

Department of Technology Management & Budget

1. Rule(s) to be **processed** between July 1, 2021 and June 30, 2022. [Give brief description.]

Vendor Debarment 2021-36 TB

The purpose of this rule is to allow the Department of Technology, Management and Budget (DTMB) to exercise its authority under MCL 18.1264. This statute allows DTMB to debar a vendor from participating in the bid process and from contract award upon notice and a finding that the vendor is not able to perform responsibly, or that the vendor, or an officer or an owner of a 25% or greater share of the vendor, has demonstrated a lack of integrity that could jeopardize the state's interest if the state were to contract with the vendor.

The proposed rule provides for up to 5 years of debarment, where the comparable Federal rule limits it to 3 years. The difference is because the majority of State of Michigan contracts last 5 years, so a 3-year debarment would likely not be much of a penalty as it would allow the debarred vendor to bid again on the next contract cycle. This would put the debarred vendor in the same situation as a vendor that simply did not win the contract.

Additionally, the proposed rule allows DTMB to debar a vendor for "*serious or repetitive failure to perform contractual obligations*" and for "*any other cause so serious and compelling as to affect responsibility as a state supplier, including debarment by another government entity.*" The federal rule focuses solely on criminal behavior, convictions, and fraud.

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2021 and June 30, 2022. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

N/A

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

N/A – We have not received complaints regarding current rules that would require review.

- A. Whether there is a continued need for the rules.

- B. A summary of any complaints or comments received from the public concerning the rules.

- C. The complexity of complying with the rules.

- D. Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

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- E.** The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

- 5.** Please provide the URL link the department or bureau is currently using to display their administrative rules.

[DTMB - Administrative Guide \(michigan.gov\)](#)

https://www.michigan.gov/dtmb/0,5552,7-358-82547_9347---,00.html

- 6.** Please provide a list of the items identified for action in the 2021 ARP that have been completed and those that remain outstanding.

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