

HOUSE BILL No. 4237

February 8, 2005, Introduced by Reps. LaJoy and Drolet and referred to the Committee on Government Operations.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending section 283 (MCL 18.1283).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 283. (1) The department shall issue directives necessary
2 to establish and maintain the central payroll system for the
3 periodic compensation of the officers and employees of all state
4 agencies of all branches of state government.

5 (2) The department shall perform such duties as required as
6 the tax withholding agency for the state government payroll
7 pursuant to any local, state, or federal law.

8 (3) The department shall issue directives for the approval or
9 disapproval of any proposal for payroll deductions or withholding

1 other than those required by law.

2 (4) NOT LATER THAN 120 DAYS AFTER THE EFFECTIVE DATE OF THE
3 AMENDATORY ACT THAT ADDED THIS SUBSECTION, THE DEPARTMENT SHALL
4 DETERMINE THE TRUE COST OF OPERATING AND MAINTAINING THE CENTRAL
5 PAYROLL SYSTEM. NOT LATER THAN 240 DAYS AFTER THE EFFECTIVE DATE OF
6 THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, THE DEPARTMENT SHALL
7 SOLICIT BIDS FROM VENDORS TO OPERATE AND MAINTAIN THE CENTRAL
8 PAYROLL SYSTEM FOR STATE AGENCIES. IF THE DEPARTMENT RECEIVES BIDS
9 TO OPERATE AND MAINTAIN THE CENTRAL PAYROLL SYSTEM THAT ARE LESS
10 THAN 98% OF THE DEPARTMENT'S TRUE COST, THE DEPARTMENT SHALL ENTER
11 INTO A CONTRACT WITH A VENDOR AS PROVIDED IN THIS ACT.

12 (5) AS USED IN THIS SECTION:

13 (A) "CENTRAL PAYROLL SYSTEM" MEANS THE CENTRAL PAYROLL SYSTEM
14 FOR THE PERIODIC COMPENSATION OF THE OFFICERS AND EMPLOYEES OF ALL
15 STATE AGENCIES AND ALL BRANCHES OF GOVERNMENT THAT INCLUDES, BUT IS
16 NOT LIMITED TO, ALL OF THE FOLLOWING:

17 (i) CHECK PRINTING, PROCESSING, AND DISTRIBUTION.

18 (ii) THE TOTAL NUMBER OF PAYROLL TRANSACTIONS EACH PAY PERIOD
19 AND EACH YEAR.

20 (iii) THE CALCULATION OF THE TRUE COST OF EACH PAYROLL
21 TRANSACTION.

22 (B) "TRUE COST" MEANS THE TOTAL MONETARY VALUE OF ALL
23 PERSONNEL, EQUIPMENT, SOFTWARE, HARDWARE, SUPPLIES, SERVICES,
24 UTILITIES, POSTAGE, RENT, AND TIME AND ATTENDANCE COLLECTION OF THE
25 DEPARTMENT.