



## 2005 SENATE BILL 204

May 11, 2005 - Introduced by Senators ROESSLER, DARLING and REYNOLDS, cosponsored by Representatives MUSSER, ALBERS, HINES, KREIBICH, LEMAHIEU, LOTHIAN, MCCORMICK, OTT, OWENS and VOS. Referred to Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform.

1     **AN ACT** *to amend* 59.52 (29) (a), 60.47 (2) (a), 60.47 (2) (b), 61.55, 62.15 (1) and  
2           62.15 (3); and *to create* 66.0901 (10) of the statutes; **relating to:** authorizing  
3           cities, villages, towns, and counties to solicit bids for certain contracts by using  
4           the Internet.

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### *Analysis by the Legislative Reference Bureau*

Generally under current law, if a city, village, town, or county (political subdivision) wishes to let a public contract involving the construction or repair of any public work or building, or the furnishing of supplies or materials, there are a number of bidding requirements that apply to such contracts. If the value of the contract is above a certain amount, or between certain amounts, a political subdivision must publish a notice in the newspaper before it contracts for the work, or, in the case of counties, the county board may instead contract with a qualified bidder as specified by statute.

Under this bill, a political subdivision may solicit bids for certain public contracts by posting the bid request on the political subdivision's Web site, if the posting is linked to the political subdivision's home page. This Internet posting option applies to situations under which a political subdivision is currently required or authorized to publish a notice in a newspaper before the contract is executed. Also under the bill, if a political subdivision solicits bids for public contracts exclusively on its Web site, it must notify the public of this fact by publishing a notice in a newspaper at least twice each year.

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For further information see the *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.** 59.52 (29) (a) of the statutes is amended to read:

2           59.52 (29) (a) All public work, including any contract for the construction,  
3 repair, remodeling or improvement of any public work, building, or furnishing of  
4 supplies or material of any kind where the estimated cost of such work will exceed  
5 \$25,000 shall be let by contract to the lowest responsible bidder. Any public work,  
6 the estimated cost of which does not exceed \$25,000, shall be let as the board may  
7 direct. If the estimated cost of any public work is between \$5,000 and \$25,000, the  
8 board shall give a class 1 notice under ch. 985 or post a Web site notice as described  
9 under s. 66.0901 (10) before it contracts for the work or shall contract with a person  
10 qualified as a bidder under s. 66.0901 (2). A contract, the estimated cost of which  
11 exceeds \$25,000, shall be let and entered into under s. 66.0901, except that the board  
12 may by a three-fourths vote of all the members entitled to a seat provide that any  
13 class of public work or any part thereof may be done directly by the county without  
14 submitting the same for bids. This subsection does not apply to public construction  
15 if the materials for such a project are donated or if the labor for such a project is  
16 provided by volunteers. This subsection does not apply to highway contracts which  
17 the county highway committee or the county highway commissioner is authorized by  
18 law to let or make.

19           **SECTION 2.** 60.47 (2) (a) of the statutes is amended to read:

20           60.47 (2) (a) No town may enter into a public contract with an estimated cost  
21 of more than \$5,000 but not more than \$15,000 unless the town board, or a town

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1 official or employee designated by the town board, gives a class 1 notice under ch. 985  
2 or posts a Web site notice as described under s. 66.0901 (10) before execution of that  
3 public contract.

4 **SECTION 3.** 60.47 (2) (b) of the statutes is amended to read:

5 60.47 (2) (b) No town may enter into a public contract with a value of more than  
6 \$15,000 unless the town board, or a town official or employee designated by the town  
7 board, advertises for proposals to perform the terms of the public contract by  
8 publishing a class 2 notice under ch. 985 or by posting a Web site notice as described  
9 under s. 66.0901 (10). The town board may provide for additional means of  
10 advertising for bids.

11 **SECTION 4.** 61.55 of the statutes is amended to read:

12 **61.55 Contracts involving over \$15,000; how let; exception.** All contracts  
13 for public construction, in any such village, exceeding \$15,000, shall be let by the  
14 village board to the lowest responsible bidder in accordance with s. 66.0901 insofar  
15 as said section may be applicable. If the estimated cost of any public construction  
16 exceeds \$5,000, but is not greater than \$15,000, the village board shall give a class  
17 1 notice, under ch. 985, or post a Web site notice as described under s. 66.0901 (10),  
18 of the proposed construction before the contract for the construction is executed. This  
19 provision does not apply to public construction if the materials for such a project are  
20 donated or if the labor for such a project is provided by volunteers, and this provision  
21 and s. 281.41 are not mandatory for the repair and reconstruction of public facilities  
22 when damage or threatened damage thereto creates an emergency, as determined  
23 by resolution of the village board, in which the public health or welfare of the village  
24 is endangered. Whenever the village board by majority vote at a regular or special

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1 meeting declares that an emergency no longer exists, this exemption no longer  
2 applies.

3 **SECTION 5.** 62.15 (1) of the statutes is amended to read:

4 62.15 (1) CONTRACTS; HOW LET; EXCEPTION FOR DONATED MATERIALS AND LABOR. All  
5 public construction, the estimated cost of which exceeds \$15,000, shall be let by  
6 contract to the lowest responsible bidder; all other public construction shall be let as  
7 the council may direct. If the estimated cost of any public construction exceeds  
8 \$5,000 but is not greater than \$15,000, the board of public works shall give a class  
9 1 notice, under ch. 985, or post a Web site notice as described under s. 66.0901 (10),  
10 of the proposed construction before the contract for the construction is executed. This  
11 provision does not apply to public construction if the materials for such a project are  
12 donated or if the labor for such a project is provided by volunteers. The council may  
13 also by a vote of three-fourths of all the members-elect provide by ordinance that any  
14 class of public construction or any part thereof may be done directly by the city  
15 without submitting the same for bids.

16 **SECTION 6.** 62.15 (3) of the statutes is amended to read:

17 62.15 (3) ADVERTISEMENT FOR BIDS. After the plans, specifications and form of  
18 contract have been prepared, the board of public works shall advertise for proposals  
19 for doing such work by publishing a class 2 notice, under ch. 985, or by posting a Web  
20 site notice as described under s. 66.0901 (10). No bid shall be received unless  
21 accompanied by a certified check or a bid bond equal to at least 5% but not more than  
22 10% of the bid payable to the city as a guaranty that if the bid is accepted the bidder  
23 will execute and file the proper contract and bond within the time limited by the city.  
24 If the successful bidder so files the contract and bond, upon the execution of the  
25 contract by the city the check shall be returned. In case the successful bidder fails

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1 to file such contract and bond the amount of the check or bid bond shall be forfeited  
2 to the city as liquidated damages. The notice published shall inform bidders of this  
3 requirement.

4 **SECTION 7.** 66.0901 (10) of the statutes is created to read:

5 66.0901 (10) WEB SITE POSTING OF BID REQUESTS. (a) In this subsection, “political  
6 subdivision” means a city, village, town, or county.

7 (b) To solicit bids for a public contract, a political subdivision may post the bid  
8 request on the political subdivision’s Web site, and the posting shall be linked to the  
9 political subdivision’s home page. If a political subdivision solicits bids for public  
10 contracts exclusively on its Web site, it must provide public notice of this fact by  
11 publishing a class 1 notice under ch. 985 at least twice each year.

12

(END)