



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-2732/2
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2005 ASSEMBLY BILL 908

January 3, 2006 - Introduced by Representatives FIELDS, SINICKI, GRIGSBY,
BERCEAU, YOUNG, KESSLER, A. WILLIAMS, SEIDEL, TURNER, TOLES and NISCHKE.
Referred to Committee on State Affairs.

1 **AN ACT** *to renumber and amend* 16.75 (3m) (a), 16.75 (3m) (b), 16.855 (10m)
2 (a), 16.87 (2), 18.16 (2), 18.16 (3), 18.16 (4), 18.64 (2), 18.64 (3), 18.64 (4), 18.77
3 (2), 18.77 (3), 18.77 (4), 23.41 (6), 25.185 (2), 84.075 (1), 200.57 (2) and 560.035;
4 **to amend** 16.75 (3m) (c), 16.855 (10m) (b), 16.855 (10m) (c), 16.855 (14) (a),
5 18.16 (title), 18.16 (5), 18.16 (6), 18.64 (title), 18.64 (5), 18.64 (6), 18.77 (title),
6 18.77 (5), 18.77 (6), 25.185 (title), 25.185 (3), 84.075 (title), 84.075 (2), 84.075
7 (3), 200.57 (title) and 560.035 (title); **to repeal and recreate** 18.16 (1), 18.64
8 (1), 18.77 (1), 25.185 (1) and 200.57 (1); and **to create** 16.75 (3m) (a) 2., 16.75
9 (3m) (a) 3., 16.75 (3m) (b) 2., 16.75 (3m) (b) 3., 16.855 (10m) (ac), 16.855 (10m)
10 (am) 2., 16.855 (10m) (am) 3., 16.87 (1) (d), 16.87 (1) (e), 16.87 (1) (f), 16.87 (2)
11 (c), 16.87 (2) (d), 18.16 (2) (b) and (c), 18.16 (3) (b) and (c), 18.16 (4) (b) and (c),
12 18.64 (2) (b) and (c), 18.64 (3) (b) and (c), 18.64 (4) (b) and (c), 18.77 (2) (b) and
13 (c), 18.77 (3) (b) and (c), 18.77 (4) (b) and (c), 23.41 (1) (c), 23.41 (1) (d), 23.41 (1)
14 (e), 23.41 (6) (b), 23.41 (6) (c), 25.185 (2) (b), 25.185 (2) (c), 84.075 (1c), 84.075

ASSEMBLY BILL 908

1 (1m) (b), 84.075 (1m) (c), 200.57 (2) (b), 200.57 (2) (c), 560.033, 560.035 (1) and
2 (2) (title) and (b) to (i) and 560.035 (3) of the statutes; **relating to:** awarding
3 state and metropolitan sewerage district procurements to minority businesses,
4 woman-owned businesses, and service-disabled veterans businesses and
5 granting rule-making authority.

Analysis by the Legislative Reference Bureau

Currently, minority-owned businesses that are certified by the Department of Commerce receive certain preferences in governmental procurement. State agencies must attempt to ensure that 5 percent of the total amount expended for state procurements in each fiscal year is paid to minority-owned businesses. With the exception of non-highway construction work and certain other limited exceptions, state agencies that are subject to requirements to make purchases through competitive bidding or competitive sealed proposals may accept a bid or proposal from a minority-owned business that is no more than 5 percent higher than the apparent low bid or most advantageous proposal. Unless the secretary of administration reports to the Joint Committee on Finance the reasons for not doing so, the Building Commission must ensure that at least 6 percent of the total long-term state public debt, revenue bonding, and short-term borrowing in each fiscal year is underwritten by minority-owned investment firms. The Investment Board must attempt to ensure that 5 percent of the total funds it expends for financial and investment analysis and for common stock and convertible bond brokerage commissions in each fiscal year is expended for the services of minority-owned financial advisers or minority-owned investment firms. In addition, metropolitan sewerage commissions serving metropolitan sewerage districts that encompass first class cities (Milwaukee) must attempt to ensure that 5 percent of that total funds expended for financial and investment analysis and for common stock and convertible bond brokerage commissions in each fiscal year is expended for the services of minority-owned financial advisers or minority-owned investment firms.

This bill increases the percentage of state and metropolitan sewerage commission procurements that is directed at minority-owned businesses under these laws to 8 percent or, where applicable, at least 8 percent. The bill also creates similar preferences of 5 percent of state and metropolitan sewerage commission procurements or at least 5 percent, where applicable, for woman-owned businesses certified by the Department of Commerce and 2 percent of state and metropolitan sewerage commission procurements or at least 2 percent, where applicable, for service-disabled veteran-owned businesses certified by the Department of Commerce. Under the bill, the current authorization to accept bids or proposals that are no more than 5 percent higher than the apparent low bid or most advantageous

ASSEMBLY BILL 908

proposal is extended to apply to bids or proposals submitted by certified woman-owned or service-disabled veteran-owned businesses.

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

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

1 **SECTION 1.** 16.75 (3m) (a) of the statutes is renumbered 16.75 (3m) (a) (intro.)
2 and amended to read:

3 16.75 (3m) (a) (intro.) In this subsection, ~~“minority;~~

4 1. “Minority business” means a business certified by the department of
5 commerce under s. 560.036 (2).

6 **SECTION 2.** 16.75 (3m) (a) 2. of the statutes is created to read:

7 16.75 (3m) (a) 2. “Service-disabled veteran-owned business” means a business
8 certified by the department of commerce under s. 560.033 (2).

9 **SECTION 3.** 16.75 (3m) (a) 3. of the statutes is created to read:

10 16.75 (3m) (a) 3. “Woman-owned business” means a business certified by the
11 department of commerce under s. 560.035 (2).

12 **SECTION 4.** 16.75 (3m) (b) of the statutes is renumbered 16.75 (3m) (b) 1. and
13 amended to read:

14 16.75 (3m) (b) 1. The department and any agency making purchases under s.
15 16.74 shall attempt to ensure that ~~5%~~ 8 percent of the total amount expended under
16 this subchapter in each fiscal year is paid to minority businesses.

17 4. Except as provided under sub. (7), the department may purchase materials,
18 supplies, equipment, and contractual services from any minority business,
19 woman-owned business, or service-disabled veteran-owned business submitting a
20 qualified responsible competitive bid that is no more than 5% higher than the

ASSEMBLY BILL 908**SECTION 4**

1 apparent low bid or competitive proposal that is no more than 5% higher than the
2 most advantageous offer proposal. In administering the preference for minority
3 businesses established in this paragraph, the department and any agency making
4 purchases under s. 16.74 shall maximize the use of minority businesses,
5 woman-owned businesses, and service-disabled veteran-owned businesses which
6 are incorporated under ch. 180 or which have their principal place of business in this
7 state.

8 **SECTION 5.** 16.75 (3m) (b) 2. of the statutes is created to read:

9 16.75 **(3m)** (b) 2. The department and any agency making purchases under s.
10 16.74 shall attempt to ensure that 5 percent of the total amount expended under this
11 subchapter in each fiscal year is paid to woman-owned businesses.

12 **SECTION 6.** 16.75 (3m) (b) 3. of the statutes is created to read:

13 16.75 **(3m)** (b) 3. The department and any agency making purchases under s.
14 16.74 shall attempt to ensure that 2 percent of the total amount expended under this
15 subchapter in each fiscal year is paid to service-disabled veteran-owned businesses.

16 **SECTION 7.** 16.75 (3m) (c) of the statutes is amended to read:

17 16.75 **(3m)** (c) 1. After completing any contract under this subchapter, the
18 contractor shall report to the agency that awarded the contract any amount of the
19 contract that was subcontracted to minority businesses, woman-owned businesses,
20 and service-disabled veteran-owned businesses.

21 2. Each agency shall report to the department at least semiannually, or more
22 often if required by the department, the total amount of money it has expended for
23 contracts and orders awarded to minority businesses, woman-owned businesses,
24 and service-disabled veteran-owned businesses and the number of contacts with
25 minority businesses in connection with proposed purchases.

ASSEMBLY BILL 908

1 3. The department shall maintain and annually publish data on state
2 purchases from minority businesses, woman-owned businesses, and
3 service-disabled veteran-owned businesses, including amounts expended and the
4 percentage of total expenditures awarded to minority businesses, woman-owned
5 businesses, and service-disabled veteran-owned businesses.

6 4. The department shall annually prepare and submit a report to the governor
7 and to the chief clerk of each house of the legislature, for distribution to the
8 appropriate standing committees under s. 13.172 (3), on the total amount of money
9 paid to and of indebtedness or other obligations underwritten by minority,
10 woman-owned, and service-disabled veteran-owned businesses; minority,
11 woman-owned, and service-disabled veteran financial advisers; and minority,
12 woman-owned, and service-disabled veteran investment firms under the
13 requirements of this subsection and ss. 16.855 (10m), 16.87 (2), 25.185, 84.075, and
14 565.25 (2) (a) 3. and on this state's progress toward achieving compliance with par.
15 (b) and ss. 16.855 (10m) (a) (am) and (10n), 16.87 (2), 25.185, and 84.075 (~~1~~) (1m).

16 5. In determining whether a purchase, contract, or subcontract complies with
17 the goal established under par. (b) or s. 16.855 (10m), 16.87 (2), or 25.185 the
18 department shall include only amounts paid to minority, woman-owned, and service
19 -disabled veteran-owned businesses; minority, woman-owned, and
20 service-disabled veteran financial advisers; and minority, woman-owned, and
21 service-disabled veteran investment firms certified by the department of commerce
22 under s. 560.036 (~~2~~).

23 **SECTION 8.** 16.855 (10m) (a) of the statutes is renumbered 16.855 (10m) (am)

24 1. and amended to read:

ASSEMBLY BILL 908**SECTION 8**

1 16.855 (10m) (am) 1. In awarding construction contracts the department shall
2 attempt to ensure that ~~5%~~ 8 percent of the total amount expended in each fiscal year
3 is awarded to contractors and subcontractors which are minority businesses,~~as~~
4 ~~defined under s. 16.75 (3m) (a).~~

5 4. The department may award any contract to a minority business,
6 woman-owned business, or service-disabled veteran-owned business that submits
7 a qualified responsible bid that is no more than 5% higher than the apparent low bid.

8 **SECTION 9.** 16.855 (10m) (ac) of the statutes is created to read:

9 16.855 (10m) (ac) In this subsection:

10 1. “Minority business” means a business certified by the department of
11 commerce under s. 560.036 (2).

12 2. “Service-disabled veteran-owned business” means a business certified by
13 the department of commerce under s. 560.033 (2).

14 3. “Woman-owned business” means a business certified by the department of
15 commerce under s. 560.035 (2).

16 **SECTION 10.** 16.855 (10m) (am) 2. of the statutes is created to read:

17 16.855 (10m) (am) 2. In awarding construction contracts the department shall
18 attempt to ensure that 5 percent of the total amount expended in each fiscal year is
19 awarded to contractors and subcontractors that are woman-owned businesses.

20 **SECTION 11.** 16.855 (10m) (am) 3. of the statutes is created to read:

21 16.855 (10m) (am) 3. In awarding construction contracts, the department shall
22 attempt to ensure that 2 percent of the total amount expended in each fiscal year is
23 awarded to contractors and subcontractors that are service-disabled veteran-owned
24 businesses.

25 **SECTION 12.** 16.855 (10m) (b) of the statutes is amended to read:

ASSEMBLY BILL 908

1 16.855 (10m) (b) Upon completion of any contract, the contractor shall report
2 to the department any amount of the contract that was subcontracted to minority
3 businesses, woman-owned businesses, or service-disabled veteran-owned
4 businesses.

5 **SECTION 13.** 16.855 (10m) (c) of the statutes is amended to read:

6 16.855 (10m) (c) The department shall maintain and annually publish data on
7 contracts awarded to minority businesses, woman-owned businesses, and
8 service-disabled veteran-owned businesses under this subsection and ss. 16.87 and
9 84.075.

10 **SECTION 14.** 16.855 (14) (a) of the statutes is amended to read:

11 16.855 (14) (a) If the estimated construction cost of a project exceeds \$100,000
12 and bids are required to be solicited under sub. (2), the department shall take both
13 single bids and separate bids on any division of the work that it designates. If the
14 estimated construction cost of a project does not exceed \$100,000 and bids are
15 required to be solicited under sub. (2), the department may take single bids or
16 separate bids on any division of the work that it designates. If the department
17 awards contracts by the division of work, the department shall award the contracts
18 according to the division of work selected for bidding. Except as provided in sub.
19 (10m) ~~(a)~~ (am), the department shall award all contracts to the lowest qualified
20 responsible bidder or bidders that result in the lowest total construction cost for the
21 project.

22 **SECTION 15.** 16.87 (1) (d) of the statutes is created to read:

23 16.87 (1) (d) "Minority business" means a business certified by the department
24 of commerce under s. 560.036 (2).

25 **SECTION 16.** 16.87 (1) (e) of the statutes is created to read:

ASSEMBLY BILL 908**SECTION 16**

1 16.87 (1) (e) “Service-disabled veteran-owned business” means a business
2 certified by the department of commerce under s. 560.033 (2).

3 **SECTION 17.** 16.87 (1) (f) of the statutes is created to read:

4 16.87 (1) (f) “Woman-owned business” means a business certified by the
5 department of commerce under s. 560.035 (2).

6 **SECTION 18.** 16.87 (2) of the statutes is renumbered 16.87 (2) (a) and amended
7 to read:

8 16.87 (2) (a) A contract for engineering services or architectural services or a
9 contract involving an expenditure of \$10,000 or more for construction work, or
10 \$30,000 or more for limited trades work, to be done for or furnished to the state or
11 a department, board, commission or officer of the state is exempt from the
12 requirements of ss. 16.705 and 16.75.

13 (b) The department shall attempt to ensure that ~~5%~~ 8 percent of the total
14 amount expended under this section in each fiscal year is paid to minority
15 businesses, ~~as defined in s. 16.75 (3m) (a).~~

16 **SECTION 19.** 16.87 (2) (c) of the statutes is created to read:

17 16.87 (2) (c) The department shall attempt to ensure that 5 percent of the total
18 amount expended under this section in each fiscal year is paid to woman-owned
19 businesses.

20 **SECTION 20.** 16.87 (2) (d) of the statutes is created to read:

21 16.87 (2) (d) The department shall attempt to ensure that 2 percent of the total
22 amount expended under this section in each fiscal year is paid to service-disabled
23 veteran-owned businesses.

24 **SECTION 21.** 18.16 (title) of the statutes is amended to read:

ASSEMBLY BILL 908

1 **18.16** (title) **Minority, woman-owned, and service-disabled veteran**
2 **financial advisers and investment firms.**

3 **SECTION 22.** 18.16 (1) of the statutes is repealed and recreated to read:

4 18.16 (1) (a) “Minority financial adviser” means a financial adviser certified by
5 the department of commerce under s. 560.036 (2).

6 (b) “Minority investment firm” means an investment firm certified by the
7 department of commerce under s. 560.036 (2).

8 (c) “Service-disabled veteran financial adviser” means a financial adviser
9 certified by the department of commerce under s. 560.033 (2).

10 (d) “Service-disabled veteran investment firm” means an investment firm
11 certified by the department of commerce under s. 560.033 (2).

12 (e) “Woman-owned financial adviser” means a financial adviser certified by the
13 department of commerce under s. 560.035 (2).

14 (f) “Woman-owned investment firm” means an investment firm certified by the
15 department of commerce under s. 560.035 (2).

16 **SECTION 23.** 18.16 (2) of the statutes is renumbered 18.16 (2) (a) and amended
17 to read:

18 18.16 (2) (a) Except as provided under sub. (7), in contracting public debt by
19 competitive sale, the commission shall ensure that at least ~~6%~~ 8 percent of total
20 public indebtedness contracted in each fiscal year is underwritten by minority
21 investment firms.

22 **SECTION 24.** 18.16 (2) (b) and (c) of the statutes are created to read:

23 18.16 (2) (b) Except as provided in sub. (7), in contracting public debt by
24 competitive sale, the commission shall ensure that at least 5 percent of the total

ASSEMBLY BILL 908**SECTION 24**

1 public indebtedness contracted in each fiscal year is underwritten by woman-owned
2 investment firms.

3 (c) Except as provided in sub. (7), in contracting public debt by competitive sale,
4 the commission shall ensure that at least 2 percent of the total public indebtedness
5 contracted in each fiscal year is underwritten by service-disabled veteran
6 investment firms.

7 **SECTION 25.** 18.16 (3) of the statutes is renumbered 18.16 (3) (a) and amended
8 to read:

9 18.16 (3) (a) Except as provided under sub. (7), in contracting public debt by
10 negotiated sale, the commission shall ensure that at least ~~6%~~ 8 percent of total public
11 indebtedness contracted in each fiscal year is underwritten by minority investment
12 firms.

13 **SECTION 26.** 18.16 (3) (b) and (c) of the statutes are created to read:

14 18.16 (3) (b) Except as provided under sub. (7), in contracting public debt by
15 negotiated sale, the commission shall ensure that at least 5 percent of the total public
16 indebtedness in each fiscal year is underwritten by woman-owned investment firms.

17 (c) Except as provided under sub. (7), in contracting public debt by negotiated
18 sale, the commission shall ensure that at least 5 percent of total public indebtedness
19 contracted in each fiscal year is underwritten by service-disabled veteran
20 investment firms.

21 **SECTION 27.** 18.16 (4) of the statutes is renumbered 18.16 (4) (a) and amended
22 to read:

23 18.16 (4) (a) Except as provided under sub. (7), in contracting public debt by
24 competitive sale or negotiated sale, the commission shall ensure that at least ~~6%~~ 8

ASSEMBLY BILL 908

1 percent of the total moneys expended in each fiscal year for the services of financial
2 advisers are expended for the services of minority financial advisers.

3 **SECTION 28.** 18.16 (4) (b) and (c) of the statutes are created to read:

4 18.16 (4) (b) Except as provided under sub. (7), in contracting public debt by
5 competitive sale or negotiated sale, the commission shall ensure that at least 5
6 percent of the total moneys expended in each fiscal year for the services of financial
7 advisers are expended for the services of woman-owned financial advisers.

8 (c) Except as provided under sub. (7), in contracting public debt by competitive
9 sale or negotiated sale, the commission shall ensure that at least 2 percent of the total
10 moneys expended in each fiscal year for the services of financial advisers are
11 expended for the services of service-disabled veteran financial advisers.

12 **SECTION 29.** 18.16 (5) of the statutes is amended to read:

13 18.16 (5) Except as provided under s. 18.06 (9) and sub. (7), an individual
14 underwriter or syndicate of underwriters shall ensure that each bid or proposal,
15 submitted by that individual or syndicate in a competitive or negotiated sale of public
16 debt, provides for a portion of sales to minority investment firms, woman-owned
17 investment firms, and service-disabled veteran investment firms.

18 **SECTION 30.** 18.16 (6) of the statutes is amended to read:

19 18.16 (6) The commission shall annually report to the department of
20 administration the total amount of public indebtedness contracted with the
21 underwriting services of minority investment firms, woman-owned investment
22 firms, and service-disabled veteran investment firms and the total amount of
23 moneys expended for the services of minority financial advisers, woman-owned
24 financial advisers, and service-disabled veteran financial advisers during the
25 preceding fiscal year.

ASSEMBLY BILL 908**SECTION 31**

1 **SECTION 31.** 18.64 (title) of the statutes is amended to read:

2 **18.64** (title) **Minority, woman-owned, and service-disabled veteran**
3 **financial advisers and investment firms.**

4 **SECTION 32.** 18.64 (1) of the statutes is repealed and recreated to read:

5 18.64 (1) (a) “Minority financial adviser” means a financial adviser certified by
6 the department of commerce under s. 560.036 (2).

7 (b) “Minority investment firm” means an investment firm certified by the
8 department of commerce under s. 560.036 (2).

9 (c) “Service-disabled veteran financial adviser” means a financial adviser
10 certified by the department of commerce under s. 560.033 (2).

11 (d) “Service-disabled veteran investment firm” means an investment firm
12 certified by the department of commerce under s. 560.033 (2).

13 (e) “Woman-owned financial adviser” means a financial adviser certified by the
14 department of commerce under s. 560.035 (2).

15 (f) “Woman-owned investment firm” means an investment firm certified by the
16 department of commerce under s. 560.035 (2).

17 **SECTION 33.** 18.64 (2) of the statutes is renumbered 18.64 (2) (a) and amended
18 to read:

19 18.64 (2) (a) Except as provided under sub. (7), in issuing evidences of revenue
20 obligations by competitive sale, the commission shall ensure that at least ~~6%~~ 8
21 percent of the total of revenue obligations contracted in each fiscal year is
22 underwritten by minority investment firms.

23 **SECTION 34.** 18.64 (2) (b) and (c) of the statutes are created to read:

24 18.64 (2) (b) Except as provided under sub. (7), in issuing evidences of revenue
25 obligations by competitive sale, the commission shall ensure that at least 5 percent

ASSEMBLY BILL 908

1 of the total of revenue obligations contracted in each fiscal year is underwritten by
2 woman-owned investment firms.

3 (c) Except as provided under sub. (7), in issuing evidences of revenue
4 obligations by competitive sale, the commission shall ensure that at least 2 percent
5 of the total of revenue obligations contracted in each fiscal year is underwritten by
6 service-disabled veteran investment firms.

7 **SECTION 35.** 18.64 (3) of the statutes is renumbered 18.64 (3) (a) and amended
8 to read:

9 18.64 (3) (a) Except as provided under sub. (7), in issuing evidences of revenue
10 obligations by negotiated sale, the commission shall ensure that at least ~~6%~~ 8 percent
11 of the total of revenue obligations contracted in each fiscal year is underwritten by
12 minority investment firms.

13 **SECTION 36.** 18.64 (3) (b) and (c) of the statutes are created to read:

14 18.64 (3) (b) Except as provided under sub. (7), in issuing evidences of revenue
15 obligations by negotiated sale, the commission shall ensure that at least 5 percent
16 of the total of revenue obligations contracted in each fiscal year is underwritten by
17 woman-owned investment firms.

18 (c) Except as provided under sub. (7), in issuing evidences of revenue
19 obligations by negotiated sale, the commission shall ensure that at least 2 percent
20 of the total of revenue obligations contracted in each fiscal year is underwritten by
21 service-disabled veteran investment firms.

22 **SECTION 37.** 18.64 (4) of the statutes is renumbered 18.64 (4) (a) and amended
23 to read:

24 18.64 (4) (a) Except as provided under sub. (7), in issuing evidences of revenue
25 obligations by competitive sale or negotiated sale, the commission shall ensure that

ASSEMBLY BILL 908**SECTION 37**

1 at least ~~6%~~ 8 percent of the total moneys expended in such fiscal year for the services
2 of financial advisers are expended for the services of minority financial advisers.

3 **SECTION 38.** 18.64 (4) (b) and (c) of the statutes are created to read:

4 18.64 (4) (b) Except as provided under sub. (7), in issuing evidences of revenue
5 obligations by competitive sale or negotiated sale, the commission shall ensure that
6 at least 5 percent of the total moneys expended in such fiscal year for the services of
7 financial advisers are expended for the services of woman-owned financial advisers.

8 (c) Except as provided under sub. (7), in issuing evidences of revenue
9 obligations by competitive sale or negotiated sale, the commission shall ensure that
10 at least 2 percent of the total moneys expended in such fiscal year for the services of
11 financial advisers are expended for the services of service-disabled veteran financial
12 advisers.

13 **SECTION 39.** 18.64 (5) of the statutes is amended to read:

14 18.64 (5) Except as provided under sub. (7), an individual underwriter or
15 syndicate of underwriters shall ensure that each bid or proposal, submitted by that
16 individual or syndicate in a competitive or negotiated sale of a revenue obligation,
17 provides for a portion of sales to minority investment firms, woman-owned
18 investment firms, and service-disabled veteran investment firms.

19 **SECTION 40.** 18.64 (6) of the statutes is amended to read:

20 18.64 (6) The commission shall annually report to the department of
21 administration the total amount of revenue obligations contracted with the
22 underwriting services of minority investment firms, woman-owned investment
23 firms, and service-disabled veteran investment firms and the total amount of
24 moneys expended for the services of minority financial advisers, woman-owned

ASSEMBLY BILL 908

1 financial advisers, and service-disabled veteran financial advisers during the
2 preceding fiscal year.

3 **SECTION 41.** 18.77 (title) of the statutes is amended to read:

4 **18.77 (title) Minority, woman-owned, and service-disabled veteran**
5 **financial advisers and investment firms.**

6 **SECTION 42.** 18.77 (1) of the statutes is repealed and recreated to read:

7 18.77 (1) (a) "Minority financial adviser" means a financial adviser certified by
8 the department of commerce under s. 560.036 (2).

9 (b) "Minority investment firm" means an investment firm certified by the
10 department of commerce under s. 560.036 (2).

11 (c) "Service-disabled veteran financial adviser" means a financial adviser
12 certified by the department of commerce under s. 560.033 (2).

13 (d) "Service-disabled veteran investment firm" means an investment firm
14 certified by the department of commerce under s. 560.033 (2).

15 (e) "Woman-owned financial adviser" means a financial adviser certified by the
16 department of commerce under s. 560.035 (2).

17 (f) "Woman-owned investment firm" means an investment firm certified by the
18 department of commerce under s. 560.035 (2).

19 **SECTION 43.** 18.77 (2) of the statutes is renumbered 18.77 (2) (a) and amended
20 to read:

21 18.77 (2) (a) Except as provided under sub. (7), in contracting operating notes
22 by competitive sale, the commission shall ensure that at least ~~6%~~ 8 percent of total
23 operating note indebtedness contracted in each fiscal year is underwritten by
24 minority investment firms.

25 **SECTION 44.** 18.77 (2) (b) and (c) of the statutes are created to read:

ASSEMBLY BILL 908**SECTION 44**

1 18.77 (2) (b) Except as provided under sub. (7), in contracting operating notes
2 by competitive sale, the commission shall ensure that at least 5 percent of total
3 operating note indebtedness contracted in each fiscal year is underwritten by
4 woman-owned investment firms.

5 (c) Except as provided under sub. (7), in contracting operating notes by
6 competitive sale, the commission shall ensure that at least 2 percent of total
7 operating note indebtedness contracted in each fiscal year is underwritten by
8 service-disabled veteran investment firms.

9 **SECTION 45.** 18.77 (3) of the statutes is renumbered 18.77 (3) (a) and amended
10 to read:

11 18.77 (3) (a) Except as provided under sub. (7), in contracting operating notes
12 by negotiated sale, the commission shall ensure that at least ~~6%~~ 8 percent of total
13 operating note indebtedness contracted in each fiscal year is underwritten by
14 minority investment firms.

15 **SECTION 46.** 18.77 (3) (b) and (c) of the statutes are created to read:

16 18.77 (3) (b) Except as provided under sub. (7), in contracting operating notes
17 by negotiated sale, the commission shall ensure that at least 5 percent of total
18 operating note indebtedness contracted in each fiscal year is underwritten by
19 woman-owned investment firms.

20 (c) Except as provided under sub. (7), in contracting operating notes by
21 negotiated sale, the commission shall ensure that at least 2 percent of total operating
22 note indebtedness contracted in each fiscal year is underwritten by service-disabled
23 veteran investment firms.

24 **SECTION 47.** 18.77 (4) of the statutes is renumbered 18.77 (4) (a) and amended
25 to read:

ASSEMBLY BILL 908

1 18.77 (4) (a) Except as provided under sub. (7), in contracting operating notes
2 by competitive sale or negotiated sale, the commission shall ensure that at least 6%
3 8 percent of the total moneys expended in such fiscal year for the services of financial
4 advisers are expended for the services of minority financial advisers.

5 **SECTION 48.** 18.77 (4) (b) and (c) of the statutes are created to read:

6 18.77 (4) (b) Except as provided under sub. (7), in contracting operating notes
7 by competitive sale or negotiated sale, the commission shall ensure that at least 5
8 percent of the total moneys expended in such fiscal year for the services of financial
9 advisers are expended for the services of woman-owned financial advisers.

10 (c) Except as provided under sub. (7), in contracting operating notes by
11 competitive sale or negotiated sale, the commission shall ensure that at least 2
12 percent of the total moneys expended in such fiscal year for the services of financial
13 advisers are expended for the services of service-disabled veteran financial advisers.

14 **SECTION 49.** 18.77 (5) of the statutes is amended to read:

15 18.77 (5) Except as provided under sub. (7), an individual underwriter or
16 syndicate of underwriters shall ensure that each bid or proposal, submitted by that
17 individual or syndicate in a competitive or negotiated sale of an operating note,
18 provides for a portion of sales to minority investment firms, woman-owned
19 investment firms, and service-disabled veteran investment firms.

20 **SECTION 50.** 18.77 (6) of the statutes is amended to read:

21 18.77 (6) The commission shall annually report to the department of
22 administration the total amount of operating note indebtedness contracted with the
23 underwriting services of minority investment firms and the total amount of moneys
24 expended for the services of minority financial advisers, woman-owned financial

ASSEMBLY BILL 908**SECTION 50**

1 advisers, and service-disabled veteran financial advisers during the preceding fiscal
2 year.

3 **SECTION 51.** 23.41 (1) (c) of the statutes is created to read:

4 23.41 (1) (c) “Minority business” means a business certified by the department
5 of commerce under s. 560.036 (2).

6 **SECTION 52.** 23.41 (1) (d) of the statutes is created to read:

7 23.41 (1) (d) “Service-disabled veteran-owned business” means a business
8 certified by the department of commerce under s. 560.033 (2).

9 **SECTION 53.** 23.41 (1) (e) of the statutes is created to read:

10 23.41 (1) (e) “Woman-owned business” means a business certified by the
11 department of commerce under s. 560.035 (2).

12 **SECTION 54.** 23.41 (6) of the statutes is renumbered 23.41 (6) (a) and amended
13 to read:

14 23.41 (6) (a) The department shall attempt to ensure that at least ~~5%~~ 8 percent
15 of the total amount expended under this section in each fiscal year is paid to minority
16 businesses, as defined in s. 16.75 (3m) (a) 1.

17 **SECTION 55.** 23.41 (6) (b) of the statutes is created to read:

18 23.41 (6) (b) The department shall attempt to ensure that at least 5 percent of
19 the total amount expended under this section in each fiscal year is paid to
20 woman-owned businesses.

21 **SECTION 56.** 23.41 (6) (c) of the statutes is created to read:

22 23.41 (6) (c) The department shall attempt to ensure that at least 2 percent of
23 the total amount expended under this section in each fiscal year is paid to
24 service-disabled veteran-owned businesses.

25 **SECTION 57.** 25.185 (title) of the statutes is amended to read:

ASSEMBLY BILL 908

1 **25.185** (title) **Minority, woman-owned, and service-disabled veteran**
2 **financial advisers and investment firms.**

3 **SECTION 58.** 25.185 (1) of the statutes is repealed and recreated to read:

4 25.185 (1) In this section:

5 (a) “Minority financial adviser” means a financial adviser certified by the
6 department of commerce under s. 560.036 (2).

7 (b) “Minority investment firm” means an investment firm certified by the
8 department of commerce under s. 560.036 (2).

9 (c) “Service-disabled veteran financial adviser” means a financial adviser
10 certified by the department of commerce under s. 560.033 (2).

11 (d) “Service-disabled veteran investment firm” means an investment firm
12 certified by the department of commerce under s. 560.033 (2).

13 (e) “Woman-owned financial adviser” means a financial adviser certified by the
14 department of commerce under s. 560.035 (2).

15 (f) “Woman-owned investment firm” means an investment firm certified by the
16 department of commerce under s. 560.035 (2).

17 **SECTION 59.** 25.185 (2) of the statutes is renumbered 25.185 (2) (a) and
18 amended to read:

19 25.185 (2) (a) The board shall attempt to ensure that ~~5%~~ 8 percent of the total
20 funds expended for financial and investment analysis and for common stock and
21 convertible bond brokerage commissions in each fiscal year is expended for the
22 services of minority financial advisers or minority investment firms.

23 **SECTION 60.** 25.185 (2) (b) of the statutes is created to read:

24 25.185 (2) (b) The board shall attempt to ensure that 5 percent of the total funds
25 expended for financial and investment analysis and for common stock and

ASSEMBLY BILL 908**SECTION 60**

1 convertible bond brokerage commissions in each fiscal year is expended for the
2 services of woman-owned financial advisers or woman-owned investment firms.

3 **SECTION 61.** 25.185 (2) (c) of the statutes is created to read:

4 25.185 (2) (c) The board shall attempt to ensure that 2 percent of the total funds
5 expended for financial and investment analysis and for common stock and
6 convertible bond brokerage commissions in each fiscal year is expended for the
7 services of service-disabled veteran financial advisers or service-disabled veteran
8 investment firms.

9 **SECTION 62.** 25.185 (3) of the statutes is amended to read:

10 25.185 (3) The board shall annually report to the department of administration
11 the total amount of moneys expended under sub. (2) for common stock and
12 convertible bond brokerage commissions, the services of minority, woman-owned,
13 and service-disabled veteran financial advisers and the services of minority,
14 woman-owned, and service-disabled veteran investment firms during the preceding
15 fiscal year.

16 **SECTION 63.** 84.075 (title) of the statutes is amended to read:

17 **84.075** (title) **Contracting with minority, woman-owned, and**
18 **service-disabled veteran-owned businesses.**

19 **SECTION 64.** 84.075 (1) of the statutes is renumbered 84.075 (1m) (a) and
20 amended to read:

21 84.075 (1m) (a) In purchasing services under s. 84.01 (13), in awarding
22 construction contracts under s. 84.06 and in contracting with private contractors and
23 agencies under s. 84.07, the department shall attempt to ensure that ~~5%~~ 8 percent
24 of the total amount expended in each fiscal year is paid to contractors,

ASSEMBLY BILL 908

1 subcontractors, and vendors which are minority businesses, ~~as defined under s.~~
2 ~~560.036 (1) (e) 1.~~

3 (d) In attempting to meet ~~this goal~~ the goals under this subsection, the
4 department may award any contract to a minority business, woman-owned
5 business, or service-disabled veteran-owned business that submits a qualified
6 responsible bid that is no more than 5% higher than the low bid.

7 **SECTION 65.** 84.075 (1c) of the statutes is created to read:

8 84.075 (1c) (a) "Minority business" means a business certified by the
9 department of commerce under s. 560.036 (2).

10 (b) "Service-disabled veteran-owned business" means a business certified by
11 the department of commerce under s. 560.033 (2).

12 (c) "Woman-owned business" means a business certified by the department of
13 commerce under s. 560.035 (2).

14 **SECTION 66.** 84.075 (1m) (b) of the statutes is created to read:

15 84.075 (1m) (b) In purchasing services under s. 84.01 (13), in awarding
16 construction contracts under s. 84.06 and in contracting with private contractors and
17 agencies under s. 84.07, the department shall attempt to ensure that 5 percent of the
18 total amount expended in each fiscal year is paid to contractors, subcontractors, and
19 vendors that are woman-owned businesses.

20 **SECTION 67.** 84.075 (1m) (c) of the statutes is created to read:

21 84.075 (1m) (c) In purchasing services under s. 84.01 (13), in awarding
22 construction contracts under s. 84.06 and in contracting with private contractors and
23 agencies under s. 84.07, the department shall attempt to ensure that 2 percent of the
24 total amount expended in each fiscal year is paid to contractors, subcontractors, and
25 vendors that are service-disabled veteran-owned businesses.

ASSEMBLY BILL 908**SECTION 68**

1 **SECTION 68.** 84.075 (2) of the statutes is amended to read:

2 84.075 (2) The contractor shall report to the department any amount of the
3 contract paid to subcontractors and vendors which are minority businesses,
4 woman-owned businesses, or service-disabled veteran-owned businesses.

5 **SECTION 69.** 84.075 (3) of the statutes is amended to read:

6 84.075 (3) The department shall at least semiannually, or more often if
7 required by the department of administration, report to the department of
8 administration the total amount of money it has paid to contractors, subcontractors,
9 and vendors which are minority businesses, woman-owned businesses, or
10 service-disabled veteran-owned businesses under ss. 84.01 (13), 84.06, and 84.07
11 and the number of contacts with minority businesses in connection with proposed
12 purchases and contracts. In its reports, the department shall include only amounts
13 paid to businesses certified by the department as minority businesses,
14 woman-owned businesses, or service-disabled veteran-owned businesses.

15 **SECTION 70.** 200.57 (title) of the statutes is amended to read:

16 **200.57 (title) Minority, woman-owned, and service-disabled veteran**
17 **financial advisers and investment firms.**

18 **SECTION 71.** 200.57 (1) of the statutes is repealed and recreated to read:

19 200.57 (1) (a) “Minority financial adviser” means a financial adviser certified
20 by the department of commerce under s. 560.036 (2).

21 (b) “Minority investment firm” mean an investment firm certified by the
22 department of commerce under s. 560.036 (2).

23 (c) “Service-disabled veteran financial adviser” means a financial adviser
24 certified by the department of commerce under s. 560.033 (2).

ASSEMBLY BILL 908

1 (d) "Service-disabled veteran investment firm" means an investment firm
2 certified by the department of commerce under s. 560.033 (2).

3 (e) "Woman-owned financial adviser" means a financial adviser certified by the
4 department of commerce under s. 560.035 (2).

5 (f) "Woman-owned investment firm" means an investment firm certified by the
6 department of commerce under s. 560.035 (2).

7 **SECTION 72.** 200.57 (2) of the statutes is renumbered 200.57 (2) (a) and
8 amended to read:

9 200.57 (2) (a) The commission shall attempt to ensure that ~~5%~~ 8 percent of the
10 total funds expended for financial and investment analysis and for common stock
11 and convertible bond brokerage commissions in each fiscal year is expended for the
12 services of minority financial advisers or minority investment firms.

13 **SECTION 73.** 200.57 (2) (b) of the statutes is created to read:

14 200.57 (2) (b) The commission shall attempt to ensure that 5 percent of the total
15 funds expended for financial and investment analysis and for common stock and
16 convertible bond brokerage commissions in each fiscal year is expended for the
17 services of woman-owned financial advisers or woman-owned investment firms.

18 **SECTION 74.** 200.57 (2) (c) of the statutes is created to read:

19 200.57 (2) (c) The commission shall attempt to ensure that 2 percent of the total
20 funds expended for financial and investment analysis and for common stock and
21 convertible bond brokerage commissions in each fiscal year is expended for the
22 services of service-disabled veteran financial advisers or service-disabled veteran
23 investment firms.

24 **SECTION 75.** 560.033 of the statutes is created to read:

ASSEMBLY BILL 908**SECTION 75****560.033 Service-disabled veteran-owned businesses. (1) DEFINITIONS.**

In this section:

(a) “Service-disabled veteran” means a veteran, as defined in 38 USC 101 (2), with a disability that is service-connected, as defined in 38 USC 101 (16).

(b) “Service-disabled veteran-owned business” means a business that satisfies all of the following criteria:

1. At least 51 percent of the business is owned by one or more service-disabled veterans.

2. One or more service-disabled veterans control the management and daily operations of the business.

(2) SERVICE-DISABLED VETERAN-OWNED BUSINESS DATABASE AND CERTIFICATION. (a)

The department shall develop, maintain, and keep current a computer database of service-disabled veteran-owned businesses in the state, containing demographic statistics and information on the types of industries represented, sales volume and growth rates, generation of jobs by both new and existing businesses, and any other relevant characteristics.

(b) The department shall establish and periodically update a list of certified service-disabled veteran-owned businesses. Any business may apply to the department for certification. For purposes of this paragraph, a “business” includes a financial adviser or investment firm.

(c) The department shall certify a business incorporated under ch. 180 or having its principal place of business in this state if the department, after conducting an investigation, determines that the business qualifies as a service-disabled veteran-owned business under sub. (1) and any rules promulgated under sub. (3).

ASSEMBLY BILL 908

1 (d) The department, without investigation, may certify a business incorporated
2 in this state or having its principal place of business in this state if the business is
3 certified or otherwise classified as a service-disabled veteran-owned business by an
4 agency of this or another state or the federal government, or by a private business
5 with expertise in certifying service-disabled veteran-owned businesses if the
6 private business uses substantially the same procedures as those used by the
7 department in making a determination under par. (c).

8 (e) If the business applying for certification is not incorporated under ch. 180
9 or does not have its principal place of business in this state, the department may
10 certify it if it meets the conditions specified under par. (c) or (d) and if the state in
11 which the business is incorporated or has its principal place of business has a
12 statutory service-disabled veteran-owned business procurement program and the
13 business qualifies for participation in that program under a procedure substantially
14 equivalent to the procedure used by the department in making a determination
15 under par. (c).

16 (f) The department may charge each business applying for certification under
17 par. (e) a fee to cover the department's expenses in making the certification
18 determination.

19 (g) If a business refuses to provide the department with sufficient information
20 to enable it to conduct an investigation or if the business does not qualify for
21 certification under par. (c), (d), or (e), the department shall deny the application. A
22 business whose application is denied may, within 30 days after the date of the denial,
23 appeal in writing to the secretary. The secretary shall enter his or her final decision
24 within 30 days after receiving the appeal.

ASSEMBLY BILL 908**SECTION 75**

1 (h) The department may, at the request of any state agency, or at its own
2 discretion, examine any business certified under this subsection to verify that it
3 qualifies for certification. The business shall provide the department with any
4 records or information necessary to complete the examination. If the business fails
5 to comply with a reasonable request for records or information, the department shall
6 decertify it.

7 (i) If the department, after an examination under par. (h), determines that a
8 business does not qualify as a service-disabled veteran-owned business, the
9 department shall notify the business and the department of administration that it
10 intends to decertify the business. The business may, within 30 days after the notice
11 is sent, appeal in writing to the secretary. The secretary shall enter his or her final
12 decision within 30 days after receiving the appeal. If the secretary confirms the
13 decision of the department, the department shall immediately decertify the
14 business. A decertified business may, within 30 days after the secretary's decision,
15 request a contested case hearing under s. 227.42 from the department. If the final
16 administrative or judicial proceeding results in a determination that the business
17 qualifies as a service-disabled veteran-owned business, the department shall
18 immediately certify the business.

19 **(3) DEPARTMENT RULE MAKING.** The department shall promulgate rules
20 establishing procedures to implement sub. (2).

21 **SECTION 76.** 560.035 (title) of the statutes is amended to read:

22 **560.035** (title) ~~Database of women's~~ **Woman-owned businesses.**

23 **SECTION 77.** 560.035 of the statutes is renumbered 560.035 (2) (a) and amended
24 to read:

ASSEMBLY BILL 908

1 560.035 (2) (a) The department shall develop, maintain, and keep current a
2 computer database of woman-owned businesses in the state ~~that are owned by~~
3 ~~women~~, containing demographic statistics and information on the types of industries
4 represented, sales volume and growth rates, generation of jobs by both new and
5 existing businesses and any other relevant characteristics.

6 **SECTION 78.** 560.035 (1) and (2) (title) and (b) to (i) of the statutes are created
7 to read:

8 560.035 (1) DEFINITION. In this section, “woman-owned business” means a
9 business that satisfies all of the following criteria:

10 (a) At least 51 percent of the business is owned by one or more women who are
11 citizens of the United States or who are persons lawfully admitted to the United
12 States for permanent residence, as defined in 8 USC 1101 (a) (20).

13 (b) One or more women control the management and daily operations of the
14 business.

15 **(2) (title) WOMAN-OWNED BUSINESS DATABASE AND CERTIFICATION.**

16 (b) The department shall establish and periodically update a list of certified
17 woman-owned businesses. Any business may apply to the department for
18 certification. For purposes of this paragraph, a “business” includes a financial
19 adviser or investment firm.

20 (c) The department shall certify a business incorporated under ch. 180 or
21 having its principal place of business in this state if the department, after conducting
22 an investigation, determines that the business qualifies as a woman-owned
23 business under sub. (1) and any rules promulgated under sub. (3).

24 (d) The department, without investigation, may certify a business incorporated
25 in this state or having its principal place of business in this state if the business is

ASSEMBLY BILL 908**SECTION 78**

1 certified or otherwise classified as a woman-owned business by an agency of this or
2 another state or the federal government, or by a private business with expertise in
3 certifying woman-owned businesses if the private business uses substantially the
4 same procedures as those used by the department in making a determination under
5 par. (c).

6 (e) If the business applying for certification is not incorporated under ch. 180
7 or does not have its principal place of business in this state, the department may
8 certify it if it meets the conditions specified under par. (c) or (d) and if the state in
9 which the business is incorporated or has its principal place of business has a
10 statutory woman-owned business procurement program and the business qualifies
11 for participation in that program under a procedure substantially equivalent to the
12 procedure used by the department in making a determination under par. (c).

13 (f) The department may charge each business applying for certification under
14 par. (e) a fee to cover the department's expenses in making the certification
15 determination.

16 (g) If a business refuses to provide the department with sufficient information
17 to enable it to conduct an investigation or if the business does not qualify for
18 certification under par. (c), (d), or (e), the department shall deny the application. A
19 business whose application is denied may, within 30 days after the date of the denial,
20 appeal in writing to the secretary. The secretary shall enter his or her final decision
21 within 30 days after receiving the appeal.

22 (h) The department may, at the request of any state agency, or at its own
23 discretion, examine any business certified under this subsection to verify that it
24 qualifies for certification. The business shall provide the department with any
25 records or information necessary to complete the examination. If the business fails

ASSEMBLY BILL 908

1 to comply with a reasonable request for records or information, the department shall
2 decertify it.

3 (i) If the department, after an examination under par. (h), determines that a
4 business does not qualify as a woman-owned business, the department shall notify
5 the business and the department of administration that it intends to decertify the
6 business. The business may, within 30 days after the notice is sent, appeal in writing
7 to the secretary. The secretary shall enter his or her final decision within 30 days
8 after receiving the appeal. If the secretary confirms the decision of the department,
9 the department shall immediately decertify the business. A decertified business
10 may, within 30 days after the secretary's decision, request a contested case hearing
11 under s. 227.42 from the department. If the final administrative or judicial
12 proceeding results in a determination that the business qualifies as a woman-owned
13 business, the department shall immediately certify the business.

14 **SECTION 79.** 560.035 (3) of the statutes is created to read:

15 560.035 (3) DEPARTMENT RULE MAKING. The department shall promulgate rules
16 establishing procedures to implement sub. (2).

17 **SECTION 80. Initial applicability.**

18 (1) This act first applies with respect to contracts entered into and orders placed
19 on the effective date of this subsection.

20 **SECTION 81. Effective date.**

21 (1) This act takes effect on the first July 1 that occurs after publication.

22 (END)