

## **State of Michigan and City of Detroit Regulatory Guidelines Campaign Reform**

Detroit Mayor Dennis Archer established a policy early in the casino licensing process that he would not accept political donations from groups that receive casino licenses. The Detroit City Council did not adopt a similar policy. However, the Legislature amended the Act to prohibit casino operators and their employees from making political donations to Michigan public officials.

Section 7b(4) of the Act provides:

(4) A licensee or person who has an interest in a licensee or casino enterprise, or the spouse, parent, child or spouse of a child of a licensee or person who has an interest in a licensee or casino enterprise, shall not make a contribution to a candidate or a committee during the following periods:

(a) The time period during which a casino licensee or development agreement is being considered by a city or the board.

(b) The term during which the licensee holds a license.

(c) The 3 years following the final expiration or termination of the licensee's license.

(d) During either of the following, whichever is shorter:

(i) The period beginning on or after the effective date of this amendatory act.

(ii) The period beginning 1 year prior to applying for a license.

### **"No Contact" Period**

The City of Detroit adopted a "No Contact" policy during the Request for Proposal process. On June 18, 1997, the City Council adopted a "Casino Competitive Development Selection Process Ordinance." The Ordinance outlines the administration of the casino development competitive selection process and establishes criteria for approval of development agreements with prospective developers.

Section 18-13-2 of the Ordinance prohibits "Improper Contacts," defining that term as:

A written or oral communication relating to the merits or outcome of a decision relating to a proposal or development agreement that is directed to the mayor, any mayoral appointee, any member of the City Council, or any city employee or City Council appointee or staff who has the ability to influence decisions relating to the proposal or development agreement. The term does not include a communication that is:

An inquiry or request for information relating solely to the status of a decision on proposals or the status of a development agreement so long as the inquiry or request for information is directed to an individual authorized by either the Mayor or the City Council to respond to such inquiry or request and so long as the inquiry does not address the merits or outcome of a decision;

Testimony or statements by a designated developer at a public hearing convened for the purpose of considering whether to approve a proposed development agreement; or

Made through the public media, such as statements in news interviews and paid advertisements. The "No Contact" period began when Phase One, Request for Proposals/Qualifications applications were issued on June 23, 1997 and continues throughout the licensing and development agreement negotiation process.