

# HOUSE BILL No. 5087

September 26, 1989, Introduced by Reps. Profit, Hertel and Joe Young, Sr. and referred to the Committee on State Affairs.

A bill to amend section 241 of Act No. 431 of the Public Acts of 1984, entitled as amended  
"The management and budget act,"  
being section 18.1241 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 241 of Act No. 431 of the Public Acts of  
2 1984, being section 18.1241 of the Michigan Compiled Laws, is  
3 amended to read as follows:

4       Sec. 241. (1) Except for the contracts permitted in section  
5 240, a contract shall not be awarded for the construction,  
6 repair, remodeling, or demolition of a facility unless the con-  
7 tract is let pursuant to a bidding procedure which is approved by  
8 the board. The department shall issue directives prescribing  
9 procedures to be used to implement this section. The procedures  
10 shall require a public advertisement of intention to award any

1 contract for construction, repair, remodeling, or demolition of a  
2 facility.

3       (2) The department may award or approve the award, if the  
4 board approves, of construction contracts to construct a project  
5 for which the director is the agent and may expend, for the pur-  
6 poses and in the manner set forth, the amounts appropriated. The  
7 director is not the agent for a community college or institution  
8 of higher education, but may act in that capacity upon the spe-  
9 cific request of a community college or institution of higher  
10 education.

11       (3) A SUBCONTRACT AWARDED FOR WORK ON A CONSTRUCTION,  
12 REPAIR, REMODELING, OR DEMOLITION PROJECT FOR WHICH A CONTRACT IS  
13 AWARDED UNDER SUBSECTIONS (1) AND (2) SHALL BE SUBJECT TO THE  
14 SAME OR A SUBSTANTIALLY SIMILAR BIDDING PROCEDURE AS IS REQUIRED  
15 FOR THE AWARDING OF THE CONTRACT. THE DEPARTMENT SHALL ISSUE  
16 DIRECTIVES PRESCRIBING PROCEDURES TO BE FOLLOWED BY PERSONS  
17 AWARDED CONTRACTS UNDER SUBSECTIONS (1) AND (2) TO BE USED TO  
18 IMPLEMENT THIS SUBSECTION.