



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2013 Senate Bill 74

**Senate Substitute
Amendment 1**

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2013 Senate Bill 74 relates to the purchase of local products and services.

SENATE BILL 74

Senate Bill 74 requires the Department of Administration (DOA) and other state agencies to attempt to ensure that at least 20% of the total amount expended on state purchases¹ in each fiscal year is for local products or services.² In addition, the bill requires those agencies to have a goal that the percentage of the total amount of state purchases spent on local products and services does not decrease as compared to each previous fiscal year.

Similarly, the bill establishes as a goal for local units of government that local products or services comprise at least 20% of the aggregate value of a local government's annual purchases of products and services. The bill also establishes a goal that the percentage of a local unit of government's aggregate value of routine purchases of products and services that are local products and services will not be lower than that percentage in the previous year.

The bill creates certain data gathering and evaluation requirements to track progress regarding the above goals. It also requires certain information to be made available to the public.

¹ "State purchases" refers to purchases that are subject to state procurement laws under subch. IV of ch. 16, Stats.

² The bill defines "local product or service" to mean a product or service that is purchased from a person whose principal place of business is located in this state.

SENATE SUBSTITUTE AMENDMENT 1

The substitute amendment does not retain any of the provisions of the bill. Instead, it requires DOA and other agencies making state purchases to develop plans that at least 10% of the total amount expended for state purchases in each fiscal year is paid to small businesses. For that purpose, the substitute amendment defines “small business” to mean a business that is defined as a small business by the federal Small Business Administration (SBA).

In addition, the substitute amendment adds subcontracts with small businesses to the categories of special subcontract types that a contractor must make note of in a report required under current law for contracts that are subject to state procurement laws.

BILL HISTORY

On March 10, 2014, the Senate Committee on Government Operations, Public Works, and Telecommunications voted to recommend adoption of Senate Substitute Amendment 1 to Senate Bill 74 and to recommend passage of the bill, as amended, on votes of Ayes, 6; Noes, 1.

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