

WORKFORCE DEVELOPMENT -- OTHER PROGRAMS

Indexing Dollar Amounts for Certain Public Works Contracts

Motion:

Move to eliminate the requirement for the Department of Workforce Development (DWD) to index dollar amounts for certain thresholds at which various types of payment and performance assurances are required in contracts for state and local government public projects, as currently regulated under Chapter 779 of the statutes, entitled "Liens." Set the dollar amounts involved in the contracts for public improvements or other public works at their current indexed levels and eliminate future indexing. Include the following provisions:

a. Repeal s. 779.14 (1s) to eliminate the requirement that, if a dollar amount for payment and performance assurances for certain state or local contracts is required to be indexed, DWD shall adjust the dollar amount biennially, in proportion to any change in construction costs since June 17, 1998, or the last adjustment, whichever is later. Eliminate the requirement that no adjustment would be made for a biennium, if the adjustment to be made would be less than five percent.

b. Amend s. 779.14 (1e)(b) to remove the indexing requirement under contract requirements regarding duties of prime contractors. This would remove the requirement that contracts that are in excess of \$30,000 would be indexed if the contracts are for performing, furnishing, or procuring labor, services, materials, plans, or specifications for a public improvement or public work, and that are required to contain a provision under which the prime contractor agrees, to the extent practicable, to maintain a list of all subcontractors, suppliers, and service providers performing, furnishing, or procuring labor, services, materials, plans, or specifications under the contract.

c. Amend s. 779.14 (1m)(c) related to payment and performance assurance requirements in contracts with the state for performing, furnishing, or procuring labor, services, materials, plans, or specifications for a public improvement or public work. Establish in statutes the current dollar amount for contracts to which varying payment and performance assurance requirements at the current amounts of: (1) exceeding \$16,000 but not exceeding \$148,000; (2) exceeding \$148,000 but not exceeding \$369,000; or (3) exceeding \$369,000. Eliminate future indexing of these amounts.

d. Amend s. 779.14 (1m)(d) related to payment and performance assurance requirements in contracts with local governments for performing, furnishing, or procuring labor, services, materials, plans, or specifications for a public improvement or public work. Establish in statutes the current dollar amount for contracts to which varying payment and performance assurance requirements apply at the current amounts of: (1) exceeding \$16,000 but not exceeding \$74,000; (2) exceeding \$74,000 but not exceeding \$148,000; or (3) exceeding \$148,000. Eliminate future

indexing of these amounts.

Note:

The motion includes the provisions of LRB-2617/P1.

Current law in Chapter 779 of the statutes includes provisions that are required to be included in certain contracts with the state or with local units of government for public improvements or other public works. The required provisions vary depending on the amount of money involved in the contracts. Current law includes the various dollar amounts, requires DWD to index the dollar amounts biennially and to keep adjustments proportional to the last adjustment. Currently DWD does not have to make an adjustment in a biennium if the adjustment would be less than five percent.

The motion would statutorily set the dollar amounts involved in the contracts at their current indexed levels and eliminate future indexing.

[Change to Base: \$0]

[Change to Bill: \$0]