

**RURAL DEVELOPMENT FUND ACT (EXCERPT)**  
**Act 411 of 2012**

**286.944 Board members as public servants and public officers; discharge of duties in nonpartisan manner; conflict of interest; noncompliance with subsection (4).**

Sec. 4. (1) Notwithstanding section 3(1) of 1968 PA 317, MCL 15.323, members of the board are considered public servants subject to 1968 PA 317, MCL 15.321 to 15.330, and public officers subject to 1973 PA 196, MCL 15.341 to 15.348. A member of the board shall discharge the duties of the position in a nonpartisan manner, in good faith, in the best interests of this state, and with the degree of diligence, care, and skill that a fiduciary would exercise under similar circumstances in a like position.

(2) A member of the board shall not make or participate in making or in any way attempt to use his or her position as a member of the board to influence a matter before the board regarding a grant, loan, loan guarantee, or other expenditure under this act to his or her employer.

(3) A member, employee, or agent of the board shall not engage in any conduct that constitutes a conflict of interest and shall immediately advise the board in writing of the details of any incident or circumstances that may present the existence of a conflict of interest with respect to the performance of the board-related work or duty of the member or agent of the board.

(4) A member of the board who has a conflict of interest related to any matter before the board shall disclose the conflict of interest before the board takes any action with respect to the matter, which disclosure shall become a part of the record of the board's official proceedings. The member with the conflict of interest shall refrain from doing all of the following with respect to the matter that is the basis of the conflict of interest:

- (a) Voting in the board's proceedings related to the matter.
- (b) Participating in the board's discussion of and deliberation on the matter.
- (c) Being present at the meeting when the discussion, deliberation, and voting on the matter take place.
- (d) Discussing the matter with any other board member.

(5) Failure of a member to comply with subsection (4) constitutes malfeasance in office subject to removal under section 3(9).

**History:** 2012, Act 411, Imd. Eff. Dec. 20, 2012.