

SUBSTITUTE FOR  
HOUSE BILL NO. 5481

A bill to amend 1984 PA 431, entitled  
"The management and budget act,"  
by amending section 241 (MCL 18.1241), as amended by 2010 PA 22.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 241. (1) Except for the contracts permitted in section  
2 240, a contract shall not be awarded for the construction, repair,  
3 remodeling, or demolition of a facility unless the contract is let  
4 pursuant to a bidding procedure that is approved by the board. The  
5 department shall issue directives prescribing procedures to be used  
6 to implement this section. The procedures shall require a  
7 competitive solicitation in the award of any contract for  
8 construction, repair, remodeling, or demolition of a facility. **THE**  
9 **PROCEDURES SHALL REQUIRE COMPLIANCE WITH THE IRAN AND OTHER STATE**

1 **SPONSORS OF TERROR ECONOMIC SANCTIONS ACT.**

2 (2) The department may award or approve the award, if the  
3 board approves, of construction contracts to construct a project  
4 for which the director is the agent and may expend, for the  
5 purposes and in the manner set forth, the amounts appropriated. The  
6 director is not the agent for a community college or institution of  
7 higher education, but may act in that capacity upon the specific  
8 request of a community college or institution of higher education.

9 (3) In awarding a contract under this section, the department  
10 shall give a preference of up to 10% of the amount of the contract  
11 to a qualified disabled veteran, as defined in section 261. If the  
12 qualified disabled veteran otherwise meets the requirements of the  
13 contract solicitation and with the preference is the lowest bidder,  
14 the department shall enter into a construction contract with the  
15 qualified disabled veteran under this act. If 2 or more qualified  
16 disabled veterans are the lowest bidders on a contract, all other  
17 things being equal, the qualified disabled veteran with the lowest  
18 bid shall be awarded the contract under this act.

19 Enacting section 1. This amendatory act does not take effect  
20 unless House Bill No. 5479 of the 96th Legislature is enacted into  
21 law.