

REGIONAL CONVENTION FACILITY AUTHORITY ACT (EXCERPT)
Act 554 of 2008

141.1373 Revenue sources; establishment of regional convention facility operating trust fund; expenditures; limitation; financial obligation.

Sec. 23. (1) Except as provided in subsection (3), an authority may raise revenues to fund all of its activities, operations, and investments consistent with its purposes. The sources of revenue available to the authority may include, but are not limited to, any of the following:

(a) Rents, admission fees, or other charges for use of a convention facility which the authority may fix, regulate, and collect.

(b) Federal, state, or local government grants, loans, appropriations, payments, or contributions.

(c) The proceeds from the sale, exchange, mortgage, lease, or other disposition of property that the authority has acquired.

(d) Grants, loans, appropriations, payments, proceeds from repayments of loans made by the authority, or contributions from public or private sources.

(e) Distributions from the convention facility development fund of the state pursuant to the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640.

(f) Investment earnings on the revenues described in subdivisions (a) to (e).

(2) The revenues raised by an authority may be pledged, in whole or in part, for the repayment of bonded indebtedness and other expenditures issued or incurred by the authority.

(3) Notwithstanding any other provision of law to the contrary, an authority shall not have the power to impose or levy a tax.

(4) The board by resolution may establish a regional convention facility operating trust fund for the purpose of accumulating funds to pay for the cost of operating and maintaining a qualified convention facility. Money for operating and maintaining a qualified convention facility, at the authority's discretion, may be provided from this fund or any other money of the authority. The resolution establishing the fund shall include all of the following:

(a) The designation of a person or persons who shall act as the fund's investment fiduciary.

(b) A restriction of withdrawals from the fund solely for the payment of reasonable operating and maintenance expenses of a convention facility and the payment of the expenses of administration of the fund.

(5) An investment fiduciary shall invest the assets of the fund in accordance with an investment policy adopted by the board that complies with section 13 of the public employee retirement system investment act, 1965 PA 314, MCL 38.1133. However, the investment fiduciary shall discharge his or her duties solely in the interest of the authority. The authority may invest the fund's assets in the investment instruments and subject to the investment limitations governing the investment of assets of public employee retirement systems under the public employee retirement system investment act, 1965 PA 314, MCL 38.1132 to 38.1140m.

(6) An authority shall not expend more than \$279,000,000.00 to develop an expanded or renovated convention facility under this act. Contracts for the development of an expanded or renovated convention facility shall be fixed price contracts and shall not exceed \$279,000,000.00 in total.

(7) A financial obligation of an authority is a financial obligation of the authority only and not a financial obligation of this state, a qualified city, a qualified county, or a county bordering a qualified county. A financial obligation of the authority shall not be transferred to this state, a qualified city, a qualified county, or a county bordering a qualified county.

History: 2008, Act 554, Eff. Jan. 20, 2009.