



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5913 (Substitute S-1 as reported)
Sponsor: Representative Philip LaJoy
House Committee: Education
Senate Committee: Education

CONTENT

The bill would amend the Management and Budget Act to require the Department of Management and Budget to create and operate a cooperative bulk purchasing program for school districts, public school academies, nonpublic schools, and intermediate school districts on a fee basis to reduce the costs of purchasing goods and services. Fees collected under this provision could not exceed the cost of purchasing goods and services and reasonable administrative expenses, and would be appropriated for the expenses incurred.

MCL 18.1263

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have a minimal impact on the Department of Management and Budget. A cooperative purchasing program, MiDEAL, already exists within the Department. To the extent the bill would result in additional entities' participating in the program, additional savings would be realized.

Date Completed: 12-3-04

Fiscal Analyst: Bill Bowerman