

AERONAUTICS CODE OF THE STATE OF MICHIGAN (EXCERPT)
Act 327 of 1945

259.144 Approval date; powers and duties of regional authority and local government; assumption of actions, commitments, and proceedings by regional authority; right and authority to occupy, operate, control, and use airport facilities; acquisitions, assumptions, successions, or transfers.

Sec. 144.

(1) All of the following occur on the approval date:

(a) The regional authority may acquire, and shall assume the exclusive right, responsibility, and authority to occupy, operate, control, and use, the airport and the airport facilities owned by the local government on that date, subject only to any restrictions imposed by this act.

(b) The local government shall convey title to or enter into a lease of the real property comprising the airport with the regional authority, which shall otherwise acquire and succeed to all rights, title, and interests in and to the fixtures, equipment, materials, furnishings, and other personal property owned and used for purposes of the airport on that date by the local government. The officers of the local government shall execute the instruments of conveyance, assignment, and transfer that are necessary and appropriate to comply with this subdivision.

(c) The regional authority shall assume, accept, and become solely liable for all of the lawful obligations, promises, covenants, commitments, and other requirements in respect of the airport of the local government, whether known or unknown, contingent or matured, except for any full faith and credit pledge of the local government in respect of bonds issued by the local government for airport purposes, and shall perform all of the duties and obligations and is entitled to all of the rights of the local government in respect of the airport under any ordinances, agreements, or other instruments and under law. Consistent with this chapter, this assumption includes, and any person shall transfer to the regional authority, all licenses, permits, approvals, or awards related to the airport; all grant agreements, grant preapplications, and the right to receive the balance of any money payable under the agreements; the right to receive any money, including any passenger facility charges, payable to the local government on the approval date and money paid to the local government after the approval date; the benefit of contracts and agreements; and all of the local government's duties, liabilities, responsibilities, and obligations as sponsor of the airport, except for any obligation or liabilities contested in good faith by the regional authority.

(2) All lawful actions, commitments, and proceedings, including, but not limited to, revenue bond financings for which a notice of intent resolution has been adopted, of the local government made, given, or undertaken before the date of assumption by the regional authority under this section are ratified, confirmed, and validated on assumption by the regional authority. All actions, commitments, or proceedings undertaken shall, and all actions, commitments, or proceedings of the local government in respect of the airport in the process of being undertaken by, but not yet a commitment or obligation of, the local government in respect of the airport may, from and after the date of assumption by the regional authority under this section, be undertaken and completed by the regional authority in the manner and at the times provided in this chapter or other applicable law and in any lawful agreements made by the local government before the date of assumption by the regional authority under this section.

(3) The exclusive right and authority to occupy, operate, control, and use the airport facilities includes, but is not limited to, all of the following:

(a) Operational jurisdiction over all real property of the airport, including, but not limited to, terminals, runways, taxiways, aprons, hangars, aids to air navigation, vehicles or facilities, parking facilities for passengers and employees, and buildings and facilities used to operate, maintain, and manage the airport, subject to any liens on the real property and restrictions and limitations on the use of the real property.

(b) The local government's right, title, and interest in, and all of the local government's responsibilities arising under, leases, concessions, and other contracts for airport facilities.

(4) The acquisitions, assumptions, successions, or transfers described under this section include, but are not limited to, all of the following:

(a) All contracts and other obligations with airlines, tenants, concessionaires, leaseholders, and others at the airport.

(b) All financial obligations secured by revenues and fees generated from the operations of the airport, including, but not limited to, airport revenue bonds, special facilities revenue bonds, and all bonded indebtedness associated with the airport.

(c) All cash balances and investments relating to or resulting from operations of the airport for which operational jurisdiction has been transferred to a regional authority, all money held under an ordinance, resolution, or indenture related to or securing obligations of the local government that have been assumed by the regional authority, all of the accounts receivable or choses in action arising from operations of the airport, and all benefits of contracts and agreements.

(d) All office equipment, including, but not limited to, computers, records and files, software, and software

licenses required for financial management, personnel management, accounting and inventory systems, and general administration.

History: Add. 2015, Act 95, Imd. Eff. June 30, 2015