

STATE BRIDGE COMMISSION; PUBLIC WORKS (EXCERPT)
Act 147 of 1935

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