

Act No. 181  
Public Acts of 2020  
Approved by the Governor  
October 8, 2020  
Filed with the Secretary of State  
October 8, 2020  
EFFECTIVE DATE: October 8, 2020

**STATE OF MICHIGAN  
100TH LEGISLATURE  
REGULAR SESSION OF 2020**

Introduced by Reps. Glenn, Whiteford, Huizenga, Sabo and Hammoud

## **ENROLLED HOUSE BILL No. 5494**

AN ACT to amend 1984 PA 431, entitled “An act to prescribe the powers and duties of the department of management and budget; to define the authority and functions of its director and its organizational entities; to authorize the department to issue directives; to provide for the capital outlay program; to provide for the leasing, planning, constructing, maintaining, altering, renovating, demolishing, conveying of lands and facilities; to provide for centralized administrative services such as purchasing, payroll, record retention, data processing, and publishing and for access to certain services; to provide for a system of internal accounting and administrative control for certain principal departments; to provide for an internal auditor in certain principal departments; to provide for certain powers and duties of certain state officers and agencies; to codify, revise, consolidate, classify, and add to the powers, duties, and laws relative to budgeting, accounting, and the regulating of appropriations; to provide for the implementation of certain constitutional provisions; to create funds and accounts; to make appropriations; to prescribe remedies and penalties; to rescind certain executive reorganization orders; to prescribe penalties; and to repeal certain acts and parts of acts,” (MCL 18.1101 to 18.1594) by adding section 261e.

*The People of the State of Michigan enact:*

Sec. 261e. Not later than October 1, 2021, the department of technology, management, and budget shall do all of the following for each information technology project exceeding \$250,000.00:

(a) Establish and document a process for accounting for and monitoring of project cost that aligns with industry best practices and includes all of the following:

(i) Identification and monitoring of cost overruns.

(ii) Change orders and accounting for projects that exceed 1 fiscal year.

(b) Communicate process and defined roles to involved parties.

(c) Ensure information technology project spending within the information technology fund is accurately tracked and accounted for, including costs for contractors, state employees, hardware, software, and maintenance.

(d) Require each state agency to provide and report any additional technology project spending outside of the information technology fund is accurately tracked and accounted for, including costs for contractors, state employees, hardware, software, and maintenance.

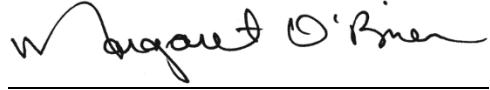
(e) Require each state agency to report on system-related contracts or projects with specific appropriations to ensure funds are only spent on the development and maintenance of that system.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved \_\_\_\_\_

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Governor