HOUSE BILL No. 4588

April 5, 2007, Introduced by Rep. Tobocman and referred to the Committee on
  Intergovernmental, Urban and Regional Affairs.

    A bill to amend 1984 PA 431, entitled

"The management and budget act,"

by amending section 263 (MCL 18.1263), as amended by 2004 PA 589.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Sec. 263. (1) The director may authorize a state agency to

2 purchase supplies and materials for the purpose of maintaining

3 inventories. The director shall place a dollar or quantity

4 limitation to insure inventories are maintained at acceptable

5 levels. Appropriation accounts shall be charged upon the basis of

6 actual usage. Any state agency so authorized shall conduct periodic

7 inventories as directed by the director of all supplies and

8 materials under their control. Obsolete, damaged, or spoiled

9 supplies and materials shall be charged to the proper appropriation

1 account during the fiscal year it is determined that obsolescence,

2 damage, or spoilage has occurred.

3 (2) The department shall provide assistance to any city,

4 village, county, township, school district, intermediate school

5 district, nonprofit hospital, institution of higher education, or

6 community or junior college for purchasing services on a fee basis.

7 Fees collected for the provision of that assistance are

8 appropriated for the additional expenses incurred.

9 (3) The department shall create and operate a cooperative bulk

10 purchasing program for **LOCAL UNITS OF GOVERNMENT,** school districts,

11 public school academies, nonpublic schools, and intermediate school

12 districts on a fee basis to reduce the costs of purchasing goods

13 and services. Fees collected under this subsection shall not exceed

14 the cost of purchasing goods and services and reasonable

15 administrative expenses, and are appropriated for the expenses

16 incurred. **THE PORTION OF THE COOPERATIVE BULK PURCHASING PROGRAM**

17 **THAT IS OPERATED FOR THE BENEFIT OF LOCAL UNITS OF GOVERNMENT SHALL**

18 **BE CALLED THE MY DEAL PLAN.**