



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-1081/P3
CMH:kjf:jm

DOA:.....Bong, BB0358 - Program thresholds for state building program

FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, the building commission may authorize money from the state building trust fund to be available for a project costing \$760,000 or less and the building commission may authorize the design and construction of any building, the acquisition of land, or the repair or improvement of any building, structure, or facility that costs more than \$760,000 only if the project is enumerated in the state building program. This bill increases each of those thresholds to \$3,000,000. Also, current law generally prohibits the state from entering into a contract for the construction of or addition to any building in connection with a building project involving a cost that exceeds \$185,000 without approval by the building commission. This bill increases that threshold to \$760,000. Under current law, a contract to perform for the state any engineering services, architectural services, construction work, or limited trades work that involves an expenditure over \$60,000 must be approved by the governor. This bill increases that threshold to \$150,000.

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. 13.48 (3) of the statutes is amended to read:

13.48 (3) STATE BUILDING TRUST FUND. In the interest of the continuity of the program, the moneys appropriated to the state building trust fund under s. 20.867 (2) (f) shall be retained as a nonlapsing building depreciation reserve. Such moneys shall be deposited into the state building trust fund. At such times as the building commission directs, or in emergency situations under s. 16.855 (16) (b), the governor shall authorize releases from this fund to become available for projects and shall direct the department of administration to allocate from this fund such amounts as are approved for these projects. In issuing such directions, the building commission shall consider the cash balance in the state building trust fund, the necessity and urgency of the proposed improvement, employment conditions and availability of materials in the locality in which the improvement is to be made. The building commission may authorize any project costing ~~\$760,000~~ \$3,000,000 or less in accordance with priorities to be established by the building commission and may adjust the priorities by deleting, substituting or adding new projects as needed to reflect changing program needs and unforeseen circumstances. The building commission may enter into contracts for the construction of buildings for any state agency, except a project authorized under sub. (10) (c), and shall be responsible for accounting for all funds released to projects. The building commission may designate the department of administration or the agency for which the project is constructed to act as its representative in such accounting.

SECTION 2. 13.48 (7) of the statutes is amended to read:

13.48 (7) BIENNIAL RECOMMENDATIONS. The building commission shall prepare and formally adopt recommendations for the long-range state building program on a biennial basis. The building commission shall include in its report any projects

proposed by the state fair park board involving a cost of not more than \$250,000 \$760,000, together with the method of financing those projects proposed by the board, without recommendation. Unless a later date is requested by the building commission and approved by the joint committee on finance, the building commission shall, no later than the first Tuesday in April of each odd-numbered year, transmit the report prepared by the department of administration under s. 16.40 (20) and the commission's recommendations for the succeeding fiscal biennium that require legislative approval to the joint committee on finance in the form of proposed legislation prepared in proper form.

SECTION 3. 13.48 (10) (a) of the statutes is amended to read:

13.48 (10) (a) Except as provided in par. (c), no state board, agency, officer, department, commission, or body corporate may enter into a contract for the construction, reconstruction, remodeling of, or addition to any building, structure, or facility, in connection with any building project which involves a cost in excess of \$185,000 \$760,000 without completion of final plans and arrangement for supervision of construction and prior approval by the building commission. This section applies to the department of transportation only in respect to buildings, structures, and facilities to be used for administrative or operating functions, including buildings, land, and equipment to be used for the motor vehicle emission inspection and maintenance program under s. 110.20.

SECTION 4. 13.48 (10) (b) (intro.) of the statutes is amended to read:

13.48 (10) (b) (intro.) ~~This subsection~~ Paragraph (a) does not apply to any of the following:

SECTION 5. 13.48 (10) (b) 5. of the statutes is renumbered 13.48 (10) (d) and amended to read:

13.48 (10) (d) ~~Contracts~~ The state fair park board may not enter into contracts for construction of any building, structure or facility for the state fair park board involving a cost of not more than ~~\$250,000~~ \$760,000.

SECTION 6. 13.48 (10) (c) of the statutes is amended to read:

13.48 (10) (c) Paragraph (a) does not apply to any contract for a building project involving a cost of less than ~~\$500,000~~ \$760,000 to be constructed for the University of Wisconsin System that is funded entirely from the proceeds of gifts and grants made to the system.

****NOTE: As we discussed, if this provision is not pulled out by the UWSA, the threshold should be increased or the provision should be deleted as it would no longer be an exception.

SECTION 7. 13.48 (29) of the statutes is amended to read:

13.48 (29) ~~SMALL PROJECTS~~ SIMPLIFIED POLICIES AND PROCEDURES. Except as otherwise required under s. 16.855 (10m), the building commission may prescribe simplified policies and procedures to be used in lieu of the procedures provided in s. 16.855 for any construction project that does not ~~require prior approval of the building commission under sub. (10) (a)~~ involve an expenditure that exceeds \$185,000, except projects specified in sub. (10) (c).

SECTION 8. 16.855 (22) of the statutes is amended to read:

16.855 (22) The provisions of this section, except sub. (10m), do not apply to construction work for any project that does not ~~require the prior approval of the building commission under s. 13.48 (10) (a)~~ involve an expenditure that exceeds \$185,000 if the project is constructed in accordance with policies and procedures prescribed by the building commission under s. 13.48 (29). If the estimated construction cost of any project, other than a project constructed by or for the University of Wisconsin System that is exempted under sub. (23), is at least \$50,000,

and the building commission elects to utilize the procedures prescribed under s. 13.48 (29) to construct the project, the department shall provide adequate public notice of the project and the procedures to be utilized to construct the project on a publicly accessible computer site.

SECTION 9. 16.855 (23) of the statutes is amended to read:

16.855 (23) This section does not apply to construction work for any project constructed by or for the University of Wisconsin System involving a cost of less than \$500,000 \$760,000 that is funded entirely with the proceeds of gifts and grants made to the system.

SECTION 10. 16.87 (3) of the statutes is amended to read:

16.87 (3) Except as provided in sub. (4), a contract under sub. (2) is not valid or effectual for any purpose until it is endorsed in writing and approved by the ~~secretary or the secretary's designated assistant and, if the contract involves an expenditure over \$60,000, approved by the governor.~~ The governor may delegate the authority to approve any contract requiring his or her approval under this subsection that involves an expenditure of less than \$150,000 \$500,000 to the secretary or the secretary's designee. Except as provided in sub. (4), no payment or compensation for work done under any contract involving \$2,500 or more, except a highway contract, may be made unless the written claim is audited and approved by the secretary or the secretary's designee. Any change order to a contract ~~requiring approval under this subsection~~ under sub. (2) requires the ~~prior~~ approval by the secretary or the ~~secretary's designated assistant and, if the change order involves an expenditure over \$60,000, the approval of the governor or, if the.~~ The governor delegates may delegate his or her authority to approve ~~contracts under this subsection and the a~~

change order if the change order involves an expenditure of less than \$150,000, the approval of \$500,000 to the secretary or the secretary's designee.

SECTION 11. 20.924 (1) (a) of the statutes is amended to read:

20.924 (1) (a) Shall authorize the design and construction of any building, structure or facility costing in excess of \$760,000 \$3,000,000 regardless of funding source, only if that project is enumerated in the authorized state building program.

SECTION 12. 20.924 (1) (b) of the statutes is amended to read:

20.924 (1) (b) Shall authorize the acquisition of land, or the repair, remodeling or improvement to any existing building, structure or facility costing in excess of \$760,000 \$3,000,000, regardless of funding source, only if that project is enumerated in the authorized state building program. This paragraph does not apply to the acquisition of land by the building commission in the city of Madison within a block number specified in s. 13.48 (18). This paragraph does not apply to projects authorized under s. 16.858.

SECTION 9301. Initial applicability; Administration.

(1) STATE BUILDING PROGRAM THRESHOLDS.

(a) The treatment of sections 13.48 (3) and 20.924 (1) (a) and (b) of the statutes first applies to authorizations occurring on the effective date of this paragraph.

(b) The treatment of sections 13.48 (10) (a), (b) (intro.) and 5., and (c) and 16.87 (3) of the statutes first applies to contracts entered into, or extended, modified, or renewed, on the effective date of this paragraph.

(END)