

HOUSE BILL No. 5913

May 18, 2004, Introduced by Reps. LaJoy, Moolenaar, Taub, Caswell, Palmer, Acciavatti, Milosch, Garfield, Tabor, Casperson, Bradstreet, Robertson, Nofs, Newell, Caul, Hager, Middaugh, Emmons, Gaffney, Stewart, Kooiman, Vander Veen, Huizenga, Mortimer, Ward, Palsrok, Pastor, Walker, Ehardt, Brandenburg, Sheen, DeRoche, Voorhees and Julian and referred to the Committee on Education.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending section 263 (MCL 18.1263).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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1 Sec. 263. (1) The director may authorize a state agency to
2 purchase supplies and materials for the purpose of maintaining
3 inventories. The director shall place a dollar or quantity
4 limitation to insure inventories are maintained at acceptable
5 levels. Appropriation accounts shall be charged upon the basis
6 of actual usage. Any state agency so authorized shall conduct
7 periodic inventories as directed by the director of all supplies
8 and materials under their control. Obsolete, damaged, or spoiled
9 supplies and materials shall be charged to the proper
10 appropriation account during the fiscal year it is determined
11 that obsolescence, damage, or spoilage has occurred.

1 (2) The department shall provide assistance to any city,
2 village, county, township, ~~school district, intermediate school~~
3 ~~district,~~ nonprofit hospital, institution of higher education,
4 or community or junior college for purchasing services on a fee
5 basis. Fees collected for the provision of that assistance are
6 appropriated for the additional expenses incurred.

7 (3) **The department shall create and operate a cooperative**
8 **bulk purchasing program for school districts, public school**
9 **academies, nonpublic schools, and intermediate school districts**
10 **on a fee basis to reduce the costs of purchasing goods and**
11 **services. Fees collected under this subsection shall not exceed**
12 **the cost of purchasing goods and services and reasonable**
13 **administrative expenses.**