



2005 SENATE BILL 608

February 20, 2006 - Introduced by Senator LAZICH, cosponsored by Representatives GUNDRUM, LOEFFELHOLZ, MUSSER, VOS and KREIBICH. Referred to Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform.

1 **AN ACT to amend** 16.75 (1) (a) 1.; and **to create** 16.75 (1s) of the statutes;
2 **relating to:** state procurement from lowest-cost vendors.

Analysis by the Legislative Reference Bureau

Currently, subject to numerous exceptions, state agencies in the executive branch are required to purchase materials, supplies, equipment, or contractual services by bid preceded by public notice. Contracts are required to be awarded to the lowest responsible bidder.

This bill provides that whenever an executive branch agency awards a contract by bid for the procurement of materials, supplies, equipment, or contractual services on a continuing basis, and a vendor other than the vendor to whom the contract is awarded subsequently offers to provide the materials, supplies, equipment, or contractual services at a lower cost than is provided for under the contract, the agency may procure the materials, supplies, equipment, or contractual services from the alternative vendor instead of from the contractual vendor. The bill applies both to new contracts and to contracts for continuing purchases that are in existence on the day the bill becomes law.

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

3 **SECTION 1.** 16.75 (1) (a) 1. of the statutes, as affected by 2005 Wisconsin Act 25,
4 is amended to read:

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SECTION 1

1 16.75 (1) (a) 1. All orders awarded or contracts made by the department for all
2 materials, supplies, equipment, and contractual services to be provided to any
3 agency, except as otherwise provided in par. (c) and subs. (1s), (2), (2g), (2m), (3m),
4 (3t), (6), (7), (8), (9), and (10m) and ss. 16.73 (4) (a), 16.751, 16.754, 50.05 (7) (f), 153.05
5 (2m) (a), 287.15 (7), and 301.265, shall be awarded to the lowest responsible bidder,
6 taking into consideration life cycle cost estimates under sub. (1m), when appropriate,
7 the location of the agency, the quantities of the articles to be supplied, their
8 conformity with the specifications, and the purposes for which they are required and
9 the date of delivery.

10 **SECTION 2.** 16.75 (1s) of the statutes is created to read:

11 16.75 (1s) If the department or a designated agent under s. 16.71 (1) awards
12 a contract by bid for the purchase of materials, supplies, equipment, or contractual
13 services on a continuing basis, and a vendor other than the vendor to whom the
14 contract is awarded subsequently offers to provide the materials, supplies,
15 equipment, or contractual services at a lower cost than is provided for under the
16 contract, the department or agent may purchase the materials, supplies, equipment,
17 or contractual services from the alternative vendor.

18 (END)