



## 2013 SENATE BILL 370

October 29, 2013 - Introduced by Senators FARROW, CARPENTER, LASSA and SHILLING, cosponsored by Representatives WEATHERSTON, BARNES, BERNIER, BEWLEY, BROOKS, ENDSLEY, HEBL, JOHNSON, KOLSTE, T. LARSON, MARKLEIN, MILROY, PETRYK, RINGHAND, WRIGHT and OHNSTAD. Referred to Committee on Government Operations, Public Works, and Telecommunications.

1     **AN ACT** *to renumber* 23.41 (6) and 25.185 (2); *to amend* 16.75 (3m) (b) 2., 16.75  
2           (3m) (c) 5. a., 16.855 (10m) (am) 2., 16.87 (2) (c), 18.16 (2) (b), 18.16 (3) (b), 18.16  
3           (4) (b), 18.16 (5) (b), 18.64 (2) (b), 18.64 (3) (b), 18.64 (4) (b), 18.64 (5) (b), 18.77  
4           (2) (b), 18.77 (3) (b), 18.77 (4) (b), 18.77 (5) (b), 84.075 (1m) (b), 200.57 (3), 229.46  
5           (2) (intro.), 229.46 (3) (intro.), 229.70 (2), 229.70 (3) (intro.), 229.70 (4), 229.8273  
6           (2), 229.8273 (3) and 229.845 (2); and *to create* 23.41 (6) (b) and 25.185 (2) (b)  
7           of the statutes; **relating to:** state procurement and construction contracts with  
8           disabled veteran-owned businesses.

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### *Analysis by the Legislative Reference Bureau*

Currently, minority-owned businesses and disabled veteran-owned businesses that are certified by the Department of Administration (DOA) receive certain preferences in governmental procurement. Under current law, state agencies must attempt to ensure that they pay minority-owned businesses 5 percent of the total amount expended for state procurements or certain state construction projects in each fiscal year and must make efforts to ensure that they pay disabled veteran-owned businesses a portion of the total amount expended for state procurements or certain state construction projects in each fiscal year. Under this bill, state agencies must attempt to ensure that they pay disabled veteran-owned

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businesses at least 1 percent of the total amount expended for state procurements or certain state construction projects in each fiscal year. This requirement also applies to highway construction, maintenance, and engineering procurements by the Department of Transportation and to the Investment Board's procurements of investment analysis and brokerage services.

Under current law, certain metropolitan sewerage commissions (commissions) must attempt to ensure that 5 percent of the 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. Current law contracting provisions that apply to special purpose districts (local exposition districts, professional baseball park districts, professional football stadium districts, and cultural arts districts) also contain provisions that relate to the hiring of and contracting with minorities and women.

Generally, persons awarded contracts for local exposition districts must agree that at least 25 percent of the employees hired because of the contracts will be minority group members; at least 5 percent of the employees hired will be women; at least 25 percent of the aggregate dollar value of certain contracts will be awarded to minority businesses; and at least 5 percent of the aggregate dollar value of certain contracts will be awarded to women's businesses. In the case of the other special purpose districts, the minority and women contracting provisions are goals, which generally include the same participation percentages, except that the participation percentages for minority group members is 15 percent for football stadium districts and cultural arts districts. Similar preferences exist under current law in awarding these local government contracts or orders to disabled veteran-owned businesses certified by DOA, except that current law does not create any goals for the number of persons hired or total amounts or percentages of contracts or orders to be awarded to these businesses.

With regard to contracts let by commissions and special purpose districts, this bill sets a goal to ensure that at least 1 percent of the persons hired under the contracts, the dollar value of contracts let, and the amount of funds spent for certain financial transactions shall go to disabled veteran-owned businesses in each fiscal year.

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

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

- 1           **SECTION 1.** 16.75 (3m) (b) 2. of the statutes is amended to read:
- 2           16.75 (**3m**) (b) 2. The department and any agency making purchases under s.
- 3           16.74 shall ~~make efforts~~ attempt to ensure that ~~a portion~~ at least 1 percent of the

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1 total amount expended under this subchapter in each fiscal year is paid to disabled  
2 veteran-owned businesses.

3 **SECTION 2.** 16.75 (3m) (c) 5. a. of the statutes is amended to read:

4 16.75 **(3m)** (c) 5. a. In determining whether a purchase, contract, or subcontract  
5 complies with the goal established under par. (b) 1. or 2. or s. 16.855 (10m) (am) 1.  
6 or 2., 16.87 (2) (b) or (c), or 25.185 (2) (a) or (b), the department shall include only  
7 amounts paid to ~~minority~~ businesses, ~~minority~~ financial advisers, and ~~minority~~  
8 investment firms certified by the department of administration under s. 16.283 or  
9 16.287 (2), whichever is appropriate.

10 **SECTION 3.** 16.855 (10m) (am) 2. of the statutes is amended to read:

11 16.855 **(10m)** (am) 2. In awarding construction contracts, the department shall  
12 ~~make efforts~~ attempt to ensure that ~~a portion~~ at least 1 percent of the total amount  
13 expended in each fiscal year is awarded to contractors and subcontractors that are  
14 disabled veteran-owned businesses.

15 **SECTION 4.** 16.87 (2) (c) of the statutes is amended to read:

16 16.87 **(2)** (c) The department shall ~~make efforts~~ attempt to ensure that ~~a~~  
17 ~~portion~~ at least 1 percent of the total amount expended under this section in each  
18 fiscal year is paid to disabled veteran-owned businesses.

19 **SECTION 5.** 18.16 (2) (b) of the statutes is amended to read:

20 18.16 **(2)** (b) Except as provided in sub. (7), in contracting public debt by  
21 competitive sale, the commission shall make efforts to ensure that ~~a portion~~ at least  
22 1 percent of the total public indebtedness contracted in each fiscal year is  
23 underwritten by disabled veteran-owned investment firms.

24 **SECTION 6.** 18.16 (3) (b) of the statutes is amended to read:

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1           18.16 (3) (b) Except as provided under sub. (7), in contracting public debt by  
2 negotiated sale, the commission shall make efforts to ensure that ~~a portion~~ at least  
3 1 percent of total public indebtedness contracted in each fiscal year is underwritten  
4 by disabled veteran-owned investment firms.

5           **SECTION 7.** 18.16 (4) (b) of the statutes is amended to read:

6           18.16 (4) (b) Except as provided under sub. (7), in contracting public debt by  
7 competitive sale or negotiated sale, the commission shall make efforts to ensure that  
8 ~~a portion~~ at least 1 percent of the total moneys expended in each fiscal year for the  
9 services of financial advisers are expended for the services of disabled  
10 veteran-owned financial advisers.

11           **SECTION 8.** 18.16 (5) (b) of the statutes is amended to read:

12           18.16 (5) (b) Except as provided under s. 18.06 (9) and sub. (7), an individual  
13 underwriter or syndicate of underwriters shall make efforts to ensure that each bid  
14 or proposal, submitted by that individual or syndicate in a competitive or negotiated  
15 sale of public debt, provides for ~~a portion~~ at least 1 percent of sales to disabled  
16 veteran-owned investment firms.

17           **SECTION 9.** 18.64 (2) (b) of the statutes is amended to read:

18           18.64 (2) (b) Except as provided under sub. (7), in issuing evidences of revenue  
19 obligations by competitive sale, the commission shall make efforts to ensure that ~~a~~  
20 ~~portion~~ at least 1 percent of the total of revenue obligations contracted in each fiscal  
21 year is underwritten by disabled veteran-owned investment firms.

22           **SECTION 10.** 18.64 (3) (b) of the statutes is amended to read:

23           18.64 (3) (b) Except as provided under sub. (7), in issuing evidences of revenue  
24 obligations by negotiated sale, the commission shall make efforts to ensure that ~~a~~

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1 ~~portion~~ at least 1 percent of the total of revenue obligations contracted in each fiscal  
2 year is underwritten by disabled veteran-owned investment firms.

3 **SECTION 11.** 18.64 (4) (b) of the statutes is amended 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 make efforts  
6 to ensure that ~~a portion~~ at least 1 percent of the total moneys expended in each fiscal  
7 year for the services of financial advisers are expended for the services of disabled  
8 veteran-owned financial advisers.

9 **SECTION 12.** 18.64 (5) (b) of the statutes is amended to read:

10 18.64 (5) (b) Except as provided under sub. (7), an individual underwriter or  
11 syndicate of underwriters shall make efforts to ensure that each bid or proposal,  
12 submitted by that individual or syndicate in a competitive or negotiated sale of a  
13 revenue obligation, provides for ~~a portion~~ at least 1 percent of sales to disabled  
14 veteran-owned investment firms.

15 **SECTION 13.** 18.77 (2) (b) of the statutes is amended to read:

16 18.77 (2) (b) Except as provided under sub. (7), in contracting operating notes  
17 by competitive sale, the commission shall make efforts to ensure that ~~a portion~~ at  
18 least 1 percent of total operating note indebtedness contracted in each fiscal year is  
19 underwritten by disabled veteran-owned investment firms.

20 **SECTION 14.** 18.77 (3) (b) of the statutes is amended to read:

21 18.77 (3) (b) Except as provided under sub. (7), in contracting operating notes  
22 by negotiated sale, the commission shall make efforts to ensure that ~~a portion~~ at  
23 least 1 percent of total operating note indebtedness contracted in each fiscal year is  
24 underwritten by disabled veteran-owned investment firms.

25 **SECTION 15.** 18.77 (4) (b) of the statutes is amended to read:

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1           18.77 (4) (b) Except as provided under sub. (7), in contracting operating notes  
2 by competitive sale or negotiated sale, the commission shall make efforts to ensure  
3 that ~~a portion~~ at least 1 percent of the total moneys expended in such fiscal year for  
4 the services of financial advisers are expended for the services of disabled  
5 veteran-owned financial advisers.

6           **SECTION 16.** 18.77 (5) (b) of the statutes is amended to read:

7           18.77 (5) (b) Except as provided under sub. (7), an individual underwriter or  
8 syndicate of underwriters shall make efforts to ensure that each bid or proposal,  
9 submitted by that individual or syndicate in a competitive or negotiated sale of an  
10 operating note, provides for ~~a portion~~ at least 1 percent of sales to disabled  
11 veteran-owned investment firms.

12           **SECTION 17.** 23.41 (6) of the statutes is renumbered 23.41 (6) (a).

13           **SECTION 18.** 23.41 (6) (b) of the statutes is created to read:

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

17           **SECTION 19.** 25.185 (2) of the statutes is renumbered 25.185 (2) (a).

18           **SECTION 20.** 25.185 (2) (b) of the statutes is created to read:

19           25.185 (2) (b) The board shall attempt to ensure that at least 1 percent of the  
20 total funds expended for financial and investment analysis and for common stock  
21 and convertible bond brokerage commissions in each fiscal year is expended for the  
22 services of disabled veteran-owned financial advisers or disabled veteran-owned  
23 investment firms.

24           **SECTION 21.** 84.075 (1m) (b) of the statutes is amended to read:

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1           84.075 (1m) (b) In purchasing services under s. 84.01 (13), in awarding  
2 construction contracts under s. 84.06, and in contracting with private contractors  
3 and agencies under s. 84.07, the department shall attempt to ensure that at least 1  
4 percent of the total amount expended in each fiscal year is paid to contractors,  
5 subcontractors, and vendors that are disabled veteran-owned businesses. In  
6 attempting to meet this goal, the department may award any contract to a disabled  
7 veteran-owned business that submits a qualified responsible bid that is no more  
8 than 5 percent higher than the low bid unless doing so would violate the provisions  
9 of any federal law or regulation or any contract between the department and a  
10 federal agency or would otherwise result in a reduction of the amount of federal  
11 highway aid received by this state.

12           **SECTION 22.** 200.57 (3) of the statutes is amended to read:

13           200.57 (3) The commission shall make efforts to ensure that ~~a portion~~ at least  
14 1 percent of the total funds expended for financial and investment analysis and for  
15 common stock and convertible bond brokerage commissions in each fiscal year is  
16 expended for the services of disabled veteran-owned financial advisers or disabled  
17 veteran-owned investment firms.

18           **SECTION 23.** 229.46 (2) (intro.) of the statutes is amended to read:

19           229.46 (2) (intro.) A person who is awarded a contract by a district shall agree,  
20 as a condition to receiving the contract, that at least ~~25%~~ 25 percent of the employees  
21 hired because of the contract will be minority group members and, at least ~~5%~~ 5  
22 percent of the employees hired because of the contract will be women, and ~~shall make~~  
23 ~~efforts to ensure that a portion~~ at least 1 percent of the employees hired because of  
24 the contract will be employees of a disabled veteran-owned business, if any of the  
25 following applies:

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1           **SECTION 24.** 229.46 (3) (intro.) of the statutes is amended to read:

2           229.46 (3) (intro.) At least ~~25%~~ 25 percent of the aggregate dollar value of  
3 contracts awarded by the district in the following areas shall be awarded to minority  
4 businesses and, at least ~~5%~~ 5 percent of the aggregate dollar value of contracts  
5 awarded by the district in the following areas shall be awarded to women's  
6 businesses, and ~~the district shall make efforts to ensure that a portion at least 1~~  
7 percent of the aggregate dollar value of contracts awarded by the district in the  
8 following areas shall be awarded to disabled veteran-owned businesses:

9           **SECTION 25.** 229.70 (2) of the statutes is amended to read:

10          229.70 (2) The district shall ensure that, for construction work and  
11 professional services contracts, a person who is awarded such a contract by a district  
12 shall agree, as a condition to receiving the contract, that his or her goal shall be to  
13 ensure that at least ~~25%~~ 25 percent of the employees hired because of the contract  
14 will be minority group members, ~~a portion at least 1 percent~~ of the employees hired  
15 because of the contract will be employees of a disabled veteran-owned business, and  
16 at least ~~5%~~ 5 percent of the employees hired because of the contract will be women  
17 if the contract is for the construction of any part of baseball park facilities.

18          **SECTION 26.** 229.70 (3) (intro.) of the statutes is amended to read:

19          229.70 (3) (intro.) It shall be a goal of the district to ensure that at least ~~25%~~  
20 25 percent of the aggregate dollar value of contracts awarded by the district in the  
21 following areas shall be awarded to minority businesses, ~~a portion at least 1 percent~~  
22 of the aggregate dollar value of contracts awarded by the district in the following  
23 areas shall be awarded to disabled veteran-owned businesses, and at least ~~5%~~ 5  
24 percent of the aggregate dollar value of contracts awarded by the district in the  
25 following areas shall be awarded to women's businesses:

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1           **SECTION 27.** 229.70 (4) of the statutes is amended to read:

2           229.70 (4) It shall be a goal of a district, with regard to each of the contracts  
3 described under sub. (3) (a), (b) and (c), to award at least ~~25%~~ 25 percent of the dollar  
4 value of such contracts to minority businesses, ~~a portion at least 1 percent~~ of the  
5 dollar value of such contracts to disabled veteran-owned businesses, and at least ~~5%~~  
6 5 percent of the dollar value of such contracts to women's businesses.

7           **SECTION 28.** 229.8273 (2) of the statutes is amended to read:

8           229.8273 (2) A district shall ensure that, for construction or renovation work  
9 and professional services contracts that relate to the construction or renovation of  
10 football stadium facilities that are financed by the proceeds of bonds issued under s.  
11 229.824 (8), a person who is awarded such a contract by the district or by a contractor  
12 shall agree, as a condition to receiving the contract, that his or her goal shall be to  
13 ensure that at least ~~15%~~ 15 percent of the employees hired because of the contract  
14 will be minority group members, ~~a portion at least 1 percent~~ of the employees hired  
15 because of the contract will be employees of a disabled veteran-owned business, and  
16 at least ~~5%~~ 5 percent of the employees hired because of the contract will be women.

17           **SECTION 29.** 229.8273 (3) of the statutes is amended to read:

18           229.8273 (3) It shall be a goal of the district to ensure that at least ~~15%~~ 15  
19 percent of the aggregate dollar value of contracts that relate to the construction or  
20 renovation of football stadium facilities that are financed by the proceeds of bonds  
21 issued under s. 229.824 (8), shall be awarded to minority businesses, ~~a portion at~~  
22 least 1 percent of the aggregate dollar value of contracts awarded by the board shall  
23 be awarded to disabled veteran-owned businesses, and at least ~~5%~~ 5 percent of the  
24 aggregate dollar value of contracts awarded by the board shall be awarded to  
25 women's businesses.

