HOUSE BILL No. 6084

July 21, 2004, Introduced by Reps. Wojno, Law, Spade, Condino, Gaffney, Bieda, Tobocman, Lipsey, Vagnozzi and Gleason and referred to the Committee on Government Operations.

A bill to amend 1984 PA 431, entitled

"The management and budget act,"

by amending section 261 (MCL 18.1261), as amended by 1993 PA 46.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 261. (1) The department shall provide for the purchase

2 of, the contracting for, and the providing of supplies,

3 materials, services, insurance, utilities, third party financing,

4 equipment, printing, and all other items as needed by state

5 agencies for which the legislature has not otherwise expressly

6 provided. In all purchases made by the department, all other

7 things being equal, preference shall be given to products

8 manufactured or services offered by Michigan-based firms, if

9 consistent with federal statutes. The department shall solicit

10 competitive bids from the private sector whenever practicable to

11 efficiently and effectively meet the state's needs. The

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1 department shall first determine that competitive solicitation of

2 bids in the private sector is not appropriate before it shall use

3 any other procurement method for an acquisition.

4　　　(2) The department shall make all discretionary decisions

5 concerning the solicitation, award, amendment, cancellation, and

6 appeal of state contracts.

7　　　(3) The department shall utilize competitive bidding for all

8 purchases authorized pursuant to subsection (1) unless the

9 department has determined that another procurement method is in

10 the state's best interests.

11　　　(4) The department may delegate its procurement authority to

12 other state agencies within dollar limitations and for designated

13 types of procurements. The department may withdraw delegated

14 authority upon a finding that a state agency did not comply with

15 departmental procurement directives.

16　　　(5) The department may enter into lease purchases or

17 installment purchases for periods not exceeding the anticipated

18 useful life of the items purchased unless otherwise prohibited by

19 law.

20　　　(6) The department shall issue directives for the

21 procurement, receipt, inspection, and storage of supplies,

22 materials, and equipment, and for printing and services needed by

23 state agencies. The department shall provide standard

24 specifications and standards of performance applicable to

25 purchases.

26　　　(7) The department may enter into a cooperative purchasing

27 agreement with 1 or more other states or public entities for the

1 purchase of goods, including, but not limited to, recycled goods,

2 and services necessary for state programs.

3   **(8) Beginning January 1, 2005, and each year after 2005, the**

4 **department shall report to each house of the legislature on the**

5 **amount of goods and services purchased by all state agencies in**

6 **the immediately preceding fiscal year that were purchased from an**

7 **expatriated business and the amount of goods and services**

8 **purchased by all state agencies in the immediately preceding**

9 **fiscal year that were manufactured or provided by an individual**

10 **who is not a citizen of the United States, a legal resident alien**

11 **of the United States, or an individual who holds a valid visa of**

12 **the United States.**

13   **(9) As used in subsection (8):**

14   **(a) "Expatriated business" means a corporation or an**

15 **affiliate of the corporation that is incorporated in a tax haven**

16 **country after December 31, 2001, but the United States is the**

17 **principal market for the public trading of the corporation's**

18 **stock, as determined by the director.**

19   **(b) "Tax haven country" means each of the following:**

20 **Barbados, Bermuda, British Virgin Islands, Cayman Islands,**

21 **Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the**

22 **Principality of Liechtenstein, the Principality of Monaco, and**

23 **the Republic of the Seychelles.**