



2007 ASSEMBLY BILL 712

January 18, 2008 - Introduced by Representatives F. LASEE, NYGREN, VAN ROY, SUDER, BALLWEG, BIES, DAVIS, HINES, HONADEL, KESTELL, LEMAHIEU, LOTHIAN, MEYER, NASS, PETERSEN, PRIDEMORE, STRACHOTA and VOS, cosponsored by Senators SCHULTZ and LEIBHAM. Referred to Committee on Judiciary and Ethics.

1 **AN ACT** *to amend* 16.75 (6) (e), 16.855 (18), 16.855 (21) and 16.855 (22); and *to*
2 *create* 16.756, 16.855 (23) and 560.29 of the statutes; **relating to:** making
3 companies that hire illegal aliens ineligible for certain tax exemptions,
4 governmental contracts, grants, and loans, granting rule-making authority,
5 and providing penalties.

Analysis by the Legislative Reference Bureau

Under this bill, any company that has hired illegal aliens is, for a period of two years, ineligible to: 1) receive any income or franchise tax credit or property tax exemption; 2) enter into a contract with the state or a local governmental unit for the construction, remodeling, or repair of a public work or building, or for the furnishing of supplies, services, equipment, or material of any kind; and 3) receive any grants or loans from a local governmental unit.

For further information see the *state and local* 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:

6 **SECTION 1.** 16.75 (6) (e) of the statutes is amended to read:

ASSEMBLY BILL 712**SECTION 1**

1 16.75 (6) (e) The governor or his or her designee may waive any requirement
2 of this subchapter if the governor or his or her designee finds that there exists an
3 emergency which threatens the public health, safety or welfare and the waiver is
4 necessary to meet the emergency. The governor or his or her designee shall require
5 the award of each contract under this paragraph to be made with such competition
6 as is practicable under the circumstances. The governor or his or her designee shall
7 file with the department a statement of facts constituting the emergency for each
8 waiver issued under this paragraph, and a statement of the basis for selection of each
9 contractor under the emergency procedure. This paragraph does not apply to the
10 ~~requirement~~ requirements specified in sub. (7) and s. 16.756.

11 **SECTION 2.** 16.756 of the statutes is created to read:

12 **16.756 Companies hiring illegal aliens.** No company that hires an illegal
13 alien is eligible to enter into any contract with an agency for the purchase of
14 materials, supplies, equipment, or contractual services for a period of 2 years
15 beginning with the year in which the company is subject to penalties and sanctions
16 under federal law for hiring an illegal alien.

17 **SECTION 3.** 16.855 (18) of the statutes is amended to read:

18 16.855 (18) This Except as provided in sub. (23), this section shall not apply
19 to restoration or reconstruction of the state capitol building, historic structures at the
20 old world Wisconsin site and at Heritage Hill state park when the department
21 determines that a waiver of this section would serve the best interests of this state.

22 **SECTION 4.** 16.855 (21) of the statutes is amended to read:

23 16.855 (21) This Except as provided in sub. (23), this section does not apply to
24 contracts by the department of natural resources for construction work related to

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1 hazardous substance spill response under s. 292.11 or environmental repair under
2 s. 292.31.

3 **SECTION 5.** 16.855 (22) of the statutes is amended to read:

4 16.855 (22) The provisions of this section, except ~~sub-~~ subs. (10m) and (23), do
5 not apply to construction work for any project that does not require the prior approval
6 of the building commission under s. 13.48 (10) (a) if the project is constructed in
7 accordance with policies and procedures prescribed by the building commission
8 under s. 13.48 (29). If the estimated construction cost of any project is at least
9 \$40,000, and the building commission elects to utilize the procedures prescribed
10 under s. 13.48 (29) to construct the project, the department shall provide adequate
11 public notice of the project and the procedures to be utilized to construct the project
12 on a publicly accessible computer site.

13 **SECTION 6.** 16.855 (23) of the statutes is created to read:

14 16.855 (23) No company that hires an illegal alien is eligible to enter into any
15 contract with an agency for engineering or architectural services or for construction
16 work, as defined in s. 16.87 (1) (a), for a period of 2 years beginning with the year in
17 which the company is subject to penalties and sanctions under federal law for hiring
18 an illegal alien.

19 **SECTION 7.** 560.29 of the statutes is created to read:

20 **560.29 Hiring illegal aliens. (1) DEFINITIONS.** In this section:

21 (a) "Company" means any organization or enterprise operated for profit,
22 including a proprietorship, partnership, firm, business trust, joint venture,
23 syndicate, corporation, limited liability company, or association.

24 (b) "Local governmental unit" has the meaning given in s. 66.0131 (1) (a).

ASSEMBLY BILL 712**SECTION 7**

1 (c) "Public contract" means a contract for the construction, execution, repair,
2 remodeling, or improvement of a public work or building or for the furnishing of
3 supplies services, equipment, or material of any kind.

4 **(2) PENALTIES.** (a) Notwithstanding the provisions of any tax exemption under
5 ch. 70 or tax credit under ch. 71 for which a company would otherwise be eligible, any
6 company that has hired an illegal alien shall, for a period of 2 years beginning with
7 the year in which the company is subject to penalties and sanctions under federal law
8 for hiring an illegal alien, be ineligible to:

9 1. Receive any tax exemption under ch. 70 or any tax credit under ch. 71.

10 2. Enter into a public contract with a local governmental unit.

11 3. Receive any grants or loans from a local governmental unit.

12 4. Enter into a contract for the sale of materials, supplies, equipment, or
13 contractual services with any agency, as defined in s. 16.70 (1e).

14 5. Enter into a contract for engineering or architectural services or for
15 construction work, as defined in s. 16.87 (1) (a), with any agency, as defined in s. 16.70
16 (1e).

17 (b) Any company that has hired an illegal alien is subject to a fine of not more
18 than \$5,000 for each illegal alien that the company hires.

19 (c) Paragraphs (a) and (b) do not apply to any company that makes a good faith
20 effort to determine whether any person the company hires is not an illegal alien,
21 except that this paragraph does not apply to a company that receives notice from the
22 federal government that an employee has provided a false or incorrect social security
23 number, unless the company corrects the problem described in the notice, in the
24 manner prescribed under federal law, no later than 30 days after receiving the notice.
25 An entity doing business in this state that receives a notice described in this

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1 paragraph shall keep the notice for the period prescribed by the department and
2 shall submit the notice to the department at the department's request. An entity that
3 fails to submit the notice is subject to the penalties under pars. (a) and (b).

4 **(3) RULES.** The department shall promulgate rules to implement and
5 administer this section.

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(END)