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.

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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.

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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

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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.

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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

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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.

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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.

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