



HOUSE BILL No. 4183

January 30, 1995, Introduced by Rep. Schroer 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.