

2015 DRAFTING REQUEST

Bill

Received: **12/9/2014** Received By: **mpfotenh**
 Wanted: **As time permits** Same as LRB:
 For: **Administration-Budget 266-5468** By/Representing: **Bong**
 May Contact: Drafter: **mpfotenh**
 Subject: **State Govt - procurement** Addl. Drafters:
 Extra Copies:

Submit via email: **YES**
 Requester's email:
 Carbon copy (CC) to: **sbostatlanguage@webapps.wi.gov**
mary.pfotenhauer@legis.wisconsin.gov
cathlene.hanaman@legis.wisconsin.gov

Pre Topic:

DOA:.....Bong, BB0286 -

Topic:

Definition of contractual services

Instructions:

See attached

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>
/?	mpfotenh 12/11/2014			_____			
/P1	mpfotenh 1/28/2015	jdye 1/28/2015	rschluet 1/28/2015	_____	mbarman 12/12/2014		
/P2				_____	lparisi		

Vers. Drafted

Reviewed

Typed

Proofed

Submitted
1/28/2015

Jacketed

Required

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<END>

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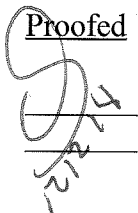
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/?	mpfotenh	pl cjs 12/12 14	pl cjs 12/12 14				

FE Sent For:

<END>

Pfotenhauer, Mary

From: Hanaman, Cathlene
Sent: Tuesday, December 09, 2014 2:53 PM
To: Pfotenhauer, Mary
Subject: FW: Statutory Language Drafting Request - BB0286

Follow Up Flag: Follow up
Flag Status: Flagged

Let me know if you prefer I take it.

From: SashaE.Bong@wisconsin.gov [mailto:SashaE.Bong@wisconsin.gov]
Sent: Tuesday, December 09, 2014 2:11 PM
To: Hanaman, Cathlene
Cc: Kraus, Jennifer - DOA; Bong, Sasha E - DOA; Connor, Christopher B - DOA
Subject: Statutory Language Drafting Request - BB0286

Biennial Budget: 2015-17

DOA Tracking Code: BB0286

Topic: Procurement Modifications

SBO Team: GGCF

SBO Analyst: Bong, Sasha - DOA
Phone: (608) 266-5468
E-mail: SashaE.Bong@wisconsin.gov

Agency Acronym: DOA

Agency Number: 505

Priority: High

Intent:

Modify the current law contractual services definition to exclude information technology products and services delivered using a subscription and central hosting delivery model. The department indicates that this request is largely based on a move from providing IT products as tangible items to providing products as services.

Also, eliminate cost-benefit analysis and continued appropriateness requirements.

Attachments: False

Please send completed drafts to SBOSTatlanguage@webapps.wi.gov



State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-0841/P1

MCP: /:.....

cjs

DOA:.....Bong, BB0286 – Definition of contractual services

FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

SAD
x feb 14

do NOT gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Current law permits the DOA, or its agents, to enter into contracts for services, which include all services and material to be furnished in connection with services. Under current law, DOA is required to promulgate rules for the procurement of contractual services, including rules requiring agencies to conduct a cost-benefit analysis of proposed contractual service procurements of more than \$50,000, and rules requiring agencies to review the continued appropriateness of each contractual services agreement of more than \$50,000.

This bill clarifies that the term “contractual services” does not include information technology products or services that are delivered using a subscription and central hosting delivery model. The bill also eliminates the requirement for DOA to promulgate rules requiring agencies to conduct a cost-benefit analysis of proposed contractual service procurements of more than \$50,000, and rules requiring agencies to review the continued appropriateness of each contractual services agreement of more than \$50,000.

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

1 SECTION 1. 16.70 (3) of the statutes is amended to read:

2 16.70 (3) "Contractual services" includes all services, materials to be furnished
3 by a service provider in connection with services, and any limited trades work
4 involving less than \$30,000 to be done for or furnished to the state or any agency, but
5 does not include information technology products or services delivered from a central
6 hosting location on a subscription basis.

7 History: 1971 c. 164; 1975 c. 41 s. 52; 1977 c. 29; 1979 c. 34, 221; 1983 a. 27, 106; 1985 a. 29 ss. 122a to 122f, 3200 (1); 1987 a. 292, 399; 1989 a. 335; 1991 a. 39, 189; 1993 a. 263, 399; 1995 a. 27, 56; 1997 a. 27; 1999 a. 65, 167; 2001 a. 16, 38; 2003 a. 33; 2005 a. 74, 89, 335; 2007 a. 20, 97; 2009 a. 28; 2011 a. 10, 229; 2013 a. 20, 165, 166.

8 SECTION 2. 16.70 (3g) of the statutes is repealed.

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

10 16.705 (2) (a) The department shall promulgate rules for the procurement of
11 contractual services by the department and its designated agents, including but not
12 limited to rules prescribing approval and monitoring processes for contractual
13 service contracts; ~~except as provided in par. (b), a requirement for agencies, except~~
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19 ~~continued appropriateness of contracting under each contractual services~~
20 ~~agreement involving an estimated expenditure of more than \$50,000.~~

21 History: 1977 c. 196 s. 31; Stats. 1977 s. 16.705; 1981 c. 20; 1983 a. 27; 1985 a. 29 s. 3200 (1); 1985 a. 332 s. 251 (1); 1987 a. 186; 1989 a. 125; 1999 a. 105; 2003 a. 33 ss. 201, 9160; 2005 a. 89, 142, 431; 2009 a. 28, 136; 2011 a. 10, 32, 266; 2013 a. 20 ss. 79 to 84, 2365m, 9448.

22 SECTION 4. 16.705 (2) (b) of the statutes is repealed.

SECTION 5. 16.705 (8) (intro.) and 16.705 (8) (b) of the statutes are consolidated,
renumbered 16.705 (8) and amended to read:

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

14 84.01 (13) ^b(a) The department may engage such engineering, consulting,
 15 surveying, or other specialized services as it deems advisable. Any engagement of
 16 services under this subsection is exempt from ss. 16.70 to 16.75, 16.755 to 16.82, and
 17 16.85 to 16.89, but ss. 16.528, 16.752, 16.753, and 16.754 apply to such engagement.
 18 Any engagement involving an expenditure of \$3,000 or more shall be by formal
 19 contract approved by the governor. The department shall conduct a uniform
 20 cost-benefit analysis, as defined in s. 16.70 (3g), of each proposed engagement under
 21 this subsection that involves an estimated expenditure of more than \$300,000 in
 22 accordance with standards prescribed by rule of the department. The department
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1 contracting pursuant to each engagement under this subsection that involves an
2 estimated expenditure of more than \$300,000.

3 ~~Cross-reference: Cross-reference: Cross-reference: See also ch. Trans 515, Wis. adm. code. Cross-reference:~~

~~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; 2005 a. 25, 89, 392, 410; 2007 a. 20, 97, 125; 2009 a. 28; 2011 a. 32, 167; 2013 a. 20.~~

4 SECTION 8. 84.01 (13) (a) of the statutes is created to read:

5 84.01 (13) (a) In this subsection, “cost-benefit analysis” means a
6 comprehensive study to identify and compare the total cost, quality, technical
7 expertise, and timeliness of a service performed by state employees and resources
8 with the total cost, quality, technical expertise, and timeliness of the same service
9 obtained by means of a contract for contractual services.

10 (END)



State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-0841/P
MCP:cjs:rs

due TODAY

DOA:.....Bong, BB0286 – Definition of contractual services

FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

Changes to p. 2 only

d-note

do not gen

1 AN ACT ...; relating to: the budget.

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20 ✓ insert
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4 (END)

d-note
↓

**2015-2016 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0841/P2ins
MCP:cjs:rs

1

INSERT 2-19

***NOTE: This is reconciled s. 16.705 (2) (a).[✓] This paragraph has been affected by drafts with the following LRB numbers: -0841 and -0971.[✓]

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0841/P2dn

MCP: ~~rs~~rs

date

JLD

This draft reconciles LRB-0841 and LRB-0971. Both of these drafts should continue to appear in the compiled bill.

✓ MCP signature component

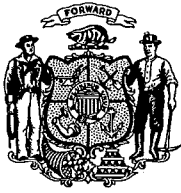
**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0841/P2dn
MCP:jld:rs

January 28, 2015

This draft reconciles LRB-0841 and LRB-0971. Both of these drafts should continue to appear in the compiled bill.

Mary Pfothenauer
Legislative Attorney
(608) 266-6778
mary.pfothenauer@legis.wisconsin.gov



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-0841/P2
MCP:cjs:rs

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