

HOUSE BILL No. 4102

February 1, 2005, Introduced by Reps. Wojno, Byrnes, Accavitti, Sheltroun, Gonzales, Sak, Miller, Gleason, Gaffney and Plakas and referred to the Committee on Government Operations.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending section 261 (MCL 18.1261), as amended by 1993 PA 46.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 261. (1) The department shall provide for the purchase
2 of, the contracting for, and the providing of supplies, materials,
3 services, insurance, utilities, third party financing, equipment,
4 printing, and all other items as needed by state agencies for which
5 the legislature has not otherwise expressly provided. In all
6 purchases made by the department, all other things being equal,
7 preference shall be given to products manufactured or services
8 offered by Michigan-based firms, if consistent with federal

1 statutes. The department shall solicit competitive bids from the
2 private sector whenever practicable to efficiently and effectively
3 meet the state's needs. The department shall first determine that
4 competitive solicitation of bids in the private sector is not
5 appropriate before it shall use any other procurement method for an
6 acquisition.

7 (2) The department shall make all discretionary decisions
8 concerning the solicitation, award, amendment, cancellation, and
9 appeal of state contracts.

10 (3) The department shall utilize competitive bidding for all
11 purchases authorized pursuant to subsection (1) unless the
12 department has determined that another procurement method is in the
13 state's best interests.

14 (4) The department may delegate its procurement authority to
15 other state agencies within dollar limitations and for designated
16 types of procurements. The department may withdraw delegated
17 authority upon a finding that a state agency did not comply with
18 departmental procurement directives.

19 (5) The department may enter into lease purchases or
20 installment purchases for periods not exceeding the anticipated
21 useful life of the items purchased unless otherwise prohibited by
22 law.

23 (6) The department shall issue directives for the procurement,
24 receipt, inspection, and storage of supplies, materials, and
25 equipment, and for printing and services needed by state agencies.
26 The department shall provide standard specifications and standards
27 of performance applicable to purchases.

1 (7) The department may enter into a cooperative purchasing
2 agreement with 1 or more other states or public entities for the
3 purchase of goods, including, but not limited to, recycled goods,
4 and services necessary for state programs.

5 (8) BEGINNING JANUARY 1, 2005, AND EACH YEAR AFTER 2005, THE
6 DEPARTMENT SHALL REPORT TO EACH HOUSE OF THE LEGISLATURE ON THE
7 AMOUNT OF GOODS AND SERVICES PURCHASED BY ALL STATE AGENCIES IN THE
8 IMMEDIATELY PRECEDING FISCAL YEAR THAT WERE PURCHASED FROM AN
9 EXPATRIATED BUSINESS AND THE AMOUNT OF GOODS AND SERVICES PURCHASED
10 BY ALL STATE AGENCIES IN THE IMMEDIATELY PRECEDING FISCAL YEAR THAT
11 WERE MANUFACTURED OR PROVIDED BY AN INDIVIDUAL WHO IS NOT A CITIZEN
12 OF THE UNITED STATES, A LEGAL RESIDENT ALIEN OF THE UNITED STATES,
13 OR AN INDIVIDUAL WHO HOLDS A VALID VISA OF THE UNITED STATES.

14 (9) AS USED IN SUBSECTION (8):

15 (A) "EXPATRIATED BUSINESS" MEANS A CORPORATION OR AN AFFILIATE
16 OF THE CORPORATION THAT IS INCORPORATED IN A TAX HAVEN COUNTRY
17 AFTER DECEMBER 31, 2001, BUT THE UNITED STATES IS THE PRINCIPAL
18 MARKET FOR THE PUBLIC TRADING OF THE CORPORATION'S STOCK, AS
19 DETERMINED BY THE DIRECTOR.

20 (B) "TAX HAVEN COUNTRY" MEANS EACH OF THE FOLLOWING: BARBADOS,
21 BERMUDA, BRITISH VIRGIN ISLANDS, CAYMAN ISLANDS, COMMONWEALTH OF
22 THE BAHAMAS, CYPRUS, GIBRALTAR, ISLE OF MAN, THE PRINCIPALITY OF
23 LIECHTENSTEIN, THE PRINCIPALITY OF MONACO, AND THE REPUBLIC OF THE
24 SEYCHELLES.