

## Fiscal Estimate - 2011 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>11-4058/1</b>	<b>Introduction Number</b> <b>SB-572</b>
<b>Description</b> False claims against the state or a local government and providing a penalty	
<b>Fiscal Effect</b>	
<b>State:</b>	
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
<b>Local:</b>	
<input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.536(1)(k), stats.	
<b>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>
SWIB/ Bill Ford (608) 209-6362	Bill Ford (608) 209-6362
<b>Date</b>	
3/28/2012	

## Fiscal Estimate Narratives

SWIB 3/28/2012

LRB Number	11-4058/1	Introduction Number	SB-572	Estimate Type	Original
<b>Description</b> False claims against the state or a local government and providing a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates a variety of civil forfeitures and remedies with respect to the enforcement of contracts against contractors or vendors who do business with the state, including the State of Wisconsin Investment Board (SWIB). Provisions of the bill explicitly state that it does not apply to:

1. The employment of legal or investment counsel for the purpose of assisting the Investment Board with investments or arising out of the scope of the Board's investment authority.
2. Agreements or contracts entered into by the Investment Board for the purpose of assisting the Board with investments or arising out of the scope of the Board's investment authority.
3. The employment of any person for the purpose of assisting the Investment Board with investments or arising out of the scope of the Board's investment authority.

These three exemptions encompass most of the contracting activity undertaken by the State of Wisconsin Investment Board (SWIB). The most likely area for a minimal impact on SWIB would be with respect to technology-related systems and contracts that are not related to SWIB's investment authority and that therefore are procured under Chapter 20 of the statutes. In most cases, SWIB staff and attorneys have added enforceable contract compliance language in the terms of agreements with contractors and vendors. SWIB typically takes action when a vendor is not fulfilling its contract obligations so it is unclear whether and to what extent this bill would affect SWIB's operations. Therefore, it is expected that this bill would have a minimal fiscal effect on SWIB.

SWIB is an independent agency of Wisconsin state government and therefore cannot estimate any fiscal effect of this bill on local government.

### Long-Range Fiscal Implications