

MICHIGAN TOBACCO SETTLEMENT FINANCE AUTHORITY ACT (EXCERPT)
Act 226 of 2005

129.262 Legislative findings and declaration.

Sec. 2.

The legislature finds and declares the following:

(a) This state has entered into a master settlement agreement with major tobacco companies that should result in the state receiving substantial sums of money in perpetuity assuming no adverse changes in cigarette consumption, market share, financial condition of those tobacco companies, and changes in law.

(b) The master settlement agreement is a binding and enforceable agreement of this state.

(c) Selling the state's right to receive all or a portion of tobacco settlement payments is a prudent method of managing the risks associated with reliance on the receipt of tobacco settlement payments in perpetuity.

(d) Establishing the authority and execution by the authority of its powers granted under this act fulfill in all respects a public and governmental purpose for the benefit of the people of this state.

(e) The exchange of net proceeds received by the authority from the issuance of bonds plus residual interests for the right to receive all or a portion of tobacco settlement payments constitutes a true sale for a fair price.

History: 2005, Act 226, Imd. Eff. Nov. 21, 2005