

That said committee may, by subpoena issued over the signature of its chairman or acting chairman and served in the manner in which circuit court subpoenas are served, summon and compel the attendance of witnesses and the production of all books, papers, documents and records necessary or convenient to be examined and used by them in their investigation;

That if any witness subpoenaed to appear before said committee shall refuse to appear to answer inquiries propounded, or shall fail or refuse to produce books, documents, papers, or records within his control when the same are demanded by the committee, it shall report the facts to the circuit court of Dane County, and it shall be the duty of such court to compel obedience to such subpoena by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from such court or a refusal to testify therein;

That said committee shall report its findings to the Legislature of 1933 at the opening of its regular session and with such findings shall make such recommendations as it may deem advisable to secure a reduction in the price of farm machinery and farm machinery parts. With any recommendations, the committee shall submit drafts of bills to carry out the same.

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[Jt. Res. No. 15, A.]

[Deposited Jan. 30, 1932.]

No. 37, 1931.

### JOINT RESOLUTION

Relating to the investment of the teachers' retirement fund in farm mortgages.

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WHEREAS, Section 42.32 of the statutes governing the investment of the teachers' retirement fund expressly directs that "In making loans, preference shall be given to applications for small loans on improved farm property and to applications for loans to cooperative associations, subject to annual reduction of principal through long terms not exceeding fifty years"; and

WHEREAS, Reports which were made by the Annuity and Investment Board to the legislature during the regular session of 1931, show conclusively that in recent years this direction of law

has not been complied with and that in lieu of investment in farm mortgages the major part of the funds in the teachers' retirement fund have been invested in railroad, public utility and municipal bonds; and

WHEREAS, It is common knowledge that railroad and public utility bonds have depreciated greatly within the last year, so that the failure of the Annuity and Investment Board to comply with the statutory requirement that preference shall be given to farm mortgage loans has resulted in serious losses to the teachers' retirement fund; and

WHEREAS, Actual losses on farm mortgage loans have been very small, and such loans undoubtedly now constitute a safer investment than railroad and utility bonds; and

WHEREAS, The farmers of the state are finding it increasingly difficult to refinance their farm mortgages, due to the generally disturbed industrial and financial conditions; and

WHEREAS, The refinancing of farm mortgage loans now held by the banks through the teachers' retirement fund would to a very large extent relieve the banking situation in this state and release large amounts of money for investment in industry, which would operate to relieve unemployment; now, therefore, be it

*Resolved by the Assembly, the Senate concurring,* That the Annuity and Investment Board be and is hereby instructed to comply with the express provisions of section 42.32 of the statutes and to give preference in the loans from the teachers' retirement fund to "small loans on improved farm property," and is also instructed to dispose of its railroad and public utility bonds and its municipal bonds, other than those of Wisconsin municipalities, as rapidly as possible, and to reinvest the funds realized in Wisconsin farm mortgages. Be it further

*Resolved,* That a copy of this resolution be transmitted by the chief clerk of the assembly to the Annuity and Investment Board immediately upon adoption.