

HOUSE BILL No. 4353

February 17, 2005, Introduced by Reps. Hildenbrand, Lemmons, III, Espinoza, Taub, Vander Veen, Pearce and Hansen and referred to the Committee on Government Operations.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending section 261 (MCL 18.1261), as amended by 1993 PA 46.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 261. (1) The department shall provide for the purchase
2 of, the contracting for, and the providing of supplies, materials,
3 services, insurance, utilities, third party financing, equipment,
4 printing, and all other items as needed by state agencies for which
5 the legislature has not otherwise expressly provided. In all
6 purchases made by the department, all other things being equal,
7 preference shall be given to products manufactured or services
8 offered by Michigan-based firms **IF THE PRICE OF THE PRODUCTS OR**
9 **SERVICES IS NOT MORE THAN 110% OF THE PRICE OF THE PRODUCTS OR**

1 **SERVICES OFFERED BY FIRMS THAT ARE NOT MICHIGAN-BASED FIRMS**, if
2 consistent with federal statutes. The department shall solicit
3 competitive bids from the private sector whenever practicable to
4 efficiently and effectively meet the state's needs. The department
5 shall first determine that competitive solicitation of bids in the
6 private sector is not appropriate before it shall use any other
7 procurement method for an acquisition.

8 (2) The department shall make all discretionary decisions
9 concerning the solicitation, award, amendment, cancellation, and
10 appeal of state contracts.

11 (3) The department shall utilize competitive bidding for all
12 purchases authorized pursuant to subsection (1) unless the
13 department has determined that another procurement method is in the
14 state's best interests.

15 (4) The department may delegate its procurement authority to
16 other state agencies within dollar limitations and for designated
17 types of procurements. The department may withdraw delegated
18 authority upon a finding that a state agency did not comply with
19 departmental procurement directives.

20 (5) The department may enter into lease purchases or
21 installment purchases for periods not exceeding the anticipated
22 useful life of the items purchased unless otherwise prohibited by
23 law.

24 (6) The department shall issue directives for the procurement,
25 receipt, inspection, and storage of supplies, materials, and
26 equipment, and for printing and services needed by state agencies.
27 The department shall provide standard specifications and standards

1 of performance applicable to purchases.

2 (7) The department may enter into a cooperative purchasing
3 agreement with 1 or more other states or public entities for the
4 purchase of goods, including, but not limited to, recycled goods,
5 and services necessary for state programs.