Fiscal Estimate - 2023 Session

☑ Original ☐ Updated	Corrected Supple	emental		
LRB Number 23-0275/2	Introduction Number SB-0	045		
Description selection of architects and engineers for state	projects			
Fiscal Effect				
Appropriations Rev	rease Existing venues crease Existing venues crease Existing venues Decrease Costs - Ma possible to absorb agency's budget Yes Decrease Costs			
Permissive Mandatory Per 2. Decrease Costs 4. Dec	5.Types of Local Government Units Affected Towns Villa crease Revenue crease Revenue Towns Oth Counties Oth Districts Dist	ers		
Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRS SEG SEGS				
Agency/Prepared By	Authorized Signature	Date		
DOA/ Kuang Xin (608) 266-5329	Robin Malicki (608) 264-9576	4/11/2023		

Fiscal Estimate Narratives DOA 4/11/2023

LRB Number 23-0275/2	Introduction Number	SB-0045	Estimate Type	Original		
Description						
selection of architects and engineers for state projects						

Assumptions Used in Arriving at Fiscal Estimate

2023 Senate Bill 45 (SB-45) would create s. 16.867 (3), Wis. Stats., which would prohibit committees established for construction projects under s. 15.04 (1) (c), Wis. Stats., from refusing to select an architect or engineer for a construction project that has an estimated cost of less than \$2,000,000 on the basis that the firm in question operates with only one responsible architect and engineer; the department may increase the threshold under this subsection as necessary, but may not exceed \$7,400,000. Under current law, selection committees must follow a request for proposal process for projects estimated at \$7,400,000 or more.

Adm 20.02 (6) (a) of the Wisconsin Administrative Code requires there to be "more than one architect/engineer as a responsible member of the firm" in order for it to be considered an eligible architect/engineer. SB-45 would therefore supersede this requirement in cases where the project is estimated at less than \$7,400,000. The Department anticipates that, while the proposed change would modify criteria used by selection committees, it would not require additional staff resources or present any direct costs to the Department in order to carry out selections, and thus no fiscal impact is anticipated to the Department.

With the proposed changes to acceptable selection criteria, there is the potential for additional risk in the event that a firm selected with only one responsible architect/engineer does not have sufficient staffing to undertake a project's scope of work, and, as a result, the contract would need to be extended or rebid for, leading to additional costs and project delays. Such costs, however, would be incurred by the State Building Commission and would not impact the Department's operating expenditures.

Long-Range Fiscal Implications