

2009 DRAFTING REQUEST

Bill

Received: **01/17/2009**

Received By: **chanaman**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Dombrowski**

This file may be shown to any legislator: **NO**

Drafter: **chanaman**

May Contact:

Addl. Drafters:

Subject: **State Govt - procurement**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

DOA:.....Dombrowski, BB0469 -

Topic:

Cost benefit analysis for state procurement

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	chanaman 01/17/2009	csicilia 01/17/2009	jfrantze 01/19/2009	_____	mbarman 01/20/2009		State

FE Sent For:

<END>

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/P1	chanaman	/P1 cjs 1/17 09		<i>[Signature]</i> 1/19			

FE Sent For:

<END>

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Cost Benefit Analysis Requirements
- Tracking Code: BB04/09
- SBO team: GGED
- SBO analyst: Cindy Dombrowski ^{AD}
 - Phone: 266-5878
 - Email: cynthia.dombrowski@wisconsin.gov
- Agency acronym: DOA
- Agency number: 505
- Priority (Low, Medium, High): High

Intent:

Repeal the current cost benefit analysis requirement under chapter 16.



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1612/P1

CMH:/.....

egs

DOA:.....Dombrowski, BB0469 – Cost benefit analysis for state procurement
FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

Stv

do NOT go on
don't see

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law if an agency is purchasing contractual services, or is renewing contractual services, that involve an estimated expenditure of more than \$25,000, the agency must conduct either a uniform cost-benefit analysis, for a new contract, or a continued appropriateness review, to renew a contract. This bill eliminates the requirement that an agency conduct a uniform cost-benefit analysis or a continued appropriateness review.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

either

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 16.70 (3g) of the statutes is repealed.

3 SECTION 2. 16.705 (2) of the statutes is amended to read:

4 16.705 (2) The department shall promulgate rules for the procurement of
5 contractual services by the department and its designated agents, including but not

1 limited to rules prescribing approval and monitoring processes for contractual
2 service contracts, ~~a requirement for agencies to conduct a uniform cost-benefit~~
3 ~~analysis of each proposed contractual service procurement involving an estimated~~
4 ~~expenditure of more than \$25,000 in accordance with standards prescribed in the~~
5 ~~rules, and a requirement for agencies to review periodically, and before any renewal,~~
6 ~~the continued appropriateness of contracting under each contractual services~~
7 ~~agreement involving an estimated expenditure of more than \$25,000. Each officer~~
8 requesting approval to engage any person to perform contractual services shall
9 submit to the department written justification for such contracting which shall
10 include a description of the contractual services to be procured, justification of need,
11 justification for not contracting with other agencies, a specific description of the
12 scope of contractual services to be performed, and justification for the procurement
13 process if a process other than competitive bidding is to be used. The department
14 may not approve any contract for contractual services unless it is satisfied that the
15 justification for contracting conforms to the requirements of this section and ss. 16.71
16 to 16.77.

History: 1977 c. 196 s. 31; Stats. 1977 s. 16.705; 1981 c. 20; 1983 a. 27; 1985 a. 29 s. 3200 (1); 1985 a. 332 s. 251 (1); 1987 a. 186; 1989 a. 125; 1999 a. 105; 2003 a. 33
ss. 201, 9160; 2005 a. 89, 142, 431.

17 **SECTION 3.** 16.705 (8) (intro.) and (b) of the statutes are consolidated,

18 renumbered 16.705 (8) and amended to read:

19 16.705 (8) ^{er} (intro.) The department shall, annually on or before October 15,
20 submit to the governor, the joint committee on finance, the joint legislative audit
21 committee and the chief clerk of each house of the legislature for distribution to the
22 appropriate standing committees under s. 13.172 (3), a report concerning the
23 number, value and nature of contractual service procurements authorized for each
24 agency during the preceding fiscal year. The report shall also include, with respect

1 to contractual service procurements by agencies for the preceding fiscal year:—(b)
2 Recommendations, recommendations for elimination of unneeded contractual
3 service procurements and for consolidation or resolicitation of existing contractual
4 service procurements.

History: 1977 c. 196 s. 31; Stats. 1977 s. 16.705; 1981 c. 20; 1983 a. 27; 1985 a. 29 s. 3200 (1); 1985 a. 332 s. 251 (1); 1987 a. 186; 1989 a. 125; 1999 a. 105; 2003 a. 33 ss. 201, 9160; 2005 a. 89, 142, 431.

5 **SECTION 4.** 16.705 (8) (a) of the statutes is repealed. ✓

6 **SECTION 5.** 84.01 (13) of the statutes is amended to read: ✕

7 **84.01 (13) ENGINEERING SERVICES.** The department may engage such
8 engineering, consulting, surveying, or other specialized services as it deems
9 advisable. Any engagement of services under this subsection is exempt from ss.
10 16.70 to 16.75, 16.755 to 16.82, and 16.85 to 16.89, but ss. 16.528, 16.752, 16.753, and
11 16.754 apply to such engagement. Any engagement involving an expenditure of
12 \$3,000 or more shall be by formal contract approved by the governor. The department
13 shall ~~conduct a uniform cost-benefit analysis, as defined in s. 16.70 (3g), of each~~
14 ~~proposed engagement under this subsection that involves an estimated expenditure~~
15 ~~of more than \$25,000 in accordance with standards prescribed by rule of the~~
16 ~~department. The department shall review periodically, and before any renewal, the~~
17 ~~continued appropriateness of contracting pursuant to each engagement under this~~
18 ~~subsection that involves an estimated expenditure of more than \$25,000.~~

19 **Cross Reference: Cross Reference: Cross Reference:** See also ch. Trans 515, Wis. adm. code. **Cross Reference:**

History: 1971 c. 40, 125; 1973 c. 12; 1973 c. 243 s. 82; 1975 c. 189; 1977 c. 29 ss. 918 to 924, 1654 (1), (8) (a), (f), 1656 (43); 1977 c. 190, 272; 1979 c. 221, 314; 1981 c. 346 s. 38; 1983 a. 27, 130; 1985 a. 29, 300; 1987 a. 27; 1989 a. 31, 125, 345; 1993 a. 246; 1995 a. 225, 338; 1997 a. 27, 106; 1999 a. 9; 2001 a. 16; 2005 a. 25, 89, 392, 410; 2007 a. 20, 97, 125.

20

(END)



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FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

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18 (END)