

Legislative Analysis



STATE PURCHASING BY MICHIGAN BUSINESSES

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

House Bill 6257

Sponsor: Rep. Dave Hildenbrand

House Bill 6258

Sponsor: Rep. Tom Casperson

House Bill 6259

Sponsor: Rep. Rick Baxter

Committee: Commerce

Complete to 6-27-06

A SUMMARY OF HOUSE BILLS 6257-6259 AS INTRODUCED 6-22-06

Each of the bills would amend the Management and Budget Act. (MCL 18.1101 et al.)

The act requires, generally speaking, that in all purchases made by the DMB, preference be given to products manufactured or services offered by Michigan-based firms, all other things being equal and if consistent with federal statutes. House Bill 6257 would remove the phrase, *all other things being equal*.

House Bill 6258 would require the Department of Management and Budget to create and operate a Michigan Business Purchasing Assistance program to help Michigan-based businesses provide goods and services to the state under contracts awarded under the act.

The program would be required to 1) assist businesses in understanding the DMB procurement and bidding process; 2) assist firms in becoming qualified vendors; and 3) otherwise assist firms in obtaining state contracts.

House Bill 6259 would require the DMB to establish and maintain a state procurement database and make the database available to the public on the Internet without charge through the department's website.

The database would have to include: 1) all invitations to bid, requests for proposals, and requests for information issued by the DMB in an easy-to-use searchable format separated into categories by subject matter; 2) sufficient information on the DMB procurement and bidding process to allow a potential vendor to submit a bid; 3) information on how to become a qualified vendor; and 4) contact information for the department and the Michigan Business Purchasing Assistance Program (created by House Bill 6258). The DMB would have to provide a link on the state's main website to the DMB website to access the procurement database.

FISCAL IMPACT:

The bills would have an indeterminate fiscal impact on the state. Indeterminate costs to the state would occur for staffing to create and operate a purchasing assistance program and to establish and maintain a procurement database.

Legislative Analyst: Chris Couch
Fiscal Analyst: Robin Risko

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