



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2009 Assembly Bill 1	Assembly Amendments 1, 2, and 3, and Assembly Amendment 1 to Assembly Amendment 1
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Under current law, the Department of Administration (DOA) has authority to purchase, or delegate the authority to purchase, all necessary materials and contractual services for all state agencies. With some exceptions, orders or contracts must be awarded to the lowest bidder.

Assembly Bill 1 does all of the following:

1. Requires DOA and any agency purchasing products or services to attempt to ensure that at least 2% of the total amount expended on purchases each fiscal year is from Wisconsin-based businesses.
2. Specifies that in any fiscal year, the percentage of total state purchases that are made from Wisconsin-based businesses may not be lower than it was in the previous fiscal year.
3. States that it shall be a goal of local governments that at least 2% of their purchases will be from Wisconsin-based businesses.
4. States that it shall be a goal of local governments that the percentage of their total purchases that are made from Wisconsin-based businesses will not be lower than it was in the previous fiscal year.
5. Deletes a provision in current law that allows DOA, when making purchases, to give a preference to Wisconsin businesses over any out-of-state vendor that is domiciled in a jurisdiction that grants a preference to vendors domiciled in that jurisdiction.

Assembly Amendment 1 changes from 2% to 5% the goal for purchases from Wisconsin-based businesses for both DOA (and other state agencies making purchases) and local governments. **Assembly Amendment 1 to Assembly Amendment 1** instead changes the goal from 2% to 20%.

Assembly Amendment 2 does all of the following:

- Restores the provision in current law that allows DOA to grant preference to a Wisconsin business over any out-of-state vendor that is domiciled in a jurisdiction that grants a preference to vendors domiciled in that jurisdiction.
- Amends the bill provision described in item 2, above, to specify that it is a goal, not a requirement.
- Requires DOA to collect information about a principal place of business of every person who responds to a proposal or submits a bid for a state contract. This information is to be used to measure compliance with the bill's requirements regarding state purchasing from Wisconsin-based businesses. By May, 2010, DOA must develop a plan to compile and use this data to and must share this plan with the Legislature.

Assembly Amendment 3 amends the bill provision described in item 4., above, to specify that the goal that the percentage of local government purchases from Wisconsin-based businesses not be lower than in the previous fiscal year applies to *routine* purchases by the local government.

Legislative History

Assembly Bill 1 was introduced on January 16, 2009, by Representative Clark and others; cosponsored by Senator Plale and others. The bill was referred to the Assembly Committee on Jobs, the Economy and Small Business, which held a hearing and executive session on the bill on January 21, 2009. The committee offered Assembly Amendments 1 and 2 and recommended their adoption on votes of Ayes, 11; Noes, 0. The committee voted to recommend passage of the bill, as amended, on a vote of Ayes, 11; Noes, 0.

On January 27, 2009, the Assembly took the following action on Assembly Bill 1:

- Adopted Assembly Amendment 1 to Assembly Amendment 1 (offered by Representatives Petersen and Spanbauer) on a vote of Ayes, 95; Noes, 4.
- Adopted Assembly Amendment 1 (as amended), Assembly Amendment 2, and Assembly Amendment 3 (offered by Representatives Krusick, Clark, and Zipperer), all on voice votes.
- Passed Assembly Bill 1, as amended, on a vote of Ayes, 77; Noes, 22.