

1977 Assembly Bill 523

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CHAPTER 419, Laws of 1977

AN ACT to amend 19.45 (7); and to create 15.107 (2), 16.75 (2) and 16.755 of the statutes, relating to state purchasing requirements and creating a council on small and minority business opportunities.

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

SECTION 1. Legislative intent. The legislature finds that it is the obligation of this state to continue its policy of purchasing materials, supplies, equipment and contractual services at the lowest possible cost, consistent with quality standards. The legislature finds that this state also has an obligation to give serious attention to simplifying bidding procedures on small contracts and to solving the problems of small and minority Wisconsin firms in receiving notice of bidding opportunities, in complying with bidding procedures and in meeting other state purchasing requirements. The purpose of this act, therefore, is to offer state assistance to small and minority businesses in the competition for state purchasing contracts.

SECTION 2. 15.107 (2) of the statutes is created to read:

15.107 (2) **COUNCIL ON SMALL AND MINORITY BUSINESS OPPORTUNITIES.** There is created in the department of administration a council on small and minority business opportunities consisting of 11 members, appointed for 3-year terms, with representation as follows: at least 2 shall be owners or employees of small businesses at least 50% owned by one or more members of a racial minority group; at least one shall be an owner or employe of a small business at least 50% owned by one or more handicapped persons; at least one shall be an owner or employe of a small business operated on a nonprofit basis for the rehabilitation of disabled persons; at least one shall be a representative of the department of business development; and at least one shall be a consumer member. No member may serve for more than 2 consecutive full terms. The secretary of administration, or a department employe who is the secretary's designee, shall serve as the council's nonvoting secretary.

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

16.75 (2) (a) The department shall encourage the participation of small businesses in the statewide purchasing program by ensuring that there are no undue impediments to such participation and by actively encouraging small businesses to play an active role in the solicitation of public purchasing business. To that end the department shall:

1. Maintain a comprehensive bidders list of small state businesses which have demonstrated the capacity of providing materials, supplies, equipment or contractual services to the state;
2. Develop ways of simplifying specifications and terms so that they will not impose unnecessary administrative burdens on small state businesses which submit bids to the state;
3. Assist small state businesses in complying with state bidding procedures;
4. Notify businesses on the list maintained under subd. 1 of office purchasing requests for which the businesses may wish to submit a bid; and
5. By May 1 of each year, submit a report to the council on small and minority business opportunities which evaluates the performance of small Wisconsin businesses submitting bids to the state and makes recommendations for increased involvement of such businesses in bidding under this section.

(b) The department shall seek the cooperation and assistance of the department of business development in the performance of its duties under par. (a).

(c) In this section and s. 16.755, "small business" means a business which has had less than \$1.5 million in gross annual sales in the most recent calendar or fiscal year.

SECTION 4. 16.755 of the statutes is created to read:

16.755 Council on small and minority business opportunities. The council on small and minority business opportunities shall:

- (1) Review the extent of small business participation in purchasing by this state and its subdivisions.
- (2) Advise the department's purchasing agent with respect to methods of increasing such participation.
- (3) Advise the department's purchasing agent with respect to methods of simplifying or easing compliance with the forms and procedures used or to be used for obtaining contracts with the state for providing materials, supplies, equipment and contractual services.
- (4) Advise the department concerning methods of improved compliance with any aspect of its duties under s. 16.75 (2) (a).
- (5) Annually, submit in its report under s. 15.09 (7) any recommendations regarding the matters described in subs. (1) to (4) to the governor and the legislature.

SECTION 5. 19.45 (7) of the statutes is amended to read:

19.45 (7) No state public official and no business with which ~~he~~ the official has a significant fiduciary relationship may enter into any contract with a department which is to be paid in whole or in part out of state funds unless the contract has been awarded ~~through a process of public notice and by~~ competitive bidding under s. 16.75 (1).

SECTION 6. **Program citation.** Under the listing of program responsibilities specified for the department of business development in section 15.151 (intro.) of the statutes, the reference to section "16.75 (2) (b)" is inserted.

SECTION 7. **Initial terms.** The first members of the council on small and minority business opportunities created by section 15.107 (2) of the statutes shall be appointed by the governor for the following terms: 5, of whom at least one shall be an owner or employe of a small business at least 50% owned by one or more members of a racial minority group, at least one shall be an owner or employe of a small business at least 50% owned by one or more handicapped persons, at least one shall be an owner or employe of a small business operated on a nonprofit basis for the rehabilitation of disabled persons, and at least one shall be a consumer member, for a term of 3 years; 3 for a term of 2 years; and 3 for a term of one year. Members appointed for 1 or 2-year terms may be reappointed for a maximum of 2 additional

consecutive terms. After the initial appointments are made, all members shall be appointed for terms as prescribed by law.
