

# HOUSE BILL No. 5814

May 11, 1992, Introduced by Reps. Strand, Profit, Scott, Hillegonds, Porreca, Bobier, Johnson, Bandstra, Horton, Bryant, Dalman, McNutt, DeLange, Martin, Sikkema, Oxender, McBryde, Fitzgerald, Middleton, Munsell, Van Singel, Randall, Jaye, Bender, London, Gernaat, Nye, Gilmer, Bodem, Brackenridge and O'Connor and referred to the Committee on House Oversight.

A bill to prescribe standards of conduct for legislators, legislative employees, and certain other persons; to create certain commissions, committees, and boards and prescribe their powers and duties; to prescribe the powers and duties of certain other persons; to provide protection for persons reporting violations of this act; and to prescribe penalties and provide remedies.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 101. This act shall be known and may be cited as the  
2 "Michigan legislative ethics act".

3       Sec. 103. For the purposes of this act, the words and  
4 phrases defined in sections 105 to 109 have the meanings ascribed  
5 to them in those sections.

6       Sec. 105. (1) "Administrative action" means conduct related  
7 to the development, drafting, consideration, promulgation,

1 defeat, application, or interpretation of a rule, regulation, or  
2 other action in a regulatory proceeding or a proceeding involving  
3 a license, permit, franchise, or entitlement for use.

4 (2) "Anything of value" means a tangible or intangible item  
5 that the recipient might find sufficiently desirable to exchange  
6 for some action. Anything of value includes, but is not limited  
7 to, any of the following:

8 (a) Money.

9 (b) Products or merchandise.

10 (c) A work of art or collectible.

11 (d) Stocks, bonds, notes, or options.

12 (e) An interest in real property.

13 (f) A contract or a promise of a future interest in a  
14 contract.

15 (g) An interest or a promise of a future interest in a  
16 business.

17 (h) A meal, beverage, or lodging.

18 (i) Transportation.

19 (j) A service, including loan of the services of an  
20 employee.

21 (k) A loan, a loan guarantee, or the co-signing of a loan.

22 (l) Forgiveness of a debt.

23 (m) A discount or rebate not extended to the public in  
24 general.

25 (n) Preferential treatment.

26 (o) A ticket or admission.

(p) Free or discounted use of an office.

(q) A loan of office equipment.

(r) Radio or television time.

(s) A promise or offer of present or future employment.

(t) Use of an automobile, boat, or apartment or other recreational or lodging facility.

(u) Intangible rights such as a cause of action.

(v) A license, patent, or copyright or interest in a license, patent, or copyright.

(w) Any other item, tangible or intangible, that has economic value and that could reasonably be considered to be an advantage or of worth, use, or service to the person upon whom it is conferred.

(3) "Anything of value" does not include any of the following:

(a) An unsolicited token or award with a value of less than \$150.00.

(b) An unsolicited advertising item with a value of less than \$50.00.

(c) An unsolicited publication with a market value of less than \$50.00 on an annual basis.

(d) A discount afforded to the general public or a specified group or occupation under normal business conditions except that the discount may not be based on the fact of legislative service unless it is a discount program approved by the LEC.

1 (e) A contribution to a bona fide charity, made in response  
2 to a direct solicitation from a legislator or a person acting at  
3 his or her direction.

4 (4) "Board of ethics" means the board of ethics created in  
5 section 3 of Act No. 196 of the Public Acts of 1973, being  
6 section 15.343 of the Michigan Compiled Laws.

7 (5) "Category A income" means a benefit received from a  
8 person that is known or reasonably should be known to have a sub-  
9 stantial interest in legislative, administrative, or political  
10 action.

11 (6) "Category B income" means a benefit received from a  
12 person or entity that is not category A income.

13 (7) "Close economic association" means a financial relation-  
14 ship between a legislator or legislative employee and another  
15 person that creates any of the following economic interests in  
16 the legislator or legislative employee:

17 (a) A relationship involving compensation as an employee,  
18 agent, representative, counselor, adviser, or consultant includ-  
19 ing professional services between a lawyer and client or a finan-  
20 cial planner and client.

21 (b) A financial interest resulting from an investment, busi-  
22 ness enterprise, or interest in real property as a partner,  
23 investor, associate, or major stockholder.

24 (c) A relationship of a landlord and tenant or co-tenants  
25 sharing housing expenses.

26 (d) A relationship involving a debt, loan, or loan  
27 guarantee.

1 (e) Any other relationship in which the legislator or  
2 legislative employee has a substantial economic involvement.

3 (8) "Close economic association conflict of interest" means  
4 a close economic association between a legislator or legislative  
5 employee and a person that is likely to be substantially affected  
6 by an official action or decision of a legislator or legislative  
7 employee that conflicts with the public duty or obligation of the  
8 legislator or legislative employee to exercise objective indepen-  
9 dent judgment or that creates the appearance that the person may  
10 have undue access to confidential information or may otherwise  
11 receive favored treatment regarding a public action.

12 (9) "Close personal relationship" means a special relation-  
13 ship between a legislator or legislative employee and another  
14 person that creates strong bonds of loyalty, friendship, or love,  
15 or all of these feelings. Close personal relationship includes,  
16 but is not limited to, the relationship with an immediate family  
17 member, a long-term personal friend, a former business associate,  
18 or a person with whom the legislator or legislative employee has  
19 a significant and continuous romantic relationship.

20 (10) "Close personal relationship conflict of interest"  
21 means a close personal relationship with a person who is likely  
22 to be substantially affected by an official action or a decision  
23 of a legislator or legislative employee that conflicts with the  
24 public duty or obligation of the legislator or legislative  
25 employee to exercise objective independent judgment or that cre-  
26 ates the appearance that the person has undue access to

1 confidential information or may otherwise receive favored  
2 treatment regarding a public action.

3       (11) "Commissioner" means a duly appointed and certified  
4 member of the Legislative Ethics Commission.

5       (12) "Confidential information" means information made con-  
6 fidential by law or information that is conveyed or accepted with  
7 the understanding that the information will only be used for  
8 official purposes.

9       (13) "Employer" means a person that has provided compensa-  
10 tion to a legislator or legislative assistant arising out of an  
11 employment relationship.

12       Sec. 107. (1) "Financial conflict of interest" means a cir-  
13 cumstance in which a legislator or legislative employee, or a  
14 person with whom he or she has a close personal relationship, has  
15 a substantial financial interest that may be materially affected  
16 by an official action or a decision that the legislator or legis-  
17 lative employee may make. The interest must be so substantial  
18 and the potential effect on that interest must be so material  
19 that a reasonable, objective person is likely to believe that the  
20 ability of the legislator or legislative employee with the finan-  
21 cial interest to make an objective, fair, and impartial profes-  
22 sional judgment will be impeded by self-interest. A financial  
23 conflict of interest does not exist if the economic effect an  
24 official action or a decision will have on a legislator's or leg-  
25 islative employee's private financial interests is no greater  
26 than the effect on a substantial class of persons to which he or

1 she belongs as a member of a profession, occupation, industry, or  
2 region.

3       (2) "Honorarium" means anything of value that a legislator  
4 or legislative employee receives in recognition of, or in consid-  
5 eration for, an appearance, speech, presentation, or published  
6 work by the legislator or legislative employee that is not pri-  
7 marily related to a current or former occupation of the legisla-  
8 tor or legislative employee other than the holding of legislative  
9 office or employment as a legislative employee. Honorarium does  
10 not include a nonmonetary token of appreciation with a value of  
11 \$20.00 or less. Honorarium does not include reasonable royalties  
12 or other reasonable payment paid to a legislator or legislative  
13 employee by a publisher for a work personally written by the leg-  
14 islator or legislative employee exceeding 10 pages that is placed  
15 in general circulation unless and to the extent the intent of the  
16 payment by the publisher or the purchase of the published work is  
17 directly or indirectly to provide consideration to the legislator  
18 or legislative employee.

19       (3) "Immediate family member" means a spouse, parent, grand-  
20 parent, child, including a step-child or an adopted child, grand-  
21 child, sibling, or parent-in-law.

22       (4) "Informal representation" means uncompensated represen-  
23 tation including, but limited to, a request for information made  
24 to a state or local governmental entity or an official or  
25 employee of the entity on behalf of a person who is a client,  
26 constituent, or political contributor.

1       (5) "Intent to influence" means offering or conferring  
2 anything of value on a public official to induce the public  
3 official to do an act he or she would otherwise not have done or  
4 to refrain from doing an act he or she would otherwise have  
5 done.

6       (6) "LEC" means the legislative ethics commission estab-  
7 lished in section 111.

8       (7) "Legislative action" means conduct relating to the  
9 development, drafting, consideration, sponsorship, enactment,  
10 defeat, or support of or opposition to, a law, amendment, resolu-  
11 tion, report, nomination, or other matter affected by legislative  
12 action or inaction.

13       (8) "Legislative assistant" means a legislative employee  
14 whose assigned duties involve the exercise of substantial  
15 judgment. A person who performs purely clerical or ministerial  
16 functions is not a legislative assistant.

17       (9) "Legislative employee" means a person, other than a leg-  
18 islator, who is compensated by the legislative branch in return  
19 for regular or substantial personal services, regardless of the  
20 person's pay level or technical status as a full-time or  
21 part-time employee, independent contractor, or consultant.  
22 Members and the staff of the legislative ethics commission are  
23 legislative employees. An individual who performs functions that  
24 are purely incidental to legislative functions, such as a securi-  
25 ty, delivery, maintenance, or printing, is not a legislative  
26 employee.



1 (10) "Lobbyist" means that term as defined in section 5 of  
2 Act No. 472 of the Public Acts of 1978, being section 4.415 of  
3 the Michigan Compiled Laws.

4 (11) "Nonpublic information" means information that is not  
5 available to the general public, the use or disclosure of which  
6 results in an unwarranted benefit or advantage.

7 Sec. 109. (1) "Oath or affirmation" means a statement to  
8 affirm, swear, verify, or certify the truth under penalty of  
9 perjury.

10 (2) "Person" means an individual, corporation, business  
11 enterprise, or other entity either public or private and any  
12 legal successor, representative, agent, or agency of that indi-  
13 vidual, corporation, business enterprise, or other entity, or any  
14 other organization or group of persons acting jointly, including  
15 a state agency or a political subdivision of this state.

16 (3) "Public official" means an official in the executive or  
17 legislative branch of state government.

18 (4) "Political action" means conduct in which a public offi-  
19 cial uses his or her official position or political contacts to  
20 exercise informal influence on a state or local government  
21 employee or entity. Political action includes, but is not  
22 limited to, any of the following:

23 (a) Intervening on behalf of a constituent with a government  
24 agency.

25 (b) Endorsing, pledging support, or actively supporting a  
26 legislative matter or a nominee or a candidate for public  
27 office.

1       (5) "Professional representation" means representation for  
2 compensation.

3       (6) "Reasonably should know" means a situation when, under  
4 the circumstances, a person of reasonable prudence and competence  
5 would ascertain or know a fact. A person shall not willfully  
6 blind himself or herself to facts and inferences in the desire  
7 not to know.

8       (7) "Representation" means an action taken on behalf of  
9 another whether taken for compensation or not.

10       (8) "Select committee on ethics" means the joint select com-  
11 mittee on ethics composed of the following members:

12       (a) One member appointed by each of the following:

13       (i) The majority caucus of the senate.

14       (ii) The minority caucus of the senate.

15       (iii) The majority caucus of the house of representatives.

16       (iv) The minority caucus of the house of representatives.

17       (b) One member appointed by the LEC.

18       (9) "Sexual harassment" means that term as described in sec-  
19 tion 103(h) of the Elliott-Larsen civil rights act, Act No. 453  
20 of the Public Acts of 1976, being section 37.2103 of the Michigan  
21 Compiled Laws.

22       (10) "Substantial interest in legislative, administrative,  
23 or political action" means a situation in which a person or orga-  
24 nization meets any of the following criteria:

25       (a) Is regulated by the legislature.

26       (b) Provides goods or services to the legislature for  
27 compensation or profit.

1 (c) Seeks employment in the legislative branch or in a  
2 government agency or private organization in which a legislator  
3 or legislative employee has, or reasonably appears to have, the  
4 ability to influence an employment decision.

5 (d) Will be directly or substantially affected, either  
6 financially or personally, by a contemplated legislative, admin-  
7 istrative, or political action.

8 (e) Has or seeks a contract for goods or services with an  
9 agency of state government.

10 (f) Is a registered lobbyist.

11 (g) Employs a registered lobbyist.

12 (h) Represents a person or organization described in  
13 subdivisions (a) to (g).

14 Sec. 111. (1) The legislative ethics commission is hereby  
15 established within the legislature and shall consist of 9 members  
16 selected as follows:

17 (a) One member appointed jointly by the majority leader of  
18 the senate and the senate minority leader.

19 (b) One member appointed jointly by the speaker of the house  
20 of representatives and the minority leader of the house of  
21 representatives.

22 (c) One member appointed by the senate majority leader.

23 (d) One member appointed by the senate minority leader.

24 (e) One member appointed by the speaker of the house of  
25 representatives.

26 (f) One member appointed by the minority leader of the house  
27 of representatives.

1 (g) Within 30 days of appointment, the members shall select  
2 3 additional members.

3 (2) Within 120 days of the effective date of this act, the  
4 first members shall be appointed.

5 (3) The members appointed pursuant to subsection (2)(a) to  
6 (f) shall be chosen from lists presented to the legislators. The  
7 total number of names presented shall equal the number of LEC  
8 members to be chosen multiplied by 3, 1/3 of that number shall be  
9 presented by the governor, 1/3 by the chief justice of the  
10 Michigan supreme court, and 1/3 by the president of the state bar  
11 of Michigan. If the same name is presented by more than 1 pre-  
12 senter, the presenters who were not the first presenter shall  
13 submit alternative names. If all of the names presented are  
14 rejected, all presenters shall submit new lists. If a vacancy  
15 exists for more than 60 days after complete second lists are  
16 presented, the governor shall appoint an individual to fill each  
17 such vacancy.

18 (4) Upon appointment, each appointee shall execute a written  
19 oath or affirmation that shall include, in addition to the oath  
20 or affirmation set forth in section 1 of article XI of the state  
21 constitution of 1963, the following: "I will solemnly perform  
22 the duties of this office in a manner that is consistent with  
23 both the letter and spirit of the Michigan legislative ethics act  
24 and I shall conform my own conduct to the provisions of the act.  
25 I acknowledge the obligation and need to interpret and apply all  
26 the provisions of the act, and the ethical principles that  
27 underlie those provisions, vigorously, promptly, fairly, and in

1 good faith. All my actions, decisions, and votes on matters  
2 relating to my duties will be made purely on the merits, objec-  
3 tively, independently, and without political, regional, or ideo-  
4 logical partisanship." When the oath or affirmation is executed,  
5 an appointee is certified as a commissioner of the LEC and is  
6 immediately considered to have begun serving his or her appointed  
7 term.

8 (5) Within 45 days after certification, a commissioner may  
9 be decertified by a majority vote of both houses of the legisla-  
10 ture, if the legislature is in session, or by a 2/3 vote of the  
11 members of the legislative council if the legislature is not in  
12 session. A decertified commissioner is disqualified from member-  
13 ship on the legislative ethics commission and a replacement shall  
14 be appointed to fill the vacancy in the same manner as the origi-  
15 nal appointment.

16 (6) A commissioner or LEC employee shall not be a legisla-  
17 tor, a legislative employee, an elected or appointed public offi-  
18 cial, a commissioner or director of another governmental body, an  
19 officer of a political party, or a candidate for public office.

20 (7) The commissioners serve staggered terms of 5 years. The  
21 initial commissioners shall serve the following terms:

22 (a) The commissioners appointed pursuant to section  
23 111(1)(g) shall serve a term of 5 years.

24 (b) The commissioners appointed pursuant to section  
25 111(1)(a) and (b) shall serve terms of 4 years.

26 (c) The commissioner appointed pursuant to section 111(1)(c)  
27 shall serve a term of 3 years.

1 (d) The commissioner appointed pursuant to section 111(1)(e)  
2 shall serve a term of 2 years.

3 (e) The commissioners appointed pursuant to section  
4 111(1)(d) and (f) shall serve terms of 1 year.

5 (8) A commissioner shall serve for no more than 10 consecu-  
6 tive years, except that a commissioner shall continue in office  
7 until a successor has been appointed. The appointment of commis-  
8 sioners is not subject to the advice and consent of the senate.

9 (9) A vacancy for the remainder of an unexpired term of a  
10 commissioner shall be filled within 30 days of the occurrence of  
11 the vacancy in the same manner as an original appointment. The  
12 appointing authority shall make an appointment within 30 days  
13 after a written request by the LEC to fill a vacancy is made or  
14 the appointment shall be made by the LEC.

15 (10) At its first meeting in each even numbered year, the  
16 LEC shall elect from its members a chairperson and a  
17 vice-chairperson, each to serve for a 2-year term with a limit of  
18 2 consecutive terms. The vice-chairperson shall act as chair-  
19 person in the absence of the chairperson or if there is a vacancy  
20 in the chair.

21 Sec. 113. (1) The LEC, by a majority vote, shall hire an  
22 executive director who shall serve at the pleasure of the LEC.  
23 The executive director shall appoint and discharge employees,  
24 including special investigators, fix the compensation of employ-  
25 ees, and prescribe the duties of employees. Each year the LEC  
26 shall review the performance of the executive director in a  
27 meeting with the executive director.

1 (2) On recommendation of the executive director, the LEC  
2 shall hire legal counsel to manage, direct, and prosecute cases.  
3 Legal counsel shall serve at the pleasure of the LEC. The execu-  
4 tive director may serve as legal counsel.

5 (3) If the LEC determines an investigation is necessary that  
6 cannot be efficiently, promptly, or adequately handled by the LEC  
7 staff, the executive director shall nominate a special investiga-  
8 tor to be appointed upon ratification by the LEC. The executive  
9 director shall create and maintain a list of individuals quali-  
10 fied to serve as special investigators by virtue of their  
11 experience, reputation, availability, willingness to serve, and  
12 freedom from a conflict of interest. A special investigator is  
13 subject to the same standards and requirements as a commissioner  
14 or LEC employee.

15 (4) The LEC may employ a technical, professional, or cleri-  
16 cal services expert or consultant as necessary to carry out the  
17 LEC's duties. The LEC may also contract for services that cannot  
18 be satisfactorily performed by its employees.

19 Sec. 115. (1) A commissioner may be removed from office by  
20 a vote of 2/3 of both houses of the legislature for good cause,  
21 including, but not limited to, substantial neglect of duty,  
22 inability to discharge the powers and duties of office, violation  
23 of this act, gross misconduct, or conviction of a felony.

24 (2) A commissioner shall receive compensation of at least  
25 \$125.00 for each day he or she attends or participates in an LEC  
26 meeting of at least 1 hour in length, either in person or by  
27 teleconference. The chairperson and vice chairperson shall

1 receive an additional stipend of \$500.00 per year. The LEC shall  
2 develop and implement policies related to internal operation and  
3 expense allowances for commissioners and employees that are rea-  
4 sonably consistent with the policies for reimbursement of travel  
5 costs and the payment of per diem expense allowances within state  
6 government.

7 (3) A commissioner or LEC employee shall comply with this  
8 act and shall be held to the same standards and requirements as a  
9 legislative assistant.

10 (4) In addition to being bound by this act and other appli-  
11 cable statutes, a commissioner or LEC employee shall not do any  
12 of the following:

13 (a) Participate in political management or in a political  
14 campaign during his or her term of office or term of employment.

15 (b) Participate in the campaign of, attend campaign  
16 fund-raising events for, or make a financial contribution to any  
17 of the following:

18 (i) A candidate for the legislature.

19 (ii) A current legislator or legislative employee who is a  
20 candidate for any other office.

21 (iii) A person running against a present legislator or leg-  
22 islative employee who is a candidate for the legislature or any  
23 other office.

24 (c) Register as a lobbyist or participate in lobbying activ-  
25 ities that require the commissioner or employee to register as a  
26 lobbyist.



1 (d) Take an action or make a statement that is likely to  
2 create in the mind of a reasonable, objective observer a belief  
3 that the commissioner or employee is not impartial or independent  
4 or is otherwise unable to properly perform public duties.

5 (5) If a commissioner violates this act, he or she shall be  
6 treated by the LEC in the same manner as any person who violates  
7 this act.

8 (6) During the pendency of a complaint against a commis-  
9 sioner or LEC employee, the commissioner or LEC employee shall  
10 not participate in any official action of the LEC.

11 Sec. 117. (1) The LEC shall meet at the call of the chair-  
12 person or a majority of commissioners, but shall meet at least  
13 once every 3 months.

14 (2) A quorum of the LEC is 5 commissioners.

15 (3) A vote of the majority of commissioners present at a  
16 meeting at which a quorum is present is required for any action  
17 on which a vote is required.

18 Sec. 119. The LEC shall administer this act and shall do  
19 all of the following:

20 (a) Authorize and train staff to give informal or formal  
21 written or oral advice regarding the spirit and requirements of  
22 this act.

23 (b) On request or its own initiative, issue formal written  
24 advisory opinions on a specific situation or clarify a provision  
25 of this act.

26 (c) Consider a request for, and grant or deny, a waiver of a  
27 provision of this act as provided in section 125.

1 (d) Investigate and adjudicate a complaint and recommend  
2 disciplinary action to the legislature.

3 (e) Authorize research in the field of legislative ethics  
4 and carry out the educational program required by this act or any  
5 additional program necessary to effectuate the policy and purpose  
6 of this act.

7 (f) Prepare and distribute the legislative ethics manual  
8 required by section 205.

9 (g) Prepare a biennial report to the legislature summarizing  
10 the activity of the LEC for the 2 years immediately preceding the  
11 report, evaluating the effectiveness of this act in accomplishing  
12 the stated purpose of this act, and recommending any legislative  
13 reform necessary to improve the administration of this act and to  
14 better advance the goal of this act.

15 Sec. 121. The LEC, by its employees, may give oral advice  
16 or provide a written informal nonbinding advice letter to a  
17 person seeking guidance as to the spirit or legal requirements of  
18 this act if the advice is given with the following express  
19 stipulations:

20 (a) The opinion of the employee who gives the oral or writ-  
21 ten advice is not necessarily the opinion of the LEC.

22 (b) Although the advice is given in good faith, the person  
23 seeking the advice relies on the advice at his or her own risk  
24 because it is not binding on the LEC.

25 (c) Information voluntarily provided to an LEC employee is  
26 not necessarily confidential and may be used against the person  
27 seeking the advice if the information becomes material to a

1 proceeding before the LEC. However, by a vote of the commission,  
2 the LEC may grant approval for an employee to assure, in writing,  
3 the confidentiality of oral information given by a person who has  
4 requested a written informal nonbinding advice letter seeking  
5 advice in advance of a contemplated action on which the advice is  
6 sought.

7       Sec. 123. (1) The LEC may issue a formal written advisory  
8 opinion on its own initiative, at the request of a person to whom  
9 this act applies or may apply, or at the request of a person who  
10 is a candidate for or is elected to the legislature who on the  
11 date of election is not a member of the legislature.

12       (2) A request for a formal written advisory opinion shall be  
13 in writing and set forth with reasonable specificity the facts  
14 and circumstances of a real or hypothetical case.

15       (3) The LEC shall expeditiously determine whether to issue a  
16 formal written advisory opinion addressing the issue raised. The  
17 LEC shall issue a requested formal written advisory opinion  
18 unless the LEC or another person files a complaint on the issue  
19 raised. The LEC shall issue the opinion not more than 60 days  
20 after the request for the opinion is received by the LEC.

21       (4) A majority of a quorum of the LEC may issue a formal  
22 written advisory opinion. The vote of each commissioner partici-  
23 pating in the opinion shall be indicated on the opinion. The  
24 opinion shall be forwarded to the person requesting the opinion  
25 and the opinion shall be part of the public records of the LEC.

26       (5) A formal written advisory opinion issued by the LEC is  
27 binding on the LEC in any subsequent proceedings concerning the

1 fact and circumstance of the particular case. If a material fact  
2 considered to be material by the LEC was omitted or misstated in  
3 the request, the LEC is not bound by the opinion.

4 (6) The LEC shall issue its opinion not more than 30 days  
5 after receiving a request for a formal written advisory opinion  
6 if the request is received during the first 100 days of the leg-  
7 islative session, or not more than 60 days after receiving a  
8 request if the request is received at any other time. The period  
9 for issuing the opinion may be shortened or extended by the  
10 chairperson of the LEC when necessary or appropriate to meet the  
11 goals of this act.

12 (7) The LEC and all LEC employees shall keep the identity of  
13 the requester of a formal written advisory opinion confidential  
14 unless the request, the identity of the person making it, or any  
15 information conveyed orally or in writing relating to the request  
16 is or becomes material to a matter before the LEC.

17 Sec. 125. (1) If fundamental fairness is best served by  
18 waiving applicability of a specific provision of this act as the  
19 provision relates to a specific individual or action, the LEC may  
20 grant a waiver.

21 (2) The person seeking a waiver shall submit a written peti-  
22 tion under oath stating all of the following:

23 (a) Each relevant provision involved in the waiver request.

24 (b) The essential facts on which a waiver is requested.

25 (c) The specific nature of the waiver sought.

26 (d) The anticipated unfair or unreasonable consequence that  
27 would result from a failure to grant the waiver.

1 (3) A waiver may be granted by a majority of a quorum of the  
2 commissioners at a meeting if it is found that the person seeking  
3 a waiver has shown all of the following by a preponderance of the  
4 evidence:

5 (a) The harm caused by strict application of the act sub-  
6 stantially outweighs the benefit of its enforcement in the spe-  
7 cific situation.

8 (b) Application of the rule or provision of the act under  
9 the circumstances presented would be inconsistent with the spirit  
10 and purpose of the provision or of the act as a whole.

11 (c) The purpose of the act and the public interest will be  
12 best served by granting the applicant a waiver.

13 (4) The LEC may require or permit the personal appearance of  
14 the applicant before the LEC and hold a hearing regarding the  
15 waiver request.

16 (5) Unless a shortened or expanded time is considered neces-  
17 sary or appropriate by the LEC, a decision on a petition for a  
18 waiver shall be made not more than 30 days after the petition is  
19 filed. Unless the person seeking the waiver consents, an exten-  
20 sion of time ordered by the LEC shall not exceed an additional 60  
21 days.

22 (6) A decision on a petition for a waiver shall be placed on  
23 the record which shall set forth the petition and the specific  
24 rationale, based on the facts and the law, for the decision.

25 (7) A waiver granted under this section may be qualified in  
26 any manner considered appropriate by the LEC.

1       Sec. 127. (1) A complaint may be initiated by any person or  
2 by the LEC on its own initiative. If a legislator or a  
3 legislative employee is convicted of a felony, the LEC shall ini-  
4 tiate a complaint against that legislator or legislative  
5 employee.

6       (2) The LEC shall provide a simple form for complaints that  
7 includes all of the following:

8       (a) The name and address of the complainant.

9       (b) A statement of the facts known or believed to be true  
10 that are the basis of the complaint including the name of the  
11 person accused of misconduct, the approximate date of an act  
12 alleged, and names and addresses of persons with personal knowl-  
13 edge of each alleged fact.

14       (c) A statement that the person filing the complaint veri-  
15 fies under penalty of perjury that the facts stated are true to  
16 the best of his or her knowledge and that he or she knows that to  
17 intentionally initiate a false complaint is a violation of the  
18 law.

19       (3) A copy of the complaint shall be sent by certified mail  
20 and marked CONFIDENTIAL to the person accused by the complaint of  
21 misconduct not more than 2 days after the complaint is received  
22 by the LEC unless the chairperson of the LEC determines that  
23 immediate notification would prejudice a preliminary investiga-  
24 tion or subject the complainant to an unreasonable risk. The LEC  
25 shall inform the person accused not more than 10 days after  
26 receipt of the complaint unless a majority of the LEC approves a

1 delay and determines the conditions under which the person  
2 accused will be informed.

3 (4) The existence and substance of a complaint shall be kept  
4 confidential, except that it shall be sent to the person accused,  
5 until a preliminary finding is made on the validity of the com-  
6 plaint except that members of the LEC and necessary staff may be  
7 informed.

8 (5) Not more than 5 days after receipt of a complaint, staff  
9 of the LEC shall review the complaint for formal sufficiency. If  
10 a complaint is deficient on its face, the complaint shall be  
11 returned to the complainant with a statement of the nature of the  
12 deficiency.

13 (6) When a complaint is determined to be formally suffi-  
14 cient, the staff of the LEC shall evaluate the complaint and  
15 advise the chairperson whether the complaint states a valid com-  
16 plaint that should be investigated. If the executive director is  
17 a member of the state bar of Michigan, the executive director may  
18 provide this advice. If the executive director is not a member  
19 of the state bar of Michigan, qualified legal counsel shall be  
20 appointed by the LEC to assist in making the determination. To  
21 be valid, the complaint shall allege at least all of the  
22 following:

23 (a) Facts that, if true, establish a violation of this act.

24 (b) That the conduct that is the basis of the complaint  
25 occurred after the effective date of this act and not more than 5  
26 years before the date on which the complaint was filed with the

1 LEC or that the person accused of misconduct intentionally  
2 concealed or otherwise prevented discovery of relevant facts.

3 (c) That the person accused of misconduct is either a legis-  
4 lator or legislative employee at the time of the complaint or was  
5 a legislator and ceased to be a legislator not more than 1 year  
6 before the complaint was filed.

7 (7) A determination shall be made on the substantive valid-  
8 ity of the complaint not more than 20 days after the complaint is  
9 filed or not more than 45 days if the chairperson of the LEC  
10 determines or the person accused requests that additional time is  
11 required. If the chairperson of the LEC determines that there is  
12 no substantial reason to question the advice of the staff as to  
13 the validity of a complaint, the LEC shall dismiss the complaint  
14 or certify the complaint for further consideration consistent  
15 with the advice of the LEC staff. The chairperson or other com-  
16 missioner may request a hearing on the validity of the complaint  
17 at a meeting of the LEC.

18 (8) If a complaint is dismissed because of invalidity, the  
19 complaint shall be returned to the complainant with a notice of  
20 dismissal stating in detail the reason for dismissal. If the LEC  
21 finds that the complaint was frivolous, malicious, or filed in  
22 bad faith, the LEC shall so state in the notice of dismissal.

23 (9) If the LEC determines that the complaint alleges a vio-  
24 lation outside the scope of this act, it shall so state and for-  
25 ward the complaint to the appropriate enforcement body for  
26 disposition. The notice of dismissal shall be sent to the person  
27 accused and is a public record.



1       (10) If the LEC determines that some or all of the  
2 allegations of the complaint, if proven, would constitute a vio-  
3 lation of this act or if the LEC has initiated the complaint, the  
4 LEC shall certify the complaint for a factual investigation. The  
5 record of certification for further consideration is confidential  
6 subject to later actions that may make it part of the public  
7 record.

8       Sec. 129. (1) An investigation by the LEC shall be under-  
9 taken in a manner that assures the public an impartial and com-  
10 prehensive review, is fair to the person accused, and elicits the  
11 information the LEC needs to make a decision.

12       (2) Before an investigation begins, the LEC shall adopt a  
13 written resolution defining the scope of the investigation and  
14 give a copy of the resolution to the complainant and the person  
15 accused. If, during the investigation, an additional fact is  
16 discovered that justifies an expansion of the investigation and  
17 the possibility of an additional charge beyond the violations  
18 alleged in the complaint, the resolution shall be amended accord-  
19 ingly and a copy sent to the complainant and the person accused.

20       (3) The LEC shall keep the resolution and the fact that an  
21 investigation has been undertaken confidential except that, when  
22 asked, the LEC may state that it is investigating a complaint  
23 along with a statement that a finding of probable cause has not  
24 been made and that an adverse inference of impropriety or guilt  
25 should not be drawn from the decision to investigate. The LEC  
26 shall not reveal any other fact concerning the nature or result  
27 of the investigation except as provided in this act until after a

1 determination that there is probable cause to believe that a  
2 violation of this act has occurred has been made.

3       Sec. 131. (1) A legislator or a legislative employee may  
4 request in writing that the LEC investigate a charge of impropri-  
5 ety made against himself or herself. The request shall state  
6 with specificity the nature of the investigation requested. The  
7 LEC shall determine if it will undertake the investigation. If  
8 the LEC agrees to investigate, the investigation is not limited  
9 in scope by the request and, once begun, shall be handled as any  
10 other investigation with the person requesting the investigation  
11 treated as a person accused.

12       (2) An investigation shall be conducted by the staff of the  
13 LEC, outside counsel, and investigators as the LEC considers  
14 necessary. The purpose of a preliminary investigation is to  
15 determine whether or not there is probable cause to believe that  
16 a violation of this act has occurred and, if a violation has  
17 occurred, to proceed with a full adjudicatory hearing.

18       (3) An investigator for LEC has the power to order a hear-  
19 ing, subpoena witnesses and documents, conduct depositions under  
20 oath, require the participation of the person accused, and issue  
21 interrogatories to be answered under oath.

22       (4) In preparing the investigation report, the LEC shall not  
23 consider an oral or a written statement, whether incriminating or  
24 exculpatory, unless made under oath.

25       (5) The person accused shall be given an adequate opportu-  
26 nity to provide testimonial and documentary evidence and, if the

1 person accused requests, he or she may inspect and make copies of  
2 all evidence relating to the allegations.

3 (6) When the investigation is complete, the investigator  
4 shall submit a confidential written report summarizing the evi-  
5 dence, evaluating its credibility, and detailing findings on each  
6 of the allegations investigated to the LEC with a recommendation  
7 that the complaint, or any portion of it, be dismissed or that  
8 the matter proceed to a hearing.

9 (7) The investigator shall exclude from the report unreli-  
10 able information or an irresponsible allegation. The  
11 investigator's notes, records of interviews, and other investiga-  
12 tory material considered unreliable or unduly prejudicial by the  
13 LEC shall remain confidential.

14 Sec. 133. (1) The LEC shall consider an investigation  
15 report in closed session and if it determines that substantial  
16 credible evidence exists that establishes probable cause to  
17 believe that a violation of the act has occurred and, unless it  
18 finds that the complaint is frivolous or does not constitute a  
19 substantive violation of the act or the person accused acknowl-  
20 edges a violation pursuant to section 135(4), it shall order a  
21 full adjudicatory hearing.

22 (2) If the LEC does not find that a full adjudicatory hear-  
23 ing is warranted, the LEC shall dismiss the complaint. If the  
24 LEC finds that the charge is frivolous, malicious, or made in bad  
25 faith or that the person accused should be exonerated of the  
26 charge, the LEC shall so state in the notice of dismissal. The

1 LEC shall send a notice of dismissal to the person accused and  
2 the complainant.

3 (3) If the LEC finds that the evidence supports a violation  
4 outside the scope of this act, the LEC shall state that in its  
5 report and forward the complaint and the report to the appropri-  
6 ate enforcement body for disposition.

7 (4) A notice of dismissal and the investigation report con-  
8 taining findings and recommendations, but not the underlying  
9 investigatory materials, shall be made public unless the LEC  
10 determines that this would unfairly prejudice either the person  
11 accused or complainant. This act does not prevent a complainant  
12 or person accused from making the notice of dismissal and the  
13 report public.

14 Sec. 135. (1) If the LEC finds that substantial credible  
15 evidence exists establishing probable cause that a violation of  
16 this act has occurred, the LEC shall serve on the person accused,  
17 in a manner consistent with the service of summons under the  
18 Michigan rules of court, a formal notice that states the specific  
19 allegations and schedules a hearing.

20 (2) The hearing shall be scheduled to commence not less than  
21 20 days after service of the formal charge on the person  
22 accused. If the person accused requests and the LEC consents, an  
23 earlier hearing may be scheduled. If requested, the LEC shall  
24 grant the person accused reasonable additional time to prepare a  
25 defense.

26 (3) The person accused may file a responsive pleading  
27 admitting, denying, or otherwise responding to the allegation.

1       (4) If the person accused acknowledges a violation of this  
2 act, the LEC may suspend further proceedings and impose correc-  
3 tive action or sanctions considered appropriate by the LEC. If  
4 the LEC suspends the proceedings or dismisses the charges as a  
5 result of a negotiated settlement, the terms and conditions of  
6 the settlement and the reasons for entering into the agreement  
7 shall be stated in a written report that shall be sent to the  
8 complainant and made part of the public record.

9       (5) Except as provided in subsection (4), when a determina-  
10 tion is made that there is probable cause that a violation of  
11 this act has occurred, a full adjudicatory hearing shall be  
12 conducted. The LEC shall make public the investigation report  
13 containing findings and recommendations, but not the underlying  
14 investigatory materials.

15       Sec. 137. (1) A hearing on an ethics charge against a leg-  
16 isl原因ator or legislative employee shall be conducted in a manner  
17 that inspires confidence in the integrity and objectivity of the  
18 process and demonstrates full consideration for the rights and  
19 reputation of the person accused.

20       (2) The LEC shall hold a hearing pursuant to the contested  
21 case provisions of the administrative procedures act of 1969, Act  
22 No. 306 of the Public Acts of 1969, being sections 24.201 to  
23 24.328 of the Michigan Compiled Laws, except as otherwise pro-  
24 vided in this act. For purposes of a hearing held pursuant to  
25 this section, the LEC has the authority to issue subpoenas.

26       (3) A hearing shall be before a hearing board composed of 5  
27 commissioners. The chairperson of the LEC shall serve on the

1 board and appoint 4 other commissioners. If the chairperson is  
2 unable to attend all hearing sessions, the vice-chairperson shall  
3 serve in the chairperson's place. If neither the chairperson nor  
4 the vice-chairperson is available, the chairperson shall appoint  
5 another commissioner to serve in his or her place. The chair-  
6 person or his or her designee shall conduct a hearing with the  
7 advice and counsel of the executive director or other legal coun-  
8 sel as directed by the LEC.

9       (4) Within 10 days after the completion of a hearing, the  
10 hearing board shall vote on each charge to determine if each  
11 charge was established by a preponderance of the evidence and  
12 shall prepare a written opinion with recommendations, if any. A  
13 vote of 3 commissioners is necessary to find a violation.

14       (5) As to each charge on which the evidence was found to be  
15 insufficient to establish a violation, the hearing board shall  
16 issue a written opinion stating that finding. If the hearing  
17 board finds that a charge is frivolous, malicious, or made in bad  
18 faith or that the person accused should be exonerated of the  
19 charge, the hearing board shall state that finding in the  
20 opinion. If the hearing board finds that the person accused  
21 should be exonerated, the hearing board may recommend that the  
22 legislature reimburse the person accused for all or part of rea-  
23 sonable legal fees incurred as a result of the charge. Unless  
24 the hearing board makes such a recommendation, legal fees shall  
25 not be paid from public funds. A charge is not frivolous, mali-  
26 cious, or made in bad faith if there is insufficient evidence to  
27 establish a violation.

1       (6) As to each charge on which the evidence is found to be  
2 sufficient to establish a violation of this act, the hearing  
3 board shall issue a written opinion stating its findings of fact,  
4 conclusions of law, and recommendations for sanctions as provided  
5 in section 213.

6       Sec. 138. A person who is found by a hearing board to have  
7 violated this act may appeal the decision of the hearing board to  
8 the LEC pursuant to the contested case provisions of the adminis-  
9 trative procedures act of 1969, Act No. 306 of the Public Acts of  
10 1969, being sections 24.201 to 24.328 of the Michigan Compiled  
11 Laws.

12       Sec. 139. (1) If the person who is found by a hearing  
13 board, by acknowledgment to a hearing, or by the LEC on appeal to  
14 have violated this act is or was a member of the legislature at  
15 the time a violation occurred, the chairperson of the LEC shall  
16 forward the hearing board's recommendations to the presiding  
17 officer of the house of the legislature to which the member  
18 belongs or if the person is a former member of the legislature,  
19 the LEC shall forward the hearing board's recommendations to the  
20 house of the legislature to which the former member belonged at  
21 the time the violation is found to have occurred and the follow-  
22 ing apply:

23       (a) If the legislature is in session at the time the recom-  
24 mendations are received, the entire house of the legislature  
25 shall determine what sanctions, if any, are to be imposed. The  
26 vote shall be taken not more than 30 days after receipt of the  
27 LEC's recommendations. If the recommendations are received in

1 December, the house shall have 60 days to complete its  
2 determination.

3 (b) If the legislature is not in session, the presiding  
4 officer may either call a special session to put the matter to a  
5 vote not more than 60 days after receipt of the LEC's recommenda-  
6 tions or submit the recommendations to the legislative council.

7 (c) Except in the case of expulsion, which requires a 2/3  
8 vote, a sanction shall be determined by a majority vote. A vote  
9 taken pursuant to this section shall be a record roll call vote.

10 (d) In determining what sanctions, if any, to impose, the  
11 legislature is not required to review the basic facts or question  
12 the procedures or findings of fact of the hearing board. The  
13 primary issue before the legislature is the determination of the  
14 appropriate sanction based on the findings of the hearing board.

15 (2) If the person who is found to have violated this act is  
16 a legislative employee, the chairperson of the LEC shall forward  
17 the hearing board's recommendations to the select committee on  
18 ethics to determine, as soon as is reasonably possible, what  
19 sanctions, if any, are to be imposed. The select committee on  
20 ethics is not required to review the basic facts or question the  
21 hearing board's procedures or findings of fact. The primary  
22 issue before the select committee on ethics is the determination  
23 of appropriate sanctions based on the findings of the hearing  
24 board.

25 Sec. 141. (1) The attorney general shall assist the LEC and  
26 the legislature in enforcing corrective action and the  
27 legislature in enforcing a sanction imposed under this act. The



1 attorney general may independently bring a civil or a criminal  
2 action relating to a violation of this act regardless of the out-  
3 come or settlement of a charge before the LEC.

4 (2) The LEC shall retain a document filed with or produced  
5 by the LEC as a public record for not less than 6 years.

6 (3) The LEC may require the cooperation of a state agency or  
7 an official, an employee, or other person whose conduct is regu-  
8 lated by this act. A person whose conduct is regulated by this  
9 act shall make available to the LEC any information reasonably  
10 related to an investigation when requested in writing to do so by  
11 the LEC subject to applicable constitutional and statutory pro-  
12 tections and providing that the confidential nature of the commu-  
13 nication or of the relationship through which the information was  
14 obtained, or both, do not constitute public information and are  
15 not subject to the freedom of information act, Act No. 442 of the  
16 Public Acts of 1976, being sections 15.231 to 15.246 of the  
17 Michigan Compiled Laws. The LEC may request and shall receive  
18 from an officer, department, division, board, bureau, commission,  
19 house of the legislature, or other agency of the state, coopera-  
20 tion and assistance in the performance of its duties.

21 (4) The LEC may perform other acts, duties, and functions  
22 authorized by or in connection with the administration of this  
23 act.

24 (5) A person shall not knowingly or improperly disclose con-  
25 fidential information acquired in the course of official duties  
26 under this act.

1       (6) The LEC may publicly respond to a statement or  
2 interpretation made by a person who requested an informal advice  
3 letter or a formal written advisory opinion or by a person who is  
4 the subject of a decision of the LEC concerning the contents of  
5 that informal advice letter, advisory opinion, or decision issued  
6 or purported to have been issued. The LEC, to the degree neces-  
7 sary to respond to an untrue public statement by a person who  
8 requested a letter or opinion or who is the subject of a deci-  
9 sion, may reveal information that would otherwise have been con-  
10 fidential if failure to reveal the information would leave unan-  
11 swered a serious allegation against the LEC or a serious distor-  
12 tion of the procedure, letter, opinion, or decision of the LEC.

13       Sec. 143. Except as otherwise provided in this act, the  
14 business that the LEC may perform shall be conducted at a public  
15 meeting held in compliance with the open meetings act, Act  
16 No. 267 of the Public Acts of 1976, being sections 15.261 to  
17 15.275 of the Michigan Compiled Laws. Public notice of the time,  
18 date, and place of the meeting shall be given in the manner  
19 required by the open meetings act, Act No. 267 of the Public Acts  
20 of 1976.

21       Sec. 145. Except as otherwise provided in this act, a writ-  
22 ing prepared, owned, used, in the possession of, or retained by  
23 the LEC in the performance of an official function shall be made  
24 available to the public in compliance with the freedom of infor-  
25 mation act, Act No. 442 of the Public Acts of 1976, being sec-  
26 tions 15.231 to 15.246 of the Michigan Compiled Laws.

1       Sec. 147. (1) A legislator or legislative employee shall  
2 not seek or accept anything of value as a result of the  
3 performance of public responsibilities. This subsection does not  
4 prohibit solicitation for and acceptance of a campaign contribu-  
5 tion, a pledge, a political endorsement, support in a political  
6 campaign, or a promise of political indorsement or support under  
7 permitted circumstances.

8       (2) A legislator or legislative employee shall not accept  
9 anything of value if the legislator or legislative employee knows  
10 or reasonably should know that the thing of value is offered with  
11 the intent to influence a legislative, administrative, or politi-  
12 cal action.

13       (3) In addition to any other remedy authorized under this  
14 act, a person who violates this section is guilty of a  
15 misdemeanor.

16       Sec. 149. A legislator or legislative employee who receives  
17 an offer that clearly appears to be intended as an attempt to  
18 improperly influence legislative, administrative, or political  
19 action shall firmly and unequivocally reject the offer and cau-  
20 tion the person making the offer that the offer may be a viola-  
21 tion of this act and of undue influence and bribery laws. The  
22 legislator or legislative employee shall report the matter to the  
23 appropriate law enforcement authority.

24       Sec. 151. (1) A legislator shall not use state funds to  
25 mail 200 or more pieces of substantially similar material during  
26 the 50 days immediately preceding a primary or general election.

1       (2) A legislator shall not use state funds to mail material  
2 describing a ballot proposal during the 30 days immediately  
3 preceding a general election. Material describing a ballot pro-  
4 posal shall be approved, before it is mailed, by the majority and  
5 minority leaders of the senate if the sender is a senator or by  
6 the speaker and minority leader of the house of representatives  
7 if the sender is a member of the house of representatives.

8       (3) A legislator, person on behalf of a legislator, or a  
9 candidate committee of the legislator, shall not accept a cam-  
10 paign contribution in a facility or office ordinarily used to  
11 conduct state government business. If an unsolicited contribu-  
12 tion is offered or sent, the contribution shall be refused or  
13 returned promptly.

14       (4) A legislator, person on behalf of the legislator, or a  
15 candidate committee of the legislator, shall not distribute or  
16 post literature or other communication designed to influence the  
17 outcome of an election in a facility or office ordinarily used to  
18 conduct state government business. This provision does not pro-  
19 hibit a legislator from inviting colleagues to a fund-raising  
20 function on behalf of the legislator.

21       (5) In addition to any other remedy authorized under this  
22 act, a person who violates this section is guilty of a  
23 misdemeanor.

24       Sec. 153. (1) A legislative employee who knows or reason-  
25 ably should know that he or she has been asked to perform an  
26 improper personal or political task shall refuse to perform the  
27 task.

1       (2) The personnel policies of each house of the legislature  
2 shall provide that if a legislator or legislative employee with  
3 supervisory authority requests or demands that a legislative  
4 employee perform an improper task, or if a reprisal is threatened  
5 or a sanction imposed as a result of the refusal to perform the  
6 task, the legislative employee subjected to the request, demand,  
7 threat, or sanction shall report the matter to the LEC.

8       Sec. 155. (1) A legislator or legislative employee shall  
9 not sexually harass a legislator or legislative employee.

10       (2) In addition to any other remedy authorized under this  
11 act, a person who violates this section is guilty of a  
12 misdemeanor.

13       Sec. 157. (1) Other than in the performance of an official  
14 duty or as required by law, a legislator or legislative employee  
15 shall not use or disclose nonpublic or confidential information  
16 acquired in the course of and by reason of legislative service to  
17 obtain private gain for the legislator or legislative employee or  
18 any person or business.

19       (2) In addition to any other remedy authorized under this  
20 act, a person who violates this section is guilty of a  
21 misdemeanor.

22       Sec. 159. (1) A legislator or legislative employee shall  
23 not use, or allow another to use, the authority, title, or pres-  
24 tige of the legislator's or employee's office to obtain an unwar-  
25 ranted private economic benefit for the legislator, the legisla-  
26 tive employee, or another person.

1       (2) A legislator or legislative employee shall not use  
2 official letterhead or refer to the legislator's or legislative  
3 employee's public position to induce or intimidate a person to  
4 resolve a private dispute more favorably, provide preferential  
5 treatment, or give a free ticket, discount, favor, or other  
6 advantage that does not relate to the legislator's or legislative  
7 employee's public position.

8       (3) A legislator or legislative employee shall not use, or  
9 allow another to use, the authority, title, or prestige of the  
10 legislator's or employee's office to endorse a commercial product  
11 or service, and shall not use official letterhead in materials  
12 endorsing a product, service, or candidate for office. This sub-  
13 section does not prohibit the use of either of the following:

14       (a) A legislator's or legislative employee's official title  
15 or letterhead in the course of an otherwise proper recommendation  
16 of a person for employment.

17       (b) A legislator's official title and name used in a digni-  
18 fied manner as part of a political endorsement.

19       (4) A legislator or legislative employee shall not solicit  
20 or accept compensation that is not commensurate with the service  
21 performed or that would create in the mind of a reasonable,  
22 objective observer the perception that the stature of office has  
23 been unduly exploited for private gain.

24       Sec. 161. (1) For a period of 1 year after leaving office  
25 or legislative employment, a former legislator or legislative  
26 assistant shall not use or disclose nonpublic or confidential

1 information acquired in the course of or by reason of legislative  
2 service to obtain personal gain or for the gain of another.

3 (2) For a period of 1 year after leaving office or legisla-  
4 tive employment, a former legislator or legislative employee  
5 shall not seek a position as or agree or contract to be or become  
6 a lobbyist, representative, consultant, adviser, or advocate to  
7 influence either of the following to take or withhold a legisla-  
8 tive action:

9 (a) A legislator or legislative employee.

10 (b) A state agency, public official, or employee with  
11 responsibility in an area in which the person, while a legisla-  
12 tor, had special oversight or budget authority.

13 (3) For purposes of this act a person had special oversight  
14 or budget authority over an agency if he or she served, within  
15 the last year of his or her legislative term, as the senate  
16 majority leader, speaker of the house of representatives, chair-  
17 person of the senate finance committee, chairperson of the house  
18 taxation committee, or as chairperson of a committee directly  
19 concerned on a regular basis with the agency's activity.

20 (4) For a period of 1 year after leaving office or legisla-  
21 tive employment, a former legislator or legislative assistant  
22 shall not solicit or accept compensation that is not commensurate  
23 with the service performed or that would create in the mind of a  
24 reasonable, objective observer the perception that the stature of  
25 office has been unduly exploited for private gain.

26 Sec. 163. (1) A legislator shall not engage, either  
27 directly or through another acting on the legislator's behalf, in

1 conduct that the legislator knows or reasonably should know is  
2 likely to create the belief or impression that the person or  
3 cause he or she represents will receive more or less favorable  
4 consideration by the legislator or that the person will be given  
5 more or less opportunity to personally state his or her case or  
6 otherwise be benefited or disadvantaged as a direct result of  
7 that person's willingness to provide money for a campaign contri-  
8 bution or a cause favored by the legislator, to provide the leg-  
9 islator with personal benefits, or political support.

10 (2) A legislator shall not do any of the following either  
11 directly or through another acting on the legislator's behalf:

12 (a) Agree to, or threaten to, take or withhold legislative,  
13 administrative, or political action because of a person's deci-  
14 sion to provide or not provide a political contribution to the  
15 legislator.

16 (b) State or imply that the legislator will perform or  
17 refrain from performing a lawful constituent service because of a  
18 person's decision to provide or not provide a political  
19 contribution.

20 (c) Accept a contribution given or offered in violation of a  
21 statute.

22 (3) In addition to any other remedy authorized under this  
23 act, a person who violates this section is guilty of a  
24 misdemeanor.

25 Sec. 165. (1) A legislator or legislative employee shall  
26 not engage in an activity that creates a financial conflict of  
27 interest.



1       (2) A legislator or legislative employee shall not engage in  
2 an activity with a person with a substantial interest in legisla-  
3 tive action.

4       (3) A legislator or legislative employee shall not engage in  
5 an activity that creates a close economic association conflict of  
6 interest.

7       (4) The LEC may order cessation of a close economic associa-  
8 tion conflict of interest.

9       (5) Unless a legislator or legislative employee is ordered  
10 by the LEC to cease a specific transaction or relationship or  
11 divestiture is ordered by the LEC, a conflict of interest pro-  
12 scribed by this section shall be publicly disclosed or volun-  
13 tarily restrained, or both.

14       Sec. 167. (1) Unless a relationship violates a specific  
15 legal limitation, a close personal relationship conflict of  
16 interest is not subject to mandatory disclosure. A legislator or  
17 legislative employee shall avoid a close personal relationship  
18 conflict of interest. If a situation is not reasonably avoid-  
19 able, a legislator or legislative employee shall take an affirma-  
20 tive step to disclose a conflict that is not apparent and  
21 refrain, if reasonably possible, from making a decision or taking  
22 an action affected by the conflict.

23       (2) Unless a specific transaction or relationship is banned  
24 by this act or divestiture is ordered by the LEC, a conflict of  
25 interest proscribed by this section shall be publicly disclosed  
26 or voluntarily restrained, or both.

1       Sec. 169. (1) The LEC shall not employ an immediate family  
2 member of a current legislator with or without compensation.

3       (2) The legislature shall not employ an immediate family  
4 member of a legislator for compensation in the legislative house  
5 in which the legislator is a member unless the family member was  
6 employed by the legislature at the time of the marriage.

7       (3) An immediate family member of a legislative employee  
8 shall not be employed for compensation in a position over which  
9 the legislative employee has supervisory authority.

10       (4) If an immediate family member of a legislator or legis-  
11 lative employee is uniquely qualified to perform a task or  
12 another extraordinary circumstance exists in which it would be in  
13 the state's interest to waive a prohibition in this section, a  
14 waiver may be sought from the LEC as provided in section 125.

15       (5) For purposes of this section, a legislator is not an  
16 employee of the legislature.

17       Sec. 171. (1) A legislator or legislative employee who has  
18 a close economic association or a close personal relationship  
19 with a registered lobbyist shall disclose the relationship in  
20 writing and in confidence to the LEC during the first week of  
21 each legislative session, within 30 days of taking office for a  
22 legislator not in office during the first week of the session, or  
23 as soon as reasonably possible, but no later than 45 days after  
24 forming a relationship that did not exist during the first week  
25 of the legislative session.

26       (2) The written disclosure required by subsection (1) shall  
27 state the name of the person involved, the nature of the

1 relationship, and a brief narrative of what matter the legislator  
2 or legislative employee is working on or reasonably might work on  
3 in the future that could create a conflict of interest. The LEC  
4 may request further information that shall be promptly provided.

5       (3) The LEC shall determine whether or not the relationship  
6 creates a conflict of interest that requires a restriction or  
7 disclosure. The LEC may elect to keep the matter confidential,  
8 to order a restriction in the activity, to order disclosure in  
9 the journal of the appropriate house of the legislature, or to  
10 take any of these actions.

11       (4) A legislator or legislative assistant shall not provide  
12 a personal service for compensation for or on behalf of a lobby-  
13 ist or lobbyist agent that regularly engages in lobbying the leg-  
14 islature or a state agency, board, or commission.

15       (5) A legislator or legislative assistant shall not have a  
16 financial interest in a business that receives a substantial part  
17 of its income from a lobbyist or lobbyist agent that regularly  
18 engages in lobbying the legislature or a state agency, board, or  
19 commission.

20       Sec. 173. A legislator or legislative employee shall not  
21 serve on a governing or advisory board of an organization that  
22 regularly has a substantial interest in the legislative, adminis-  
23 trative, or political actions of the legislator or legislative  
24 employee unless the legislator or legislative employee discloses  
25 the relationship and disqualifies himself or herself from any  
26 action relating to the organization's interests.

1       Sec. 175. A legislator or legislative employee shall not  
2 have an equity or ownership interest in a business, investment,  
3 real property, lease, or other enterprise if the interest has a  
4 cost or fair market value of \$25,000.00 or more and the financial  
5 interest is likely to be materially affected by a legislative,  
6 administrative, or political action of the legislator or legisla-  
7 tive employee, unless the legislator or legislative employee dis-  
8 qualifies himself or herself from any action relating to the  
9 interest involved.

10       Sec. 177. (1) A legislator or legislative employee shall  
11 not professionally represent a person or entity in a legal action  
12 against the state if the state is the real party in interest, or  
13 receive compensation or anything of value for acting as an infor-  
14 mal representative, adviser, or consultant to a person regarding  
15 an action against the state. This subsection does not prevent a  
16 legislator or legislative employee who is an attorney from repre-  
17 senting a client in a proceeding if the state is not a real party  
18 in interest.

19       (2) A legislator or legislative employee shall not profes-  
20 sionally represent as an advocate, adviser, or consultant, a  
21 person in an action before a state agency, board, or commission  
22 unless the proceeding is adjudicatory in nature and there is no  
23 reasonable basis to conclude that the side represented by the  
24 legislator or legislative employee has an unfair advantage. A  
25 matter is adjudicatory in nature when opposing sides have sepa-  
26 rate representation.

1       (3) This section does not prohibit an attorney from  
2 representing a client in an otherwise permissible action before a  
3 criminal or civil court and does not prevent a legislator or leg-  
4 islative employee from representing personal interests in an oth-  
5 erwise proper proceeding.

6       (4) A legislator or legislative employee shall not profes-  
7 sionally represent a person to obtain or retain a state license,  
8 permit, franchise, grant, loan, or other entitlement, whether or  
9 not other parties contending for the state benefit are repre-  
10 sented unless the granting of the benefit is a purely ministerial  
11 matter.

12       (5) A legislator or legislative employee acting as an attor-  
13 ney or representative of another shall not seek or accept special  
14 treatment, a privilege, a right, or a concession solely by reason  
15 of his or her service in the legislature.

16       (6) This section does not prohibit a legislator or legisla-  
17 tive employee from informally advising a constituent about a pro-  
18 cedure or the appropriateness of bringing an action against this  
19 state. If a legislator or legislative employee advises a con-  
20 stituent or other person in an action against this state or  
21 before a state agency, the legislator or legislative employee  
22 shall not reveal any nonpublic or confidential information.

23       (7) If the legislator or legislative employee is an attorney  
24 and is disqualified under this section, the firm of the legisla-  
25 tor or legislative employee is also disqualified.

26       (8) If for any reason it is unreasonably difficult to comply  
27 with the restrictions in this section, until January 1, 1993, a

1 legislator or legislative employee may represent a person in a  
2 proceeding that would be prohibited under this section if a  
3 statement that includes all of the following is promptly filed  
4 with the LEC and published in the journal of the appropriate  
5 house:

6 (a) The name of the client.

7 (b) An identifying name or number of the action.

8 (c) A brief description of the nature of the action.

9 (d) The amount of compensation received or anticipated  
10 relating to the representation.

11 (9) Changes in the statement required by subsection (8)  
12 shall be filed every 90 days until the matter is completed or  
13 January 1, 1993 when the representation shall be terminated.

14 Sec. 179. (1) A legislator or legislative assistant, or an  
15 immediate family member of a legislator or legislative assistant,  
16 may be a party to, or have a financial interest in, a state con-  
17 tract or lease only if 1 or more of the following circumstances  
18 apply:

19 (a) The contract is let through competitive sealed bidding  
20 and the legislator or legislative assistant has filed a statement  
21 that includes all of the information required by this section  
22 with the LEC at the time the bid is made. The LEC may request  
23 additional information that shall be promptly provided by the  
24 legislator or legislative assistant. If the LEC believes the  
25 nature or circumstances of the contract raise an impermissible  
26 conflict of interest, and if the portion of the contract that  
27 pertains to the legislator or legislative assistant is severable,

1 the LEC may void that portion of the contract or may order a  
2 restriction. If the LEC believes the nature or circumstances of  
3 the contract raise an impermissible conflict of interest and the  
4 portion of the contract that pertains to the legislator or legis-  
5 lative assistant is not severable, the LEC may void the contract  
6 or may order a restriction. The statement shall be made part of  
7 the public record and shall be published in the journal of the  
8 appropriate house of the legislature. The statement shall spec-  
9 ify the nature of the legislator's or legislative assistant's  
10 personal or immediate family member's interest including the per-  
11 centage or share of the profit to be realized and shall certify  
12 under penalty of perjury that the legislator or legislative  
13 assistant had or has none of the following:

14 (i) Access to inside, nonpublic, or confidential information  
15 that reasonably could appear to provide an advantage.

16 (ii) Contact with a state official involved in letting the  
17 contract regarding the contract that could unduly influence the  
18 decision.

19 (b) The total amount of the contract or lease over the  
20 course of a year is less than \$1,000.00 and the contract or lease  
21 was let under circumstances that raise no substantial question of  
22 undue influence.

23 (c) The contract or lease was developed and standardized  
24 under published guidelines and the benefits and rights conferred  
25 are widely available to the general public under the same terms  
26 and conditions.

1       (2) A legislator or legislative assistant shall not seek or  
2 accept compensation on a state contract and a legislator or  
3 legislative assistant shall not receive compensation for a serv-  
4 ice relating to recommending, supporting, or advocating a con-  
5 tract between a person or business and this state, a local gov-  
6 ernment that receives substantial state funds, or a private  
7 enterprise that does a substantial portion of its business with  
8 this state.

9       (3) For a period of 1 year after leaving legislative office  
10 or legislative employment, a former legislator or legislative  
11 assistant shall not seek or accept a contract for a good or per-  
12 sonal service or other compensation concerning a matter on which  
13 the legislator or legislative assistant worked extensively within  
14 the last year of his or her legislative service.

15       (4) A legislator or legislative employee may participate in  
16 a state assistance or benefit program or receive a loan from the  
17 state if the program or loan is generally available to a member  
18 of the public, is subject to a fixed objective eligibility stan-  
19 dard, and requires minimal discretion in determining  
20 qualification. The LEC shall annually review state assistance  
21 and benefit programs and loans and designate the programs that  
22 meet the qualifications in this section. If the LEC determines  
23 that the circumstances under which the legislator or legislative  
24 employee participated in a state assistance or benefit program or  
25 received a loan raises an undue appearance of impropriety or was  
26 the result of unfair or improper influence, the participation in  
27 the state assistance or benefit program or receipt of the loan



1 shall be treated as a violation of this act and the LEC may order  
2 a sanction authorized under this act. A legislator or legisla-  
3 tive employee participating in a state assistance or benefit pro-  
4 gram or receiving a loan that does not qualify under this subsec-  
5 tion shall file written reports in the following manner:

6 (a) A legislator or legislative employee shall file a writ-  
7 ten report with the LEC by the first Monday in February of each  
8 year stating the amount of the state benefit, assistance, or loan  
9 received on or before January 15 of that year from a nonqualify-  
10 ing assistance, benefit, or loan program. The LEC shall promptly  
11 compile a list of the statements indicating the assistance, bene-  
12 fit, or loan program and amount received and send it to the pre-  
13 siding officer of each house of the legislature who shall publish  
14 it in the journal within 3 weeks of the date the report was  
15 filed. If the LEC requests more information, it shall be  
16 promptly provided.

17 (b) If assistance, benefits, or loan proceeds are received  
18 from a nonqualifying assistance or benefit program or loan after  
19 January 15, the legislator or legislative employee shall file a  
20 statement with the LEC within 30 days after the beginning of par-  
21 ticipation in the state assistance or benefit program or receipt  
22 of proceeds from the state loan. This statement shall be  
23 promptly forwarded to the presiding officer of the appropriate  
24 house of the legislature who shall have it published in the  
25 journal.

26 (5) An annual audit shall be conducted by the auditor  
27 general or a certified public accountant appointed by the auditor

1 general of programs identified by the LEC pursuant to this  
2 section. The LEC shall determine the scope of the audit. The  
3 records of a state agency to be audited shall be made available  
4 to the auditor general or the appointed certified public  
5 accountant. A report of the audit findings shall be prepared for  
6 the LEC. The findings are confidential until the report is  
7 released by the LEC.

8       Sec. 181. (1) A legislator or legislative assistant shall  
9 not solicit, accept, or receive, directly or indirectly, anything  
10 of value as a gratuity from a person or entity except that a leg-  
11 islator or legislative assistant may accept a gratuity if the  
12 aggregate value is less than \$150.00 from a single source for a  
13 year if the gift is reported to the LEC as to source and amount  
14 and the gratuity is not accepted under a circumstance in which it  
15 could be reasonably inferred that the gift is intended to influ-  
16 ence the performance of an official duty, action, or judgment.

17       (2) A legislator or legislative assistant may accept any-  
18 thing of value as a gratuity without regard to the \$100.00 limit  
19 under subsection (1) and need not report the gratuity if it is  
20 any of the following:

21       (a) A gift from an immediate family member.

22       (b) A birthday, wedding, anniversary, and similar ceremonial  
23 gift from a friend if the donor does not have a substantial  
24 interest in the legislative, administrative, or political action  
25 of the recipient.

26       (c) A gift of sample merchandise, a promotional item such as  
27 a pen or calendar, or a token of appreciation such as candy, a

1 fruit basket, or flowers if the gift is of nominal value, is  
2 given to a customer or a potential customer in the ordinary  
3 course of business, and there is no special fact creating a con-  
4 flict of interest or the appearance of impropriety.

5 (d) An unsolicited award with a value of less than \$150.00.  
6 A more valuable award may be accepted only if the organization  
7 making the award does not have a substantial interest in the leg-  
8 islative, administrative, or political action of the recipient or  
9 the award has been approved by the LEC and the LEC finds the gift  
10 does not create an impermissible conflict of interest.

11 (e) Informational material, a brochure, a pamphlet, or an  
12 unsolicited publication, including a newspaper or magazine, with  
13 a market value of less than \$50.00 on an annual basis.

14 (f) Food or foodstuffs indigenous to the state that are  
15 shared generally as a cultural or social norm or a meal or bever-  
16 age provided and consumed at a social or fund-raising event, con-  
17 ference, or professional meeting, at a restaurant or club, or as  
18 part of personal hospitality at the residence or place of busi-  
19 ness of the host but does not include the following:

20 (i) A gift of packaged liquor, wine, or foodstuffs.

21 (ii) A restaurant meal not consumed with the person provid-  
22 ing the gift.

23 (g) A gift presented by a representative of a foreign gov-  
24 ernment on behalf of the state, but if it is worth more than  
25 \$100.00, the gift must be turned over to the presiding officer of  
26 either house of the legislature for display in a public area of  
27 the capital or for sale at auction, the proceeds to go to charity

1 or the general fund. If the gift is worth less than \$100.00, and  
2 it was intended as a personal gift, it may be kept if it is  
3 reported as required in this act.

4 (h) Reasonable and necessary expenses including reimburse-  
5 ment for travel and related food and lodging if the expenses are  
6 incidental to a trip paid for by a government agency or a bona  
7 fide nonprofit educational or charitable institution for a gov-  
8 ernment or educational purpose and if lodging expense is limited  
9 to the day preceding and the day or days of the event. If the  
10 institution paying the expenses does not have a substantial  
11 interest in the legislative, administrative, or political action  
12 of the recipient, expenses may also be paid for a spouse or other  
13 companion, including an immediate family member of the legislator  
14 or legislative employee, if the value of the gift is reported on  
15 a required disclosure form.

16 (i) Hospitality including overnight lodging, food, and bev-  
17 erage at the residence or other home of the host if the host is  
18 present. If the host is a personal friend and has no substantial  
19 interest in the legislative, administrative, or political actions  
20 of the recipient and there is no other fact that creates a con-  
21 flict of interest, there is no limit on the number of days  
22 stayed. If the host has a substantial interest in the legisla-  
23 tive, administrative, or political actions of the recipient, the  
24 exempt stay shall not exceed 2 nights, and the gratuity shall be  
25 reported on a financial disclosure form. This subdivision does  
26 not permit the use of a lodging, motor home, or boat if the host  
27 is not personally present or, regardless of the presence of the

1 host, if the purpose is to provide the legislator or legislative  
2 employee with a paid or subsidized vacation. A legislator or  
3 legislative employee may accept transportation in a host's per-  
4 sonal or company car or van to the place of a social event. A  
5 legislator or legislative employee shall not accept unusual or  
6 expensive travel such as by air or limousine to the residence of  
7 the host or other place.

8       (3) A person shall not directly or indirectly provide,  
9 offer, or promise anything of value to a legislator or legisla-  
10 tive employee with the intent to influence legislative, adminis-  
11 trative, or political action.

12       Sec. 183. (1) A legislator or legislative employee shall  
13 not seek, accept, or retain employment, including employment as  
14 an adviser or consultant, that does any of the following:

15       (a) Makes it unreasonably difficult to fulfill a legislative  
16 obligation.

17       (b) Requires the disclosure or use of nonpublic or confiden-  
18 tial information acquired in the course of legislative service.

19       (c) Requires the improper use of a government relationship  
20 or the authority, prestige, or title associated with legislative  
21 office.

22       (d) Involves a payment that by a reasonable, objective stan-  
23 dard is not commensurate with a service rendered and appears to  
24 involve a premium as a result of the legislator's or legislative  
25 employee's position in the legislature.

26       (e) Requires the legislator or legislative employee under a  
27 conflict of interest and disqualification requirement to refrain

1 from taking a legislative, administrative, or political action in  
2 a certain situation.

3 (f) Requires the legislator or legislative employee to com-  
4 promise an ethical or legal duty.

5 (2) A legislator or legislative employee shall not receive  
6 compensation for a personal service from a state entity other  
7 than the legislature except as specifically provided or as  
8 approved by the LEC. A legislator or legislative employee is not  
9 precluded by this section from earning compensation at a state  
10 funded school or university if undue influence is not used to  
11 obtain the position.

12 (3) A legislator or legislative employee who accepts other-  
13 wise permissible employment with a person who has a substantial  
14 interest in a legislative, administrative, or political action  
15 shall comply with the special disclosure provisions of this act  
16 and shall scrupulously avoid conduct that would lead a reason-  
17 able, objective person to believe that the legislator or legisla-  
18 tive employee is unable or unwilling to exercise independent,  
19 objective, and impartial judgment in considering a matter that  
20 affects an interest of the legislator's or legislative employee's  
21 employer.

22 (4) A legislator or legislative employee shall not accept an  
23 honorarium. If a legislator or legislative employee or his or  
24 her immediate family member uses transportation, obtains lodging,  
25 or consumes food or beverages in connection with an undertaking  
26 in the discharge of the duties of elective office and if the cost  
27 for the transportation, lodging, food, or beverages, or a

1 combination of the costs is more than \$50.00, and is paid or  
2 reimbursed by a person or persons other than the legislator or  
3 legislative employee or the house of the legislature in which he  
4 or she serves, the legislator or legislative employee shall  
5 report the name and address of and the amount of costs paid or  
6 reimbursed by each such person on a form provided by the secre-  
7 tary of state.

8       Sec. 185. (1) A legislator or legislative employee shall  
9 exercise his or her power and prerogative without prejudice or  
10 favoritism and shall not use public authority to reward, hinder,  
11 or punish a relative, friend, or political supporter or to  
12 reward, hinder, or punish an adversary.

13       (2) In addition to any other remedy authorized under this  
14 act, a person who violates this section is guilty of a  
15 misdemeanor.

16       Sec. 187. (1) A legislator shall not interfere with the  
17 ability or willingness of a state or municipal governmental body,  
18 official, or employee to use independent judgment in making an  
19 official decision or in taking an appropriate action on the  
20 merits of an issue.

21       (2) A legislator shall not use or appear to use political  
22 influence in a way that is likely to cause another public offi-  
23 cial to consider an inappropriate factor in exercising public  
24 authority. An act either intended to or likely to be construed  
25 as an enticement, trade-off, threat, ingratiation, intimidation,  
26 or coercion is improper. Except to assure that a particular  
27 person is being treated fairly according to an established rule

1 or procedure, a legislator shall not interfere with or seek to  
2 influence any of the following:

3 (a) The outcome or substantive finding of an adjudicatory  
4 proceeding of a governmental regulatory body.

5 (b) A decision regarding the commencement, scope, or termi-  
6 nation of an investigatory process of a governmental agency.

7 (c) An action of a governmental agency concerning the grant-  
8 ing or revoking of a license, permit, franchise, or similar  
9 entitlement.

10 (3) This section does not prevent a legislator from doing  
11 any of the following:

12 (a) Inquiring about the status of a matter.

13 (b) Openly advocating the position of a constituent on the  
14 merits if no effort is made to unduly influence the decision  
15 making process by express or implied political pressure in a  
16 matter involving a discretionary decision of an administrative  
17 body that will have direct and significant economic or social  
18 impact on the legislator's district.

19 (c) Exercising vigilant oversight with respect to the  
20 policy, regulation, procedure, or implementation of a practice of  
21 an agency.

22 (4) In addition to any other remedy authorized under this  
23 act, a person who violates this section is guilty of a  
24 misdemeanor.

25 Sec. 189. (1) A legislator or legislative assistant shall  
26 disclose a financial, professional, or personal interest that is  
27 likely to create in the mind of a reasonable, objective person



1 the belief that the legislator or legislative assistant's  
2 objectivity and ability to exercise independent judgment in the  
3 public interest have been adversely affected by that interest.

4 (2) A legislator shall disclose to the LEC, on a form and  
5 within a time frame prescribed by the LEC, detailed information  
6 on the source and amount of income received by the legislator. A  
7 legislator shall not transfer or direct income to any other  
8 person including a spouse or dependent with the intent of avoid-  
9 ing disclosure of what is in reality that income.

10 (3) A legislator or legislative assistant shall file with  
11 the LEC the report of the information required by this section.  
12 The LEC shall adopt filing guidelines and develop forms to imple-  
13 ment this section.

14 Sec. 191. (1) For category A income, a legislator shall  
15 file a sworn statement with the LEC disclosing all of the  
16 following:

17 (a) For income that is not a gratuity, the name and address  
18 of the source, a brief statement describing the nature of the  
19 service performed including sufficient detail to permit the LEC  
20 to determine if the nature of the work created a conflict of  
21 interest, and the amount paid.

22 (b) For income that is a gratuity that is required to be  
23 reported under section 181(2)(a), (g), (h), and (i), the name and  
24 address of the person providing the gratuity, a brief description  
25 of the nature of the gratuity, and a good faith statement of the  
26 fair market value of the gratuity. If an exact value is not  
27 known, a reasonable good faith estimate is acceptable. A loan

1 that was forgiven during the period shall be reported as a  
2 gratuity.

3 (c) For a reimbursement for expenses aggregating more than  
4 \$100.00 in a calendar year, the name and address of the source  
5 and the amount paid.

6 (d) For each loan or loan guarantee yielding loan proceeds  
7 of at least \$100.00 in the reporting period if the lender or  
8 guarantor is a person with a substantial interest in legislative,  
9 administrative, or political actions, the name and address of the  
10 person making the loan or guarantee, the amount of the loan, the  
11 terms and conditions under which the loan or guarantee was given,  
12 the amount outstanding at the time of filing, and whether or not  
13 a written loan agreement exists.

14 (e) If the source of reported category A income is a corpo-  
15 ration, the name of the parent corporation, if any, and names of  
16 the top corporate officers.

17 (f) If the source of category A income is a partnership or  
18 association doing business under a fictitious name, the names of  
19 the principals of the partnership or association.

20 (2) The LEC shall review a category A statement to determine  
21 if an impermissible conflict of interest exists or if a special  
22 order or restriction is required.

23 (3) A category A statement shall be made available for  
24 public inspection and is a public record.

25 Sec. 193. (1) A legislator shall file a statement for cate-  
26 gory B income conforming to the requirements of section 191  
27 except that for income, an expense reimbursement, a loan, or a

1 loan guarantee, only those income sources of \$1,000.00 or more  
2 shall be listed. However, listing of unearned income received as  
3 a beneficiary or as a result of a power of appointed or earned  
4 income received as a trustee from a living or testamentary trust  
5 established by an immediate family member is not required.

6 (2) The LEC shall review a category B statement to determine  
7 if an impermissible conflict of interest exists, if a special  
8 order or restriction is required, or if the statement is exempt  
9 from disclosure pursuant to section 13 of the freedom of informa-  
10 tion act, Act No. 442 of the Public Acts of 1976, being  
11 section 15.243 of the Michigan Compiled Laws.

12 (3) If the person filing the statement is a legislator, the  
13 statement is presumptively public and shall be made part of the  
14 public record unless the legislator submitting it requests that  
15 it or part of it be kept confidential, states the reason for the  
16 request, and the LEC finds that no valid public purpose would be  
17 advanced by publication.

18 Sec. 195. (1) A legislator or legislative employee shall  
19 file a statement with the LEC disclosing a close economic associ-  
20 ation or a close personal relationship, and shall file the spe-  
21 cial statement required with respect to a lobbyist relationship  
22 in section 171(1).

23 (2) The statement required by this section shall be filed  
24 during the first week of each legislative session, not later than  
25 30 days after taking office for each legislator not in office or  
26 legislative employee not employed during the first week of the  
27 session, or as soon as reasonably possible, but not later than 45

1 days after forming a relationship that did not exist during the  
2 first week of the legislative session.

3       (3) The LEC shall determine whether the relationship creates  
4 a conflict of interest that requires a restriction or disclosure  
5 and may elect to keep the matter confidential, to order some  
6 restriction in the activity, or to order disclosure in the jour-  
7 nal of the appropriate house of the legislature. If written dis-  
8 closure is ordered, the written disclosure shall include all of  
9 the following:

10       (a) The name of the person or entity involved.

11       (b) The nature of the relationship.

12       (c) A brief narrative of the matter that has or could create  
13 a conflict of interest.

14       (d) Any further information that the LEC requests.

15       Sec. 197. (1) A legislator shall request that an employer  
16 who is a category A income source to a legislator shall file, in  
17 a time frame and on a form prescribed by the LEC, a statement  
18 made under penalty of perjury that contains all of the  
19 following:

20       (a) A declaration of whether the employer, or a parent com-  
21 pany, officer, or individual stockholder with at least a 20%  
22 equity in the company of the employer, has had a substantial  
23 interest in legislative, administrative, or political actions  
24 during the reporting period.

25       (b) A brief narrative of the nature of the relationship of  
26 the employer with the legislator or legislative assistant, the

1 terms of compensation, and the amount paid during the reporting  
2 period.

3       (2) A legislator shall request that an employer that is a  
4 category B income source shall file a statement only if the total  
5 compensation paid a legislator is \$1,000.00 or more during the  
6 reporting period. The employer shall file the statement under  
7 penalty of perjury and shall include a brief narrative of the  
8 nature of the relationship with the legislator or legislative  
9 assistant, the terms of compensation, and the amount paid during  
10 the reporting period.

11       (3) A legislator or legislative assistant shall assure that  
12 an employer has the forms necessary and is informed of the obli-  
13 gation to file a statement pursuant to this section.

14       (4) An employer shall file the original form with the LEC no  
15 later than April 1 of each year, and not later than 30 days  
16 before the legislator or legislative assistant is required to  
17 file the financial disclosure forms required by this act. The  
18 employer shall contemporaneously provide a copy of the form to  
19 the legislator when the employer files the form with the LEC.

20       Sec. 199. (1) A legislator or legislative employee shall  
21 comply with the open meetings act, Act No. 267 of the Public Acts  
22 of 1976, being sections 15.261 to 15.275 of the Michigan Compiled  
23 Laws, and exercise the authority of his or her office openly so  
24 that the public is informed about governmental decisions and the  
25 citizenry can hold him or her accountable for his or her  
26 actions.

1       (2) A legislator or legislative employee shall assure that  
2 anyone to whom he or she has delegated responsibility, including  
3 staff or an administrative agency, carries out the delegated  
4 responsibility efficiently, equitably, and ethically.

5       (3) A legislator or legislative employee who believes that a  
6 policy or rule of a house of the legislature is not achieving its  
7 intended purpose, is creating an unintended harm, or is wasteful  
8 or inefficient shall take an affirmative step to improve the pro-  
9 cedure to increase the fairness and quality of government service  
10 and assure that policy is implemented efficiently, equitably, and  
11 economically.

12       Sec. 201. (1) A legislator or legislative employee shall  
13 maintain the integrity and trustworthiness of government by pre-  
14 venting an unethical practice, unlawful conduct, corruption, mis-  
15 management, waste of public funds, danger to public safety, or  
16 any other abuse of public position, authority, or resource.

17       (2) A legislator or legislative employee who has a good  
18 faith reasonable belief that the public interest requires the  
19 disclosure of a governmental policy or action thought to be  
20 unlawful or improper shall reveal that information to the appro-  
21 priate authority.

22       (3) A legislator or legislative employee shall not, directly  
23 or indirectly, subject a person to reprisal, retaliation, harass-  
24 ment, discrimination, or ridicule for reporting to the LEC or  
25 other government entity, conduct the person reasonably believes  
26 is a violation of this act or other state law. A legislative  
27 employee who is discharged, disciplined, involuntarily

1 transferred, or otherwise penalized by a legislator or  
2 legislative employee is protected by the whistleblowers' protec-  
3 tion act, Act No. 469 of the Public Acts of 1980, being  
4 sections 15.361 to 15.369 of the Michigan Compiled Laws.

5       Sec. 203. The LEC shall develop and oversee all of the fol-  
6 lowing components of a comprehensive ethics education program:

7       (a) Publish an ethics education manual.

8       (b) Establish an education advisory committee.

9       (c) Design and implement a legislative orientation training  
10 course, a current issues and applications seminar, and a lobbyist  
11 training course.

12       Sec. 205. (1) The LEC shall prepare and publish a legisla-  
13 tive ethics manual that shall contain all ethics statutes, rules  
14 and regulations, and related information, including a detailed  
15 explanation of technical and specific legal requirements and the  
16 underlying purpose and ethical principle that comprise the  
17 "spirit" of these requirements. The manual shall include realis-  
18 tic examples with recommended actions and questions and answers  
19 regarding common problems and situations.

20       (2) The LEC shall issue a revised and updated version of the  
21 manual not later than 30 days after the commencement of each leg-  
22 islative session. The manual shall be distributed to all legis-  
23 lators, legislative employees, and registered lobbyists, and  
24 shall be available to the public.

25       Sec. 207. (1) The LEC chairperson shall create an education  
26 advisory committee and shall appoint 5 members to the committee  
27 including at least 2 members of the LEC, a legislator, and a

1 legislative employee. The education advisory committee may also  
2 include an outside expert in the field of ethics.

3 (2) The education advisory committee shall oversee the  
4 implementation of, and recommend the content for, the following  
5 ethics education programs:

6 (a) Legislative orientation training course as described in  
7 subsection (3).

8 (b) Current issues and applications seminar as described in  
9 subsection (4).

10 (c) Lobbyist training course as described in  
11 subsection (5).

12 (3) In 1993, and each year after 1993, the LEC shall conduct  
13 a legislative ethics orientation training course that is manda-  
14 tory for all legislators and legislative employees to which all  
15 of the following apply:

16 (a) Unless otherwise decided by the LEC, in years after  
17 1993, a legislator or a legislative employee who has not previ-  
18 ously attended shall attend the course in January.

19 (b) The education advisory committee shall determine the  
20 specific content of the course. The course shall highlight the  
21 principles of public service ethics and the intent of ethics laws  
22 including their application to practical situations. The course  
23 shall include the study of all of the following:

24 (i) Ethics laws and policies.

25 (ii) Technical and specific legal requirements that legisla-  
26 tors and legislative employees shall follow.



1       (iii) The underlying purpose and ethical principles of all  
2 ethics laws, internal rules, policies, and related regulations.

3       (c) The LEC shall offer separate sessions of the course for  
4 legislators and for legislative employees, and shall offer as  
5 many sessions as necessary to accommodate the number of people  
6 required to take the course.

7       (4) In 1993, and each year after 1993, the LEC shall conduct  
8 a current issues and applications seminar that is mandatory for  
9 all legislators and legislative employees who have previously  
10 completed the legislative ethics orientation training course, to  
11 which all of the following apply:

12       (a) The education advisory committee shall determine the  
13 specific content of the seminar. The seminar shall include an  
14 overview of all substantive changes in the law relating to ethics  
15 including amendments, revisions, and new ethics advisory  
16 opinions. The seminar shall include discussions on problem solv-  
17 ing skills, practical ethical issues likely to confront a legis-  
18 lator or legislative employee, and the underlying principles of  
19 public service ethics.

20       (b) The LEC shall offer separate sessions of the course for  
21 legislators and for legislative employees and offer as many ses-  
22 sions as necessary to accommodate the number of people required  
23 to take the seminar.

24       (5) In 1993, and each year after 1993, the LEC shall conduct  
25 a lobbyist training course that is available for all lobbyists,  
26 to which all of the following apply:

1 (a) The education advisory committee shall determine the  
2 specific content of the training course. The training course  
3 shall include a review of all ethics statutes, the rules and reg-  
4 ulations relating to appropriate lobbyist conduct, and the prin-  
5 ciples of public service ethics.

6 (b) The LEC shall update the training course at least  
7 annually.

8 (c) A reasonable fee may be charged by the LEC for  
9 attendance at the training course.

10 Sec. 209. (1) The LEC shall do all of the following:

11 (a) Assure the continued implementation, improvement, and  
12 modification of the ethics education program.

13 (b) Develop procedures to assure the attendance of, and  
14 course completion by, all legislators and legislative employees,  
15 including procedures to review requests for exemptions.

16 (c) Assure the attendance of legislative employees who are  
17 not in, and are unable to travel to, the state capital by offer-  
18 ing the programs by teleconference, distributing videotapes to  
19 the employees, or arranging to have employees travel to a site  
20 where a live or teleconference course is available.

21 (2) The LEC may impose a sanction, including suspension of  
22 pay or dismissal of a legislative employee or a recommendation  
23 for disciplinary action for a legislator, on a legislator or leg-  
24 islative employee who fails to complete the ethics education  
25 requirement within a reasonable amount of time as determined by  
26 the LEC.

1       (3) The LEC shall supply the senate majority leader and  
2 speaker of the house of representatives with the name of a  
3 legislator or legislative employee who has not complied with the  
4 ethics education requirement.

5       (4) The LEC shall publicize the education programs and offer  
6 them at convenient times and locations.

7       Sec. 211. The LEC shall promulgate rules necessary to  
8 administer this act pursuant to the administrative procedures act  
9 of 1969, Act No. 306 of the Public Acts of 1969, being sections  
10 24.201 to 24.328 of the Michigan Compiled Laws.

11       Sec. 213. (1) When the LEC finds that a violation of this  
12 act has occurred, the LEC may recommend, and the house of the  
13 legislature of which the accused person is a member or an  
14 employee may order, an appropriate sanction designed to fit the  
15 offense and assure both fair treatment of the offender and deter-  
16 rence to others who might consider a similar act.

17       (2) A person who makes a false, deliberately misleading or  
18 incomplete, or unnecessarily delayed disclosure of a violation of  
19 this act to the LEC is subject to the sanctions provided in sub-  
20 section (3).

21       (3) Sanctions for a violation of this act include, but are  
22 not limited to, the following:

23       (a) A civil fine of not more than \$5,000.00 for each offense  
24 or twice the amount improperly gained by the misconduct, which-  
25 ever is greater.

26       (b) Divestiture of a specified asset or withdrawal from a  
27 specified relationship.

1 (c) Detailed disclosure with or without an additional  
2 periodic reporting requirement.

3 (d) Restitution or reimbursement.

4 (e) Written reprimand.

5 (f) Consideration by the legislature of means by which leg-  
6 islation, a part of legislation, or other action resulting from  
7 conduct in violation of this act could be nullified.

8 (g) Censure and disqualification from serving as a member  
9 chairperson or co-chairperson on a legislative committee for the  
10 remainder of the legislator's term in office.

11 (h) Expulsion of a legislator or dismissal of a legislative  
12 employee.

13 (i) Any other sanction to achieve the purposes of this act.

14 (j) Any combination of the sanctions in subdivisions (a) to  
15 (i).

16 Sec. 215. (1) The attorney general or, upon failure of the  
17 attorney general to bring an action within 60 days after a writ-  
18 ten request to do so, any citizen may bring a civil action for a  
19 violation of this act.

20 (2) The right to proceed in a separate civil suit under this  
21 section is independent of any proceeding conducted by the LEC  
22 but, to the extent that a civil fine is ordered for any offense,  
23 a person shall not be fined more than \$5,000.00 for each offense  
24 or twice the amount improperly gained by the misconduct, which-  
25 ever is greater.

26 (3) Information acquired by the LEC shall be made available,  
27 on request, to litigants in the civil action provided the release

1 of the information does not jeopardize an action before the LEC,  
2 cause unfair prejudice to the person accused, or violate a legal  
3 obligation of confidentiality.

4 (4) When paid, a civil fine that is ordered pursuant to this  
5 act shall be submitted to the state treasurer for deposit in the  
6 general fund.

7 Sec. 217. (1) Conduct that is criminal under this act or  
8 another state law may be separately prosecuted without regard to  
9 the resolution or pendency of a charge before the LEC or a civil  
10 court.

11 (2) Information acquired by the LEC shall be made available,  
12 on request, to the defendant and prosecutor in a criminal action  
13 provided that the release of the information does not prejudice  
14 the person accused or violate a legal obligation of  
15 confidentiality.

16 Sec. 219. This act shall take effect April 1, 1993.