



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-1216/P3  
CMH:cjs&wlj:jf

DOA:.....Thornton, BB0277 - Increase threshold that creates requirement for sealed bids or proposals

**FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION**

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

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*Analysis by the Legislative Reference Bureau*

**STATE GOVERNMENT**

**OTHER STATE GOVERNMENT**

Current law generally authorizes state agencies to purchase materials, supplies, or equipment under certain circumstances. With some exceptions, purchases for which the estimated cost exceeds \$25,000 require bids to be invited or proposals to be solicited. This bill increases that \$25,000 threshold to \$50,000.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

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

16.75 (1) (b) When the estimated cost exceeds ~~\$25,000~~ \$50,000, the department shall invite bids to be submitted. The department either shall ~~either~~ solicit sealed

**SECTION 1**

bids to be opened publicly at a specified date and time, or shall solicit bidding by auction to be conducted electronically at a specified date and time. Whenever bids are invited, due notice inviting bids shall be published as a class 2 notice, under ch. 985 or posted on the Internet at a site determined or approved by the department. The bid opening or auction shall occur at least 7 days after the date of the last insertion of the notice or at least 7 days after the date of posting on the Internet. The notice shall specify whether sealed bids are invited or bids will be accepted by auction, and shall give a clear description of the materials, supplies, equipment, or contractual services to be purchased, the amount of any bond, share draft, check, or other draft to be submitted as surety with the bid or prior to the auction, and the date and time that the public opening or the auction will be held.

**SECTION 2.** 16.75 (1) (c) of the statutes is amended to read:

16.75 (1) (c) Except as provided in sub. (7), when the estimated cost is ~~\$25,000~~ \$50,000 or less, the award may be made in accordance with simplified procedures established by the department for such transactions.

**SECTION 3.** 16.75 (2m) (b) of the statutes is amended to read:

16.75 (2m) (b) When the estimated cost exceeds ~~\$25,000~~ \$50,000, the department may invite competitive sealed proposals by publishing a class 2 notice under ch. 985 or by posting notice on the Internet at a site determined or approved by the department. The notice shall describe the materials, supplies, equipment, or contractual services to be purchased, the intent to make the procurement by solicitation of proposals rather than by solicitation of bids, any requirement for surety and the date the proposals will be opened, which shall be at least 7 days after the date of the last insertion of the notice or at least 7 days after the date of posting on the Internet.

**SECTION 4.** 16.75 (2m) (c) of the statutes is amended to read:

16.75 **(2m)** (c) When the estimated cost is ~~\$25,000~~ \$50,000 or less, the ~~department may award the order or contract~~ may be awarded in accordance with simplified procedures established by the department for such transactions.

**SECTION 5.** 16.75 (6) (c) of the statutes is amended to read:

16.75 **(6)** (c) If the secretary determines that it is in the best interest of this state to do so, he or she may, with the approval of the governor, waive the requirements of subs. (1) to (5) and may purchase supplies, material, equipment, or contractual services, other than printing and stationery, from a private source other than a source specified in par. (b). Except as provided in sub. (2g) (c), if the cost of the purchase is expected to exceed ~~\$25,000~~ \$50,000, the department shall first publish a class 2 notice under ch. 985 or post a notice on the Internet at the site determined or approved by the department under sub. (1) (b) describing the materials, supplies, equipment, or contractual services to be purchased, stating the intent to make the purchase from a private source without soliciting bids or competitive sealed proposals and stating the date on which the contract or purchase order will be awarded. The date of the award shall be at least 7 days after the date of the last insertion or the date of posting on the Internet.

**SECTION 9301. Initial applicability; Administration.**

(1) BIDS FOR STATE PROCUREMENT. The treatment of section 16.75 (1) (b) and (c), (2m) (b) and (c), and (6) (c) of the statutes first applies to bids or proposals solicited on the effective date of this subsection.

(END)