

**PROPOSED ORDER OF THE WISCONSIN
DEPARTMENT OF WORKFORCE DEVELOPMENT
CREATING AND ADOPTING RULES**

The Wisconsin Department of Workforce Development proposes the following order *to repeal* ch. DWD 293 relating to relating to adjustment of thresholds for payment and performance bond requirements.

**Analysis Prepared by the Department of
Workforce Development**

Statutes Interpreted

Wis. Stat. § 779.14

Statutory Authority

Wis. Stat. § 779.14 (1s) and 2017 Wisconsin Act 59

Explanation of Agency Authority

Section 779.14, Stats., sets the cost estimate thresholds for the payment and performance assurance bond requirements that apply to contracts for performing, furnishing or procuring labor, services, materials, plans or specifications, for a public improvement project or public work.

2017 Wisconsin Act 59 amended s. 779.14, Stats., to reflect the current indexed thresholds under ch. DWD 293, and repealed s. 779.14 (1s), Stats., eliminating future adjustments to those thresholds. The cost estimate thresholds provided under ch. DWD 293 are duplicative of the fixed thresholds set forth in s. 779.14, Stats., as amended by Act 59, and DWD no longer has the statutory authority to adjust the contract prices for determining payment and performance assurance requirements.

Related Statute or Rule

Not applicable

Plain Language Analysis

The proposed rule repeals ch. DWD 293 relating to adjustment of thresholds for payment and performance bond requirements. Chapter DWD 293 currently provides the indexing of contract

thresholds for payment and performance assurance requirements and are to be adjusted by DWD on a biennial basis if the adjustment is greater than 5% on the basis of the change in the construction cost index as published and the *Engineering News-Record*.

Act 59 repealed s. 779.14 (1s), Stats., which directed DWD to adjust the dollar amount biennially by indexing contract thresholds for the payment and performance assurance bond requirements.

Contact Person

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Petition for Review

DWD is petitioning the Joint Committee of Administrative Rules for authorization to repeal ch. DWD 293 as prescribed under s. 227.26 (2) (b), to repeal a rule DWD has determined to be an unauthorized rule.

SECTION 1. DWD ch. 293 is repealed.

SECTION 2. EFFECTIVE DATE. This rule takes effect on the first day of the month following publication in the Wisconsin administrative register, as provided under s. 227.22 (2) (intro.), Stats.