

**SUBSTITUTE FOR
SENATE BILL NO. 850**

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
(MCL 18.1101 to 18.1594) by adding section 283a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 283a. (1) Except as otherwise provided in this
2 subsection, beginning October 1, 2005, all nonclassified state
3 government employees payroll and payments and all elected and
4 appointed state officials payroll and payments shall be paid by
5 electronic funds transfer. The civil service commission is
6 strongly encouraged to require the payroll and payments for all
7 state classified employees to be paid by electronic funds
8 transfer. The department of community health and the family
9 independence agency shall implement this section October 1,
10 2006.

11 (2) Except as otherwise provided in this subsection,

1 beginning October 1, 2005, all contracts that this state enters
2 into for the purchase of goods or services shall provide that
3 payment shall be made by electronic funds transfer. The
4 department of community health and the family independence agency
5 shall implement this section October 1, 2006.

6 (3) The department is encouraged to implement this section
7 before October 1, 2005.