

Legislative Analysis



LOCAL GOVERNMENT PURCHASING: "MY DEAL PLAN"

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House Bill 4588

Sponsor: Rep. Steve Tobocman

Committee: Intergovernmental, Urban, and Regional Affairs

Complete to 5-1-07

A SUMMARY OF HOUSE BILL 4588 AS INTRODUCED 4-5-07

House Bill 4588 would amend the Management and Budget Act to specify in statute that local governments can purchase items through the "My Deal Plan" operated by the Department of Management and Budget.

Currently under the law, the Department of Management and Budget is authorized to create and operate a cooperative bulk purchasing program for school districts, charter schools, nonpublic schools, and intermediate school districts on a fee basis to reduce the costs of purchasing goods and services. Fees collected cannot exceed the cost of the purchasing, plus a reasonable administrative expense. House Bill 4588 would retain these provisions, and specifically extend them to local units of government. The bill specifies that the portion of the cooperative bulk purchasing program that would be operated for the benefit of local units of government would be called the "My Deal Plan."

[The DMB currently operates a program, known as MiDEAL, which stands for Michigan Delivering Extended Agreements Locally.]

MCL 18.1263

FISCAL IMPACT:

Since the bill appears to be putting into statute an existing program, there should be no fiscal impact.

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