State of Misconsin 2021 - 2022 LEGISLATURE

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2021 SENATE BILL 1082

March 9, 2022 - Introduced by Senators Larson, Carpenter and Agard, cosponsored by Representatives Brostoff, Vining, Sinicki, Hebl, Shelton, B. Meyers, Ohnstad, Considine, Cabral-Guevara and Stubbs. Referred to Committee on Government Operations, Legal Review and Consumer Protection.

AN ACT to amend 16.75 (1) (a) 1.; and to create 16.289, 16.75 (10n) and 20.935
of the statutes; relating to: call centers relocating to foreign countries, state
procurement contracts for call center services, state benefits for call centers,
and providing a penalty.

Analysis by the Legislative Reference Bureau

This bill requires that businesses that operate a 50-person call center, which is defined as a business operation to which phone calls from customers are directed or that makes calls to customers, must notify the Department of Administration if the business relocates to a foreign country at least 30 percent of the call center's volume of calls. A business that violates the requirement is subject to a civil forfeiture of up to \$10,000 per day of the violation.

The bill also requires DOA to maintain a list of businesses that have relocated a call center to a foreign country and businesses that have violated the requirement to notify DOA of such a relocation. Under the bill, businesses on the list are ineligible for a grant, loan, certification or other authorization to claim a tax credit, or other similar benefit awarded by a state agency, authority, including the Wisconsin Economic Development Corporation, or other body in state government, unless the secretary of administration determines that denying the benefit would likely result in substantial job loss in Wisconsin or substantial harm to the environment.

The bill also prohibits a state agency from purchasing services provided by a call center if any services related to the call center will be performed outside the state.

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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. | 16.289 of the statutes is created to | read: |
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16.289 Call center employee relocation list. (1) Definitions. In this section:

- (a) "Call center" means a business operation that is any of the following:
- 1. An operation to which phone calls or other communications from current or potential customers are directed.
- 2. An operation that makes phone calls or other communications to current or potential customers.
- (b) "Call center employer" means a call center that employs, for the purpose of customer service, record maintenance, accounting services, or information technology services for the call center, any of the following:
- 1. At least 50 employees, excluding employees who are employed for an average of fewer than 20 hours per week or who have been employed for fewer than 6 of the immediately preceding 12 months.
- 2. At least 50 employees who, in the aggregate, work at least 1,500 hours per week, excluding overtime.
- (2) REQUIREMENT. (a) A call center employer that intends to relocate a call center from Wisconsin to a foreign country shall notify the department at least 120 days before relocating the call center if the relocation will result in at least 30 percent of the call center's volume of calls or other communications, as determined by the previous 12-month average volume, being relocated to a foreign country.

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- (b) A call center employer that violates par. (a) is subject to a civil forfeiture of not more than \$10,000 for each day of the violation.
- (3) LIST OF RELOCATING CALL CENTERS. The department shall maintain a list of call center employers that have notified the department under sub. (2) (a) and call center employers that have violated sub. (2) (a).
 - **SECTION 2.** 16.75 (1) (a) 1. of the statutes is amended to read:
- 16.75 (1) (a) 1. All orders awarded or contracts made by the department for all materials, supplies, equipment, and contractual services to be provided to any agency, except as otherwise provided in par. (c) and subs. (2), (2g), (2m), (3m), (3t), (6), (7), (8), (9), (10e), (10m), (10n), and (10p) and ss. 16.705 (1r), 16.73 (4) (a), 16.751, 16.754, 50.05 (7) (f), 153.05 (2m) (a), 165.987, and 287.15 (7), shall be awarded to the lowest responsible bidder, taking into consideration life cycle cost estimates under sub. (1m), when appropriate, the location of the agency, the quantities of the articles to be supplied, their conformity with the specifications, and the purposes for which they are required and the date of delivery.
 - **Section 3.** 16.75 (10n) of the statutes is created to read:
- 16.75 (10n) (a) In this subsection, "call center" means an operation to which phone calls or other communications from current or potential customers or clients are directed or that makes phone calls or other communications to current or potential customers or clients.
- (b) The department, any other designated purchasing agent under s. 16.71 (1), an agency making purchases under s. 16.74, and an authority may not enter into any contract or order for services provided by a call center if any services related to the call center will be performed outside the state.
 - **Section 4.** 20.935 of the statutes is created to read:

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| 1 | 20.935 Relocated call center employers. (1) Definitions. In this section: |
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| 2 | (a) "Call center employer" has the meaning given in s. 16.289 (1) (b). |
| 3 | (b) "State agency" means an association, authority, board, department, |
| 4 | commission, independent agency, institution, office, society, or other body in state |
| 5 | government created or authorized to be created by the constitution or any law. |
| 6 | (c) "State benefit" means a grant, loan, certification or other authorization to |
| 7 | claim a tax credit, or similar benefit awarded by a state agency. |
| 8 | (2) Ineligibility for state benefits. (a) Except as provided under par. (c), each |
| 9 | call center employer appearing on the list maintained by the department of |
| 10 | administration under s. 16.289 (3) is ineligible to receive a state benefit. |
| 11 | (b) A call center employer that receives a state benefit while ineligible under |
| 12 | par. (a) shall pay to the secretary of administration for deposit in the general fund |
| 13 | an amount equal to the unamortized value of the benefit received. |
| 14 | (c) A call center employer appearing on the list maintained under s. 16.289 (3) |
| 15 | is not ineligible to receive a state benefit if the call center employer demonstrates to |
| 16 | the satisfaction of the secretary of administration that denying the benefit to the call |
| 17 | center employer would likely result in substantial job loss in this state or substantial |
| 18 | harm to the environment. |
| 19 | SECTION 5. Initial applicability. |
| 20 | (1) The treatment of s. 16.75 (10n) first applies to contracts entered into, |

SECTION 6. Effective date.

(1) This act takes effect on the first day of the 7th month beginning after publication.

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extended, modified, or renewed on the effective date of this subsection.