

Legislative Analysis



PREFERENCE FOR BIOBASED PRODUCTS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4850 as enacted
Public Act 376 of 2016
Sponsor: Rep. Jason M. Sheppard
House Committee: Agriculture
Senate Committee: Agriculture
Complete to 7-20-17

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4850 amended Section 261 of the Management and Budget Act by requiring the Department of Management and Budget (DTMB) to give preference to biobased products whose content is sourced in Michigan in all purchases it makes, if consistent with federal statutes and if all other things are equal.

Previously, this section required DTMB to, under the same conditions, give preference to products manufactured or services offered by Michigan-based firms or by facilities with respect to which the operator is designated as a clean corporate citizen under Part 14 of the Natural Resources and Environmental Protection Act. That provision was expanded by the bill to add the new language on biobased products.

The bill would define biobased products as "a product granted the United States Department of Agriculture certified biobased product label."

The bill took effect March 22, 2017.

FISCAL IMPACT:

The bill would have an indeterminate fiscal impact on state government. The bill would not have an impact with state purchases that already follow similar guidelines, like state-owned vehicles. DTMB's vehicle fleet policy is governed by the Federal Energy Policy Act that requires that 75% of non-law enforcement, light duty vehicles be flex fuel vehicles. Alternative fuels like E-85 and biodiesel are used when reasonably priced and available. It is not possible to calculate the other procurement areas and estimate the resulting costs of this change to state agencies.

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