February 15, 2016 – Introduced by Representatives SARGENT, JOHNSON, OHNSTAD, ZEPNICK, SUBECK, CONSIDINE, BERCEAU, SPREITZER, C. TAYLOR and SINICKI, cosponsored by Senators RINGHAND, VINEHOUT, HARRIS DODD, LASSA and C. LARSON. Referred to Committee on Workforce Development.

AN ACT to renumber and amend 16.855 (10m) (ac); to consolidate, renumber and amend 16.75 (3m) (c) 2. c. and d.; to amend 16.75 (3m) (b) 3., 16.75 (3m)

(c) 1., 16.75 (3m) (c) 4., 16.75 (3m) (c) 5. a., 16.855 (10m) (am) 3., 16.855 (10m) (b), 16.855 (10m) (c), 25.185 (3), 84.075 (title), 84.075 (1m) (c), 84.075 (2) and 84.075 (3); and to create 16.75 (3m) (a) 5., 16.75 (3m) (b) 1m., 16.75 (3m) (c) 2. am., 16.855 (10m) (ac) 2., 16.855 (10m) (am) 1m., 16.87 (2) (bm), 23.41 (6) (am), 25.185 (1) (e) and (f), 25.185 (2) (am), 84.075 (1c) (c) and 84.075 (1m) (am) of the statutes; relating to: preferences for woman−owned businesses in state procurement.

Analysis by the Legislative Reference Bureau

This bill creates preferences in state procurement for certified woman−owned businesses that are similar to preferences in current law for certified minority−owned businesses. For instance, under this bill, state agencies must attempt to ensure that they pay woman−owned businesses 5 percent of the total amount expended for state procurements or certain state construction projects in each fiscal year, which is identical to the requirements for minority−owned businesses. To meet this goal, state agencies may purchase materials or services
from a woman-owned business that submits a bid that is no more than 5 percent higher than the apparent low bid. This preference is identical to the preference given to minority-owned businesses under current law.

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:

SECTION 1. 16.75 (3m) (a) 5. of the statutes is created to read:

16.75 (3m) (a) 5. “Woman-owned business” means a business certified by the department of administration under s. 16.285.

SECTION 2. 16.75 (3m) (b) 1m. of the statutes is created to read:

16.75 (3m) (b) 1m. The department, any agency to which the department delegates purchasing authority under s. 16.71 (1), and any agency making purchases under s. 16.74 shall attempt to ensure that 5 percent of the total amount expended under this subchapter in each fiscal year is paid to woman-owned businesses.

SECTION 3. 16.75 (3m) (b) 3. of the statutes is amended to read:

16.75 (3m) (b) 3. Except as provided under sub. (7), the department, any agency to which the department delegates purchasing authority under s. 16.71 (1), and any agency making purchases under s. 16.74 may purchase materials, supplies, equipment, and contractual services from any minority business, woman-owned business, or disabled veteran-owned business, or from a business that is both a minority business and a disabled veteran-owned business certified as more than one of those categories, submitting a qualified responsible competitive bid that is no more than 5 percent higher than the apparent low bid or competitive proposal that is no more than 5 percent higher than the most advantageous proposal. In administering the preference for minority businesses or disabled veteran-owned businesses
preferences established in this paragraph, the department, the delegated agency, and any agency making purchases under s. 16.74 shall maximize the use of minority businesses, woman–owned businesses, or disabled veteran–owned businesses which are incorporated under ch. 180 or which have their principal place of business in this state.

SECTION 4. 16.75 (3m) (c) 1. of the statutes is amended to read:

16.75 (3m) (c) 1. After completing any contract under this subchapter, the contractor shall report to the agency that awarded the contract any amount of the contract that was subcontracted to minority businesses, any amount of the contract that was subcontracted to woman–owned businesses, and any amount of the contract that was subcontracted to disabled veteran–owned businesses.

SECTION 5. 16.75 (3m) (c) 2. am. of the statutes is created to read:

16.75 (3m) (c) 2. am. The total amount of money and the percentage of the total amount of money it has expended for contracts and orders awarded to woman–owned businesses.

SECTION 6. 16.75 (3m) (c) 2. c. and d. of the statutes are consolidated, renumbered 16.75 (3m) (c) 2. cm. and amended to read:

16.75 (3m) (c) 2. cm. The number of contacts with minority businesses in connection with proposed purchases. d. The number of contacts with woman–owned businesses, and with disabled veteran–owned businesses in connection with proposed purchases.

SECTION 7. 16.75 (3m) (c) 4. of the statutes is amended to read:

16.75 (3m) (c) 4. The department shall annually prepare and submit a report to the governor and to the chief clerk of each house of the legislature, for distribution to the appropriate standing committees under s. 13.172 (3), on the total amount of
money paid to and the amount of indebtedness or other obligations underwritten by minority businesses, minority financial advisers, minority investment firms, woman-owned businesses, woman-owned financial advisers, woman-owned investment firms, disabled veteran-owned businesses, disabled veteran-owned financial advisers, and disabled veteran-owned investment firms under the requirements of this subsection and ss. 16.855 (10m), 16.87 (2), 25.185, 84.075 and 565.25 (2) (a) 3. and on this state’s progress toward achieving compliance with par. (b) and ss. 16.855 (10m) (am) and (10n), 16.87 (2), 25.185, and 84.075 (1m). The report shall also include the percentage of the total amount of money paid to and the percentage of the total amount of indebtedness or other obligations underwritten by disabled veteran-owned businesses, disabled veteran-owned financial advisers, and disabled veteran-owned investment firms. In calculating the percentages to be reported under this subsection, the department shall exclude any purchase or contract for which a preference would violate any federal law or regulation or any contract between an agency and a federal agency or any contract that would result in a reduction in the amount of federal aids received by this state.

**SECTION 8.** 16.75 (3m) (c) 5. a. of the statutes is amended to read:

16.75 (3m) (c) 5. a. In determining whether a purchase, contract, or subcontract complies with the goal established under par. (b) 1., 1m., or 2. or s. 16.855 (10m) (am) 1., 1m., or 2., 16.87 (2) (b), (bm), or (c), or 25.185 (2) (a), (am), or (b), the department shall include only amounts paid to businesses, financial advisers, and investment firms certified by the department of administration under s. 16.283, 16.285, or 16.287 (2), whichever is appropriate.

**SECTION 9.** 16.855 (10m) (ac) of the statutes is renumbered 16.855 (10m) (ac) (intro.) and amended to read:
16.855 (10m) (ac) (intro.) In this subsection, "disabled:

1. “Disabled veteran-owned business” means a business certified by the department of administration under s. 16.283 (3).

SECTION 10. 16.855 (10m) (ac) 2. of the statutes is created to read:

16.855 (10m) (ac) 2. “Woman-owned business” means a business certified by the department of administration under s. 16.285.

SECTION 11. 16.855 (10m) (am) 1m. of the statutes is created to read:

16.855 (10m) (am) 1m. In awarding construction contracts the department shall attempt to ensure that 5 percent of the total amount expended in each fiscal year is awarded to contractors and subcontractors which are woman-owned businesses.

SECTION 12. 16.855 (10m) (am) 3. of the statutes is amended to read:

16.855 (10m) (am) 3. The department may award any contract to a minority business, a woman-owned business, or disabled veteran-owned business, or a business that is both a minority business and a disabled veteran-owned business certified as more than one of those categories, if the business is a qualified responsible bidder and the business submits a bid that is no more than 5 percent higher than the apparent low bid.

SECTION 13. 16.855 (10m) (b) of the statutes is amended to read:

16.855 (10m) (b) Upon completion of any contract, the contractor shall report to the department any amount of the contract that was subcontracted to minority businesses, woman-owned businesses, or disabled veteran-owned businesses.

SECTION 14. 16.855 (10m) (c) of the statutes is amended to read:
16.855 (10m) (c) The department shall maintain and annually publish data on contracts awarded to minority businesses, woman-owned businesses, and disabled veteran-owned businesses under this subsection and ss. 16.87 and 84.075.

SECTION 15. 16.87 (2) (bm) of the statutes is created to read:

16.87 (2) (bm) The department shall attempt to ensure that 5 percent of the total amount expended under this section in each fiscal year is paid to woman-owned businesses, as defined in s. 16.75 (3m) (a) 5.

SECTION 16. 23.41 (6) (am) of the statutes is created to read:

23.41 (6) (am) The department shall attempt to ensure that at least 5 percent of the total amount expended under this section in each fiscal year is paid to woman-owned businesses, as defined in s. 16.75 (3m) (a) 5.

SECTION 17. 25.185 (1) (e) and (f) of the statutes are created to read:

25.185 (1) (e) “Woman-owned financial advisor” means a financial advisor certified by the department of administration under s. 16.285.

(f) “Woman-owned investment firm” means an investment firm certified by the department of administration under s. 16.285.

SECTION 18. 25.185 (2) (am) of the statutes is created to read:

25.185 (2) (am) The board shall attempt to ensure that 5 percent of the total funds expended for financial and investment analysis and for common stock and convertible bond brokerage commissions in each fiscal year is expended for the services of woman-owned financial advisers or woman-owned investment firms.

SECTION 19. 25.185 (3) of the statutes is amended to read:

25.185 (3) The board shall annually report to the department of administration the total amount of moneys expended under sub. (2) for common stock and convertible bond brokerage commissions, the services of minority, woman-owned,
and disabled veteran–owned financial advisers, and the services of minority, woman–owned, and disabled veteran–owned investment firms during the preceding fiscal year.

SECTION 20. 84.075 (title) of the statutes is amended to read:

84.075 (title) Contracting with minority businesses, woman–owned businesses, and disabled veteran–owned businesses.

SECTION 21. 84.075 (1c) (c) of the statutes is created to read:

40.075 (1c) (c) “Woman–owned business” means a business certified by the department of administration under s. 16.285.

SECTION 22. 84.075 (1m) (am) of the statutes is created to read:

84.075 (1m) (am) In purchasing services under s. 84.01 (13), in awarding construction contracts under s. 84.06 and in contracting with private contractors and agencies under s. 84.07, the department shall attempt to ensure that 5 percent of the total amount expended in each fiscal year is paid to contractors, subcontractors, and vendors that are woman–owned businesses. In attempting to meet this goal, the department may award any contract to a woman–owned business that submits a qualified responsible bid that is no more than 5 percent higher than the low bid.

SECTION 23. 84.075 (1m) (c) of the statutes is amended to read:

84.075 (1m) (c) If a contractor, subcontractor, or vendor is both a minority business and a disabled veteran–owned business qualifies for more than one preference under par. (a), (am), or (b), the department may award a contract under par. (a), (am), or (b) but the qualified responsible bid must be no more than 5 percent higher than the low bid, as provided under pars. (a), (am), and (b).

SECTION 24. 84.075 (2) of the statutes is amended to read:
84.075 (2) The contractor shall report to the department any amount of the contract paid to subcontractors and vendors which are minority businesses, woman-owned businesses, or disabled veteran-owned businesses.

**SECTION 25.** 84.075 (3) of the statutes is amended to read:

84.075 (3) The department shall at least semiannually, or more often if required by the department of administration, report to the department of administration the total amount of money it has paid to contractors, subcontractors, and vendors that are minority businesses, that are woman-owned businesses, and that are disabled veteran-owned businesses under ss. 84.01 (13), 84.06, and 84.07 and the number of contacts with minority businesses, woman-owned businesses, and disabled veteran-owned businesses in connection with proposed purchases and contracts. In its reports, the department shall include only amounts paid to businesses certified by the department of safety and professional services as minority businesses or disabled veteran-owned businesses.

**SECTION 26. Initial applicability.**

(1) This act first applies to contracts entered into and orders placed on the effective date of this subsection.

(END)