

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.