LRB-2694/1 EVM:emw

# **2025 ASSEMBLY BILL 217**

April 23, 2025 - Introduced by Representatives O'CONNOR, BROOKS, ARMSTRONG, NOVAK, DONOVAN, KITCHENS, FRANKLIN, VANDERMEER, B. JACOBSON, GUNDRUM, KNODL, MURSAU, DITTRICH and MELOTIK, cosponsored by Senator TOMCZYK. Referred to Committee on Local Government.

- 1 AN ACT to renumber and amend 59.52 (29) (a), 60.47 (1) (a), 60.47 (5) and
- 2 62.15 (1); **to amend** 60.47 (2) (a), 60.47 (2) (b), 60.47 (3), 60.47 (4) and 60.47 (5)
- 3 (title); **to create** 59.52 (29) (c) 2., 59.52 (29) (c) 3., 59.52 (29) (e), 60.47 (1) (ag),
- 4 60.47 (1) (as), 60.47 (2m), 60.47 (2s), 60.47 (5) (c), 62.15 (1) (b) and 62.15 (1) (c)
- of the statutes; **relating to:** local government competitive bidding thresholds.

### Analysis by the Legislative Reference Bureau

Under current law, in general, if the estimated cost of a local government public works project is between \$5,000 and \$25,000, the local governmental unit must provide a notice before it contracts. If the estimated cost exceeds \$25,000, the local governmental unit must solicit bids and award the contract to the lowest responsible bidder.

This bill increases the notice threshold to \$10,000 and the bidding threshold to \$50,000 and adjusts these amounts quinquennially for inflation. The bill also provides exceptions to these bidding requirements for 1) public work by a county for the purpose of providing housing for persons placed on supervised release as sexually violent persons and 2) improvements that are constructed by a private person and donated to a town or county after the completion of construction. With

1

 $\mathbf{2}$ 

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

regard to the latter, a similar exception for donated improvements currently exists for improvements donated to a city or village.

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:

**SECTION 1.** 59.52 (29) (a) of the statutes is renumbered 59.52 (29) (a) 1. and amended to read:

59.52 (29) (a) 1. All public work, including any contract for the construction, repair, remodeling, or improvement of any public work, building, or furnishing of supplies or material of any kind where the estimated cost of such work will exceed \$25,000 the bidding threshold under par. (e) 1. a. shall be let by contract to the lowest responsible bidder.

- <u>3.</u> Any public work, the estimated cost of which does not exceed \$25,000 the bidding threshold under par. (e) 1. a., shall be let as the board may direct.
- 4. If the estimated cost of any public work is between \$5,000 the notice threshold under par. (e) 1. b. and \$25,000 the bidding threshold under par. (e) 1. a., the board shall give a class 1 notice under ch. 985 before it contracts for the work or shall contract with a person qualified as a bidder under s. 66.0901 (2).
- 2. A contract, the estimated cost of which exceeds \$25,000 the bidding threshold under par. (e) 1. a., shall be let and entered into under s. 66.0901, except that the board may by a three-fourths vote of all the members entitled to a seat provide that any class of public work or any part thereof may be done directly by the county without submitting the same for bids.
  - (c) 1. This subsection does not apply to public construction if the materials for

1 such a the project are donated or if the labor for such a the project is provided by volunteers.  $\mathbf{2}$ 3 (d) This subsection does not apply to highway contracts which the county 4 highway committee or the county highway commissioner is authorized by law to let 5 or make, which shall be let or made under s. 83.04. 6 **SECTION 2.** 59.52 (29) (c) 2. of the statutes is created to read: 7 59.52 (29) (c) 2. This subsection does not apply to the construction by a private 8 person of an improvement that is donated to the county after the completion of 9 construction. 10 **SECTION 3.** 59.52 (29) (c) 3. of the statutes is created to read: 11 59.52 (29) (c) 3. This subsection does not apply to public work for the purpose 12 of providing housing for persons placed on supervised release under s. 980.08. 13 **SECTION 4.** 59.52 (29) (e) of the statutes is created to read: 14 59.52 (29) (e) 1. Beginning on the effective date of this subdivision .... [LRB 15 inserts date}, the thresholds under par. (a) are the following: 16 a. For general public works contract bidding, \$50,000. 17 b. For general public works contract notice, \$10,000. 18 2. On the 5th year commencing after the effective date of this subdivision .... 19 [LRB inserts date], and each subsequent 5th year, the thresholds under subd. 1. 20 shall be increased by a percentage equal to the percentage change in the U.S. 21consumer price index for the previous 5 years, as determined by the federal 22department of labor, rounded to the nearest multiple of \$1,000. 23 **SECTION 5.** 60.47 (1) (a) of the statutes is renumbered 60.47 (1) (am) and 24 amended to read:

60.47 (1) (am) "Public contract" means a contract for the construction,
execution, repair, remodeling or improvement of any public work or building or for
the furnishing of materials or supplies, with an estimated cost greater than $\$5,000$ .
<b>SECTION 6.</b> 60.47 (1) (ag) of the statutes is created to read:
60.47 (1) (ag) "Highway" means a public way or thoroughfare, including any
bridges on the public way or thoroughfare.
<b>SECTION 7.</b> 60.47 (1) (as) of the statutes is created to read:
60.47 (1) (as) "Public highway contract" means a contract for the
construction, execution, repair, remodeling, or improvement of a highway.
<b>SECTION 8.</b> 60.47 (2) (a) of the statutes is amended to read:
60.47 (2) (a) No town may enter into a public contract with an estimated cost
of more than \$5,000 the notice threshold under sub. (2s) (a) 2. but not more than
\$25,000 the bidding threshold under sub. (2s) (a) 1. unless the town board, or a town
official or employee designated by the town board, gives a class 1 notice under ch.
985 before execution of that public contract.
<b>SECTION 9.</b> 60.47 (2) (b) of the statutes is amended to read:
60.47 (2) (b) No town may enter into a public contract with a value of more
than $\$25,000$ the bidding threshold under sub. (2s) (a) 1. unless the town board, or
a town official or employee designated by the town board, advertises for proposals to
perform the terms of the public contract by publishing a class 2 notice under ch.
985. The town board may provide for additional means of advertising for bids.
<b>SECTION 10.</b> 60.47 (2m) of the statutes is created to read:
60.47 (2m) Public Highway Contracts. Notwithstanding sub. (2), and
except as provided in subs. (4) and (5), no town may enter into a public highway

1

2

3

4

5

6

7

8

9

10

11

15

16

17

19

20

21

22

23

24

**SECTION 10** 

- contract with an estimated cost of more than the notice threshold under sub. (2s) (a) 4. but not more than the bidding threshold under sub. (2s) (a) 3. unless the town board, or a town official or employee designated by the town board, gives a class 1 notice under ch. 985 before execution of that public highway contract. Notwithstanding sub. (2), and except as provided in subs. (4) and (5), no town may enter into a public highway contract with a value of more than the bidding threshold under sub. (2s) (a) 3., unless the town board, or a town official or employee designated by the town board, advertises for proposals to perform the terms of the public highway contract by publishing a class 2 notice under ch. 985. The town board may provide for additional means of advertising for bids.
- **SECTION 11.** 60.47 (2s) of the statutes is created to read:
- 60.47 (2s) THRESHOLD AMOUNTS. (a) Beginning on the effective date of this paragraph .... [LRB inserts date}, the thresholds under subs. (2) and (2m) are the following:
  - 1. For general public contract bidding, \$50,000.
  - 2. For general public contract notice, \$10,000.
    - 3. For public highway contract bidding, \$25,000.
- 4. For public highway contract notice, \$5,000.
  - (b) On the 5th year commencing after the effective date of this paragraph .... [LRB inserts date], and each subsequent 5th year, the thresholds under par. (a) shall be increased by a percentage equal to the percentage change in the U.S. consumer price index for the previous 5 years, as determined by the federal department of labor, rounded to the nearest multiple of \$1,000.
    - **SECTION 12.** 60.47 (3) of the statutes is amended to read:

emergency no longer exists.

EVM:e	mw
SECTION	<b>12</b>

60.47 (3) CONTRACTS TO LOWEST RESPONSIBLE BIDDER. The town board shall
let a public contract or public highway contract, for which advertising for proposals
is required under sub. (2) (b) or (2m) to the lowest responsible bidder. Section
66.0901 applies to public contracts or public highway contracts let under sub. subs.
(2) (b) and (2m).
<b>SECTION 13.</b> 60.47 (4) of the statutes is amended to read:
60.47 (4) CONTRACTS WITH GOVERNMENTAL ENTITIES. This section does not
apply to public contracts or public highway contracts entered into by a town with a
municipality, as defined under s. 66.0301 (1) (a).
<b>SECTION 14.</b> 60.47 (5) (title) of the statutes is amended to read:
60.47 (5) (title) Exception for emergencies and <del>donated materials and</del>
LABOR CERTAIN DONATIONS.
<b>SECTION 15.</b> 60.47 (5) of the statutes is renumbered 60.47 (5) (a) and
amended to read:
60.47 (5) (a) This section is optional with respect to public contracts and
public highway contracts for the repair and construction of public facilities when
damage or threatened damage to the facility creates an emergency, as declared by
resolution of the town board, that endangers the public health or welfare of the

town. This subsection no longer applies when the town board declares that the

contract if the materials related to the contract are donated or if the labor that is

(b) This section is optional with respect to a public contract or public highway

 $\mathbf{2}$ 

necessary to execute the public contr	act o	r public	<u>highway</u>	<u>contract</u> is	provided	by
volunteers.						

**SECTION 16.** 60.47 (5) (c) of the statutes is created to read:

60.47 (5) (c) This section does not apply to the construction by a private person of an improvement that is donated to the town after the completion of construction.

**SECTION 17.** 62.15 (1) of the statutes is renumbered 62.15 (1) (a) and amended to read:

\$25,000 the bidding threshold under par. (c) 1. a., shall be let by contract to the lowest responsible bidder; all other public construction shall be let as the council may direct. If the estimated cost of any public construction exceeds \$5,000 the notice threshold under par. (c) 1. b. but is not greater than \$25,000 the bidding threshold under par. (c) 1. a., the board of public works shall give a class 1 notice, under ch. 985, of the proposed construction before the contract for the construction is executed. This provision paragraph does not apply to public construction if the materials for such a the project are donated or if the labor for such a the project is provided by volunteers. The council may also by a vote of three-fourths of all the members-elect provide by ordinance that any class of public construction or any part thereof may be done directly by the city without submitting the same for bids.

**SECTION 18.** 62.15 (1) (b) of the statutes is created to read:

62.15 (1) (b) 1. In this paragraph:

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

21

22

23

24

- SECTION 18
- a. "Highway" means a public way or thoroughfare, including any bridges on the public way or thoroughfare.
  - b. "Public highway construction" means a public construction project involving the construction, improvement, repair, or maintenance of a highway.
  - 2. Notwithstanding par. (a), all public highway construction, the estimated cost of which exceeds the bidding threshold under par. (c) 1. c., shall be let by contract to the lowest responsible bidder; all other public highway construction shall be let as the council may direct. Notwithstanding par. (a), if the estimated cost of any public highway construction exceeds the notice threshold under par. (c) 1. d. but is not greater than the bidding threshold under par. (c) 1. c., the board of public works shall give a class 1 notice, under ch. 985, of the proposed construction before the contract for the construction is executed. This subdivision does not apply to public highway construction if the materials for the project are donated or if the labor for the project is provided by volunteers. The council may also by a vote of three-fourths of all the members-elect provide by ordinance that any class of public highway construction or any part thereof may be done directly by the city without submitting the same for bids.
    - **SECTION 19.** 62.15 (1) (c) of the statutes is created to read:
- 62.15 (1) (c) 1. Beginning on the effective date of this subdivision .... [LRB inserts date], the thresholds under pars. (a) and (b) are the following:
  - a. For general public construction contract bidding, \$50,000.
  - b. For general public construction contract notice, \$10,000.
  - c. For public highway construction contract bidding, \$25,000.
    - d. For public highway construction contract notice, \$5,000.

1

2

3

4

5

6

7

8

On.	~~~	 - 1	Λ
SEC	" I	J	ч

2. On the 5th year commencing after the effective date of this subdivision
[LRB inserts date], and each subsequent 5th year, the thresholds under subd. 1
shall be increased by a percentage equal to the percentage change in the U.S.
consumer price index for the previous 5 years, as determined by the federal
department of labor, rounded to the nearest multiple of \$1,000.

## SECTION 20. Initial applicability.

(1) This act first applies to bids solicited on the effective date of this subsection.

9 (END)