



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5489 (as passed by the House)
Sponsor: Representative David Galloway
House Committee: House Oversight and Ethics
Senate Committee: Finance

Date Completed: 4-22-96

CONTENT

The bill would amend one law and repeal another to permit State employees to purchase tax-reverted property.

The bill would amend Public Act 317 of 1968, which provides for the conduct of public servants regarding government decisions and contracts with public entities, to specify that the Act's restrictions on contracts between a public servant and the public entity (of which he or she was an officer or employee) would not prohibit a State public servant from purchasing at a tax sale property returned as tax delinquent, unless otherwise prohibited by the public servant's department or agency rules or rules of the Civil Service Commission. Under Public Act 317, "public servant" includes all persons who serve any "public entity", except legislators and State officers who are within Article 4, Section 10 of the State Constitution (which prohibits legislators and State officers from having an interest in any contract with the State or a political subdivision that would cause a substantial conflict of interest). "Public entity" means the State and all State agencies, and any public body corporate or nonincorporated within the State.

The bill would repeal Public Act 258 of 1861, which forbids any officer or clerk employed by the "state land office" or the office of "auditor general" during the term of his or her service to purchase from the State any lands for sale at those offices. (The State land office eventually became a part of the Department of Natural Resources, and the auditor general's office eventually became part of the Department of Treasury, except for the Auditor General appointed by the Legislature to conduct post audits of transactions and accounts of the State, pursuant to Article 4, Section 53 of the State Constitution.)

MCL 15.323a et al.

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: G. Cutler
B. Bowerman

S9596\S5489SA

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.