

SENATE BILL No. 1011

March 8, 2012, Introduced by Senators JONES, ROCCA and MARLEAU and referred to the Committee on Appropriations.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending section 203 (MCL 18.1203), as amended by 1999 PA 8.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 203. (1) The department shall issue directives, after
2 consultation with any affected state agency, relative to state
3 automated information processing installations and
4 telecommunications projects and services including the planning,
5 establishment, consolidation, or outsourcing of state information
6 processing installations and telecommunications projects and
7 services to assure the design, implementation, and maintenance of
8 effective and efficient support systems for state agencies.

9 (2) Within 120 days after the end of each fiscal year, the
10 department shall report to the appropriations committees and the

1 fiscal agencies for the immediately past completed fiscal year. The
2 report shall include all of the following:

3 (a) A departmental summary of expenditures and source of
4 funding for all information technology projects undertaken by a
5 principal department.

6 (b) Expenditures on information technology hardware,
7 information technology software, information technology consulting
8 services entered into with the private sector, and expenditures
9 related to state employees whose primary work assignment involves
10 information technology support.

11 (c) A distinction between information technology expenditures
12 made directly by state departments and those expenditures made
13 through contracts with the private sector.

14 (3) An expenditure shall not be made for automated information
15 processing unless the expenditure is pursuant to an automated
16 information processing plan that is approved by the department. **A**
17 **CONTRACT OR CONTRACT EXTENSION FOR AN EXPENDITURE FOR INFORMATION**
18 **TECHNOLOGY OF \$2,000,000.00 OR MORE THAT IS ENTERED INTO AFTER THE**
19 **EFFECTIVE DATE OF THE 2012 ACT THAT ADDED THIS SENTENCE SHALL**
20 **REQUIRE THE VENDOR TO SUPPLY A PERFORMANCE BOND. THE PERFORMANCE**
21 **BOND SHALL SECURE THE FAITHFUL PERFORMANCE OF THE CONTRACT OR**
22 **CONTRACT EXTENSION IN ACCORDANCE WITH ITS PLANS, SPECIFICATIONS,**
23 **AND TERMS AND SHALL BE PAYABLE ON TERMS THAT PROTECT THE INTERESTS**
24 **OF THIS STATE. THE DEPARTMENT SHALL ESTABLISH THE AMOUNT OF THE**
25 **PERFORMANCE BOND FOR EACH CONTRACT OR CONTRACT EXTENSION, WHICH**
26 **SHALL BE AT LEAST 1/3 BUT NOT MORE THAN 3 TIMES THE VALUE OF THE**
27 **CONTRACT OR CONTRACT EXTENSION. THE DOLLAR AMOUNT OF THIS STATE'S**

1 CONTRACTS AND CONTRACT EXTENSIONS WITH A VENDOR FOR THE SAME
2 PROJECT OR THAT ARE INTERDEPENDENT SHALL BE AGGREGATED FOR PURPOSES
3 OF THE PERFORMANCE BOND REQUIREMENT.

4 (4) The department shall develop and maintain a statewide plan
5 for the effective and efficient utilization of information
6 processing and telecommunication projects and services.

7 (5) The department may arrange for and effect a unified and
8 integrated statewide information processing and telecommunication
9 system and provide for the administration of the system.

10 (6) A state agency shall not purchase or operate a
11 telecommunications facility or system or an automated data
12 processing system or installation unless the facility, system, or
13 installation is approved by the department.

14 (7) Each state agency shall report to the department and to
15 the appropriate appropriations committees and fiscal agencies on
16 each informational system sold or marketed by the state agency or a
17 contractor hired by the state agency. The report shall include all
18 costs of development of the system, the income derived from the
19 marketing or sale, and the disposition of the income.