



HOUSE BILL No. 5773

September 14 1994 Introduced by Reps Schroer Points Rivers and Leland and referred to the Committee on Appropriations

A bill to amend section 261 of Act No 431 of the Public Acts of 1984 entitled as amended

The management and budget act ' as amended by Act No 46 of the Public Acts of 1993, being section 18 1261 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Section 261 of Act No 431 of the Public Acts of
2 1984 as amended by Act No 46 of the Public Acts of 1993 being
3 section 18 1261 of the Michigan Compiled Laws, is amended to read
4 as follows

5 Sec 261 (1) The department shall provide for the purchase
6 of the contracting for and the providing of supplies materi-
7 als services insurance utilities, third party financing,
8 equipment printing, and all other items as needed by state
9 agencies for which the legislature has not otherwise expressly

1 provided In all purchases made by the department all other
 2 things being equal, preference shall be given to products manu-
 3 factured or services offered by Michigan-based firms, if consis-
 4 tent with federal statutes The department shall solicit compet-
 5 itive bids from the private sector whenever practicable to effi-
 6 ciently and effectively meet the state s needs BEFORE SOLICIT-
 7 ING A COMPETITIVE BID, THE DEPARTMENT SHALL NOTIFY IN WRITING ALL
 8 POTENTIAL BIDDERS THAT THE DEPARTMENT IS SOLICITING A COMPETITIVE
 9 BID The department shall first determine that competitive solici-
 10 tation of bids in the private sector is not appropriate before
 11 it shall use any other procurement method for an acquisition AS
 12 USED IN THIS SUBSECTION, "POTENTIAL BIDDER IS A PERSON WHO HAS
 13 NOTIFIED THE DEPARTMENT IN WRITING THAT IT DESIRES TO RECEIVE
 14 NOTICE OF THE SOLICITING OF A BID OF A PARTICULAR KIND OR IN A
 15 PARTICULAR AREA OF BUSINESS

16 (2) The department shall make all discretionary decisions
 17 concerning the solicitation award amendment cancellation and
 18 appeal of state contracts

19 (3) The department shall utilize competitive bidding for all
 20 purchases authorized pursuant to subsection (1) unless the
 21 department has determined that another procurement method is in
 22 ~~the~~ THIS state's best interests

23 (4) The department may delegate its procurement authority to
 24 other state agencies within dollar limitations and for designated
 25 types of procurements The department may withdraw delegated
 26 authority upon a finding that a state agency did not comply with
 27 departmental procurement directives

1 (5) The department may enter into lease purchases or
2 installment purchases for periods not exceeding the anticipated
3 useful life of the items purchased unless otherwise prohibited by
4 law

5 (6) The department shall issue directives for the procure-
6 ment receipt inspection, and storage of supplies materials,
7 and equipment and for printing and services needed by state
8 agencies The department shall provide standard specifications
9 and standards of performance applicable to purchases

10 (7) The department may enter into a cooperative purchasing
11 agreement with 1 or more other states or public entities for the
12 purchase of goods including but not limited to recycled goods
13 and services necessary for state programs