AN ACT to renumber 16.855 (1r); to amend 66.0901 (1m) (a) (intro.) and 66.0901 (1m) (b); and to create 16.855 (1r) (a), 16.855 (1r) (c) and 66.0901 (10) of the statutes; relating to: preferences in state and local construction project contracts.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Administration and local units of government to give preference, over a bidder from a neighboring state that requires a certain percentage of a contractor's employees on a state project be residents of that state, to a person that can ensure that the percentage of employees the person will employ who are Wisconsin residents is at least that percentage required by the neighboring state to be that state's residents.

For further information see the state and local 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:

SECTION 1. 16.855 (1r) of the statutes is renumbered 16.855 (1r) (b).

SECTION 2. 16.855 (1r) (a) of the statutes is created to read:
16.855 (1r) (a) In this subsection:


2. “Wisconsin resident” means any person who has resided in Wisconsin for at least 30 consecutive days immediately prior to bidding and intends to remain in Wisconsin.

**SECTION 3.** 16.855 (1r) (c) of the statutes is created to read:

16.855 (1r) (c) The department shall maintain a list of neighboring states that require contractors to ensure that a certain percentage of employees the contractor employs on the project the contract covers are residents of that state. If a bidder is a resident of a state on that list and submits a bid during a period when the neighboring state is enforcing the requirement, the department shall, when awarding the contract, give a preference over that bidder to a person that can ensure that the percentage of employees the person will employ on the project covered by the contract that are Wisconsin residents is at least the percentage of resident employees required by the other state.

**SECTION 4.** 66.0901 (1m) (a) (intro.) of the statutes is amended to read:

66.0901 (1m) (a) (intro.) Except when necessary to secure federal aid and except as provided in sub. (10), whenever a political subdivision lets a public contract by bidding, the political subdivision shall comply with all of the following:

**SECTION 5.** 66.0901 (1m) (b) of the statutes is amended to read:

66.0901 (1m) (b) Except when necessary to secure federal aid and except as provided in sub. (10), a political subdivision may not use a bidding method that gives preference based on the geographic location of the bidder or that uses criteria other than the lowest responsible bidder in awarding a contract.

**SECTION 6.** 66.0901 (10) of the statutes is created to read:
66.0901 (10) Contracting preference. (a) In this subsection, “Wisconsin resident” means any person who has resided in Wisconsin for at least 30 consecutive days immediately prior to bidding and intends to remain in Wisconsin.

(b) If a bidder is a resident of a state on the list maintained by the department of administration under s. 16.855 (1r) (c) and submits a bid during a period when the other state is enforcing that state’s employee residence requirements, a municipality shall, when awarding the contract, give a preference over that bidder to a person that can ensure that the percentage of employees the person will employ on the project covered by the contract that are Wisconsin residents is at least the percentage of resident employees required by the other state.

Section 7. Initial applicability.

(1) This act first applies to awards made on the effective date of this subsection.

(END)