



HOUSE BILL No. 4592

March 14, 1995, Introduced by Reps. Hanley, Anthony, Cherry, Martinez, Price, LaForge and Gire and referred to the Committee on House Oversight and Ethics.

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. The department
7 shall first determine that competitive solicitation of bids in
8 the private sector is not appropriate before it shall use any
9 other procurement method for an acquisition.

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

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

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

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

26 (6) The department shall issue directives for the
27 procurement, receipt, inspection, and storage of supplies,

1 materials, and equipment, and for printing and services needed by
2 state agencies. The department shall provide standard specifica-
3 tions and standards of performance applicable to purchases.

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

8 (8) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
9 DEPARTMENT SHALL COMPETITIVELY BID ALL CONTRACTS FOR SERVICES TO
10 A STATE AGENCY CONSISTING OF FINANCIAL ADVICE, LEGAL SERVICES,
11 AND UNDERWRITING INVOLVED IN THE PLANNING, APPROVAL, AND ISSUANCE
12 OF BONDS OR OBLIGATIONS OF A STATE AGENCY. THE DEPARTMENT MAY
13 USE ANOTHER METHOD OF PROCUREMENT ONLY UPON A DETAILED WRITTEN
14 FINDING BY THE DIRECTOR THAT ANOTHER METHOD OF PROCUREMENT IS IN
15 THE BEST INTEREST OF THIS STATE.