

A public servant shall not be a party, directly or indirectly, to a contract with the public entity of which he or she is an officer or employee. MCL 15.322(1)

A *public servant* is defined as any person serving any public entity except a member of the legislature and

Exceptions applicable to municipal officials:

- A public servant who is paid for working an average of 25 hours per week or less (MCL 15.323(1)(a)) if the following conditions are met:
 - The public servant must disclose any pecuniary interest in a contract to the official body that has power to approve the contract. Unless he or she will directly benefit in an amount less than \$250 and less than 5% of the public cost and the public servant files a sworn affidavit to that effect or the contract is for emergency services or repairs, the public servant must notify the presiding officer or clerk in writing 7 days before the meeting at which a vote is to be taken. The disclosure must be made public in the same manner as a public meeting notice. Alternatively, the public servant may disclose the pecuniary interest at a public meeting held at least 7 days before the meeting at which the vote is taken. If the direct benefit to the public servant is more than \$5,000, the second method of disclosure must be followed. MCL 15.323(2)(a)
 - The contract must be approved by not less than 2/3 of the full membership in open session without the vote of the public servant making the disclosure. MCL 15.323(2)(b)
 - Summary information must be included in the official minutes. MCL 15.323(2)(c)
- Public servants of a municipality of less than 25,000 population may serve as emergency medical personnel. MCL 15.323a(a)
- A public servant of a municipality of less than 25,000 population may serve as a firefighter with the exception of a full-time firefighter, a fire chief or a person who negotiates on behalf of firefighters. MCL 15.323a(b)
- A municipality with a population of less than 25,000 may authorize a public servant to perform other additional services for the unit of government. MCL 15.323a(c)
- A public servant may participate in making a governmental decision to the extent that the public servant's participation is required by law. If 2/3 of the members are not eligible under the act to vote or to constitute a quorum, a member may be counted for purposes of a quorum and may vote on the contract if the member's direct benefit from a contract is less than \$250 and less than 5% of the public cost of the contract, whichever is less, and the member files a sworn affidavit which is made a part of the record.
MCL 15.323(3)

**There are three state statutes that provide standards for conduct of local public officials while in public office to avoid conflicts of interest and the appearance of impropriety. *See also* OPPs covering Incompatible Public Offices and Standards of Conduct for Public Officers and Employees.