

REGIONAL TRANSIT AUTHORITY ACT (EXCERPT)
Act 387 of 2012

124.551 Bonds, notes, or other evidence of indebtedness.

Sec. 11. (1) For the purpose of acquiring, improving, enlarging, or extending a public transportation system, an authority may issue self-liquidating revenue bonds under the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140, or any other act providing for the issuance of self-liquidating revenue bonds. The bonds are not a general obligation of an authority, but are payable solely from the revenue of a public transportation system. If an authority issues self-liquidating revenue bonds with a pledge of the full faith and credit of the authority, those revenue bonds are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) An authority may borrow money and issue municipal securities in accordance with, and exercise all of the powers conferred upon municipalities by, the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(3) All bonds, notes, or other evidence of indebtedness issued by an authority, and interest on bonds, notes, or other evidence of indebtedness, are free and exempt from all taxation in this state, except for transfer and franchise taxes.

(4) The issuance of bonds, notes, or other evidence of indebtedness by an authority requires approval of the board.

(5) An agreement entered into under this section is payable from general funds of an authority or, subject to any existing contracts, from any available money or revenue sources, including revenues specified by the agreement, securing the bonds, notes, or other evidence of indebtedness in connection with which the agreement is entered into.

History: 2012, Act 387, Imd. Eff. Dec. 19, 2012.