

SUBSTITUTE FOR
HOUSE BILL NO. 4729

A bill to amend 1968 PA 317, entitled

"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,"

by amending section 4 (MCL 15.324).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. **(1)** The prohibitions of section 2 ~~of this act~~ shall
2 not apply to **ANY OF THE FOLLOWING:**

3 (a) Contracts between public entities. ~~→~~

4 (b) Contracts awarded to the lowest qualified bidder, other
5 than a public servant, upon receipt of sealed bids pursuant to a
6 published notice. ~~therefor provided such notice does not bar,~~

House Bill No. 4729 (H-1) as amended June 15, 2005

1 ~~except~~ **EXCEPT** as authorized by law, **THE NOTICE SHALL NOT BAR** any
2 qualified person, firm, corporation, or trust from bidding. This
3 subsection shall not apply to amendments or renegotiations of a
4 contract nor to additional payments ~~thereunder~~ **MADE UNDER A**
5 **CONTRACT** which were not authorized by the contract at the time of
6 award. ~~and~~

7 (c) Contracts for public utility services where the rates
8 ~~therefor~~ are regulated by the state or federal government.

9 (D) **CONTRACTS TO PURCHASE RESIDENTIAL PROPERTY. A PUBLIC**
10 **SERVANT OF A CITY OR VILLAGE MAY PURCHASE 1 TO 4 PARCELS NOT LESS**
11 **THAN 18 MONTHS BETWEEN EACH PURCHASE. THIS SUBDIVISION DOES NOT**
12 **APPLY TO PUBLIC SERVANTS OF A CITY OR VILLAGE WHO HAVE BEEN**
13 **APPOINTED OR ELECTED TO THEIR POSITION OR WHOSE EMPLOYMENT**
14 **RESPONSIBILITIES INCLUDE THE PURCHASE OR SELLING OF PROPERTY FOR**
15 **THE CITY OR VILLAGE. [THIS SUBDIVISION SHALL APPLY ONLY TO A CITY OR**
VILLAGE THAT HAS ADOPTED AN ETHICS ORDINANCE WHICH WAS IN EFFECT AT THE
TIME THE RESIDENTIAL PROPERTY WAS PURCHASED.]

16 (2) A PERSON THAT VIOLATES SUBSECTION (1)(D) IS GUILTY OF A
17 FELONY PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 1 YEAR OR A
18 FINE OF NOT LESS THAN \$1,000.00 OR MORE 3 TIMES THE VALUE OF THE
19 PROPERTY PURCHASED.