

Fiscal Estimate Narratives

DOA 4/11/2023

LRB Number	23-0273/2	Introduction Number	AB-0042	Estimate Type	Original
Description selection of architects and engineers for state projects					

Assumptions Used in Arriving at Fiscal Estimate

2023 Assembly Bill 42 (AB-42) would create s. 16.867 (3), Wis. Stats., which would prohibit committees established for construction projects under s. 15.04 (1) (c), Wis. Stats., from refusing to select an architect or engineer for a construction project that has an estimated cost of less than \$2,000,000 on the basis that the firm in question operates with only one responsible architect and engineer; the department may increase the threshold under this subsection as necessary, but may not exceed \$7,400,000. Under current law, selection committees must follow a request for proposal process for projects estimated at \$7,400,000 or more.

Adm 20.02 (6) (a) of the Wisconsin Administrative Code requires there to be "more than one architect/engineer as a responsible member of the firm" in order for it to be considered an eligible architect/engineer. AB-42 would therefore supersede this requirement in cases where the project is estimated at less than \$7,400,000. The Department anticipates that, while the proposed change would modify criteria used by selection committees, it would not require additional staff resources or present any direct costs to the Department in order to carry out selections, and thus no fiscal impact is anticipated to the Department.

With the proposed changes to acceptable selection criteria, there is the potential for additional risk in the event that a firm selected with only one responsible architect/engineer does not have sufficient staffing to undertake a project's scope of work, and, as a result, the contract would need to be extended or rebid for, leading to additional costs and project delays. Such costs, however, would be incurred by the State Building Commission and would not impact the Department's operating expenditures.

Long-Range Fiscal Implications