for the bonds to be refunded or may be sold in part and exchanged in part and if sold, the proceeds of the sale or exchange when received, together with other properly available funds sufficient to pay the balance of the principal, interest, and redemption premiums that will be due on the bonds to be refunded, shall be deposited with the paying agent for the bonds to be refunded and used only for the purpose of making those payments. A sale or exchange described in this subsection is subject to the approval of the state administrative board. The board may enter into contracts for fiscal agents' services in connection with the financing of the bridge as approved by the state administrative board, or the state treasurer may be used as fiscal agent.

(2) Principal of and interest and redemption premiums on the bonds issued under this section are payable solely from the revenues of the authority, except that payments may also be made from the proceeds of refunding bonds issued under this section and capitalized interest may be paid from the proceeds of the bonds. The bonds may be either serial bonds, term bonds, or a combination of serial and term bonds. Any serial bonds shall have annual or semiannual maturities, the first maturity of which shall be payable not more than 10 years from their date. A term bond is redeemable on any interest payment date at a price and upon terms and conditions as prescribed by the authorizing resolution of the board, and recited upon the face of the bond.



A bond shall mature not more than 50 years from its date, shall be a coupon bond bearing interest at not more than 6% per annum, payable semiannually except as to the first coupon which may be for any number of months not exceeding 10, shall be payable in a medium, shall be in a form and executed in a manner, shall have a privilege of registration as to principal or principal and interest, shall be payable at a place inside or outside this state, and shall otherwise have other details as fixed by resolution of the board. Serial bonds may be made redeemable prior to maturity at a price and under terms and conditions prescribed in the resolution of the board, and recited upon the face of the bonds.

(3) A bond issued under this section shall contain a statement on its face that neither the bond nor the coupon representing interest on the bond constitutes an indebtedness of this state within the meaning of any constitutional limitations or prohibitions and that neither the authority nor this state is authorized to pay the bond or interest except from the revenues pledged to the bond or interest under this act. In case any official whose signature appears on a bond or coupon ceases to be an officer before the delivery of the bond, his or her signature shall nevertheless be valid and sufficient for all purposes as though he or she had remained in office until delivery. A bond issued under this section is fully negotiable and has all of the qualities incident to negotiable instruments under the uniform commercial code, subject only to the provisions for registration of the bond that appears in the bond. A bond issued under this section is exempt from all taxation by this state or a political subdivision of this state and shall be sold at public sale after notice at least 5 days before the sale in a publication approved by the department of treasury for the carrying of the notice, but no sale shall be made at a price that will result in an interest cost of more than 6% per annum. However, all or any part of a bond issued under this section may be sold to the United States government or an agency of the United States government, at private sale without public offering and the authority is authorized to enter into any agreements or contracts with the United States government or any of its agencies necessary to provide for the financing of the bridge in the manner contemplated by this act. A bond issued under this section may be authorized and may be issued from time to time as needed and subsequent series or issues of a bond issued under this section have equal or subordinate status with respect to the pledge of revenues from which the bond is payable as provided in the proceedings authorizing its issuance. Any public sale, or negotiated sale of a bond issued under this section with the United States government or any of its agencies, is subject to the approval of the state administrative board. Prior to the preparation of a definitive bond, the board may provide for the issuance of a temporary bond with or without a coupon, exchangeable for a definitive bond upon the issuance of the temporary bond. The proceedings authorizing a bond issued under this section may provide that the bond shall contain a recital that it is issued under this act and the recital is conclusive evidence of its validity and the regularity of its issuance.

(4) This section does not apply to the acquisition, construction, operation, maintenance, improvement, repair, or management of a utility tunnel. As used in this subsection, "utility tunnel" means that term as defined in section 14.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952;—Am. 1983, Act 123, Imd. Eff. July 18, 1983;—Am. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

#### **254.316 Mackinac bridge authority; security, trust indenture; authority, duties; annual audit; depository; collateral security; approval.**

Sec. 6. In the discretion of the board any series of bonds hereunder may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside of the state, but no such trust indenture shall convey or mortgage the bridge or any part thereof. Either the resolution providing for the issuance of bonds or such trust indenture may contain such provisions for the security and payment of such bonds and for the protection and enforcement of the rights and remedies of the bondholders as may be deemed advisable by the board, not in violation of the constitution of this state, including specifically covenants setting forth: (a) The duties of the authority in relationship to the construction, maintenance, operation, repair and insurance of the bridge; (b) the pledge of the revenues of the bridge or any part thereof; (c) limitations on the amount of money derived from the operation of the bridge which may be expended for operating, administrative or other specified expenses of the authority; (d) the safeguarding and application of the fund from which the cost of the bridge is to be paid and of the revenues pledged to the payment of the bonds, all of which may be deposited in as received and paid out by such bank or banks as may be therein provided, and none of which need be paid into the state treasury; (e) provision for the employment of consulting engineers to supervise the construction of the bridge and to supervise its maintenance and operation, to which consulting engineers may be delegated all rights and duties with respect thereto deemed advisable by the board and the appointment of which consulting engineers shall be subject to such approval by the purchasers or holders of the bonds as may be provided in such resolution or indenture; (f) rights and remedies of the bondholders and the trustee, if any, and such



restrictions thereon as may be considered advisable; and (g) any other and additional provisions ordinarily found in trust agreements securing bond issues protecting and enforcing the rights and security of the holders of the bonds and designed to make the bonds more attractive and negotiable at the best available prices. The resolution or trust indenture shall contain a provision requiring an annual audit of the books and records of the authority, or any fiscal agent or trustees specified in such resolution or trust indenture, by the auditor general of the state of Michigan: Provided, That the auditor general may select a certified public accountant or accountants to make the audit, and in case the auditor general shall so select, the cost thereof shall be paid by the authority. No deposit shall be made under the provisions of this act in violation of the provisions of section 15 of article 10 of the Michigan constitution.

Any bank or trust company designated as trustee hereunder or designated as depository for any funds hereunder, notwithstanding any provision of law to the contrary, is hereby authorized to pledge as collateral security for moneys deposited in such bank or trust company direct obligations of or obligations the principal and interest of which are unconditionally guaranteed by the United States government or other marketable securities eligible as security for the deposit of trust funds under regulations of the federal reserve board and having a market value (exclusive of accrued interest) at least equal to the amount of such deposit, or in lieu of such collateral security as to all or any part of such deposit, there may be lodged with the trustee, or with the secretary of the authority in the case of moneys deposited or remaining on deposit with the trustee, and remain in full force and effect as security for the moneys deposited in the indemnifying bond or bonds of a surety company or companies qualified as surety for United States government deposits and qualified to transact business in the state of Michigan, in a sum at least equal to the amount of moneys deposited with such bank or trust company, if such indemnity bond or bonds be approved by the state administrative board. All expenses incurred in carrying out such provisions appearing in any trust indenture or bond resolution and the cost of any surety bond furnished as above provided may be treated as part of the cost of maintaining and operating the bridge.

Such resolution or trust indenture may contain such other provisions as the board may deem reasonable and proper for the security of the bondholders, including, but without limitation, covenants prescribing all happenings or occurrences which constitute events of default and the terms and conditions upon which bonds may become or be declared to be due before maturity and as to the rights, liabilities, powers and duties arising upon the breach by the authority of any of its duties or obligations. Any such resolution or trust indenture shall be subject to the approval of the state administrative board.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 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.

#### **254.318 Mackinac bridge authority; grants or donations.**

Sec. 8. The authority may accept from the United States of America and any department, agency or instrumentality thereof, and from the state of Michigan and any department, agency or instrumentality thereof, grants for or in aid of the construction of the bridge and may enter into any lawful contracts or agreements necessary to obtain such grants. Such grants may consist of money, real or personal property or other things of value. The authority may also accept grants or donations from municipal corporations, counties or other political subdivisions of the state of Michigan and from any other source. The state highway department is hereby authorized and instructed to cooperate to the fullest extent possible with the authority in the construction of the bridge and in the securing of all grants and aids thereto which may be available for such purpose.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.319 Unauthorized indebtedness to state.**

Sec. 9. Nothing in this act shall be so construed or interpreted as to authorize or permit the incurring of indebtedness of the state of Michigan contrary to the provisions of the constitution of the state.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.320 Scope of act.**

Sec. 10. This act shall be deemed to provide an additional and alternative method for the doing of the things herein authorized and shall be regarded as supplemental and additional to powers conferred by other laws.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.321 Board and state highway department; authority.**

Sec. 11. All things herein authorized to be done by the authority and the board and by the state highway department may be done without the securing of approval or consent from any other board, department, agency or officer, except as herein otherwise provided, and no proceedings therefor shall be required or be necessary other than the adoption of appropriate resolutions.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.322 Use of bridge; payment of tolls; authorized emergency vehicles; violation as misdemeanor; penalty.**

Sec. 12. Except as provided in this section, all individuals or vehicles using the bridge shall pay tolls and charges established by the authority. The authority shall not charge tolls or charges to its own personnel or vehicles while the personnel are on duty or while the vehicles are being used for authority business. Beginning October 1, 2003, the authority shall not charge tolls or charges to authorized emergency vehicles that are in the process of responding to an emergency. As used in this section, "authorized emergency vehicles" means that term as defined in section 2 of the Michigan vehicle code, 1949 PA 300, MCL 257.2. Beginning November 1, 2004, a violation of this section by failure to pay toll is a misdemeanor punishable by imprisonment for not more than 30 days or a fine of not more than \$500.00, or both.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952;—Am. 2003, Act 176, Imd. Eff. Aug. 25, 2003;—Am. 2004, Act 336, Imd. Eff. Sept. 23, 2004.

#### **254.323 Federal government approvals.**

Sec. 13. The authority is authorized to do all things and perform all acts necessary to secure the consent, if necessary, of the United States government, to the construction and operation of the bridge and charging of tolls for its use, and to secure the approval of any department, agency, instrumentality or officer of the United States government required by law to approve the plans, specifications and location of the bridge, or the tolls to be charged for the use thereof.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.324 Mackinac Straits corridor authority; definitions.**

Sec. 14. As used in this section and sections 14a to 14e:

(a) "Corridor authority board" means the board of directors of the Mackinac Straits corridor authority appointed under section 14b.

(b) "Mackinac Straits corridor authority" means the Mackinac Straits corridor authority created in section 14b.

(c) "Straits protection fund" means the fund created in section 14c.

(d) "Tunnel agreement" means an agreement or series of agreements described in section 14d.

(e) "Utility tunnel" means a tunnel joining and connecting the Upper and Lower Peninsulas of this state at the Straits of Mackinac for the purpose of accommodating utility infrastructure, including, but not limited to, pipelines, electric transmission lines, facilities for the transmission of data and telecommunications, all useful and related facilities, equipment, and structures, and all necessary tangible or intangible real and personal property, licenses, franchises, easements, and rights-of-way.

**History:** Add. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

**Compiler's note:** Former MCL 254.324, which pertained to engineering services, was repealed by Act 331 of 2005, Imd. Eff. Dec. 28, 2005.

#### **254.324a Mackinac bridge authority; utility tunnel; service rates; duties; powers; property exempt from taxes.**

Sec. 14a. (1) The Mackinac bridge authority may acquire, construct, operate, maintain, improve, repair, and manage a utility tunnel. The Mackinac bridge authority shall determine the rates charged for the services offered by the utility tunnel. The Mackinac bridge authority may enter into contracts or agreements necessary to perform its duties and powers under this act, including, but not limited to, leasing the right to use a utility tunnel on terms and for consideration determined by the Mackinac bridge authority. This subsection does not authorize the Mackinac bridge authority to incur obligations that would constitute an indebtedness of this state contrary to the state constitution of 1963.

(2) The Mackinac bridge authority may purchase or otherwise acquire at a fair and reasonable price property and property rights in connection with the construction of a utility tunnel, including, but not limited to, roads, structures, rights-of-way, franchises, easements, and other interests in land, including land under water; the riparian rights of any person; and the right to cut off light, air, and access to real property.

(3) The Mackinac bridge authority may enter on any public land, water, or premises to make a survey, sounding, or examination in connection with the construction of a utility tunnel. The Mackinac bridge authority has the right to use and full easements and rights-of-way through, across, under, and over any lands or property owned by this state or in which this state has any right, title, or interest, without consideration, that may be necessary or convenient to the construction and efficient operation of the utility tunnel.

(4) The Mackinac bridge authority may perform all acts necessary to secure the consent of any department, agency, instrumentality, or officer of the United States government or this state to the construction and operation of a utility tunnel and the charging of fees for its use, and to secure the approval of any department, agency, instrumentality, or officer of the United States government or this state required by law to approve the

plans, specifications, and location of the utility tunnel or the fees to be charged for the use of the utility tunnel.

(5) The carrying out of the Mackinac bridge authority's purposes, including a utility tunnel, are for the benefit of the people of this state and constitute a public purpose, and the Mackinac bridge authority is performing an essential government function in the exercise of the powers conferred upon it by this act. All property owned by the Mackinac bridge authority related to a utility tunnel is exempt from all taxes levied by this state and all of its political subdivisions and taxing districts, and the Mackinac bridge authority is not required to pay taxes or assessments upon its activities or upon any of its revenues. If a tax of any nature is legally imposed on any property or obligation of the Mackinac bridge authority in connection with a utility tunnel, and that tax is determined to be valid and effective, the tax shall be paid from the revenues of the Mackinac bridge authority as an expense of maintaining and operating the utility tunnel. Real property or personal property owned or used by an entity leasing or otherwise using the utility tunnel is not exempt from taxation.

**History:** Add. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

#### **254.324b Mackinac Straits corridor authority; duties; corridor authority board; members; terms; powers.**

Sec. 14b. (1) The Mackinac Straits corridor authority is created within the state transportation department. The Mackinac Straits corridor authority is a state institution within the meaning of section 9 of article II of the state constitution of 1963, and an instrumentality of this state exercising public and essential governmental functions. The creation of the Mackinac Straits corridor authority and the carrying out of the Mackinac Straits corridor authority's authorized purposes are public and essential governmental purposes for the benefit of the people of this state and for the improvement of the health, safety, welfare, comfort, and security of the people of this state, and these purposes are public purposes. The Mackinac Straits corridor authority will be performing an essential governmental function in the exercise of the powers conferred upon it by this act.

(2) The Mackinac Straits corridor authority shall exercise its duties through the corridor authority board. The corridor authority board shall consist of 3 members appointed by the governor with the advice and consent of the senate. No more than 2 of the corridor authority board members shall be members of the same political party. Members of the corridor authority board shall serve for terms of 6 years or until a successor is appointed and qualified, whichever is later.

(3) If a vacancy occurs on the corridor authority board, the governor, with the advice and consent of the senate, shall make an appointment for the unexpired term in the same manner as the original appointment.

(4) At the first meeting of the corridor authority board, the corridor authority board shall elect from among its members a chairperson. After the first meeting, the corridor authority board shall meet at the call of the chairperson or if requested by a majority of the members.

(5) A majority of the members of the corridor authority board constitute a quorum for the transaction of business at a meeting of the board. A majority of the members present and serving are required for official action of the corridor authority board.

(6) Members of the corridor authority board shall serve without compensation. However, members of the corridor authority board shall be reimbursed for their actual and necessary expenses incurred in the performance of their official duties as members of the corridor authority board, unless they decline to accept reimbursement.

(7) The members of the corridor authority board and any agent of the Mackinac Straits corridor authority are subject to 1968 PA 317, MCL 15.321 to 15.330, and 1968 PA 318, MCL 15.301 to 15.310.

(8) An individual who is a member of the Mackinac bridge authority board shall not serve as a member of the corridor authority board during his or her term as a member of the Mackinac bridge authority board.

(9) The business that the corridor authority board may perform shall be conducted at a public meeting of the corridor authority board held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(10) A writing prepared, owned, used, in the possession of, or retained by the corridor authority board in the performance of an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(11) The Mackinac Straits corridor authority does not possess any powers not explicitly granted to it under this act, including, but not limited to, the power of eminent domain.

**History:** Add. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

#### **254.324c Straits protection fund.**

Sec. 14c. (1) The straits protection fund is created within the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the straits

protection fund. The state treasurer shall direct the investment of the straits protection fund. The state treasurer shall credit to the straits protection fund interest and earnings from fund investments.

(3) Money in the straits protection fund at the close of the fiscal year shall remain in the straits protection fund and shall not lapse to the general fund.

(4) The state transportation department shall be the administrator of the fund for auditing purposes.

**History:** Add. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

**254.324d Transfer of funds, duties, and powers related to utility tunnel to corridor authority board; report; tunnel agreement; findings required; representation by attorney general.**

Sec. 14d. (1) All liabilities, duties, responsibilities, authorities, and powers related to a utility tunnel as provided in section 14a and any money in the straits protection fund shall transfer to the corridor authority board upon the appointment of the members of the corridor authority board under section 14b(2). The transfer of duties, responsibilities, authorities, powers, and money described in this subsection does not require any action by the Mackinac bridge authority or any other entity. The corridor authority board shall exercise its duties independently of the state transportation department and the Mackinac bridge authority.

(2) The corridor authority board shall provide a report to the Mackinac bridge authority and the director of the state transportation department at least 1 time per year regarding aspects of the utility tunnel that could affect the Mackinac bridge authority, including, but not limited to, the progress of construction and utility leasing.

(3) The operation of a utility tunnel, including, but not limited to, the leasing of space in the utility tunnel to a utility, is not competition with the bridge.

(4) Except as provided in subdivision (a), no later than December 31, 2018, the Mackinac Straits corridor authority shall enter into an agreement or a series of agreements for the construction, maintenance, operation, and decommissioning of a utility tunnel, if the Mackinac Straits corridor authority finds all of the following:

(a) That the governor has supplied a proposed tunnel agreement to the Mackinac Straits corridor authority on or before December 21, 2018. If the governor has not supplied a proposed tunnel agreement to the Mackinac Straits corridor authority on or before December 21, 2018, the Mackinac Straits corridor authority shall act on the proposed tunnel agreement no later than 45 days after the date the proposed agreement is presented.

(b) That the proposed tunnel agreement allows for the use of the utility tunnel by multiple utilities, provides an option to better connect the Upper and Lower Peninsulas of this state, and provides a route to allow utilities to be laid without future disturbance to the bottomlands of the Straits of Mackinac.

(c) That the proposed tunnel agreement requires gathering of geotechnical information before construction to ensure that construction of a utility tunnel is feasible.

(d) That the proposed tunnel agreement provides the Mackinac Straits corridor authority with a mechanism to ensure that a utility tunnel is built to sufficient technical specifications and maintained properly to ensure a long asset life and secondary containment for any leak or pollution from utilities using the tunnel.

(e) That the proposed tunnel agreement does not require any obligation of funds that is inconsistent with this act, and that the proposed tunnel agreement provides a mechanism under which all costs of construction, maintenance, operation, and decommissioning of the utility tunnel are borne by a private party and not by the Mackinac Straits corridor authority, its predecessor, or a successor. This subdivision does not prevent the expenditure of money from the straits protection fund for the cost of independent oversight of the utility tunnel or the leasing of space in the utility tunnel to publicly-owned entities.

(f) That the proposed tunnel agreement does not require the use of the power of eminent domain.

(g) That the proposed tunnel agreement does not exempt any entity that constructs or uses the utility tunnel from the obligation to obtain any required governmental permits or approvals for the construction or use of the utility tunnel.

(h) That the proposed tunnel agreement does not exempt an entity using the utility tunnel from the payment of a tax or similar obligation.

(i) That the proposed tunnel agreement does not require the Mackinac Straits corridor authority to bring or defend a legal claim for which the attorney general is not required to provide counsel.

(j) That the proposed tunnel agreement requires that for any leasing of space for facilities for the transmission of data and telecommunications that the Mackinac bridge authority shall be reimbursed for any and all loss of net profit from the leasing of space for facilities for the transmission of data and telecommunications.

(k) That the proposed tunnel agreement requires the development of a plan on how to engage this state's labor pool in the project, including the means and methods for recruitment, training, and utilization.

(5) If the attorney general declines to represent the Mackinac bridge authority or the Mackinac Straits



corridor authority in a matter related to the utility tunnel, the attorney general shall provide for the costs of representation by an attorney licensed to practice in this state chosen by the Mackinac bridge authority or the Mackinac Straits corridor authority, as applicable. As used in this subsection, "matter related to the utility tunnel" includes, but is not limited to, 1 or more of the following:

- (a) A claim seeking a judicial determination that the tunnel agreement is legally invalid.
- (b) A claim seeking to enjoin performance under the tunnel agreement.
- (c) A claim challenging the validity of any governmental approval or permit granted based upon an application submitted singly or jointly by the Mackinac Straits corridor authority.
- (d) A claim challenging a governmental entity's denial of a governmental approval or permit submitted singly or jointly by the Mackinac Straits utility tunnel authority.
- (e) A claim challenging the right to use any land of this state for which the Mackinac bridge authority or the Mackinac Straits corridor authority was granted the right to use.
- (f) A claim alleging a failure to perform under the tunnel agreement that limits 1 of the following:
  - (i) The use of the utility tunnel.
  - (ii) The ability to operate the utility infrastructure within the utility tunnel, if the utility is in full compliance with the terms of a lease granted by the Mackinac Straits corridor authority.
- (g) A claim challenging the validity of or seeking to enjoin the issuance of any approval regarding the utility tunnel.
- (6) Any administrative functions of the Mackinac Straits corridor authority shall be performed under the direction and supervision of the state transportation department.

**History:** Add. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

#### **254.324e Funding from any source other than straits protection fund; agreement to accept liability of utility equipment by user of utility tunnel; prohibited.**

Sec. 14e. (1) Neither the Mackinac bridge authority nor the Mackinac Straits corridor authority may pay or obligate any money or assets related to the utility tunnel except money that is deposited into the straits protection fund or any escrow or reserve fund created under the tunnel agreement. This state, a state official, a state-related entity, the Mackinac bridge authority or an agent of the Mackinac bridge authority, the Mackinac Straits corridor authority or an agent of the Mackinac Straits corridor authority, or any other legal, financial, or other expert providing advice to the Mackinac bridge authority or the Mackinac Straits corridor authority shall not enter into an agreement for the payment of money from any source other than the straits protection fund or any escrow or reserve fund created under the tunnel agreement. This subsection does not restrict the right of the Mackinac bridge authority or the Mackinac Straits corridor authority to utilize any property rights granted to the Mackinac bridge authority or the Mackinac Straits corridor authority by this state or a private property owner.

(2) This state, a state official, a state-related entity, the Mackinac bridge authority or an agent of the Mackinac bridge authority, the Mackinac Straits corridor authority or an agent of the Mackinac Straits corridor authority, or any other legal, financial, or other expert providing advice to the Mackinac bridge authority or the Mackinac Straits corridor authority shall not enter into an agreement to accept any liability for or resulting from the installation, maintenance, operation, or decommissioning of any utility equipment owned by the user of a utility tunnel, including, but not limited to, a pipeline, electrical transmission line, or broadband cable within the utility tunnel.

**History:** Add. 2018, Act 359, Imd. Eff. Dec. 12, 2018.

#### **254.325 Construction of act.**

Sec. 15. This act being deemed necessary to the public health, welfare, convenience and prosperity, it shall be liberally construed to effect the intents and purposes hereof.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.326 Contracts, books, maps; delivery to authority.**

Sec. 16. The state highway department shall transfer and deliver to the authority all contracts, books, maps, plans, papers and records or certified copies thereof, pertaining to the subjects and matters relating to the designing and construction of the bridge, and particularly all such records, maps and papers which may have been turned over to the state highway department under Act No. 300 of the Public Acts of 1947.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.327 Declared public purpose; tax exemption.**

Sec. 17. It is hereby found, determined and declared that the creation of the authority and the carrying out



of its corporate purposes are in all respects for the benefit of the people of the state and constitute a public purpose, and that the bridge is an essential part of the public highway system of the state and that the authority will be performing an essential governmental function in the exercise of the powers herein conferred upon it. Therefore, all property owned by the authority hereunder shall be exempt from all taxes levied by the state of Michigan and all of its political subdivisions and taxing districts, and the authority shall be required to pay no taxes or assessments upon its activities or upon any of its revenues. If at any time hereafter any taxes of any nature shall be legally imposed on any properties of the authority or the obligations thereof, and such taxes shall be determined to be valid and effective, they shall be paid from the revenues of the authority as 1 of the expenses of maintaining and operating the bridge.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.328 Authority's rights not limited or altered; competitive vehicular traffic services.**

Sec. 18. The state of Michigan hereby pledges to and agrees with the holders of the bonds that the state will not limit or alter the rights hereby vested in the authority to construct, maintain and operate the bridge and to establish and collect such charges and tolls as may be convenient or necessary to produce sufficient revenues to meet the expenses of maintenance and operation and to fulfill the terms of any agreements made with the holders of the bonds or in any way impair the rights and remedies of the bondholders until the bonds and interest thereon and all costs and expenses in connection with any action or proceedings by and in behalf of the bondholders shall have been fully met and discharged.

The state of Michigan further covenants and agrees with the holders of the bonds that it will not construct or operate any tunnel, bridge or ferry service which will be competitive with the bridge herein authorized, and so far as legally possible it will prohibit the construction or operation of any other tunnel, bridge or ferry service which will afford facilities for vehicular traffic to cross the straits of Mackinac: Provided, That nothing herein contained shall be construed to prevent the operation of ferries by the state highway department between the upper and lower peninsulas until such time as the bridge shall have been placed in operation.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.329 Bondholders' rights; enforcement actions.**

Sec. 19. Any holder or holders of bonds, including a trustee or trustees for such holders, shall have the right in addition to all other remedies to bring suit by mandamus or other action in any court of competent jurisdiction against the authority and its officers and employees and against officers and employees of the state to enforce his or their rights under the proceedings authorizing the bonds and to enforce all agreements and covenants contained in the bond resolution or trust indenture. The right to bring such action may be limited by the terms of the bond resolution or trust indenture to any percentage of bondholders which may be therein fixed. Such action may be in equity to require the authority to act as if it were the trustee of an express trust for the holders of such bonds, may be a request for injunction or mandamus or may request, and the bondholders shall be entitled as of right to, the appointment of a receiver for the bridge, and such receiver may enter and take possession thereof and of all moneys and other property of the authority and may proceed with the construction of the bridge, if it shall not have been completed, and may operate and maintain the bridge and collect and receive all tolls and other revenues thereafter arising therefrom, subject to any pledge thereof or agreement with bondholders relating thereto, and may perform the public duties and carry out the agreements and obligations of the authority, all in such manner as the court may direct.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.330 Operation of ferries.**

Sec. 20. The authority may, if it sees fit, at any time, when for any reason the bridge may be out of service, acquire through purchase, lease or otherwise and operate 1 or more ferries for the purpose of conveying passengers and freight between the upper and lower peninsulas, in which event the cost thereof may be paid from the revenues of the authority, including, unless prohibited by the terms of the proceedings authorizing the bonds, the proceeds of the sale of bonds hereunder, and all revenues derived from the operation of such ferries shall be regarded and treated as revenues of the bridge for all purposes of this act.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

#### **254.331 Inconsistent acts.**

Sec. 21. Insofar as the provisions of this act may be inconsistent with the provisions of any other act, general or special, the provisions of this act shall be controlling.

**History:** 1952, Act 214, Imd. Eff. Apr. 30, 1952.

**254.332 Expenditure of funds for construction of state police post; lease agreement; payments; expiration or termination of lease; use.**

Sec. 22. (1) The authority may expend not more than \$995,000.00 from funds under its jurisdiction to construct a building and lease it to the department of state police for use as a regional state police post. The building shall be located on authority owned property adjacent to the north terminal of the bridge.

(2) The authority shall not construct a building pursuant to this section until the authority and the department of state police enter into a lease agreement that contains all of the following terms:

(a) A provision that the building be used for a regional state police post.

(b) A provision that the initial term of the lease shall be 10 years, with renewals as agreed to by the authority and department of state police.

(c) A provision that the lease amount be equivalent to the fair market lease value of the leased building. However, the lease may provide for a reduction in the lease amount equivalent to the reasonable cost incurred by the department of state police in providing a certain level of law enforcement services incident to the operation of the bridge.

(d) Except as otherwise agreed by the authority and department of state police, a requirement that the department of state police pay the costs of maintaining the building in reasonable repair.

(e) Any other terms that may be agreed to by the authority and the department of state police regarding the use of the building.

(3) Lease payments that are received by the authority under a lease agreement entered into pursuant to subsection (2) shall be regarded and treated as revenues of the bridge for all purposes under this act.

(4) Upon the expiration or termination of a lease agreement entered into pursuant to subsection (2), the authority may use the building for any reasonable purpose in carrying out its duties under this act.

**History:** Add. 1992, Act 120, Imd. Eff. June 26, 1992.

**BRIDGE OVER MISSAUKEE LAKE  
Act 57 of 1962**

**254.351, 254.352 Repealed. 2000, Act 132, Imd. Eff. June 1, 2000.**

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

AN ACT to implement the provisions of section 14 of the schedule and temporary provisions of the constitution of this state by providing for the issuance and sale of full faith and credit bonds of the state to refund the outstanding bonds heretofore issued by the Mackinac bridge authority and upon such refunding to abolish the Mackinac bridge authority and to transfer the operation, maintenance, repair and replacement of the Mackinac bridge to the state highway department with power to fix and collect tolls, fees and charges for the use of the bridge, its services and facilities.

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

*The People of the State of Michigan enact:*

**254.361 Refunding bonds; issuance, purpose.**

Sec. 1. The state may borrow money and issue its refunding bonds for the purpose of refunding the following outstanding bonds issued by the Mackinac bridge authority, and agency and instrumentality of this state created by Act No. 21 of the Public Acts of the Extra Session of 1950, being sections 254.301 to 254.304 of the Compiled Laws of 1948, pursuant to Act No. 214 of the Public Acts of 1952, as amended, being sections 254.311 to 254.331 of the Compiled Laws of 1948, and a certain indenture between the Mackinac bridge authority and the Detroit trust company, dated July 1, 1953:

(a) Bridge revenue bonds, series A (Mackinac straits bridge), dated July 1, 1953, in the principal sum of \$79,800,000.00;

(b) Bridge revenue bonds, series B (Mackinac straits bridge), dated July 1, 1953, in the principal sum of \$20,000,000.00.

**History:** 1966, Act 13, Imd. Eff. Apr. 6, 1966;—Am. 1967, Act 112, Imd. Eff. June 27, 1967.

**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.

**254.363 Refunding bonds; issuance and sale, terms and conditions.**

Sec. 3. The state highway commission, hereinafter sometimes referred to as the commission, may provide by resolution for the issuance and sale of the refunding bonds and for the retirement thereof, and for any other matters in connection with the refunding bonds not inconsistent with the provisions of this act. The resolution shall be approved by the state administrative board. The refunding bonds may be term or serial bonds issued in 1 or more series, or both, with dates of maturity not exceeding 35 years as determined by the commission and shall be in such denominations as fixed by the commission. They may be registrable as to principal only or as to both principal and interest, under such terms and conditions as may be determined by the commission. The commission may also provide for the issuance of registered bonds without coupons to replace coupon bonds. The bonds shall bear interest at a rate or rates not exceeding 5% per annum, payable semiannually except that the first interest payable may be for a period not exceeding 10 months, but the average net interest cost to the state on the money borrowed shall not exceed 3 1/2%. They may be made subject to redemption

prior to maturity in whole or in part at such prices, upon such terms and at such times as may be fixed by the commission. The refunding bonds may recite that they are issued pursuant to this act which recital shall be conclusive evidence of their validity and the regularity of their issuance.

**History:** 1966, Act 13, Imd. Eff. Apr. 6, 1966;—Am. 1967, Act 112, Imd. Eff. June 27, 1967.

#### **254.364 Refunding bonds; negotiability and tax exemption.**

Sec. 4. Refunding bonds issued under this act shall be deemed to be negotiable instruments under the laws of the state, and the principal of and interest on the bonds is not subject to taxation by the state or any taxing authority therein.

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

#### **254.365 Refunding bonds; execution, officers, manner.**

Sec. 5. The refunding bonds shall be executed for and on behalf of the state by the state treasurer and the secretary of state or their respective deputies. The right of a deputy to so act shall not be limited by any other statute specifying the circumstances under which he may act for his principal. Interest coupons may be executed by affixing thereto the facsimile signature of the official designated to execute them. If an officer whose signature appears on the refunding bonds or attached coupons ceases to be such officer before delivery of the refunding bonds, his signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery.

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

#### **254.366 Issuance and sale of refunding bonds; approval of board, commission or agency.**

Sec. 6. In the issuance and sale of the refunding bonds, it shall not be necessary to secure the approval of any board, commission or agency of the state except as provided in this act.

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

#### **254.367 Public sale; terms and conditions; disposition of proceeds.**

Sec. 7. The refunding bonds shall be sold at public sale upon such terms and conditions as shall be determined by the commission with the approval of the state administrative board. The proceeds from the sale of the bonds shall be made available for the redemption of the bonds to be refunded thereby, but in the meantime may be invested in United States government securities redeemable prior to the time the money is necessary for the redemption of the bonds to be refunded.

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

#### **254.368 Powers of commission.**

Sec. 8. The commission may do all things necessary in connection with the issuance and sale of the refunding bonds and the retirement of the bonds to be refunded thereby, except to the extent that the retirement powers are now vested in the Mackinac bridge authority, and in that respect the authority shall do all things necessary to accomplish the retirement when the funds are available therefor. The commission may employ such fiscal agents and attorneys as may be necessary to accomplish the purposes of this act and the costs thereof shall be included as a part of the costs of refunding as provided in section 2.

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

#### **254.369 Repealed. 2005, Act 329, Imd. Eff. Dec. 28, 2005**

**Compiler's note:** The repealed section pertained to transfer of operation of Mackinac bridge to state highway department.

#### **254.370 Fixing of tolls, fees, rents, and charges; commission powers, legislative intent.**

Sec. 10. The commission from time to time shall establish and fix tolls, fees, rents and charges for the use of the bridge and its services and facilities, the proceeds of collection thereof to be used: first, for expenses of operation and maintenance of the bridge, second, for the replenishment of the reserve fund provided for in section 2 to its full required amount of \$1,000,000.00, and third, for the payment of the principal of and interest on the refunding bonds when due, which amounts shall be deposited, quarterly or oftener, with the state treasurer and used for such payment. Except as hereinafter provided it is the intent of the legislature that the tolls, fees, rents and charges, as near as is reasonably possible within the limitations herein expressed, shall provide sufficient funds to pay the costs of operating and maintaining the bridge and to pay the principal of and interest on the refunding bonds when due. If any specific taxes or funds of the state, or any portion thereof, except the general fund, are at any time allocated, appropriated or earmarked by law for the payment of the principal of and interest on the refunding bonds, and the cost of operating and maintaining the bridge, the tolls, fees, rents and charges shall be revised to give credit for the moneys so allocated, appropriated or

earmarked by law, and if the specific taxes or funds of the state so allocated, appropriated and earmarked are sufficient to provide all necessary funds for the payment thereof including the refunding of the bonds as they mature, no further tolls, fees, rents or charges shall be fixed or collected for such purpose, but the tolls, fees, rents or charges shall be fixed and collected only in such amount as will provide moneys within the limitations expressed in this act to operate and maintain the bridge. The provisions of this section shall be construed in no way to affect or limit the general obligation of the state to pay the principal of and interest on the refunding bonds as the same shall mature.

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

#### **254.371 Operation of bridge as part of state highway system; expenses, tolls and fees.**

Sec. 11. At such time as the refunding bonds authorized by this act are retired in full, the Mackinac bridge shall be operated by the state highway department as a part of the state highway system and all expenses in connection with the operation and maintenance of the bridge shall be paid in the same manner as similar expenses in connection with the state highway system are paid. If authorized by law, the commission may charge and collect tolls, fees, rents and charges for the use of the bridge to provide all or any part of the costs of operation and maintenance of the bridge.

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

#### **254.372 Employees of authority; transfer to commission, credit for time.**

Sec. 12. All employees of the Mackinac bridge authority shall be given the opportunity to transfer to the commission and be given credit for time employed by the authority and the employees now employed by the Mackinac bridge authority shall be employed in the operation of the bridge.

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