

2005 DRAFTING REQUEST

Senate Substitute Amendment (SSA-AB105)

Received: 03/30/2005

Received By: jkuesel

Wanted: Today

Identical to LRB:

For: Robert Cowles (608) 266-0484

By/Representing: Todd Stuart

This file may be shown to any legislator: NO

Drafter: jkuesel

May Contact:

Addl. Drafters:

Subject: State Govt - procurement

Extra Copies: Russ Whitesel - LCS - 1
ARG - 1

Submit via email: YES

Requester's email: Sen.Cowles@legis.state.wi.us

Carbon copy (CC:) to: russ.whitesel@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

SSA to AB-105

Instructions:

Per attached E mail, 3/30/05, but instead of AA1, provide that DOT shall adhere to the same standards that apply to DOA with respect to cost-benefit analyses and review of contractual services contracts for engineering services.

Apply \$25,000 threshold only to cost-benefit analyses and reviews of contractual services contracts.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkuesel 03/30/2005	wjackson 03/30/2005		_____			
/1			rschluet 03/30/2005	_____	Inorthro 03/30/2005	Inorthro 03/30/2005	
/2	jkuesel	wjackson	jfrantze	_____	lemery	lemery	

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	03/31/2005	03/31/2005	04/01/2005	_____	04/01/2005	04/01/2005	

FE Sent For:

<END>

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/?	jkuesel 03/30/2005	wjackson 03/30/2005		_____			
/1		1/2 WJ 3/31	rschluet 03/30/2005	_____	Inorthro 03/30/2005	Inorthro 03/30/2005	

1/2 jkuesel
3/31

3/31

4/1

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<END>

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Pre Topic:

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Topic:


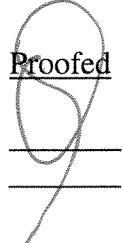
SSA to AB-105

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Per attached E mail, 3/30/05, but instead of AA1, provide that DOT shall adhere to the same standards that apply to DOA with respect to cost-benefit analyses and review of contractual services contracts for engineering services.

Apply \$25,000 threshold only to cost-benefit analyses and reviews of contractual services contracts.

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1? / 1	jkuesel 3/30	1 WJ 3/30					

FE Sent For:

<END>

Kuesel, Jeffery

From: Stuart, Todd
Sent: Monday, March 28, 2005 6:10 PM
To: Whitesel, Russ; Kuesel, Jeffery
Subject: SB 56/AB 105 amendment

Hi guys:

Russ, just wanted to be clear on SB 56/AB 105. I think we would like to draft a substitute amendment that incorporates the three amendments that were accepted by both the Senate (SA 1,2,3) and Assembly (AA 1,3,4). In addition, there are two additional provisions we would like to adopt in a sub.

#1 Allow the DOT to promulgate rules under Ch 84 (engineering services referred to in SA 1 & AA 1) . I think we want to keep the guidelines used in SA 3 & AA 4 to cover the Ch 84 rules.

#2 Establish a minimum threshold of \$25,000 for contracting services/procurement. This is meant to exclude minor contracts.

We were hoping to have a draft sub amendment for a meeting on Thurs, March 31. Jeff, is this possible.

Thanks again. Please call with questions.

-TS

Todd C. Stuart
Office of State Senator Rob Cowles
608.266.0484 Office
608.267.0304 Fax
todd.stuart@legis.state.wi.us

+ Russ W

Wanted wed 3/30-4pm

2005 - 2006 LEGISLATURE

50065/1
LRB-079672
JTK:wlj:pg

SENATE SUBSTITUTE AMEND ✓
TO 2005 SENATE BILL 56 ✓
ASSEMBLY ✓

February 15, 2005 - Introduced by Senators COWLES, ELLIS, BROWN, DARLING, S. FITZGERALD, KAPANKE, A. LASEE, LAZICH, LEIBHAM, OLSEN, ROESSLER and ZIEN, cosponsored by Representatives GOTTLIEB, JENSEN, NASS, DAVIS, GRONEMUS, GUNDERSON, HAHN, HINES, HONADEL, KAUFERT, KRAWCZYK, F. LASEE, LEMAHIEU, McCORMICK, MOULTON, MUSSER, NISCHKE, OTT, OWENS, PRIDEMORE, STASKUNAS and VAN ROY. Referred to Committee on Veterans, Homeland Security, Military Affairs, Small-Business and Government Reform.

Regen

1 AN ACT *to renumber and amend* 16.705 (8); *to amend* 13.093 (2) (a), 16.705
2 (1) and 16.705 (2); and *to create* 16.705 (8) (a) and (b) of the statutes; **relating**
3 **to:** state contractual service contracting procedures and information and fiscal
4 estimate cost mitigation analyses, granting rule-making authority, and
5 providing an exemption from and extending the time limit for emergency rule
6 procedures.

Use twice

with certain exceptions;

Substitute amendment

Involving an estimated expenditure of more than \$25,000

Analysis by the Legislative Reference Bureau

Currently, the Department of Administration (DOA) or any state agency to which DOA delegates purchasing authority may contract for contractual services whenever the services may be performed more efficiently or economically than if they were performed by state employees. This bill directs DOA to prescribe, by rule, uniform procedures for determining whether services are appropriate for contracting.

Currently, DOA must promulgate, by rule, procedures for DOA and the state agencies to which DOA delegates purchasing authority to use when entering into contractual service contracts. This bill provides that these rules must include a requirement for the agencies to conduct a uniform cost-benefit analysis of each proposed contractual service procurement, in accordance with standards prescribed in the rules and a requirement for agencies periodically to review the continued appropriateness of contracting under each contractual services agreement.

substitute amendment, the cost-benefit analysis consists of a comparison of the total cost, quality and timeliness of a service performed with state employees and resources with the total cost, quality and timeliness of the same service obtained by means of a contract for contractual services.

periodically, and before any renewal,

No 11

NOA The substitute amendment also requires the Department of Transportation to conduct a cost-benefit analysis of its proposed specialized services contracts involving an estimated expenditure of more than \$25,000 and to perform similar periodic reviews of such contracts (currently DOT's specialized services contracts are not subject to general laws governing state contractual services contracts). LRB-0796/2 JTK:wlj:pg

Currently, following the end of each fiscal year, DOA must report to the governor, the Joint Committee on Finance, the Joint Legislative Audit Committee, and the appropriate legislative standing committees concerning state contractual service procurements during the preceding fiscal year. This bill provides that the report shall include a summary of the cost-benefit analyses prepared by state agencies in the preceding fiscal year and recommendations for elimination of unneeded contractual service procurements and for consolidation or resolicitation of existing contractual service procurements.

The bill also provides that each fiscal estimate prepared for a bill must indicate whether any increased costs incurred by the state under the bill can be mitigated through the use of contractual service contracts let in accordance with competitive procedures. Currently, there is no similar requirement.

For further information see the state 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. 13.093 (2) (a) of the statutes is amended to read:
2 13.093 (2) (a) Any bill making an appropriation, any bill increasing or
3 decreasing existing appropriations or state or general local government fiscal
4 liability or revenues, and any bill that modifies an existing surcharge or creates a
5 new surcharge that is imposed under ch. 814, shall, before any vote is taken thereon
6 by either house of the legislature if the bill is not referred to a standing committee,
7 or before any public hearing is held before any standing committee or, if no public
8 hearing is held, before any vote is taken by the committee, incorporate a reliable
9 estimate of the anticipated change in appropriation authority or state or general
10 local government fiscal liability or revenues under the bill, including to the extent
11 possible a projection of such changes in future biennia. The estimate shall also
12 indicate whether any increased costs incurred by the state under the bill can be
13 mitigated through the use of contractual service contracts let in accordance with
14 competitive procedures. For purposes of this paragraph, a bill increasing or

SENATE BILL 56

1 decreasing the liability or revenues of the unemployment reserve fund is considered
 2 to increase or decrease state fiscal liability or revenues. Except as otherwise
 3 provided by joint rules of the legislature or this paragraph, such estimates shall be
 4 made by the department or agency administering the appropriation or fund or
 5 collecting the revenue. The joint survey committee on retirement systems shall
 6 prepare the fiscal estimate with respect to the provisions of any bill referred to it
 7 which create or modify any system for, or make any provision for, the retirement of
 8 or payment of pensions to public officers or employees. The director of state courts
 9 shall prepare the fiscal estimate with respect to the provisions of any bill that
 10 modifies an existing surcharge or creates a new surcharge that is imposed under ch.
 11 814. When a fiscal estimate is prepared after the bill has been introduced, it shall
 12 be printed and distributed as are amendments.

INS
 3-12

SECTION 2. 16.705 (1) of the statutes is amended to read:

14 16.705 (1) The department or its agents may contract for services which can
 15 be performed more economically or efficiently by such contract. The department
 16 shall, by rule, prescribe uniform procedures for determining whether services are
 17 appropriate for contracting under this subsection.

SECTION 3. 16.705 (2) of the statutes is amended to read:

19 16.705 (2) The department shall promulgate rules for the procurement of
 20 contractual services by the department and its designated agents, including but not
 21 limited to the rules prescribing approval and monitoring processes for contractual
 22 service contracts, a requirement for agencies to conduct a uniform cost-benefit
 23 analysis of each proposed contractual service procurement involving an estimated expenditure of more than \$25,000
 24 standards prescribed in the rules, and a requirement for agencies to review
 25 periodically the continued appropriateness of contracting under each contractual
and before any renewals

SENATE BILL 56

SECTION 3

involving an estimated expenditure of more than \$25,000

1

services agreement. Each officer requesting approval to engage any person to perform contractual services shall submit to the department written justification for such contracting which shall include a description of the contractual services to be procured, justification of need, justification for not contracting with other agencies, a specific description of the scope of contractual services to be performed, and justification for the procurement process if a process other than competitive bidding is to be used. The department may not approve any contract for contractual services unless it is satisfied that the justification for contracting conforms to the requirements of this section and ss. 16.71 to 16.77.

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SECTION 4. 16.705 (8) of the statutes is renumbered 16.705 (8) (intro.) and amended to read:

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16.705 (8) (intro.) The department shall, annually on or before October 15, submit to the governor, the joint committee on finance, the joint legislative audit committee and the chief clerk of each house of the legislature for distribution to the appropriate standing committees under s. 13.172 (3), a report concerning the number, value and nature of contractual service procurements authorized for each agency during the preceding fiscal year. The report shall also include, with respect to contractual service procurements by agencies for the preceding fiscal year:

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19

SECTION 5. 16.705 (8) (a) and (b) of the statutes are created to read:

20

16.705 (8) (a) A summary of the cost-benefit analyses completed by agencies in compliance with rules promulgated by the department under sub. (2).

21

22

(b) Recommendations for elimination of unneeded contractual service procurements and for consolidation or resolicitation of existing contractual service procurements.

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24

25

SECTION 6. Nonstatutory provisions.

*Ans
4-24*

SENATE BILL 56

1 (1) REPORTS ON INITIAL TRAINING. In each of the first 3 annual reports submitted
 2 by the department of administration under section 16.705 (8) of the statutes
 3 following the effective date of this subsection, the department shall include a list of
 4 the agencies that have completed training required for preparation of cost-benefit
 5 analyses for contractual service procurements by the agencies in accordance with
 6 rules promulgated by the department.

7 (2) EMERGENCY RULES ON CONTRACTUAL SERVICE PROCUREMENT. Using the
 8 procedure under section 227.24 of the statutes, the ~~Department of Administration~~
 9 *and Transportation, respectively* shall, no later than the first day of the 6th month beginning after the effective date
 10 of this subsection, promulgate the rules required under sections ~~16.705~~ *and 84001 (13)* of the
 11 statutes, as affected by this act, as emergency rules, which shall be in effect for the
 12 period before the effective date of the permanent rules promulgated under section ~~16.705~~
 13 *and 84001 (13)* of the statutes, as affected by this act. Notwithstanding section 227.24 (1) (a)
 14 and (3) of the statutes, the ~~departments~~ *Departments of Administration and Transportation* are
 15 promulgating a rule under this subsection as an emergency rule is necessary for the
 16 preservation of the public peace, health, safety, or welfare and ~~is~~ *are* not required to
 17 provide a finding of emergency for a rule promulgated under this subsection.

SECTION 7. Initial applicability.

19 (1) The treatment of section 13.093 (2) (a) of the statutes first applies with
 20 respect to fiscal estimates ordered on the first day of the 6th month beginning after
 21 publication.

22 (2) The treatment of section ~~16.705~~ *and 84001 (13)* (2) of the statutes first applies with respect
 23 to solicitations for contractual services issued on the effective date of emergency
 24 rules promulgated under SECTION 6 (2).

IN 53-12

**ASSEMBLY AMENDMENT 4,
TO 2005 ASSEMBLY BILL 105**

March 16, 2005 - Offered by Representative GOTTlieb.

1 At the locations indicated, amend the bill as follows:

2 1. Page 3, line 12: after that line insert:

3 "SECTION ~~1m.~~ ^{1m.} 16.70 (3g) of the statutes is created to read:

4 16.70 (3g) "Cost-benefit analysis" means a comprehensive study to identify
5 and compare the total cost, quality, and timeliness of a service performed by state
6 employees and resources with the total cost, quality, and timeliness of the same
7 service obtained by means of a contract for contractual services.

8

(END)

2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0065/lins
JTK.....

INS 4-24:

SECTION ~~14~~ 84.01 (13) of the statutes is amended to read:

84.01 (13) ENGINEERING SERVICES. The department may engage such engineering, consulting, surveying or other specialized services as it deems advisable. Any engagement of services under this subsection is exempt from ss. 16.70 to 16.75, 16.755 to 16.82 and 16.85 to 16.89, but ss. 16.528, 16.752 and 16.754 apply to such engagement. Any engagement involving an expenditure of \$3,000 or more shall be by formal contract approved by the governor. The department shall conduct a uniform cost-benefit analysis, as defined in s. 16.70 (3g), of each proposed engagement under this subsection that involves an estimated expenditure of more than \$25,000 in accordance with standards prescribed by rule of the department. The department shall review periodically, and before any renewal, the continued appropriateness of contracting pursuant to each engagement under this subsection that involves an estimated expenditure of more than \$25,000.

History: 1971 c. 40, 125; 1973 c. 12; 1973 c. 243 s. 82; 1975 c. 189; 1977 c. 29 ss. 918 to 924, 1654 (1), (8) (a), (f), 1656 (43); 1977 c. 190, 272; 1979 c. 221, 314; 1981 c. 346 s. 38; 1983 a. 27, 130; 1985 a. 29, 300; 1987 a. 27; 1989 a. 31, 125, 345; 1993 a. 246; 1995 a. 225, 338; 1997 a. 27, 106; 1999 a. 9; 2001 a. 16.



State of Wisconsin
2005 - 2006 LEGISLATURE

LRBs0065/2 ✓

JTK:wj:ra ✓

Wanted Priority - AM

SENATE SUBSTITUTE AMENDMENT,
TO 2005 ASSEMBLY BILL 105

Regen

1 AN ACT *to renumber and amend* 16.705 (8); *to amend* 13.093 (2) (a), 16.705
2 (1), 16.705 (2) and 84.01 (13); and *to create* 16.70 (3g) and 16.705 (8) (a) and
3 (b) of the statutes; **relating to:** state contractual service contracting
4 procedures and information and fiscal estimate cost mitigation analyses,
5 granting rule-making authority, and providing an exemption from and
6 extending the time limit for emergency rule procedures.

Analysis by the Legislative Reference Bureau

Currently, with certain exceptions, the Department of Administration (DOA) or any state agency to which DOA delegates purchasing authority may contract for contractual services whenever the services may be performed more efficiently or economically than if they were performed by state employees. This substitute amendment directs DOA to prescribe, by rule, uniform procedures for determining whether services are appropriate for contracting.

Currently, DOA must promulgate, by rule, procedures for DOA and the state agencies to which DOA delegates purchasing authority to use when entering into contractual service contracts. This substitute amendment provides that these rules must include a requirement for the agencies to conduct a uniform cost-benefit analysis of each proposed contractual service procurement involving an estimated

(T) expenditure of more than \$25,000 in accordance with standards prescribed in the rules and a requirement for agencies to review periodically, and before any renewal, the continued appropriateness of contracting under each contractual services agreement involving an estimated expenditure of more than \$25,000. Under the substitute amendment, the cost-benefit analysis consists of a comparison of the total costs, quality, and timeliness of a service performed by state employees and resources with the total cost, quality, and timeliness of the same service obtained by means of a contract for contractual services. The substitute amendment also requires the Department of Transportation (DOT) to conduct similar cost-benefit analyses of its proposed specialized services contracts involving an estimated expenditure of more than \$25,000 and to perform similar periodic reviews of such contracts. (Currently, DOT's specialized services contracts are not subject to general laws governing state contractual services contracts.)

Currently, following the end of each fiscal year, DOA must report to the governor, the Joint Committee on Finance, the Joint Legislative Audit Committee, and the appropriate legislative standing committees concerning state contractual service procurements during the preceding fiscal year. This substitute amendment provides that the report shall include a summary of the cost-benefit analyses prepared by state agencies in the preceding fiscal year and recommendations for elimination of unneeded contractual service procurements and for consolidation or resolicitation of existing contractual service procurements.

The substitute amendment also provides that each fiscal estimate prepared for a bill must indicate whether any increased costs incurred by the state under the bill can be mitigated through the use of contractual service contracts let in accordance with competitive procedures. Currently, there is no similar requirement.

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

- 1 **SECTION 1.** 13.093 (2) (a) of the statutes is amended to read:
- 2 13.093 (2) (a) Any bill making an appropriation, any bill increasing or
- 3 decreasing existing appropriations or state or general local government fiscal
- 4 liability or revenues, and any bill that modifies an existing surcharge or creates a
- 5 new surcharge that is imposed under ch. 814, shall, before any vote is taken thereon
- 6 by either house of the legislature if the bill is not referred to a standing committee,
- 7 or before any public hearing is held before any standing committee or, if no public
- 8 hearing is held, before any vote is taken by the committee, incorporate a reliable

1 estimate of the anticipated change in appropriation authority or state or general
2 local government fiscal liability or revenues under the bill, including to the extent
3 possible a projection of such changes in future biennia. The estimate shall also
4 indicate whether any increased costs incurred by the state under the bill can be
5 mitigated though the use of contractual service contracts let in accordance with
6 competitive procedures. For purposes of this paragraph, a bill increasing or
7 decreasing the liability or revenues of the unemployment reserve fund is considered
8 to increase or decrease state fiscal liability or revenues. Except as otherwise
9 provided by joint rules of the legislature or this paragraph, such estimates shall be
10 made by the department or agency administering the appropriation or fund or
11 collecting the revenue. The joint survey committee on retirement systems shall
12 prepare the fiscal estimate with respect to the provisions of any bill referred to it
13 which create or modify any system for, or make any provision for, the retirement of
14 or payment of pensions to public officers or employees. The director of state courts
15 shall prepare the fiscal estimate with respect to the provisions of any bill that
16 modifies an existing surcharge or creates a new surcharge that is imposed under ch.
17 814. When a fiscal estimate is prepared after the bill has been introduced, it shall
18 be printed and distributed as are amendments.

19 SECTION 2. 16.70 (3g) of the statutes is created to read:

20 16.70 (3g) "Cost-benefit analysis" means a comprehensive study to identify
21 and compare the total cost, quality, and timeliness of a service performed by state
22 employees and resources with the total cost, quality, and timeliness of the same
23 service obtained by means of a contract for contractual services.

24 SECTION 3. 16.705 (1) of the statutes is amended to read:

1 16.705 (1) The department or its agents may contract for services which can
2 be performed more economically or efficiently by such contract. The department
3 shall, by rule, prescribe uniform procedures for determining whether services are
4 appropriate for contracting under this subsection.

5 SECTION 4. 16.705 (2) of the statutes is amended to read:

6 16.705 (2) The department shall promulgate rules for the procurement of
7 contractual services by the department and its designated agents, including but not
8 limited to the rules prescribing approval and monitoring processes for contractual
9 service contracts, a requirement for agencies to conduct a uniform cost-benefit
10 analysis of each proposed contractual service procurement involving an estimated
11 expenditure of more than \$25,000 in accordance with standards prescribed in the
12 rules, and a requirement for agencies to review periodically, and before any renewal,
13 the continued appropriateness of contracting under each contractual services
14 agreement involving an estimated expenditure of more than \$25,000. Each officer
15 requesting approval to engage any person to perform contractual services shall
16 submit to the department written justification for such contracting which shall
17 include a description of the contractual services to be procured, justification of need,
18 justification for not contracting with other agencies, a specific description of the
19 scope of contractual services to be performed, and justification for the procurement
20 process if a process other than competitive bidding is to be used. The department
21 may not approve any contract for contractual services unless it is satisfied that the
22 justification for contracting conforms to the requirements of this section and ss. 16.71
23 to 16.77.

24 SECTION 5. 16.705 (8) of the statutes is renumbered 16.705 (8) (intro.) and
25 amended to read:

1 16.705 (8) (intro.) The department shall, annually on or before October 15,
2 submit to the governor, the joint committee on finance, the joint legislative audit
3 committee and the chief clerk of each house of the legislature for distribution to the
4 appropriate standing committees under s. 13.172 (3), a report concerning the
5 number, value and nature of contractual service procurements authorized for each
6 agency during the preceding fiscal year. The report shall also include, with respect
7 to contractual service procurements by agencies for the preceding fiscal year:

8 **SECTION 6.** 16.705 (8) (a) and (b) of the statutes are created to read:

9 16.705 (8) (a) A summary of the cost-benefit analyses completed by agencies
10 in compliance with rules promulgated by the department under sub. (2).

11 (b) Recommendations for elimination of unneeded contractual service
12 procurements and for consolidation or resolicitation of existing contractual service
13 procurements.

14 **SECTION 7.** 84.01 (13) of the statutes is amended to read:

15 **84.01 (13) ENGINEERING SERVICES.** The department may engage such
16 engineering, consulting, surveying or other specialized services as it deems
17 advisable. Any engagement of services under this subsection is exempt from ss.
18 16.70 to 16.75, 16.755 to 16.82 and 16.85 to 16.89, but ss. 16.528, 16.752 and 16.754
19 apply to such engagement. Any engagement involving an expenditure of \$3,000 or
20 more shall be by formal contract approved by the governor. The department shall
21 conduct a uniform cost-benefit analysis, as defined in s. 16.70 (3g), of each proposed
22 engagement under this subsection that involves an estimated expenditure of more
23 than \$25,000 in accordance with standards prescribed by rule of the department. The
24 department shall review periodically, and before any renewal, the continued

1 appropriateness of contracting pursuant to each engagement under this subsection
2 that involves an estimated expenditure of more than \$25,000.

3 **SECTION 8. Nonstatutory provisions.**

4 (1) REPORTS ON INITIAL TRAINING. In each of the first 3 annual reports submitted
5 by the department of administration under section 16.705 (8) of the statutes
6 following the effective date of this subsection, the department shall include a list of
7 the agencies that have completed training required for preparation of cost-benefit
8 analyses for contractual service procurements by the agencies in accordance with
9 rules promulgated by the department.

10 (2) EMERGENCY RULES ON CONTRACTUAL SERVICE PROCUREMENT. Using the
11 procedure under section 227.24 of the statutes, the departments of administration
12 and transportation, respectively, shall, no later than the first day of the 6th month
13 beginning after the effective date of this subsection, promulgate the rules required
14 under sections 16.705 and 84.01 (13) of the statutes, as affected by this act, as
15 emergency rules, which shall be in effect for the period before the effective date of the
16 permanent rules promulgated under sections 16.705 and 84.01 (13) of the statutes,
17 as affected by this act. Notwithstanding section 227.24 (1) (a) and (3) of the statutes,
18 the departments of administration and transportation are not required to provide
19 evidence that promulgating a rule under this subsection as an emergency rule is
20 necessary for the preservation of the public peace, health, safety, or welfare and are
21 not required to provide a finding of emergency for a rule promulgated under this
22 subsection.

23 **SECTION 9. Initial applicability.**

1 (1) The treatment of section 13.093 (2) (a) of the statutes first applies with
2 respect to fiscal estimates ordered on the first day of the 6th month beginning after
3 publication.

4 (2) The treatment of sections 16.705 (2) and 84.01 (13) of the statutes first
5 applies with respect to solicitations for contractual services issued on the effective
6 date of emergency rules promulgated under SECTION 8 (2).

7 (3) The renumbering and amendment of section 16.705 (8) of the statutes and
8 the creation of section 16.705 (8) (a) and (b) of the statutes first apply with respect
9 to the report that is due for submittal on October 15, 2006.

10

(END)

LRB 50065/2
JTK

CCC to SSA 1 to AB 105

#. Page 3, line 5: delete "though"
and substitute "through".

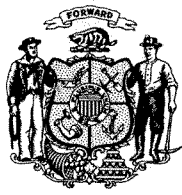
ejs

1 estimate of the anticipated change in appropriation authority or state or general
2 local government fiscal liability or revenues under the bill, including to the extent
3 possible a projection of such changes in future biennia. The estimate shall also
4 indicate whether any increased costs incurred by the state under the bill can be
5 mitigated though the use of contractual service contracts let in accordance with
6 competitive procedures. For purposes of this paragraph, a bill increasing or
7 decreasing the liability or revenues of the unemployment reserve fund is considered
8 to increase or decrease state fiscal liability or revenues. Except as otherwise
9 provided by joint rules of the legislature or this paragraph, such estimates shall be
10 made by the department or agency administering the appropriation or fund or
11 collecting the revenue. The joint survey committee on retirement systems shall
12 prepare the fiscal estimate with respect to the provisions of any bill referred to it
13 which create or modify any system for, or make any provision for, the retirement of
14 or payment of pensions to public officers or employees. The director of state courts
15 shall prepare the fiscal estimate with respect to the provisions of any bill that
16 modifies an existing surcharge or creates a new surcharge that is imposed under ch.
17 814. When a fiscal estimate is prepared after the bill has been introduced, it shall
18 be printed and distributed as are amendments.

19 **SECTION 2.** 16.70 (3g) of the statutes is created to read:

20 16.70 (3g) “Cost–benefit analysis” means a comprehensive study to identify
21 and compare the total cost, quality, technical expertise, and timeliness of a service
22 performed by state employees and resources with the total cost, quality, technical
23 expertise, and timeliness of the same service obtained by means of a contract for
24 contractual services.

25 **SECTION 3.** 16.705 (1) of the statutes is amended to read:



State of Wisconsin
2005-2006 LEGISLATURE

CORRECTIONS IN:

**SENATE SUBSTITUTE AMENDMENT 1,
TO 2005 ASSEMBLY BILL 105**

Prepared by the Legislative Reference Bureau
(May 27, 2005)

1. Page 3, line 5: delete "though" and substitute "through".

(END)