

Act No. 198
Public Acts of 2005
Approved by the Governor
November 9, 2005
Filed with the Secretary of State
November 9, 2005
EFFECTIVE DATE: November 9, 2005

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2005**

**Introduced by Reps. Tobocman, Gaffney, Vagnozzi, Lipsey, Ward, Hune, Farrah, McConico, Accavitti,
Sheltrown, Schuitmaker, Walker and Cheeks**

ENROLLED HOUSE BILL No. 4729

AN ACT 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:

Sec. 4. (1) The prohibitions of section 2 shall not apply to any of the following:

(a) Contracts between public entities.

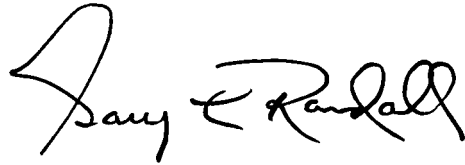
(b) Contracts awarded to the lowest qualified bidder, other than a public servant, upon receipt of sealed bids pursuant to a published notice. Except as authorized by law, the notice shall not bar any qualified person, firm, corporation, or trust from bidding. This subsection shall not apply to amendments or renegotiations of a contract nor to additional payments made under a contract which were not authorized by the contract at the time of award.

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

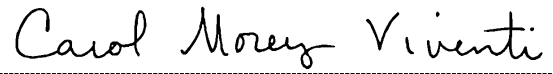
(d) Contracts to purchase residential property. A public servant of a city or village may purchase 1 to 4 parcels not less than 18 months between each purchase. This subdivision does not apply to public servants of a city or village who have been appointed or elected to their position or whose employment responsibilities include the purchase or selling of property for 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.

(2) A person that violates subsection (1)(d) is guilty of a felony punishable by imprisonment for not more than 1 year or a fine of not less than \$1,000.00 or more than 3 times the value of the property purchased.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor