



HOUSE BILL No. 5230

October 10, 1995, Introduced by Reps. Hanley, LaForge, DeMars, DeHart, Freeman and Parks and referred to the Committee on House Oversight and Ethics.

A bill to amend section 3 of Act No. 317 of the Public Acts of 1968, entitled as amended

"An act relating to the conduct of public servants in respect to governmental decisions and contracts with public entities; to provide penalties for the violation of this act; to repeal certain acts and parts of acts; and to validate certain contracts,"

as amended by Act No. 184 of the Public Acts of 1984, being section 15.323 of the Michigan Compiled Laws; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 3 of Act No. 317 of the Public Acts of
2 1968, as amended by Act No. 184 of the Public Acts of 1984, being
3 section 15.323 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 3. (1) Section 2 ~~shall~~ DOES not apply ~~to either~~ IF
6 ALL of the following REQUIREMENTS ARE MET:

1 (A) ONE OR MORE OF THE FOLLOWING APPLY:

2 (i) ~~(a) A~~ THE public servant ~~who~~ is paid for working an
3 average of 25 hours per week or less for a public entity.

4 (ii) ~~(b) A~~ THE public servant ~~who~~ is an employee of a
5 public community college, junior college, or state college or
6 university.

7 ~~(2) A contract as defined in and limited by section 2~~
8 ~~involving a public entity and a public servant described in sub-~~
9 ~~section (1) shall meet all of the following requirements:~~

10 (iii) THE CONTRACT GOVERNS THE RECEIPT OF A FEDERAL GRANT OR
11 LOAN AND THE PUBLIC SERVANT IS AN EMPLOYEE OF THE PUBLIC ENTITY.

12 (B) ~~(a)~~ The public servant promptly discloses any pecuni-
13 ary interest in the contract to the official body ~~which~~ THAT
14 has power to approve the contract. ~~, which~~ THE disclosure shall
15 be made a matter of record in ~~its~~ THE official proceedings OF
16 THE APPROVING BODY.

17 (C) ~~(b)~~ The contract is approved by a vote of not less
18 than 2/3 of the full membership of the approving body in open
19 session without the vote of the public servant making the
20 disclosure.

21 (D) ~~(c)~~ The ~~official~~ APPROVING body discloses the fol-
22 lowing summary information in its official minutes:

23 (i) The name of each party involved in the contract.

24 (ii) The terms of the contract, including duration, finan-
25 cial consideration between parties, facilities or services of the
26 public entity included in the contract, and the nature and degree

1 of assignment of employees of the public entity for fulfillment
2 of the contract.

3 (iii) The nature of any pecuniary interest.

4 (2) ~~-(3)-~~ This section and section 2 ~~shall~~ DO not prevent
5 a public servant from making or participating in making a govern-
6 mental decision to the extent that the public servant's partici-
7 pation is required by law. If 2/3 of the members are not eligi-
8 ble under this act to vote on a contract or to constitute a
9 quorum, a member may be counted for purposes of a quorum and may
10 vote on the contract if the member will directly benefit from the
11 contract in an amount less than \$250.00 and less than 5% of the
12 public cost of the contract and the member files a sworn affida-
13 vit to that effect with the official body. The affidavit shall
14 be made a part of the public record of the official proceedings.
15 As used in this subsection, "governmental decision" means a
16 determination, action, vote, or disposition upon a motion, pro-
17 posal, recommendation, resolution, ordinance, order, or measure
18 on which a vote by members of a local legislative or governing
19 body of a public entity is required and by which a public body
20 effectuates or formulates public policy.

21 Section 2. Sections 9 and 10 of Act No. 317 of the Public
22 Acts of 1968, being sections 15.329 and 15.330 of the Michigan
23 Compiled Laws, are repealed.