



# HOUSE BILL No. 5920

June 21, 2000, Introduced by Reps. Bishop, Rocca, Vander Roest, Mortimer, Kowall, Hart, Garcia, Sanborn, Ruth Johnson, LaSata, Shackleton, Vear and DeHart and referred to the Committee on Constitutional Law and Ethics.

A bill to establish standards of ethical conduct for public officials and public employees of this state and its political subdivisions; to impose certain conditions on public officials, public employees, and other persons and enhance accountability; to require public disclosure by public officials and public employees of certain transactions and to require the filing of a transactional disclosure statement; to establish an ethics board and prescribe its powers and duties; to establish a legislative ethics committee and prescribe its powers and duties; to permit political subdivisions to enact ordinances similar to matters covered in this act; to prescribe penalties and provide remedies; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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

3               CHAPTER 1. DEFINITIONS; GENERAL PROVISIONS.

4       Sec. 103. For the purposes of this act:

5       (a) "Anything of value" means a tangible or intangible item  
6 that has economic value and that could reasonably be considered  
7 to be an advantage or of worth, use, or service to the person  
8 upon whom it is conferred.

9       (b) "Anything of value" does not include any of the  
10 following:

11       (i) An unsolicited token or award with a value of less than  
12 \$150.00.

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

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

17       (iv) A discount afforded to the general public or a speci-  
18 fied group or occupation under normal business conditions.  
19 However, the discount may not be based on the fact of public  
20 service unless it is a discount program approved by the legisla-  
21 tive ethics committee.

22       (v) A contribution to a bona fide charity, made in response  
23 to a direct solicitation from a legislator or a person acting at  
24 his or her direction.

25       (vi) An unsolicited benefit conferred by a person or  
26 business if the economic value totals less than \$100.00 per

1 calendar year and if there is no express or implied understanding  
2 or agreement that a vote, official action, or decision of a  
3 public official or public employee will be influenced.

4 (vii) A tangible or intangible item for a legitimate educa-  
5 tional purpose or benefit.

6 (viii) Campaign contributions that are made and reported  
7 under the campaign finance act, 1976 PA 388, MCL 169.201 to  
8 169.282.

9 (c) "Confidential information" means information made confi-  
10 dential by law or information that is conveyed or accepted with  
11 the understanding that the information will only be used for  
12 official purposes.

13 (d) "Conflict of interest" means a close economic associa-  
14 tion or personal relationship between a public official or public  
15 employee and a person that is likely to be substantially affected  
16 by an official action or decision of a public official or public  
17 employee that a reasonable person would believe conflicts with  
18 the public duty or obligation of the public official or public  
19 employee to exercise objective independent judgment or that a  
20 reasonable person would believe creates the appearance that the  
21 person may have undue access to confidential information or may  
22 otherwise receive favored treatment regarding a public action.

23 (e) "Ethics board" means the ethics board established under  
24 section 401.

25 (f) "Governmental entity" means the executive and legisla-  
26 tive branches of this state and the political subdivisions of  
27 this state.

1 (g) "Immediate family" means a spouse, child, including a  
2 stepchild or an adopted child, grandchild, brother, sister,  
3 parent, or grandparent of the public official or public employee,  
4 or a person claimed as a dependent on the public official's or  
5 public employee's latest individual state income tax return.

6 (h) "Legislative ethics committee" means the legislative  
7 ethics committee established under section 501.

8 (i) "Ministerial act" means an action performed in a pre-  
9 scribed manner without the exercise of judgment or discretion as  
10 to the propriety of the act.

11 (j) "Outside employer or business" means any of the  
12 following:

13 (i) An activity, other than service to the governmental  
14 entity, when the public official or public employee receives com-  
15 pensation for services rendered or goods sold or produced.

16 (ii) An entity, other than the governmental entity, if the  
17 public official or public employee is a member, official, direc-  
18 tor, or employee of the entity and he or she receives compensa-  
19 tion for services rendered or goods sold or produced by the  
20 entity. Compensation does not include reimbursement for neces-  
21 sary expenses, including travel expenses.

22 (iii) An entity in which the public official or public  
23 employee has an ownership interest, except a corporation when the  
24 public official or public employee owns less than 10% of the out-  
25 standing stock.

26 (k) "Person" means an individual, sole proprietorship,  
27 partnership, corporation, association, or other legal entity.

1       (l) "Political subdivision" means a county, city, township,  
2 village, school district, department, agency, body, board, com-  
3 mission, or other local governmental unit.

4       (m) "Public employee" means an employee of a governmental  
5 entity, but does not include a person whose employment results  
6 from election or appointment.

7       (n) "Public official" means any of the following whether the  
8 individual is paid or unpaid:

9       (i) An elected or appointed individual in the executive  
10 branch of a governmental entity or an elected or appointed indi-  
11 vidual in the legislative branch of a governmental entity.

12       (ii) An elected or appointed member of a board of  
13 education.

14       (iii) An elected or appointed member of a governing body of  
15 a state institution of higher education.

16       (iv) A member of an office, administration, agency, board,  
17 bureau, council, commission, committee, department, or division  
18 of a governmental entity that possesses any sort of final deci-  
19 sion making authority.

20       (o) "Transactional disclosure statement" means a report  
21 filed by a public official or a public employee if the public  
22 official or public employee is required to abstain from acting  
23 under section 217.

24       Sec. 105. A political subdivision may adopt an ordinance or  
25 enforce an existing ordinance relating to ethics regulations for  
26 public officials and public employees of the political  
27 subdivision that substantially corresponds to this act. A local

1 ethics ordinance adopted or enforced as authorized by this  
2 section may be more restrictive than this act.

3 CHAPTER 2. CODE OF ETHICS.

4 Sec. 201. Except as otherwise provided by law, a public  
5 official or public employee shall not use his or her public posi-  
6 tion, or take or fail to take action, in order to obtain anything  
7 of value, for himself or herself or another person or entity.

8 Sec. 203. (1) A public official or public employee shall  
9 not solicit or accept anything of value in connection with his or  
10 her official responsibilities.

11 (2) A person shall not offer or give anything of value in  
12 connection with a public official's or public employee's official  
13 responsibilities to any of the following:

14 (a) A public official.

15 (b) A public employee.

16 (c) A member of the public official's or public employee's  
17 immediate family.

18 (d) An outside employer or business with which the public  
19 official or public employee is associated.

20 (e) A customer or client of the public official or public  
21 employee.

22 Sec. 205. (1) A state public official or public employee  
23 shall not represent for compensation a person in a matter that  
24 the person has before the branch of state government with which  
25 the official or employee is directly affiliated.

26 (2) A public official or public employee of a political  
27 subdivision with a population of 25,000 or more shall not

1 represent for compensation a person in a matter that the person  
2 has before that political subdivision.

3       (3) A public official or public employee of a political sub-  
4 division with a population of less than 25,000 may not represent  
5 for compensation a person in a matter that the person has before  
6 the political subdivision, unless the legislative body of the  
7 political subdivision approves of the representation by formal  
8 resolution.

9       Sec. 207. A public official or public employee or a former  
10 public official or former public employee shall not use or dis-  
11 close confidential information to further his or her own or  
12 another person's interests, except to the extent permitted by  
13 law.

14       Sec. 209. A public official or public employee shall not  
15 request or authorize a person to request a subordinate of the  
16 official or employee to participate in an election campaign or  
17 contribute to a political committee unless that subordinate is a  
18 political appointee.

19       Sec. 211. (1) A public official or public employee, a  
20 member of that person's immediate family, or an outside employer  
21 or business with which the person is associated shall not enter  
22 into a contract valued at \$1,500.00 or more with the governmental  
23 entity with which the public official or public employee is  
24 affiliated unless the contract is awarded through an open and  
25 public competitive process that includes prior public notice and  
26 subsequent availability for public inspection of the proposals  
27 considered and the contract awarded.

1       (2) A public official or public employee who has or later  
2 acquires an interest in an actual or proposed contract with the  
3 government entity with whom the public official or public  
4 employee is affiliated shall publicly disclose the nature and  
5 extent of that interest as required by section 217.

6       (3) A contract or agreement that is executed in violation of  
7 this section is voidable only if the person who entered into the  
8 contract or took assignment of the contract had actual knowledge  
9 of the prohibited conflict. In the case of a person other than  
10 an individual, the actual knowledge must be that of an individual  
11 or body finally approving the contract. A contract involving a  
12 prohibited conflict of interest under this section is voidable  
13 only by a decree of a court of proper jurisdiction. A decree of  
14 a court of proper jurisdiction may provide for the reimbursement  
15 of a person for the reasonable value of money, goods, material,  
16 labor, or services furnished under the contract, to the extent  
17 that the governmental entity has benefited. This provision does  
18 not prohibit the parties from reaching a settlement outside of  
19 court.

20       Sec. 213. A former public official shall not appear or  
21 practice before the governmental entity with which he or she was  
22 affiliated, except on his or her own behalf, or receive compensa-  
23 tion for working on a matter before that governmental entity, for  
24 a period of 3 months after the termination of his or her official  
25 service. The restriction does not apply if the former public  
26 official performed only ministerial acts during his or her  
27 official service. For the purposes of this section, the



1 restriction does not apply to former public officials who served  
2 the governmental entity in an unpaid capacity.

3       Sec. 215. (1) A person shall not induce or attempt to  
4 induce a public official or public employee to violate any of the  
5 provisions of this chapter.

6       (2) Nothing in this section shall be construed to prohibit a  
7 person from receiving a service or benefit, or from using a  
8 facility, that is generally available to the public, provided the  
9 person does so in the same manner or degree that is available to  
10 the general public.

11       (3) Under this section, a corporation, partnership, limited  
12 liability company, or other entity is not vicariously liable for  
13 the actions of an employee unless the employee acted in the exe-  
14 cution of company policy or custom.

15       Sec. 217. (1) A public official or public employee shall  
16 abstain from acting formally or informally on a matter before a  
17 governmental entity with which he or she is affiliated if he or  
18 she knows that acting on the matter, or failing to act on the  
19 matter, may result in a conflict of interest or a violation of  
20 this chapter.

21       (2) If a public official or public employee is required to  
22 abstain from acting on a matter, he or she shall file a transac-  
23 tional disclosure statement with the ethics board within 21 days  
24 and promptly inform his or her superior, if any.

25       (3) A transactional disclosure statement shall include all  
26 the information related to the conflict of interest and the

1 reason for the public official or public employee abstaining from  
2 acting under subsection (1).

3       Sec. 219. This chapter does not prohibit or require conduct  
4 specifically authorized by statute, rule, regulation, the state  
5 constitution of 1963, or the constitution of the United States.

6                   CHAPTER 3. PENALTIES

7       Sec. 301. The appointing authority or person or body autho-  
8 rized by law to impose disciplinary action shall initiate appro-  
9 priate proceedings and may take appropriate disciplinary action  
10 concerning a public official or public employee who violates this  
11 act.

12       Sec. 303. A public official or public employee who violates  
13 this act is subject to a civil fine of up to \$1,500.00 for each  
14 violation, in addition to another penalty provided in this act or  
15 other law of this state. The civil fine shall be imposed by a  
16 court of proper jurisdiction or the appointing authority or  
17 person or body authorized by law to impose sanctions.

18       Sec. 305. A person who violates this act is liable for dam-  
19 ages to the governmental entity for losses or increased costs  
20 incurred by the governmental entity as a result of the  
21 violation. Damages may be imposed by a court of proper jurisdic-  
22 tion in addition to another penalty contained in another provi-  
23 sion of law.

24       Sec. 307. A person required by section 217 to file a trans-  
25 actional disclosure statement who willfully files a false or  
26 incomplete transactional disclosure statement or who fails to  
27 file an acceptable transactional disclosure statement within the

1 time prescribed is guilty of a misdemeanor punishable by a fine  
2 of not more than \$1,000.00, or imprisonment for not more than 90  
3 days, or both.

4       Sec. 309. Except as otherwise provided in this act, a  
5 person who violates chapter 2 is guilty of a misdemeanor punish-  
6 able by a fine of not more than \$1,000.00 or imprisonment for not  
7 more than 90 days, or both, and additional penalties as specified  
8 in this chapter.

9                               CHAPTER 4. ETHICS BOARD.

10       Sec. 401. (1) The ethics board is created as an autonomous  
11 entity within the department of state.

12       (2) The ethics board shall consist of 7 members appointed by  
13 the governor.

14       (3) A term expires on March 31 of the year when the term is  
15 designated to expire. The 7 members first appointed to the  
16 ethics board shall be appointed within 90 days after the effec-  
17 tive date of this act.

18       (4) A member of the ethics board shall serve for a 4-year  
19 term or until a successor is appointed, whichever is later,  
20 except that of the members first appointed, 2 shall serve for 2  
21 years, 3 shall serve for 3 years, and 2 shall serve for 4 years.  
22 A person shall not serve more than 2 full 4-year terms on the  
23 ethics board.

24       (5) If a vacancy occurs on the ethics board, the governor  
25 shall make an appointment for the unexpired term in the same  
26 manner as the original appointment.

1       (6) The governor may remove a member of the ethics board for  
2 incompetency, dereliction of duty, malfeasance, misfeasance, or  
3 nonfeasance in office or another good cause.

4       (7) At the first meeting, the ethics board shall elect from  
5 among its members a chairperson and vice-chairperson. The  
6 vice-chairperson shall serve as chairperson in the absence of the  
7 chairperson. After the first meeting, the ethics board shall  
8 meet at least quarterly, or more frequently at the call of the  
9 chairperson or if requested by 4 or more members.

10       (8) Four members of the ethics board constitute a quorum for  
11 the transaction of business. A majority of the members present  
12 and serving are required for official action of the ethics  
13 board. A vote shall be by record roll call.

14       (9) The business conducted by the ethics board shall be con-  
15 ducted in compliance with the open meetings act, 1976 PA 267,  
16 MCL 15.261 to 15.275. Notice of the meetings of the board shall  
17 be made public in compliance with the open meetings act, 1976  
18 PA 267, MCL 15.261 to 15.275.

19       (10) A writing prepared, owned, used, in the possession of,  
20 or retained by the ethics board in the performance of an official  
21 function is subject to the freedom of information act, 1976  
22 PA 442, MCL 15.231 to 15.246.

23       (11) A member of the ethics board shall serve without  
24 compensation. However, a member of the ethics board may be reim-  
25 bursed for his or her actual and necessary expenses incurred in  
26 the performance of official duties as a member of the ethics  
27 board.

1 (12) The ethics board shall do all of the following:

2 (a) Promulgate rules in accordance with the administrative  
3 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to  
4 carry out the provisions of this act and to govern its own  
5 procedures.

6 (b) Appoint hearing officials, an executive director, if  
7 necessary, and other staff necessary to carry out its duties  
8 under this act. The ethics board may delegate authority to the  
9 executive director to act in the name of the board between meet-  
10 ings of the board, if the delegation is in writing and the spe-  
11 cific powers to be delegated are enumerated. The board shall not  
12 delegate the power to determine violations, recommend disci-  
13 plinary action, impose a civil fine, refer a matter to a prosecu-  
14 tor, or render an advisory opinion. An executive director is  
15 subject to the restrictions of an ethics board member as speci-  
16 fied in section 403.

17 (c) Examine transactional disclosure statements filed under  
18 section 217 and the supporting records and other documents. The  
19 ethics board shall index and maintain on file for at least  
20 7 years all transactional disclosure statements filed under this  
21 act.

22 (d) Review, index, maintain on file, and dispose of sworn  
23 complaints and make notifications and conduct investigations. In  
24 conducting an investigation, the ethics board may administer  
25 oaths or affirmations, subpoena witnesses, compel their  
26 attendance, and require the production of books or records that  
27 it considers relevant and material.

1 (e) Conduct hearings, recommend disciplinary action, assess  
2 penalties, make referrals, and initiate appropriate actions and  
3 proceedings under section 411.

4 (f) Grant waivers under section 413.

5 (g) Render, index, and maintain on file advisory opinions  
6 under section 415 and prepare and publish nonconfidential special  
7 reports and technical studies to further the purposes of this  
8 act. The attorney general shall advise the board concerning  
9 legal matters in the issuance of advisory opinions, investigative  
10 reports, recommendations, and other reports.

11 (h) Provide training and education to public officials and  
12 public employees under section 419.

13 (i) Prepare an annual report and recommend changes to this  
14 act under section 421.

15 (j) Provide for public inspection of certain records as pro-  
16 vided by law.

17 (k) Select provisions of this act, special reports, and  
18 technical studies for reproduction and distribution under  
19 section 423.

20 (13) The state personnel director shall provide clerical or  
21 administrative assistance from the department of state as the  
22 board may request.

23 Sec. 403. A member of the ethics board shall not, while a  
24 member of the board:

25 (a) Hold elective public office or elective political party  
26 office.

1 (b) Accept appointment to or become a candidate for public  
2 office or elective political party office.

3 (c) Be employed as or act as a lobbyist.

4 (d) Participate in an election campaign. An ethics board  
5 member may make campaign contributions.

6 Sec. 405. (1) The ethics board may only act with respect to  
7 the public officials and public employees covered by this act.

8 (2) The termination of a public official's or public  
9 employee's term of office or employment with the governmental  
10 entity does not affect the jurisdiction of the ethics board with  
11 respect to the requirements imposed on him or her by this act.

12 Sec. 407. If the ethics board makes a recommendation to an  
13 appropriate authority that affects a classified employee, that  
14 authority may initiate proceedings in accordance with the recom-  
15 mendation and under the rules of the appropriate civil service  
16 commission.

17 Sec. 409. (1) If a majority vote of the board determines  
18 that there is reason to believe that this act was violated, the  
19 board shall initiate an investigative proceeding to determine  
20 whether a violation occurred. The board shall mail a notice of  
21 the investigation and the nature of the alleged violation to a  
22 person under investigation within 5 days after the decision to  
23 undertake an investigation is made. Every 60 days until a final  
24 determination is made, the board shall mail to the complainant  
25 and to the person under investigation notice of the action taken  
26 to date by the board along with the reasons for the action or  
27 nonaction.

1       (2) Except as otherwise required by law, the board's actions  
2 and the records relative to an investigation shall be confiden-  
3 tial until the board makes a final determination under this  
4 section.

5       (3) All governmental entities shall cooperate with the board  
6 when it is conducting an investigation.

7       (4) If the ethics board determines that this act was not  
8 violated, the records and actions relative to the investigation  
9 and determination shall remain confidential unless the person  
10 investigated requests in writing that the records and actions be  
11 made public. If the ethics board determines that this act was  
12 violated, the ethics board shall make a recommendation of sanc-  
13 tion to the appropriate authority designated in section 411.

14       Sec. 411. (1) After a hearing providing for due process  
15 procedural requirements and subject to applicable provisions of  
16 law and collective bargaining agreements, the ethics board may  
17 recommend disciplinary action under section 301 of this act. The  
18 recommendation of the ethics board shall be made to the appoint-  
19 ing authority or person or body authorized by law to impose or  
20 recommend sanctions. For the purpose of this act, the appointing  
21 authority, person, or body authorized by law to impose or recom-  
22 mend sanctions for public officials and public employees is any  
23 of the following:

24       (a) For an appointed official or employee, the appointing  
25 authority with supervisory responsibility for the person whose  
26 activities were investigated.



1 (b) For a legislator, the legislative ethics committee  
2 created under section 501.

3 (c) For the attorney general or secretary of state, the  
4 governor.

5 (d) For the governor or lieutenant governor, the  
6 legislature.

7 (2) The board shall conduct and complete the hearing with  
8 reasonable promptness. If the ethics board refers the matter to  
9 the authority, person, or body authorized by law to impose disci-  
10 plinary action or if the ethics board refers the matter to the  
11 appropriate prosecutor the ethics board may adjourn the matter  
12 pending determination by the authority, person, body, or  
13 prosecutor.

14 (3) After a hearing providing for due process procedural  
15 requirements, the ethics board may recommend that sanctions and  
16 penalties be imposed upon a public official or public employee  
17 found by the board to have violated this act. The recommendation  
18 of the ethics board shall be made to the appointing authority,  
19 person, or body authorized by law to impose or recommend  
20 sanctions. If a public official or public employee is ordered to  
21 pay a civil fine, the public official or public employee shall  
22 pay the fine to the governmental entity with which the official  
23 or employee is affiliated.

24 (4) The governmental entity with which the public official  
25 or public employee is affiliated or the ethics board on behalf of  
26 the governmental entity may initiate an action or special

1 proceeding in the court of appropriate jurisdiction to obtain  
2 damages under section 305.

3       (5) The ethics board may refer to the prosecutor possible  
4 criminal violations of this act. Nothing contained in this act  
5 shall be construed to restrict the authority of the prosecutor to  
6 prosecute a person for a violation of this act or of any other  
7 law. The prosecutor for public officials and public employees is  
8 exclusively the attorney general.

9       (6) For a person other than the ethics board or governmental  
10 entity to bring an action or special proceeding, all of the fol-  
11 lowing apply:

12       (a) The person initiating the action or special proceeding  
13 has filed a sworn complaint alleging the violation by the public  
14 official or public employee with the ethics board.

15       (b) An allegation in the complaint filed with the court  
16 alleges that at least 6 months have elapsed since the complaint  
17 was filed with the ethics board and that the ethics board has  
18 failed to file a final determination in the matter.

19       (c) The action or special proceeding commences within 10  
20 months after the complaint is filed with the ethics board.

21       Sec. 413. (1) Upon written application and upon a showing  
22 of compelling need by the public official or public employee, the  
23 ethics board may grant the public official or public employee a  
24 waiver of a provision of this act.

25       (2) A waiver may only be granted at an open meeting after  
26 public notice as provided in the open meetings act, 1976 PA 267,  
27 MCL 15.261 to 15.275. The notice must state that a waiver is

1 being considered. A waiver shall be in writing and shall state  
2 the grounds upon which it is granted. Within 10 days after  
3 granting a waiver, the ethics board shall send a copy of the  
4 decision to the public official or public employee, the appoint-  
5 ing authority of the public official or public employee, and the  
6 secretary of state stating the name of the person requesting the  
7 waiver and a general description of the circumstances of the  
8 waiver. All applications, decisions, and other records and pro-  
9 ceedings relating to a waiver shall be indexed and maintained on  
10 file by the ethics board.

11       Sec. 415. (1) Upon the written request of a public official  
12 or public employee, the ethics board shall render a written  
13 advisory opinion regarding the interpretation or application of  
14 this act.

15       (2) Advisory opinions and requests for advisory opinions  
16 shall be indexed and maintained on file by the ethics board.

17       (3) A public official or public employee who has submitted  
18 to the ethics board a written request for an advisory opinion may  
19 bring and maintain a civil action by right against the board to  
20 compel it to issue the advisory opinion. The complaint shall  
21 clearly identify the matters or proceedings before the board that  
22 are involved. No action shall be prosecuted or maintained under  
23 this section unless both of the following apply:

24       (a) The complaint or petition alleges that at least 6 months  
25 have elapsed since the filing of the request and that the ethics  
26 board has failed to file a final determination in the matter.

1 (b) The action is commenced within 10 months after the  
2 submission of the request for the advisory opinion.

3 (4) An advisory opinion rendered by the ethics board, until  
4 and unless amended or revoked, is binding on the ethics board in  
5 a subsequent proceeding concerning the person who requested the  
6 opinion and who acted in good faith, unless the person omitted or  
7 misstated a material fact. The opinion may also be relied upon  
8 by the person, and may be introduced and used as a defense, in a  
9 civil action brought by the ethics board or governmental entity.

10 Sec. 417. A person aggrieved by a decision of the ethics  
11 board may seek judicial review and relief in a court of proper  
12 jurisdiction.

13 Sec. 419. The ethics board shall do both of the following:

14 (a) Make information concerning this act available to each  
15 public official and public employee of each governmental entity,  
16 to the public, and to persons interested in doing business with a  
17 governmental entity, through the secretary of state, county  
18 clerks, and other necessary means.

19 (b) Develop educational materials and an educational program  
20 for public officials and public employees of governmental enti-  
21 ties of their duties and responsibilities under this act.

22 Sec. 421. (1) The ethics board shall prepare and submit an  
23 annual report to the governor and legislature, summarizing the  
24 activities of the board. The report may also recommend statutory  
25 or administrative changes to this act.

26 (2) The ethics board shall annually review this act and the  
27 board's rules, regulations, and administrative procedures to

1 determine whether they promote integrity, public confidence, and  
2 participation in state and local government and whether they set  
3 forth clear and enforceable common sense standards of conduct.

4       Sec. 423. (1) Within 90 days after the first meeting of the  
5 ethics board, and after then as appropriate, the ethics board  
6 shall transmit to the secretary of state and county clerks, in a  
7 suitable form, copies of the provisions of this act that the  
8 ethics board considers necessary for posting and distribution.  
9 Within 10 days after receipt of those copies, the secretary of  
10 state and county clerks shall do all of the following:

11       (a) Conspicuously post the copies received from the ethics  
12 board in each public building under the jurisdiction of each gov-  
13 ernmental entity covered by this act.

14       (b) Distribute the copies received from the ethics board to  
15 each public official and public employee of each governmental  
16 entity.

17       (c) Make the copies received from the ethics board available  
18 to the public.

19       (2) A public official or public employee elected or  
20 appointed after the effective date of this act shall be furnished  
21 a copy of those provisions within 10 days after entering upon the  
22 duties of the public official's or public employee's position.

23       (3) Failure of the secretary of state or a county clerk to  
24 comply with the provisions of this section or failure of a public  
25 official or public employee to receive a copy of the provisions  
26 of this act does not affect the duty of compliance with this act  
27 or the enforcement of this act's provisions.

1 (4) The ethics board shall transmit to the secretary of  
2 state and each county clerk, in a form suitable for distribution,  
3 copies of special reports and technical studies relating to this  
4 act and its administration.

5 CHAPTER 5. LEGISLATIVE ETHICS COMMITTEE.

6 Sec. 501. (1) The legislative ethics committee is estab-  
7 lished within the legislature and shall consist of 3 members of  
8 the senate and 3 members of the house of representatives. At  
9 least 1 member from each house shall be a member of the minority  
10 party, to be appointed in the same manner as standing committees  
11 of the senate and the house of representatives. The members of  
12 the legislative ethics committee shall serve without compensa-  
13 tion, but shall be entitled to actual and necessary expenses  
14 while on committee business. The legislative ethics committee  
15 may establish, by majority vote, its rules and procedures.

16 (2) The legislative ethics committee shall act upon a recom-  
17 mendation made by the ethics board under section 411. The com-  
18 mittee shall conduct an investigation and issue a report and rec-  
19 ommendation to the appropriate house of the legislature.

20 Enacting section 1. The following acts are repealed:

21 (a) 1968 PA 317, MCL 15.321 to 15.330.

22 (b) 1968 PA 318, MCL 15.301 to 15.310.

23 (c) 1973 PA 196, MCL 15.341 to 15.348.

24 Enacting section 2. This act shall take effect on  
25 January 1, 2002.

26 Enacting section 3. Pursuant to section 8 of article III of  
27 the state constitution of 1963, the state supreme court shall

1 rule on the constitutionality of this act before January 1,  
2 2002.