

# ALLEN PARK HOUSING COMMISSION

## CONFLICT OF INTEREST LAWS

### Law:

The General Statutory Commission regarding conflict of interest of elected or appointed officials of the City of Allen Park Charter which defines “officer or official” as an elected or appointed official in the city of Allen Park (Article III). Clearly, Allen Park Housing Commissioners are appointed positions and subject to the Charter provisions regarding ethics (Article I) and standards of conduct (Article IV). See City of Allen Park Charter at [www.cityofallenpark.org/document/city-charter.pdf](http://www.cityofallenpark.org/document/city-charter.pdf), and Allen Park Housing Commission Ethics Policy adopted 11/06/07.

**Article IV, Section 4.02** defers to state law on Contracts of Public Servants (which will be addressed later) but states as follows:

#### **Section 4.02: Conflict Involving Financial Interest:**

The state law on Contracts of Public Servants with public entities shall control while it remains in effect. At all other times this Section shall control. An officer or employee who has a substantial interest, direct or indirect, in any corporation, organization or business association doing business with the City shall make that interest known and shall refrain from voting upon or otherwise participating in transacting any business with such corporation, organization or business association. A substantial financial interest of an officer or employee shall include any known substantial interest, direct or indirect, of the officers or employee’s spouse or parents, grandparent, child, grandchild, brother or sister or the spouse of any of them. Violation of this Section with the knowledge of the person doing business in the City shall render the business transaction revocable by the Mayor and Council.

#### **Article 1: Ethics:**

#### **Section 1.01: Ethical Principles for the Government of the City of Allen Park:**

- 1. Public office is a public trust.** Public servants should treat public office as a public trust, using the powers and resources of public office only to advance public interest, and not to attain personal benefits or pursue any private interest incompatible with the public good.
- 2. Principle of independent, objective judgment.** Public servants should employ independent, objective judgment in performing their duties, deciding all matters on the merits, free from conflicts of interest and apparent improper influences.

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Michigan Statute Act 196 of 1973; MCL 5.341(1)(c) defines Public Officer as follows:

(c) “Public officer” means a person appointed by the governor or another executive department official. For the purpose of section 2b, public officer shall include an elected or appointed official of this state or a political subdivision of this state.”

The relevant provisions of MCL 15.342 are sections (6) & (7) as follows:

(6) Except as provided in section 2a, a public officer or employee shall not engage in or accept employment or render services for a private or public interest when that employment or service is incompatible or in conflict with the discharge of the officer or employee’s official duties or when that employment may tend to impair his or her independence of judgment or action in the performance of official duties.

(7) Except as provided in section 2a, a public officer or employee shall not participate in the negotiations or execution of contracts, making of loans, granting of subsidies, fixing of rates, issuance of permits or certificates, or other regulation or supervision relating to a business entity in which the public officer or employee has a financial or personal interest.

### References:

The Michigan Attorney General, Frank Kelly, in *Opinion No. 5864 (1981)* addressed conflict of interest (See at Mich. Dept of Attorney General Web Site - [www.ag.state.mi.us](http://www.ag.state.mi.us)).

The **State Ethics Act, 1973 PA 196 (Act 196)**, pages 39-43, summarizes the two statutes comprising the principal **ethics** regulation of **Michigan** local government officials. (See [www.mml.org/pdf/hmo/8.pdf](http://www.mml.org/pdf/hmo/8.pdf))