November 10, 2004, Introduced by Reps. Meisner, Law and Tobocman and referred to the Committee on Government Operations.

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:

- 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 under this
- 7 subsection shall conduct periodic inventories as directed by the
- **8** director of all supplies and materials under their control.
- 9 Obsolete, damaged, or spoiled supplies and materials shall be
- O charged to the proper appropriation account during the fiscal

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- 1 year it is determined that obsolescence, damage, or spoilage has
- 2 occurred.
- 3 (2) The department shall provide assistance to any city,
- 4 village, county, township, school district, intermediate school
- 5 district, nonprofit hospital, nonprofit organization, institution
- 6 of higher education, or community or junior college for
- 7 purchasing services on a fee basis. Fees collected for the
- 8 provision of that assistance are appropriated for the additional
- 9 expenses incurred.
- 10 (3) As used in this section, "nonprofit organization" means
- 11 an organization exempt from taxation under section 501(c)(3) of
- 12 the internal revenue code, 26 USC 501(c)(3).

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