



HOUSE BILL No. 4584

April 1, 1993, Introduced by Reps. Fitzgerald, McBryde, Dalman, Kaza, Scott, Stille, Hill, Bobier, Cropsey, Horton, Jamian, Dolan, DeLange, Goschka, Kukuk, Brackenridge, McNutt and Martin and referred to the Committee on House Oversight and Ethics.

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.

1 (p) Free or discounted use of an office.

2 (q) A loan of office equipment.

3 (r) Radio or television time.

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

5 (t) Use of an automobile, boat, or apartment or other recre-
6 ational or lodging facility.

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

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

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

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

16 (a) An unsolicited token or award with a value of less than
17 \$150.00.

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

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

22 (d) A discount afforded to the general public or a specified
23 group or occupation under normal business conditions except that
24 the discount may not be based on the fact of legislative service
25 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 minority leader of the senate.

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 majority leader of the
23 senate.

24 (d) One member appointed by the minority leader of the
25 senate.

26 (e) One member appointed by the speaker of the house of
27 representatives.

1 (f) One member appointed by the minority leader of the house
2 of representatives.

3 (g) Not more than 30 days after the appointment of the mem-
4 bers appointed pursuant to subdivisions (a) through (f), those
5 members shall select 3 additional members.

6 (2) Not more than 120 days after the effective date of this
7 act, the initial members shall be appointed.

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

21 (4) Upon appointment, each appointee shall execute the writ-
22 ten oath or affirmation set forth in section 1 of article XI of
23 the state constitution of 1963. When the oath or affirmation is
24 executed, an appointee is certified as a commissioner of the LEC
25 and is immediately considered to have begun serving his or her
26 appointed term.

1 (5) Not more than 45 days after certification, a
2 commissioner may be decertified by a majority vote of both houses
3 of the legislature, if the legislature is in session, or by a 2/3
4 vote of the members of the legislative council if the legislature
5 is not in session. A decertified commissioner is disqualified
6 from membership on the legislative ethics commission and a
7 replacement shall be appointed to fill the vacancy in the same
8 manner as the original appointment.

9 (6) A commissioner or LEC employee shall not be a legisla-
10 tor, a legislative employee, an elected or appointed public offi-
11 cial, a commissioner or director of any governmental body except
12 the LEC, an officer of a political party, or a candidate for
13 public office.

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

16 (a) The commissioners appointed pursuant to section
17 111(1)(g) shall serve a term of 5 years.

18 (b) The commissioners appointed pursuant to section
19 111(1)(a) and (b) shall serve terms of 4 years.

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

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

24 (e) The commissioners appointed pursuant to section
25 111(1)(d) and (f) shall serve terms of 1 year.

26 (8) A commissioner shall serve for no more than 10
27 consecutive years, except that a commissioner shall continue in

1 office until a successor has been appointed. The appointment of
2 commissioners is not subject to the advice and consent of the
3 senate.

4 (9) A vacancy for the remainder of an unexpired term of a
5 commissioner shall be filled not more than 30 days after the
6 vacancy occurs in the same manner as an original appointment was
7 made. If the appointing authority does not make an appointment
8 within 30 days after a written request by the LEC to fill a
9 vacancy is made, or the appointment shall be made by the LEC.

10 (10) At the first meeting of the LEC in each even numbered
11 year, the LEC shall elect from its members a chairperson and a
12 vice-chairperson, each to serve for a 2-year term with a limit of
13 2 consecutive terms. The vice-chairperson shall act as chair-
14 person in the absence of the chairperson or if there is a vacancy
15 in the chair.

16 Sec. 113. (1) The LEC, by a majority vote, shall hire an
17 executive director who shall serve at the pleasure of the LEC.
18 The executive director shall appoint and discharge employees,
19 including special investigators, fix the compensation of employ-
20 ees, and prescribe the duties of employees. Each year the LEC
21 shall review the performance of the executive director in a meet-
22 ing with the executive director.

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

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

11 (4) The LEC may employ a technical, professional, or cleri-
12 cal services expert or consultant as necessary to carry out the
13 LEC's duties. The LEC may also contract for services that cannot
14 be satisfactorily performed by employees of the LEC.

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

20 (2) A commissioner shall receive compensation of at least
21 \$125.00 for each day he or she attends or participates in an LEC
22 meeting of at least 1 hour in length, either in person or by
23 teleconference. The chairperson and vice chairperson shall
24 receive an additional stipend of \$500.00 per year. The LEC shall
25 develop and implement policies related to internal operation and
26 expense allowances for commissioners and employees that are
27 reasonably consistent with the policies for reimbursement of

1 travel costs and the payment of per diem expense allowances
2 within state government.

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

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

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

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

14 (i) A candidate for the legislature.

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

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

20 (c) Register as a lobbyist or participate in lobbying activ-
21 ities that require the commissioner or employee to register as a
22 lobbyist.

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

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

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

7 Sec. 117. (1) The LEC shall meet at least once every 3
8 months at the call of the chairperson. Additional meetings may
9 be held at the call of the chairperson or a majority of
10 commissioners.

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

12 (3) A vote of the majority of commissioners present at a
13 meeting at which a quorum is present is required for any action
14 on which a vote is required.

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

17 (a) Authorize and train staff to give informal or formal
18 written or oral advice regarding the spirit and requirements of
19 this act.

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

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

25 (d) Investigate and adjudicate a complaint and recommend
26 disciplinary action to the legislature.

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

5 (f) Prepare and distribute the legislative ethics manual
6 required by section 205.

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

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

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

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

23 (c) Information voluntarily provided to an LEC employee is
24 not necessarily confidential and may be used against the person
25 seeking the advice if the information becomes material to a pro-
26 ceeding before the LEC. However, by a vote of the commission,
27 the LEC may grant approval for an employee to assure, in writing,

1 the confidentiality of oral information given by a person who has
2 requested a written informal nonbinding advice letter seeking
3 advice in advance of a contemplated action on which the advice is
4 sought.

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

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

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

19 (4) A formal written advisory opinion shall be approved and
20 issued by a majority of a quorum of the LEC. The vote of each
21 commissioner participating in the opinion shall be indicated on
22 the opinion. The LEC shall forward the opinion to the person who
23 requested the opinion and the opinion shall be part of the public
24 records of the LEC.

25 (5) A formal written advisory opinion issued by the LEC is
26 binding on the LEC in any subsequent proceedings concerning the
27 facts and circumstances of the particular case. If a fact

1 considered to be material by the LEC was omitted or misstated in
2 the request, the LEC is not bound by the opinion.

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

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

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

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

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

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

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

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

1 (3) A majority of a quorum of the commissioners may grant a
2 waiver at a meeting if the commissioners find that the person
3 seeking a waiver has shown all of the following by a preponder-
4 ance of the evidence:

5 (a) The harm caused by strict application of the act sub-
6 stantially outweighs the benefit of enforcement of the act in the
7 specific 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, the LEC shall make a decision on
18 a petition for a waiver not more than 30 days after the petition
19 is filed. Unless the person who seeks the waiver consents, an
20 extension of time ordered by the LEC shall not exceed an addi-
21 tional 60 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) The LEC may qualify a waiver granted under this section
26 in any manner the LEC considers appropriate.

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
21 of misconduct not more than 2 days after the complaint is
22 received by the LEC unless the chairperson of the LEC determines
23 that immediate notification would prejudice a preliminary inves-
24 tigation or subject the complainant to an unreasonable risk. The
25 LEC 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 LEC shall return the
11 complaint to the complainant with a statement of the nature of
12 the 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
27 LEC or that the person accused of misconduct intentionally

1 concealed or otherwise prevented discovery of relevant facts. If
2 the person accused intentionally concealed or otherwise prevented
3 discovery of relevant facts, the complaint shall be filed not
4 more than 5 years after the facts are discovered.

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

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

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

25 (9) If the LEC determines that the complaint alleges a vio-
26 lation outside the scope of this act, it shall so state and
27 forward the complaint to the appropriate enforcement body for

1 disposition. The notice of dismissal shall be sent to the person
2 accused and is a public record.

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

10 Sec. 129. (1) The LEC shall undertake an investigation in a
11 manner that assures the public an impartial and comprehensive
12 review, is fair to the person accused, and elicits the informa-
13 tion the LEC needs to make a decision.

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

22 (3) The LEC shall keep the resolution and the fact that an
23 investigation has been undertaken confidential except that, when
24 asked, the LEC may state that it is investigating a complaint
25 along with a statement that a finding of probable cause has not
26 been made and that an adverse inference of impropriety or guilt
27 should not be drawn from the decision to investigate. The LEC

1 shall not reveal any other fact concerning the nature or result
2 of the investigation except as provided in this act until after
3 the LEC determines that there is probable cause to believe that a
4 violation of this act has occurred.

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

14 (2) An investigation shall be conducted by the staff of the
15 LEC, outside counsel, and investigators as the LEC considers
16 necessary. The purpose of a preliminary investigation is to
17 determine whether there is probable cause to believe that a vio-
18 lation of this act has occurred and, if a violation has occurred,
19 to proceed with a full adjudicatory hearing.

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

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

1 (5) The person accused shall be given an adequate
2 opportunity to provide testimonial and documentary evidence and,
3 if the person accused requests, he or she may inspect and make
4 copies of all evidence relating to the allegations.

5 (6) When the investigation is complete, the investigator
6 shall submit a confidential written report that summarizes the
7 evidence, evaluates its credibility, and details findings on each
8 of the allegations investigated to the LEC with a recommendation
9 that the complaint, or any portion of it, be dismissed or that
10 the matter proceed to a hearing.

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

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

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

1 charge, the LEC shall so state in the notice of dismissal. The
2 LEC shall send a notice of dismissal to the person accused and
3 the complainant.

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

8 (4) The LEC shall make public a notice of dismissal and the
9 investigation report containing findings and recommendations, but
10 not the underlying investigatory materials, unless the LEC deter-
11 mines that this would unfairly prejudice either the person
12 accused or complainant. This act does not prevent a complainant
13 or person accused from making the notice of dismissal and the
14 report public.

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

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

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

3 (4) If the person accused acknowledges a violation of this
4 act, the LEC may suspend further proceedings and impose correc-
5 tive action or sanctions considered appropriate by the LEC. If
6 the LEC suspends the proceedings or dismisses the charges as a
7 result of a negotiated settlement, the LEC shall set forth the
8 terms and conditions of the settlement and the reasons for enter-
9 ing into the settlement in a written report. The LEC shall send
10 the written report to the complainant. The written report is a
11 part of the public record.

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

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

23 (2) The LEC shall hold a hearing pursuant to the contested
24 case provisions of the administrative procedures act of 1969, Act
25 No. 306 of the Public Acts of 1969, being sections 24.201 to
26 24.328 of the Michigan Compiled Laws, except as otherwise

1 provided in this act. For purposes of a hearing held pursuant to
2 this section, the LEC has the authority to issue subpoenas.

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

13 (4) Not more than 10 days after the completion of a hearing,
14 the hearing board shall vote on each charge to determine if each
15 charge was established by a preponderance of the evidence and
16 shall prepare a written opinion with recommendations, if any. A
17 vote of 3 commissioners is necessary to find a violation.

18 (5) As to each charge on which the evidence was found to be
19 insufficient to establish a violation, the hearing board shall
20 issue a written opinion stating that finding. If the hearing
21 board finds that a charge is frivolous, malicious, or made in bad
22 faith or that the person accused should be exonerated of the
23 charge, the hearing board shall state that finding in the
24 opinion. If the hearing board finds that the person accused
25 should be exonerated, the hearing board may recommend that the
26 legislature reimburse the person accused for all or part of
27 reasonable legal fees incurred as a result of the charge. Unless

1 the hearing board makes such a recommendation, legal fees shall
2 not be paid from public funds. A charge is not considered frivo-
3 lous, malicious, or made in bad faith based only on the fact that
4 there is insufficient evidence to establish a violation.

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

10 Sec. 138. A person found by a hearing board to have vio-
11 lated this act may appeal the decision of the hearing board to
12 the LEC pursuant to the contested case provisions of the adminis-
13 trative procedures act of 1969, Act No. 306 of the Public Acts of
14 1969, being sections 24.201 to 24.328 of the Michigan Compiled
15 Laws.

16 Sec. 139. (1) If the person who is found by a hearing
17 board, by acknowledgment to a hearing board, or by the LEC on
18 appeal to have violated this act is or was a member of the legis-
19 lature at the time a violation occurred, the chairperson of the
20 LEC shall forward the recommendations of the hearing board to the
21 presiding officer of the house of the legislature to which the
22 member belongs or if the person is a former member of the legis-
23 lature, the LEC shall forward the recommendations of the hearing
24 board to the house of the legislature to which the former member
25 belonged at the time the violation is found to have occurred and
26 the following apply:

1 (a) If the legislature is in session at the time the
2 recommendations are received, the entire house of the legislature
3 shall determine what sanctions, if any, are to be imposed. The
4 vote shall be taken not more than 30 days after receipt of the
5 LEC's recommendations. If the recommendations are received in
6 December, the house shall have 60 days to complete its
7 determination.

8 (b) If the legislature is not in session, the presiding
9 officer may either call a special session to put the matter to a
10 vote not more than 60 days after receipt of the recommendations
11 of the LEC or submit the recommendations to the legislative
12 council.

13 (c) Except in the case of expulsion, which requires a 2/3
14 vote, a majority vote is required to determine a sanction. A
15 vote taken pursuant to this section shall be a record roll call
16 vote.

17 (d) In determining what sanctions, if any, to impose, the
18 legislature is not required to review the basic facts or question
19 the procedures or findings of fact of the hearing board. The
20 primary issue before the legislature is the determination of the
21 appropriate sanction based on the findings of the hearing board.

22 (2) If the person found to have violated this act is a leg-
23 islative employee, the chairperson of the LEC shall forward the
24 recommendations of the hearing board to the select committee on
25 ethics to determine, as soon as is reasonably possible, what
26 sanctions, if any, are to be imposed. The select committee on
27 ethics is not required to review the basic facts or question the

1 procedures of the hearing board or findings of fact. The primary
2 issue before the select committee on ethics is the determination
3 of appropriate sanctions based on the findings of the hearing
4 board.

5 Sec. 141. (1) The attorney general shall assist the LEC and
6 the legislature with the enforcement of corrective action and
7 shall assist the legislature with the enforcement of a sanction
8 imposed under this act. The attorney general may independently
9 bring a civil or a criminal action based on a violation of this
10 act regardless of the outcome or settlement of a charge before
11 the LEC.

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

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

1 house of the legislature, or other agency of the state,
2 cooperation and assistance in the performance of its duties.

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

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

9 (6) The LEC may publicly respond to a statement or interpre-
10 tation made by a person who requested an informal advice letter
11 or a formal written advisory opinion or by a person who is the
12 subject of a decision of the LEC concerning the contents of that
13 informal advice letter, advisory opinion, or decision issued or
14 purported to have been issued. The LEC, to the degree necessary
15 to respond to an untrue public statement by a person who
16 requested a letter or opinion or who is the subject of a deci-
17 sion, may reveal information that would otherwise have been con-
18 fidential if failure to reveal the information would leave unan-
19 swered a serious allegation against the LEC or a serious distor-
20 tion of the procedure, letter, opinion, or decision of the LEC.

21 Sec. 143. Except as otherwise provided in this act, the
22 business that the LEC may perform shall be conducted at a public
23 meeting held in compliance with Act No. 267 of the Public Acts of
24 1976, being sections 15.261 to 15.275 of the Michigan Compiled
25 Laws. Public notice of the time, date, and place of the meeting
26 shall be given in the manner required by Act No. 267 of the
27 Public Acts of 1976.

1 Sec. 145. Except as otherwise provided in this act, a
2 writing prepared, owned, used, in the possession of, or retained
3 by the LEC in the performance of an official function shall be
4 made available to the public in compliance with the freedom of
5 information act, Act No. 442 of the Public Acts of 1976, being
6 sections 15.231 to 15.246 of the Michigan Compiled Laws.

7 Sec. 147. (1) A legislator or legislative employee shall
8 not seek or accept anything of value as a result of the per-
9 formance of public responsibilities. This subsection does not
10 prohibit solicitation for and acceptance of a campaign contribu-
11 tion, a pledge, a political endorsement, support in a political
12 campaign, or a promise of political indorsement or support under
13 permitted circumstances.

14 (2) A legislator or legislative employee shall not accept
15 anything of value if the legislator or legislative employee knows
16 or reasonably should know that the thing of value is offered with
17 the intent to influence a legislative, administrative, or politi-
18 cal action.

19 (3) 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. 149. A legislator or legislative employee who receives
23 an offer that clearly appears to be intended as an attempt to
24 improperly influence legislative, administrative, or political
25 action shall firmly and unequivocally reject the offer and cau-
26 tion the person making the offer that the offer may be a
27 violation of this act and of undue influence and bribery laws.

1 The legislator or legislative employee shall report the matter to
2 the appropriate law enforcement authority.

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

6 (2) A legislator shall not use state funds to mail material
7 describing a ballot proposal during the 30 days immediately pre-
8 ceding a general election. Material describing a ballot proposal
9 shall be approved, before it is mailed, by the majority and
10 minority leaders of the senate if the sender is a senator or by
11 the speaker and minority leader of the house of representatives
12 if the sender is a member of the house of representatives.

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

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

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

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

8 (2) The personnel policies of each house of the legislature
9 shall provide that if a legislator or legislative employee with
10 supervisory authority requests or demands that a legislative
11 employee perform an improper task, or if a reprisal is threatened
12 or a sanction imposed as a result of the refusal to perform the
13 task, the legislative employee subjected to the request, demand,
14 threat, or sanction shall report the matter to the LEC.

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

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

20 Sec. 157. (1) Other than in the performance of an official
21 duty or as required by law, a legislator or legislative employee
22 shall not use or disclose nonpublic or confidential information
23 acquired in the course of and by reason of legislative service to
24 obtain private gain for the legislator or legislative employee or
25 any person or business.

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

4 Sec. 159. (1) A legislator or legislative employee shall
5 not use, or allow another to use, the authority, title, or pres-
6 tige of the legislator's or employee's office to obtain an unwar-
7 ranted private economic benefit for the legislator, the legisla-
8 tive employee, or another person.

9 (2) A legislator or legislative employee shall not use offi-
10 cial letterhead or refer to the legislator's or legislative
11 employee's public position to induce or intimidate a person to
12 resolve a private dispute more favorably, provide preferential
13 treatment, or give a free ticket, discount, favor, or other
14 advantage that does not relate to the legislator's or legislative
15 employee's public position.

16 (3) A legislator or legislative employee shall not use, or
17 allow another to use, the authority, title, or prestige of the
18 legislator's or employee's office to endorse a commercial product
19 or service, and shall not use official letterhead in materials
20 endorsing a product, service, or candidate for office. This sub-
21 section does not prohibit the use of either of the following:

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

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

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

6 Sec. 161. (1) For a period of 1 year after leaving office
7 or legislative employment, a former legislator or legislative
8 assistant shall not use or disclose nonpublic or confidential
9 information acquired in the course of or by reason of legislative
10 service to obtain personal gain or for the gain of another.

11 (2) For a period of 1 year after leaving office or legisla-
12 tive employment, a former legislator or legislative employee
13 shall not seek a position as or agree or contract to be or become
14 a lobbyist, representative, consultant, adviser, or advocate to
15 influence either of the following to take or withhold a legisla-
16 tive action:

17 (a) A legislator or legislative employee.

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

21 (3) For purposes of this act a person had special oversight
22 or budget authority over an agency if he or she served, within
23 the last year of his or her legislative term, as the senate
24 majority leader, speaker of the house of representatives, chair-
25 person of the senate finance committee, chairperson of the house
26 taxation committee, or as chairperson of a committee directly
27 concerned on a regular basis with activity of the agency.

1 (4) For a period of 1 year after leaving office or
2 legislative employment, a former legislator or legislative
3 assistant shall not solicit or accept compensation that is not
4 commensurate with the service performed or that would create in
5 the mind of a reasonable, objective observer the perception that
6 the stature of office has been unduly exploited for private
7 gain.

8 Sec. 163. (1) A legislator shall not engage, either
9 directly or through another acting on behalf of the legislator,
10 in conduct that the legislator knows or reasonably should know is
11 likely to create the belief or impression that the person or
12 cause he or she represents will receive more or less favorable
13 consideration by the legislator or that the person will be given
14 more or less opportunity to personally state his or her case or
15 otherwise be benefited or disadvantaged as a direct result of
16 that person's willingness to provide money for a campaign contri-
17 bution or a cause favored by the legislator, to provide the leg-
18 islator with personal benefits, or political support.

19 (2) A legislator shall not do any of the following either
20 directly or through another acting on behalf of the legislator:

21 (a) Agree to, or threaten to, take or withhold legislative,
22 administrative, or political action because of a person's deci-
23 sion to provide or not provide a political contribution to the
24 legislator.

25 (b) State or imply that the legislator will perform or
26 refrain from performing a lawful constituent service because of a

1 person's decision to provide or not provide a political
2 contribution.

3 (c) Accept a contribution given or offered in violation of a
4 statute.

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

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

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

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

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

19 (5) Unless a legislator or legislative employee is ordered
20 by the LEC to cease a specific transaction or relationship or
21 divestiture is ordered by the LEC, a conflict of interest pro-
22 scribed by this section shall be publicly disclosed or volun-
23 tarily restrained, or both.

24 Sec. 167. (1) A legislator or legislative employee shall
25 avoid a close personal relationship conflict of interest. Unless
26 a relationship violates a specific legal limitation, a close
27 personal relationship conflict of interest is not subject to

1 mandatory disclosure. If a situation is not reasonably
2 avoidable, a legislator or legislative employee shall take an
3 affirmative step to disclose a conflict that is not apparent and
4 refrain, if reasonably possible, from making a decision or taking
5 an action affected by the conflict.

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

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

12 (2) The legislature shall not employ an immediate family
13 member of a legislator for compensation in the legislative house
14 in which the legislator is a member unless the family member was
15 employed by the legislature at the time of the marriage.

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

19 (4) If an immediate family member of a legislator or legis-
20 lative employee is uniquely qualified to perform a task or
21 another extraordinary circumstance exists in which it would be in
22 the best interest of the state to waive a prohibition in this
23 section, a waiver may be sought from the LEC pursuant to section
24 125.

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

1 Sec. 171. (1) A legislator or legislative employee who has
2 a close economic association or a close personal relationship
3 with a registered lobbyist shall disclose the relationship in
4 writing and in confidence to the LEC during the first week of
5 each legislative session, not more than 30 days after taking
6 office for a legislator not in office during the first week of
7 the session, or as soon as reasonably possible, but no more than
8 45 days after forming a relationship that did not exist during
9 the first week of the legislative session.

10 (2) The written disclosure required by subsection (1) shall
11 state the name of the person involved, the nature of the rela-
12 tionship, and a brief narrative of the matter the legislator or
13 legislative employee is working on or reasonably might work on in
14 the future that could create a conflict of interest. The LEC may
15 request further information that shall be promptly provided.

16 (3) The LEC shall determine whether or not the relationship
17 creates a conflict of interest that requires a restriction or
18 disclosure. The LEC may elect to keep the matter confidential,
19 to order a restriction in the activity, to order disclosure in
20 the journal of the appropriate house of the legislature, or to
21 take any of these actions.

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

26 (5) A legislator or legislative assistant shall not have a
27 financial interest in a business that receives a substantial part

1 of its income from a lobbyist or lobbyist agent that regularly
2 engages in lobbying the legislature or a state agency, board, or
3 commission.

4 Sec. 173. A legislator or legislative employee shall not
5 serve on a governing or advisory board of an organization that
6 regularly has a substantial interest in the legislative, adminis-
7 trative, or political actions of the legislator or legislative
8 employee unless the legislator or legislative employee discloses
9 the relationship and disqualifies himself or herself from any
10 action relating to the organization's interests.

11 Sec. 175. A legislator or legislative employee shall not
12 have an equity or ownership interest in a business, investment,
13 real property, lease, or other enterprise if the interest has a
14 cost or fair market value of \$25,000.00 or more and the financial
15 interest is likely to be materially affected by a legislative,
16 administrative, or political action of the legislator or legisla-
17 tive employee, unless the legislator or legislative employee dis-
18 qualifies himself or herself from any action relating to the
19 interest involved.

20 Sec. 177. (1) A legislator or legislative employee shall
21 not professionally represent a person or entity in a legal action
22 against the state if the state is the real party in interest, or
23 receive compensation or anything of value for acting as an infor-
24 mal representative, adviser, or consultant to a person regarding
25 an action against the state. This subsection does not prevent a
26 legislator or legislative employee who is an attorney from

1 representing a client in a proceeding if the state is not a real
2 party in interest.

3 (2) A legislator or legislative employee shall not profes-
4 sionally represent as an advocate, adviser, or consultant, a
5 person in an action before a state agency, board, or commission
6 unless the proceeding is adjudicatory in nature and there is no
7 reasonable basis to conclude that the side represented by the
8 legislator or legislative employee has an unfair advantage. A
9 matter is adjudicatory in nature when opposing sides have sepa-
10 rate representation.

11 (3) This section does not prohibit an attorney from repre-
12 senting a client in an otherwise permissible action before a
13 criminal or civil court and does not prevent a legislator or leg-
14 islative employee from representing personal interests in an oth-
15 erwise proper proceeding.

16 (4) A legislator or legislative employee shall not profes-
17 sionally represent a person to obtain or retain a state license,
18 permit, franchise, grant, loan, or other entitlement, whether or
19 not other parties contending for the state benefit are repre-
20 sented unless the granting of the benefit is a purely ministerial
21 matter.

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

26 (6) This section does not prohibit a legislator or
27 legislative employee from informally advising a constituent about

1 a procedure or the appropriateness of bringing an action against
2 this state. If a legislator or legislative employee advises a
3 constituent or other person in an action against this state or
4 before a state agency, the legislator or legislative employee
5 shall not reveal any nonpublic or confidential information.

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

9 (8) If for any reason it is unreasonably difficult to comply
10 with the restrictions in this section, until January 1, 1994, a
11 legislator or legislative employee may represent a person in a
12 proceeding that would be prohibited under this section if a
13 statement that includes all of the following is promptly filed
14 with the LEC and published in the journal of the appropriate
15 house:

16 (a) The name of the client.

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

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

19 (d) The amount of compensation received or anticipated
20 relating to the representation.

21 (9) Changes in the statement required by subsection (8)
22 shall be filed every 90 days until the representation is com-
23 pleted or January 1, 1994 whichever occurs first.

24 Sec. 179. (1) A legislator or legislative assistant, or an
25 immediate family member of a legislator or legislative assistant,
26 may be a party to, or have a financial interest in, a state

1 contract or lease only if 1 or more of the following
2 circumstances apply:

3 (a) The contract is let through competitive sealed bidding
4 and the legislator or legislative assistant has filed a statement
5 that includes all of the information required by this section
6 with the LEC at the time the bid is made. The LEC may request
7 additional information which shall be promptly provided by the
8 legislator or legislative assistant. If the LEC believes the
9 nature or circumstances of the contract raise an impermissible
10 conflict of interest, and if the portion of the contract that
11 pertains to the legislator or legislative assistant is severable,
12 the LEC may void that portion of the contract or may order a
13 restriction. If the LEC believes the nature or circumstances of
14 the contract raise an impermissible conflict of interest and the
15 portion of the contract that pertains to the legislator or legis-
16 lative assistant is not severable, the LEC may void the contract
17 or may order a restriction. The statement shall be made part of
18 the public record and shall be published in the journal of the
19 appropriate house of the legislature. The statement shall spec-
20 ify the nature of the legislator's or legislative assistant's
21 personal or immediate family member's interest including the per-
22 centage or share of the profit to be realized and shall certify
23 under penalty of perjury that the legislator or legislative
24 assistant had or has none of the following:

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

1 (ii) Contact with a state official involved in letting the
2 contract regarding the contract that could unduly influence the
3 decision.

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

8 (c) The contract or lease was developed and standardized
9 under published guidelines and the benefits and rights conferred
10 are widely available to the general public under the same terms
11 and conditions.

12 (2) A legislator or legislative assistant shall not seek or
13 accept compensation on a state contract and a legislator or leg-
14 islative assistant shall not receive compensation for a service
15 relating to recommending, supporting, or advocating a contract
16 between a person or business and this state, a local government
17 that receives substantial state funds, or a private enterprise
18 that does a substantial portion of its business with this state.

19 (3) For a period of 1 year after leaving legislative office
20 or legislative employment, a former legislator or legislative
21 assistant shall not seek or accept a contract for a good or per-
22 sonal service or other compensation concerning a matter on which
23 the legislator or legislative assistant worked extensively within
24 the last year of his or her legislative service.

25 (4) A legislator or legislative employee may participate in
26 a state assistance or benefit program or receive a loan from the
27 state if the program or loan is generally available to a member

1 of the public, is subject to a fixed objective eligibility
2 standard, and requires minimal discretion in determining
3 qualification. The LEC shall annually review state assistance
4 and benefit programs and loans and designate the programs that
5 meet the qualifications in this section. If the LEC determines
6 that the circumstances under which the legislator or legislative
7 employee participated in a state assistance or benefit program or
8 received a loan raises an undue appearance of impropriety or was
9 the result of unfair or improper influence, the participation in
10 the state assistance or benefit program or receipt of the loan
11 shall be treated as a violation of this act and the LEC may order
12 a sanction authorized under this act. A legislator or legisla-
13 tive employee participating in a state assistance or benefit pro-
14 gram or receiving a loan that does not qualify under this subsec-
15 tion shall file written reports in the following manner:

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

1 (b) If assistance, benefits, or loan proceeds are received
2 from a nonqualifying assistance, benefit, or loan program after
3 January 15, the legislator or legislative employee shall file a
4 statement with the LEC within 30 days after the beginning of par-
5 ticipation in the state assistance or benefit program or receipt
6 of proceeds from the state loan. This statement shall be
7 promptly forwarded to the presiding officer of the appropriate
8 house of the legislature who shall have it published in the
9 journal.

10 (5) An annual audit shall be conducted by the auditor gen-
11 eral or a certified public accountant appointed by the auditor
12 general of programs identified by the LEC pursuant to this
13 section. The LEC shall determine the scope of the audit. The
14 records of a state agency to be audited shall be made available
15 to the auditor general or the appointed certified public
16 accountant. A report of the audit findings shall be prepared for
17 the LEC. The findings are confidential until the report is
18 released by the LEC.

19 Sec. 181. (1) A legislator or legislative assistant shall
20 not solicit, accept, or receive, directly or indirectly, anything
21 of value as a gratuity from a person or entity except that a leg-
22 islator or legislative assistant may accept a gratuity if the
23 aggregate value is less than \$100.00 from a single source for a
24 year if the gift is reported to the LEC as to source and amount
25 and the gratuity is not accepted under a circumstance in which it
26 could be reasonably inferred that the gift is intended to

1 influence the performance of an official duty, action, or
2 judgment.

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

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

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

12 (c) A gift of sample merchandise, a promotional item such as
13 a pen or calendar, or a token of appreciation such as candy, a
14 fruit basket, or flowers if the gift is of nominal value, is
15 given to a customer or a potential customer in the ordinary
16 course of business, and there is no special fact creating a con-
17 flict of interest or the appearance of impropriety.

18 (d) An unsolicited award with a value of less than \$100.00.
19 A more valuable award may be accepted only if the organization
20 making the award does not have a substantial interest in the leg-
21 islative, administrative, or political action of the recipient or
22 the award has been approved by the LEC and the LEC finds the gift
23 does not create an impermissible conflict of interest.

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

1 (f) Food or foodstuffs indigenous to the state that are
2 shared generally as a cultural or social norm or a meal or
3 beverage provided and consumed at a social or fund-raising event,
4 conference, or professional meeting, at a restaurant or club, or
5 as part of personal hospitality at the residence or place of
6 business of the host but does not include the following:

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

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

10 (g) A gift presented by a representative of a foreign gov-
11 ernment on behalf of the state, but if it is worth more than
12 \$100.00, the gift must be turned over to the presiding officer of
13 either house of the legislature for display in a public area of
14 the capital or for sale at auction, the proceeds to go to charity
15 or the general fund. If the gift is worth less than \$100.00, and
16 it was intended as a personal gift, it may be kept if it is
17 reported as required in this act.

18 (h) Reasonable and necessary expenses including reimburse-
19 ment for travel and related food and lodging if the expenses are
20 incidental to a trip paid for by a government agency or a bona
21 fide nonprofit educational or charitable institution for a gov-
22 ernment or educational purpose and if lodging expense is limited
23 to the day preceding and the day or days of the event. If the
24 institution paying the expenses does not have a substantial
25 interest in the legislative, administrative, or political action
26 of the recipient, expenses may also be paid for a spouse or other
27 companion, including an immediate family member of the legislator

1 or legislative employee, if the value of the gift is reported on
2 a required disclosure form.

3 (i) Hospitality including overnight lodging, food, and bev-
4 erage at the residence or other home of the host if the host is
5 present. If the host is a personal friend and has no substantial
6 interest in the legislative, administrative, or political actions
7 of the recipient and there is no other fact that creates a con-
8 flict of interest, there is no limit on the number of days
9 stayed. If the host has a substantial interest in the legisla-
10 tive, administrative, or political actions of the recipient, the
11 exempt stay shall not exceed 2 nights, and the gratuity shall be
12 reported on a financial disclosure form. This subdivision does
13 not permit the use of a lodging, motor home, or boat if the host
14 is not personally present or, regardless of the presence of the
15 host, if the purpose is to provide the legislator or legislative
16 employee with a paid or subsidized vacation. A legislator or
17 legislative employee may accept transportation in a host's per-
18 sonal or company car or van to the place of a social event. A
19 legislator or legislative employee shall not accept unusual or
20 expensive travel such as by air or limousine to the residence of
21 the host or other place.

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

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

4 (a) Makes it unreasonably difficult to fulfill a legislative
5 obligation.

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

8 (c) Requires the improper use of a government relationship
9 or the authority, prestige, or title associated with legislative
10 office.

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

15 (e) Requires the legislator or legislative employee under a
16 conflict of interest and disqualification requirement to refrain
17 from taking a legislative, administrative, or political action in
18 a certain situation.

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

21 (2) A legislator or legislative employee shall not receive
22 compensation for a personal service from a state entity other
23 than the legislature except as specifically provided or as
24 approved by the LEC. A legislator or legislative employee is not
25 precluded by this section from earning compensation at a state
26 funded school or university if undue influence is not used to
27 obtain the position.

1 (3) A legislator or legislative employee who accepts
2 otherwise permissible employment with a person who has a substan-
3 tial interest in a legislative, administrative, or political
4 action shall comply with the special disclosure provisions of
5 this act and shall scrupulously avoid conduct that would lead a
6 reasonable, objective person to believe that the legislator or
7 legislative employee is unable or unwilling to exercise indepen-
8 dent, objective, and impartial judgment in considering a matter
9 that affects an interest of the legislator's or legislative
10 employee's employer.

11 (4) A legislator or legislative employee shall not accept an
12 honorarium. If a legislator or legislative employee or his or
13 her immediate family member uses transportation, obtains lodging,
14 or consumes food or beverages in connection with an undertaking
15 in the discharge of the duties of elective office and if the cost
16 for the transportation, lodging, food, or beverages, or a combi-
17 nation of the costs is more than \$50.00, and is paid or reim-
18 bursed by a person or persons other than the legislator or legis-
19 lative employee or the house of the legislature in which he or
20 she serves, the legislator or legislative employee shall report
21 the name and address of and the amount of costs paid or reim-
22 bursed by each such person on a form provided by the secretary of
23 state.

24 Sec. 185. (1) A legislator or legislative employee shall
25 exercise his or her power and prerogative without prejudice or
26 favoritism and shall not use public authority to reward, hinder,

1 or punish a relative, friend, or political supporter or to
2 reward, hinder, or punish an adversary.

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

6 Sec. 187. (1) A legislator shall not interfere with the
7 ability or willingness of a state or municipal governmental body,
8 official, or employee to use independent judgment in making an
9 official decision or in taking an appropriate action on the
10 merits of an issue.

11 (2) A legislator shall not use or appear to use political
12 influence in a way that is likely to cause another public offi-
13 cial to consider an inappropriate factor in exercising public
14 authority. An act either intended to or likely to be construed
15 as enticement, trade-off, threat, ingratiation, intimidation, or
16 coercion is improper. Except to assure that a particular person
17 is being treated fairly according to an established rule or pro-
18 cedure, a legislator shall not interfere with or seek to influ-
19 ence any of the following:

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

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

24 (c) An action of a governmental agency concerning the grant-
25 ing or revoking of a license, permit, franchise, or similar
26 entitlement.

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

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

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

10 (c) Exercising vigilant oversight with respect to the
11 policy, regulation, procedure, or implementation of a practice of
12 an agency.

13 (4) 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. 189. (1) A legislator or legislative assistant shall
17 disclose a financial, professional, or personal interest that is
18 likely to create in the mind of a reasonable, objective person
19 the belief that the legislator or legislative assistant's objec-
20 tivity and ability to exercise independent judgment in the public
21 interest have been adversely affected by that interest.

22 (2) A legislator shall disclose to the LEC, on a form and
23 within a time frame prescribed by the LEC, detailed information
24 on the source and amount of income received by the legislator. A
25 legislator shall not transfer or direct income to any other
26 person including a spouse or dependent with the intent of
27 avoiding disclosure of that income.

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

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

8 (a) For income that is not a gratuity, the name and address
9 of the source, a brief statement describing the nature of the
10 service performed including sufficient detail to permit the LEC
11 to determine if the nature of the work created a conflict of
12 interest, and the amount paid.

13 (b) For income that is a gratuity that is required to be
14 reported under section 181(2)(a), (g), (h), or (i), the name and
15 address of the person providing the gratuity, a brief description
16 of the nature of the gratuity, and a good faith statement of the
17 fair market value of the gratuity. If an exact value is not
18 known, a reasonable good faith estimate is acceptable. A loan
19 that was forgiven during the period shall be reported as a
20 gratuity.

21 (c) For a reimbursement for expenses aggregating more than
22 \$100.00 in a calendar year, the name and address of the source
23 and the amount paid.

24 (d) For each loan or loan guarantee yielding loan proceeds
25 of at least \$100.00 in the reporting period if the lender or
26 guarantor is a person with a substantial interest in legislative,
27 administrative, or political actions, the name and address of the

1 person making the loan or guarantee, the amount of the loan, the
2 terms and conditions under which the loan or guarantee was given,
3 the amount outstanding at the time of filing, and whether or not
4 a written loan agreement exists.

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

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

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

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

16 Sec. 193. (1) A legislator shall file a statement for cate-
17 gory B income conforming to the requirements of section 191
18 except that for income, an expense reimbursement, a loan, or a
19 loan guarantee, only those income sources of \$1,000.00 or more
20 shall be listed. However, listing of unearned income received as
21 a beneficiary or as a result of a power of appointment or earned
22 income received as a trustee from a living or testamentary trust
23 established by an immediate family member is not required.

24 (2) The LEC shall review a category B statement to determine
25 if an impermissible conflict of interest exists, if a special
26 order or restriction is required, or if the statement is exempt
27 from disclosure pursuant to section 13 of the freedom of

1 information act, Act No. 442 of the Public Acts of 1976, being
2 section 15.243 of the Michigan Compiled Laws.

3 (3) If the person filing the statement is a legislator, the
4 statement is presumptively public and shall be made part of the
5 public record unless the legislator submitting it requests that
6 it or part of it be kept confidential, states the reason for the
7 request, and the LEC finds that no valid public purpose would be
8 advanced by publication.

9 Sec. 195. (1) A legislator or legislative employee shall
10 file a statement with the LEC disclosing a close economic associ-
11 ation or a close personal relationship, and shall file the spe-
12 cial statement required with respect to a lobbyist relationship
13 in section 171(1).

14 (2) The statement required by this section shall be filed
15 during the first week of each legislative session, not later than
16 30 days after taking office for each legislator not in office or
17 legislative employee not employed during the first week of the
18 session, or as soon as reasonably possible, but not later than 45
19 days after forming a relationship that did not exist during the
20 first week of the legislative session.

21 (3) The LEC shall determine whether the relationship creates
22 a conflict of interest that requires a restriction or disclosure
23 and may elect to keep the matter confidential, to order some
24 restriction in the activity, or to order disclosure in the jour-
25 nal of the appropriate house of the legislature. If written dis-
26 closure is ordered, the written disclosure shall include all of
27 the following:

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

2 (b) The nature of the relationship.

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

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

6 Sec. 197. (1) A legislator shall request that an employer
7 that is a category A income source to a legislator file, and the
8 employer shall file, in a time frame and on a form prescribed by
9 the LEC, a statement made under penalty of perjury that contains
10 all of the following:

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

16 (b) A brief narrative of the nature of the relationship of
17 the employer with the legislator or legislative assistant, the
18 terms of compensation, and the amount paid during the reporting
19 period.

20 (2) A legislator shall request that an employer that is a
21 category B income source file, and the employer shall file, a
22 statement only if the total compensation paid a legislator is
23 \$1,000.00 or more during the reporting period. The employer
24 shall file the statement under penalty of perjury and shall
25 include a brief narrative of the nature of the relationship with
26 the legislator or legislative assistant, the terms of
27 compensation, and the amount paid during the reporting period.

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

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

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

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

21 (3) A legislator or legislative employee who believes that a
22 policy or rule of a house of the legislature is not achieving its
23 intended purpose, is creating an unintended harm, or is wasteful
24 or inefficient shall take an affirmative step to improve the pro-
25 cedure to increase the fairness and quality of government service
26 and assure that the policy is implemented efficiently, equitably,
27 and economically.

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

6 (2) A legislator or legislative employee who has a good
7 faith reasonable belief that the public interest requires the
8 disclosure of a governmental policy or action thought to be
9 unlawful or improper shall reveal that information to the appro-
10 priate authority.

11 (3) A legislator or legislative employee shall not, directly
12 or indirectly, subject a person to reprisal, retaliation, harass-
13 ment, discrimination, or ridicule for reporting to the LEC or
14 other government entity, conduct the person reasonably believes
15 is a violation of this act or other state law. A legislative
16 employee who is discharged, disciplined, involuntarily trans-
17 ferred, or otherwise penalized by a legislator or legislative
18 employee is protected by the whistleblowers' protection act, Act
19 No. 469 of the Public Acts of 1980, being sections 15.361 to
20 15.369 of the Michigan Compiled Laws.

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

23 (a) Publish an ethics education manual.

24 (b) Establish an education advisory committee.

25 (c) Design and implement a legislative orientation training
26 course, a current issues and applications seminar, and a lobbyist
27 training course.

1 Sec. 205. (1) The LEC shall prepare and publish a
2 legislative ethics manual that shall contain all ethics statutes,
3 rules and regulations, and related information, including a
4 detailed explanation of technical and specific legal requirements
5 and the underlying purpose and ethical principle that comprise
6 the "spirit" of these requirements. The manual shall include
7 realistic examples with recommended actions and questions and
8 answers regarding common problems and situations.

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

14 Sec. 207. (1) The LEC chairperson shall create an education
15 advisory committee and shall appoint 5 members to the committee
16 including at least 2 members of the LEC, a legislator, and a leg-
17 islative employee. The education advisory committee may also
18 include an outside expert in the field of ethics.

19 (2) The education advisory committee shall oversee the
20 implementation of, and recommend the content for, the following
21 ethics education programs:

22 (a) Legislative orientation training course as described in
23 subsection (3).

24 (b) Current issues and applications seminar as described in
25 subsection (4).

26 (c) Lobbyist training course as described in
27 subsection (5).

1 (3) In 1994, and each year after 1994, the LEC shall conduct
2 a legislative ethics orientation training course that is manda-
3 tory for all legislators and legislative employees to which all
4 of the following apply:

5 (a) Unless otherwise decided by the LEC, in years after
6 1994, a legislator or a legislative employee who has not previ-
7 ously attended shall attend the course in January.

8 (b) The education advisory committee shall determine the
9 specific content of the course. The course shall highlight the
10 principles of public service ethics and the intent of ethics laws
11 including their application to practical situations. The course
12 shall include the study of all of the following:

13 (i) Ethics laws and policies.

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

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

18 (c) The LEC shall offer separate sessions of the course for
19 legislators and for legislative employees, and shall offer as
20 many sessions as necessary to accommodate the number of people
21 required to take the course.

22 (4) In 1994, and each year after 1994, the LEC shall conduct
23 a current issues and applications seminar that is mandatory for
24 all legislators and legislative employees who have previously
25 completed the legislative ethics orientation training course, to
26 which all of the following apply:

1 (a) The education advisory committee shall determine the
2 specific content of the seminar. The seminar shall include an
3 overview of all substantive changes in the law relating to ethics
4 including amendments, revisions, and new ethics advisory
5 opinions. The seminar shall include discussions on problem solv-
6 ing skills, practical ethical issues likely to confront a legis-
7 lator or legislative employee, and the underlying principles of
8 public service ethics.

9 (b) The LEC shall offer separate sessions of the course for
10 legislators and for legislative employees and offer as many ses-
11 sions as necessary to accommodate the number of people required
12 to take the seminar.

13 (5) In 1994, and each year after 1994, the LEC shall conduct
14 a lobbyist training course that is available for all lobbyists,
15 to which all of the following apply:

16 (a) The education advisory committee shall determine the
17 specific content of the training course. The training course
18 shall include a review of all ethics statutes, the rules and reg-
19 ulations relating to appropriate lobbyist conduct, and the prin-
20 ciples of public service ethics.

21 (b) The LEC shall update the training course at least
22 annually.

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

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

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

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

4 (c) Assure the attendance of legislative employees who are
5 not in, and are unable to travel to, the state capital by offer-
6 ing the programs by teleconference, distributing videotapes to
7 the employees, or arranging to have employees travel to a site
8 where a live or teleconference course is available.

9 (2) The LEC may recommend a sanction, including suspension
10 of pay or dismissal of a legislative employee or a recommendation
11 for disciplinary action for a legislator, on a legislator or leg-
12 islative employee who fails to complete the ethics education
13 requirement within a reasonable amount of time as determined by
14 the LEC.

15 (3) The LEC shall supply the senate majority leader and
16 speaker of the house of representatives with the name of a legis-
17 lator or legislative employee who has not complied with the
18 ethics education requirement.

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

21 Sec. 211. The LEC shall promulgate rules necessary to
22 administer this act pursuant to the administrative procedures act
23 of 1969, Act No. 306 of the Public Acts of 1969, being sections
24 24.201 to 24.328 of the Michigan Compiled Laws.

25 Sec. 213. (1) When the LEC finds that a violation of this
26 act has occurred, the LEC may recommend, and the house of the
27 legislature of which the accused person is a member or an

1 employee may order, an appropriate sanction designed to fit the
2 offense and assure both fair treatment of the offender and deter-
3 rence to others who might consider a similar act.

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

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

10 (a) A civil fine of \$5,000.00 for each offense or twice the
11 amount improperly gained by the misconduct, whichever is less.

12 (b) Divestiture of a specified asset or withdrawal from a
13 specified relationship.

14 (c) Detailed disclosure with or without an additional
15 periodic reporting requirement.

16 (d) Restitution or reimbursement.

17 (e) Written reprimand.

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

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

24 (h) Expulsion of a legislator or dismissal of a legislative
25 employee.

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

1 (j) Any combination of the sanctions in subdivisions (a) to
2 (i).

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

7 (2) The right to proceed in a separate civil suit under this
8 section is independent of any proceeding conducted by the LEC
9 but, to the extent that a civil fine is ordered for any offense,
10 a person shall be fined \$5,000.00 for each offense or twice the
11 amount improperly gained by the misconduct, whichever is less.

12 (3) Information acquired by the LEC shall be made available,
13 on request, to litigants in the civil action provided the release
14 of the information does not jeopardize an action before the LEC,
15 cause unfair prejudice to the person accused, or violate a legal
16 obligation of confidentiality.

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

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

24 (2) Information acquired by the LEC shall be made available,
25 on request, to the defendant and prosecutor in a criminal action
26 provided that the release of the information does not prejudice

1 the person accused or violate a legal obligation of
2 confidentiality.

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