

# HOUSE BILL NO. 5654

April 23, 2024, Introduced by Reps. O'Neal, Haadsma, Scott, Farhat and McKinney and referred to the Committee on Regulatory Reform.

A bill to amend 1984 PA 431, entitled  
"The management and budget act,"  
by amending section 237b (MCL 18.1237b), as added by 2002 PA 504.

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

1           Sec. 237b. (1) ~~The~~ **Except as otherwise provided in subsection**  
2           **(2), for proposed projects of the department and state agencies,**  
3           **the selection of architects for architectural services,**  
4           **professional engineers for engineering services,** professional  
5           **surveyors for land surveying services,** and qualified firms ~~shall~~

1 **must** be made in accordance with competitive, qualifications-based  
2 selection processes and procedures for the type of professional  
3 service, ~~required as determined~~ by the department.

4 (2) From January 1, 2025 to December 31, 2032, the following  
5 procedures must be used for the selection of architects for  
6 architectural services, professional engineers for engineering  
7 services, professional surveyors for land surveying services, and  
8 qualified firms for proposed projects of the department and state  
9 agencies where the estimated cost for the services is \$250,000.00  
10 or more:

11 (a) The department or state agency must publish a notice  
12 requesting a statement of interest in the proposed project by any  
13 qualified firm, along with a statement of qualifications and  
14 performance data from that qualified firm. The published notice  
15 must state the general scope and nature of the proposed project for  
16 which services are required and must include contact information  
17 for a representative of the department or state agency who can  
18 provide further details of the proposed project.

19 (b) In procuring architectural services, engineering services,  
20 or land surveying services for a proposed project, the department  
21 or state agency shall evaluate the statements of interest,  
22 statements of qualifications, and performance data submitted by  
23 qualified firms. In evaluating a qualified firm for the proposed  
24 project, the department or state agency shall consider all of the  
25 following:

26 (i) Qualifications of the qualified firm.

27 (ii) Ability of the professional personnel of the qualified  
28 firm.

29 (iii) Past record and experience of the qualified firm.

1           (iv) Any other qualifications-based factors that the department  
2 or state agency determines are applicable.

3           (c) The department or state agency may conduct discussions  
4 with and require presentations by any qualified firm being  
5 considered to provide the required architectural services,  
6 engineering services, or land surveying services for the proposed  
7 project.

8           (d) Based on the evaluations, discussions, and presentations  
9 described in this subsection, the department or state agency shall  
10 select those qualified firms considered the most highly qualified  
11 to provide the required architectural services, engineering  
12 services, or land surveying services for the proposed project. The  
13 department or state agency shall rank those qualified firms  
14 selected in order based on the qualifications set forth in this  
15 section.

16           (e) The department or state agency shall enter into contract  
17 negotiations with the highest-ranked qualified firm as determined  
18 under subdivision (d) at compensation that the department or state  
19 agency determines to be fair and reasonable. The department or  
20 state agency shall take into account the estimated value, scope,  
21 complexity, and professional nature of the services to be rendered.

22           (f) If the department or state agency is unable to negotiate a  
23 satisfactory contract with the highest-ranked qualified firm,  
24 negotiations with that qualified firm must be formally terminated.  
25 The department or state agency shall begin negotiations with the  
26 next most highly ranked qualified firm and continue until an  
27 agreement is reached or the process is terminated.

28           (g) If the department or state agency is unable to negotiate a  
29 satisfactory contract with any of the selected qualified firms, the

1 department or state agency must reevaluate the architectural  
2 services, engineering services, or land surveying services  
3 requested, including the estimated value, scope, complexity, and  
4 fee requirements.

5 (h) The department or state agency may waive the requirements  
6 of this subsection if the department or state agency determines  
7 that an emergency situation exists and a qualified firm must be  
8 selected in an expeditious manner.

9 (3) Each January 1 between 2026 and 2033, the department shall  
10 submit a report to the legislature that includes all of the  
11 following information for the immediately preceding year:

12 (a) A summary of whether qualified firms that were selected  
13 for contracts under subsection (2) offered new ideas, technology,  
14 materials, construction techniques, or other innovations.

15 (b) A summary of whether projects contracted for under  
16 subsection (2) were completed on schedule or otherwise met  
17 scheduled deadlines.

18 (c) A summary of whether projects contracted for under  
19 subsection (2) stayed on budget.

20 (d) An analysis of whether there was greater collaboration  
21 between the department or state agency, as applicable, and the  
22 qualified firm to reduce misunderstandings and project risk  
23 compared to projects contracted for under subsection (1).

24 (e) An indication of whether design documents of projects  
25 contracted for under subsection (2) are considered to be at a high  
26 level.

27 (4) As used in this section:

28 (a) "Architectural services" means the practice of  
29 architecture, as that term is defined in section 2001 of the

1 occupational code, 1980 PA 299, MCL 339.2001.

2 (b) "Engineering services" means the practice of professional  
3 engineering, as that term is defined in section 2001 of the  
4 occupational code, 1980 PA 299, MCL 339.2001.

5 (c) "Land surveying services" means the practice of  
6 professional surveying, as that term is defined in section 2001 of  
7 the occupational code, 1980 PA 299, MCL 339.2001.

8 (d) "Qualified firm" means a sole proprietorship, partnership,  
9 corporation, or limited liability company through which a person  
10 licensed as an architect, professional engineer, or professional  
11 surveyor under article 20 of the occupational code, 1980 PA 299,  
12 MCL 339.2001 to 339.2014, offers or provides architectural  
13 services, engineering services, or land surveying services to the  
14 public.