

Fiscal Estimate Narratives

DOA 1/24/2017

LRB Number	17-1148/2	Introduction Number	SB-003	Estimate Type	Original
Description Project labor agreements and public contracts					

Assumptions Used in Arriving at Fiscal Estimate

Senate Bill 3 (SB 3) would implement changes to the solicitation of bids, proposals and simplified bids for state procurement under §16.75(1)(c), Wis. Stats., state construction project contracts under §16.855, Wis. Stats., and municipal public works contracts under §66.0901, Wis. Stats. Under SB 3, neither the state nor a municipality may, as part of the bidding process or a contract:

1. require that a bidder enter into an agreement with a labor organization;
2. consider, when awarding a contract, whether a bidder has or has not entered into an agreement with a labor organization; or,
3. require that a bidder enter into an agreement that requires that the bidder or bidder's employees become or remain members of a labor organization or pay any dues or fees to a labor organization.

SB 3 also specifically provides that employers or employees would not be prohibited from entering into agreements or engaging in any other activity protected by the federal National Labor Relations Act.

For purposes of this estimate, it is assumed that compliance with the requirements of SB 3 could be incorporated into the procurement and contracting processes at no cost, and that any changes to associated forms or applicable policies would entail minimal one-time expenditures.

Because neither the projects to be bid nor the vendors that would choose to submit (or not submit) proposals and their possible separate agreements with labor organizations under these amended statutes can be reasonably projected, the fiscal impact of this section on proposals/bids and public works contracts cannot be determined.

Long-Range Fiscal Implications

Indeterminate