June 10, 2003, Introduced by Senators BERNERO, JACOBS, CLARK-COLEMAN, TOY, HAMMERSTROM, BRATER, CLARKE, LELAND, SCOTT, THOMAS and SCHAUER and referred to the Committee on Local, Urban and State Affairs.

A bill to amend 1988 PA 112, entitled
"The business opportunity act for persons with disabilities,"
by amending the title and section 3 (MCL 450.793), as amended by
1998 PA 73.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2

SENATE BILL No. 564

An act to provide <u>competitive opportunity in</u> **for** state procurements of goods, services, and construction for businesses owned by persons with disabilities; to provide powers and duties of the governor; to prescribe powers and duties of certain state departments and agencies; and to provide penalties.

Sec. 3. (1) It shall be the goal of each department to

Each department shall award each year not less than 3% of its

total expenditures for construction, goods, and services, less

expenditures to sole source vendors, to businesses owned by

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- 1 persons with disabilities.
- 2 (2) At 5-year intervals from the effective date of this act
- 3 By March 30 of 2004 and every fifth year thereafter, the
- 4 department of management and budget shall review the progress of
- 5 the departments in meeting the 3% goal percentage requirement in
- 6 subsection (1) with input from the business community, including
- 7 businesses owned by persons with disabilities, and shall make
- 8 recommendations to the legislature regarding continuation,
- 9 increases, or decreases in the percentage goal requirement.
- 10 The recommendations shall be based upon the number of businesses
- 11 -which that are owned by persons with disabilities and on the
- 12 continued need to encourage and promote businesses owned by
- 13 persons with disabilities.
- 14 (3) It shall be the goal of each department or agency that
- 15 does not meet the goal provided in subsection (1) to award each
- 16 year to businesses owned by persons with disabilities not less
- 17 than 150% of the actual expenditures it awarded to businesses
- 18 owned by persons with disabilities in the preceding year until
- 19 not less than 3% of total expenditures is achieved as provided in
- 20 subsection (1).
- 21 (3) -(4) To assist in reaching the -goals set in subsections
- 22 (1) and (3) percentage requirement in subsection (1), the
- 23 governor shall recommend to the legislature changes in programs
- 24 to assist businesses owned by persons with disabilities.
- 25 (4) -(5) To assist in meeting the -goals set forth in
- 26 subsections (1) and (3) percentage requirement in
- 27 subsection (1), each department shall include provisions for the

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- 1 consideration of subcontracts and joint ventures. The provisions
- 2 shall require a bidder to indicate the extent of participation of
- 3 a business owned by persons with disabilities.
- 4 (5) $\frac{(6)}{(6)}$ Only the portion of a prime contract that reflects
- 5 participation of a business owned by persons with disabilities
- 6 shall be considered in meeting the requirements of -subsections
- 7 $\frac{(1) \text{ and } (3)}{(1)}$ subsection (1).
- 8 (6) $\frac{(7)}{(7)}$ Except as otherwise provided by statute, if the
- 9 bidders for any contract for construction, goods, or services do
- 10 not include a qualified business owned by persons with
- 11 disabilities, the contract shall be awarded to the lowest bidder
- 12 qualified to perform the contract.

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