

**1999 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-AB133)**

Received: <b>09/27/1999</b>	Received By: <b>champra</b>
Wanted: <b>Soon</b>	Identical to LRB:
For: <b>Legislative Fiscal Bureau</b>	By/Representing: <b>Mason</b>
This file may be shown to any legislator: <b>NO</b>	Drafter: <b>champra</b>
May Contact:	Alt. Drafters:
Subject: <b>State Finance - investment board</b>	Extra Copies:

**Pre Topic:**

LFB:.....Mason -

**Topic:**

SWIB operating costs

**Instructions:**

See Attached.

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/1			kfollet 09/28/1999	_____	lrb_docadmin 09/28/1999		
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/4	champra	jgeller	hhagen	_____	lrb_docadmin		

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Page 2

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**Legislative Fiscal Bureau**

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

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RAC

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From:

TONY, LFB

Message:

Per our conversation - SWIB assessment changes

### Increased Budget Flexibility for the State of Wisconsin Investment Board

- Effective July 1, 2000, authorize SWIB to assess each fund for which it has management responsibility an amount that could not exceed 0.025% (two and one-half basis points) of the total statutorily defined market value of such funds, as determined on May 31 of the preceding fiscal year and certified to DOA and JFC by June 15 of the preceding fiscal year.
- The amounts assessed would support the agency's costs and expenses of operation and the management of assets, but would exclude fees, out-of-pocket costs and capital expenditures under ss. 25.18(1)(a), (f), (m) and (2)(e), or 40.04(3).  
(d) and
- Provide that SWIB could assess up to 0.03% of assets under management for operating expenses in a fiscal year with the approval of the Joint Committee on Finance for any assessment over 0.025%. SWIB would submit any such budget for operating expenditures that exceeded 0.025% (up to 0.03%) of assets under management for review and approval by JFC under a 14-day passive review mechanism. (c)

[NOTE: Based on the amount of current assets under management, 0.025% = \$15,943,200. The JFC approved expenditure authority for 2000-01 is \$15,328,600. An assessment of up to 0.03% of assets under management would provide operating expenditure authority of \$19,131,900.]

- On July 1 and January 1 of each fiscal year, SWIB would estimate the amounts required for its operating expenditures for the ensuing 6-month period and would assess each fund for which the Board has management responsibility the fund's share of such costs. Assessments would be credited to a new PR continuing appropriation to support the Board's general program operations.
- JFC retains authority to approve additional PR-funded positions under current law position authorization control procedures (14-day passive review).

per Tony



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1713/4  
RAC:jlg:km

WPO -  
Fix  
request sheet

LFR

LRBb1813/1  
RAC:jlg

ASSEMBLY AMENDMENT,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

TODAY

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At the locations indicated, amend the substitute amendment as follows:

1. Page 44, line 19: after that line insert:


"SECTION 69c. 16.50 (3) of the statutes is amended to read:

16.50 (3) LIMITATION ON INCREASE OF FORCE AND SALARIES. No department, except the legislature or the courts, may increase the pay of any employe, expend money or incur any obligation except in accordance with the estimate that is submitted to the secretary as provided in sub. (1) and approved by the secretary or the governor. No change in the number of full-time equivalent positions authorized through the biennial budget process or other legislative act may be made without the approval of the joint committee on finance, except for position changes made by the governor under s. 16.505 (1) (c) or (2), by the investment board under s. 16.505 (2g), by the University of Wisconsin Hospitals and Clinics Board under s. 16.505 (2n) or by the

↓

1 board of regents of the University of Wisconsin System under s. 16.505 (2m). The  
2 secretary may withhold, in total or in part, the funding for any position, as defined  
3 in s. 230.03 (11), as well as the funding for part-time or limited term employees until  
4 such time as the secretary determines that the filling of the position or the expending  
5 of funds is consistent with s. 16.505 and with the intent of the legislature as  
6 established by law or in budget determinations, or the intent of the joint committee  
7 on finance creating or abolishing positions under s. 13.10, the intent of the governor  
8 creating or abolishing positions under s. 16.505 (1) (c) or (2), the intent of the  
9 investment board under s. 16.505 (2g) or the intent of the board of regents of the  
10 University of Wisconsin System in creating or abolishing positions under s. 16.505  
11 (2m). Until the release of funding occurs, recruitment or certification for the position  
12 may not be undertaken. The secretary shall submit a quarterly report to the joint  
13 committee on finance of any position changes made by the governor under s. 16.505  
14 (1) (c). No pay increase may be approved unless it is at the rate or within the pay  
15 ranges prescribed in the compensation plan or as provided in a collective bargaining  
16 agreement under subch. V of ch. 111. At the request of the secretary of employment  
17 relations, the secretary of administration may authorize the temporary creation of  
18 pool or surplus positions under any source of funds if the secretary of employment  
19 relations determines that temporary positions are necessary to maintain adequate  
20 staffing levels for high turnover classifications, in anticipation of attrition, to fill  
21 positions for which recruitment is difficult. Surplus or pool positions authorized by  
22 the secretary shall be reported quarterly to the joint committee on finance in  
23 conjunction with the report required under s. 16.54 (8).

24 ~~SECTION 69F.~~ 16.505 (1) (intro.) of the statutes is amended to read:



1 16.505 (1) (intro.) Except as provided in subs. (2), ~~(2g)~~, (2m) and (2n), no  
2 position, as defined in s. 230.03 (11), regardless of funding source or type, may be  
3 created or abolished unless authorized by one of the following:

4 **SECTION 69L.** 16.505 (2g) of the statutes is created to read:

5 16.505 (2g) The investment board may create or abolish a full-time equivalent  
6 position or portion thereof from revenues appropriated under s. 20.536 (1) (k). No  
7 later than the last day of the month following completion of each calendar quarter,  
8 the investment board shall report to the department and the cochairpersons of the  
9 joint committee on finance concerning the number of full-time equivalent positions  
10 created or abolished by the board under this subsection during the preceding  
11 calendar quarter.

12 **SECTION 69r.** 16.517 of the statutes is amended to read:

13 **16.517 Adjustments of program revenue positions and funding levels.**

14 No later than 30 days after the effective date of each biennial budget act, the  
15 department shall provide to the joint committee on finance a report indicating any  
16 initial modifications that are necessary to the appropriation levels established under  
17 that act for program revenue and program revenue-service appropriations as  
18 defined in s. 20.001 (2) (b) and (c) or to the number of full-time equivalent positions  
19 funded from program revenue and program revenue-service appropriations  
20 authorized by that act to account for any additional funding or positions authorized  
21 under s. 16.505 (2), ~~(2g)~~ or (2m) or 16.515 in the fiscal year immediately preceding  
22 the fiscal biennium of the budget that have not been included in authorizations  
23 under the biennial budget act but which should be included as continued budget  
24 authorizations in the fiscal biennium of the budget. Such modifications shall be  
25 limited to adjustment of the appropriation or position levels to the extent required



1 to account for higher base levels for the fiscal year immediately preceding the fiscal  
2 biennium of the budget due to appropriation or position increases authorized under  
3 s. 16.505 (2), (2g) or (2m) or 16.515 during the fiscal year immediately preceding the  
4 fiscal biennium of the budget. If the cochairpersons of the committee do not notify  
5 the secretary that the committee has scheduled a meeting for the purpose of  
6 reviewing the proposed modifications within 14 working days after the date of  
7 receipt of the department's report, the department may make the modifications  
8 specified in the report. If, within 14 working days after the date of the department's  
9 report, the cochairpersons of the committee notify the secretary that the committee  
10 has scheduled a meeting for the purpose of reviewing the proposed modifications, the  
11 department may not make the modifications specified in the report until the  
12 committee approves the report."

13 **2.** Page 250, line 3: delete "A" and substitute "C".

14 **3.** Page 250, line 3: delete "13,161,800" and substitute "-0-".

15 **4.** Page 250, line 3: delete "15,328,600" and substitute "-0-".

16 **5.** Page 390, line 16: after that line insert:

17 "SECTION 593e. 20.536 (1) (k) of the statutes is repealed and recreated to read:

18 20.536 (1) (k) *General program operations.* All moneys received from  
19 assessments made under s. 25.187 (2) and from charges made under s. 25.17 (9) for  
20 the purpose of conducting general program operations."

21 **6.** Page 462, line 25: delete the material beginning with that line and ending  
22 with page 463, line 5, and substitute:

23 "SECTION 694d. 25.156 (2) of the statutes is amended to read:

1       25.156 (2) The investment board shall employ an executive director, who shall  
2       serve outside the classified service. The executive director shall be qualified by  
3       training and prior experience to manage, administer and direct the investment of  
4       funds. The investment board shall fix the compensation of the executive director,  
5       and may award ~~bonus~~ incentive compensation as authorized under sub. ~~(6)~~ (6m).”.

6       **7.** Page 463, line 6: after that line insert:

7       “**SECTION 694L.** 25.156 (6m) of the statutes is created to read:

8       25.156 (6m) The investment board may provide a plan of incentive  
9       compensation for the executive director and other employes of the board who are  
10      appointed in the unclassified service, whereby the employes may qualify for an  
11      annual incentive for meritorious performance.”.

12      **8.** Page 463, line 8: delete the material beginning with that line and ending  
13      with page 464, line 2, and substitute:

14      “**SECTION 695e.** 25.16 (7) of the statutes is amended to read:

15      25.16 (7) The executive director shall fix the compensation of all employes  
16      appointed by the executive director, subject to restrictions set forth in the  
17      compensation plan under s. 230.12 or any applicable collective bargaining  
18      agreement in the case of employes in the classified service, but the investment board  
19      may provide for ~~bonus~~ incentive compensation to employes in the unclassified  
20      service as authorized under s. 25.156 ~~(6)~~ (6m).

21      **SECTION 695r.** 25.165 (1) of the statutes is amended to read:

22      25.165 (1) There is created in the investment board an internal audit subunit,  
23      under the supervision of the internal auditor. The internal auditor shall report  
24      directly to the board and, subject to authorization under s. 16.505, shall appoint all



1 employes necessary to carry out the duties of the internal auditor. The internal  
2 auditor shall appoint all employes outside the classified service, except blue collar  
3 and clerical employes. The internal auditor shall fix the compensation of all  
4 employes appointed by the internal auditor, subject to restrictions set forth in the  
5 compensation plan under s. 230.12 or any applicable collective bargaining  
6 agreement in the case of employes in the classified service, but the investment board  
7 may provide for ~~bonus~~ incentive compensation to employes in the unclassified  
8 service as authorized under s. 25.156 ~~(6)~~ (6m).”

9 **9.** Page 464, line 11: delete lines 11 to 22.

10 **10.** Page 465, line 17: after that line insert:

11 “SECTION 701p. 25.187 of the statutes is created to read:

12 **25.187 Operating expenditures.** (1) In this section, “operating  
13 expenditures” include all costs and expenses incurred by the investment board for  
14 the purpose of operating the board and managing the assets of each fund for which  
15 the board has management responsibility, but does not include costs or expenses  
16 incurred under s. 25.18 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.).

17 (2) (a) Subject to pars. (b) and (c), on July 1 and January 1 of each year,  
18 beginning <sup>on July 1, 2000</sup> ~~in the year 2000~~, the investment board shall estimate the amounts  
19 required for its operating expenditures for the next 6-month period and shall assess  
20 each fund for which the board has management responsibility for its share of the  
21 estimated operating expenditures in an equitable manner. The board shall pay the  
22 assessment from the current income of each fund, unless an appropriation is made  
23 for payment of the assessment, in which case the assessment shall be paid from that  
24 appropriation account.

1 (b) If the estimate of the amounts required for the board's operating  
 2 expenditures for a 6-month period differs from its actual operating expenditures, the  
 3 board shall adjust the estimate of the amounts required for its operating  
 4 expenditures for the next 6-month period to reflect the difference between its  
 5 estimated operating expenditures and actual operating expenditures for the prior  
 6 6-month period.

7 ~~(c) The total amount that the board may assess the funds for which the board  
 8 has management responsibility for any fiscal year may not exceed the greater of 95%  
 9 of its prior fiscal year expenditures from the appropriation account under s. 20.536  
 10 (1) (k) or 0.03% of the total market value of the assets of the funds on June 30 of the  
 11 preceding fiscal year. For the purposes of this paragraph, the board shall determine  
 12 the total market value of the assets of the funds according to the methodology used  
 13 to determine the market value of the fixed retirement investment trust under s.  
 14 25.17 (14).~~

insert  
7/15

15 (3) The investment board shall transmit a notice of each assessment to each  
 16 fund at the time that the assessment is made, and shall transmit a statement of the  
 17 board's actual expenditures for management of each fund at the close of each fiscal  
 18 year both to the state agency having primary responsibility for expenditure of  
 19 principal or earnings of the fund and to the department of administration or, if there  
 20 is no state agency, only to the department of administration.”

21 **11. Page 1526, line 23: after that line insert:**

22 “(2f) OPERATING EXPENDITURES FOR INVESTMENT BOARD DURING THE 1999-2000 FISCAL  
 23 YEAR.”

1 (a) In this subsection, "operating expenditures" include all costs and expenses  
2 incurred by the investment board for the purpose of operating the board and  
3 managing the assets of each fund for which the board has management  
4 responsibility, but does not include costs or expenses incurred under section 25.18  
5 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.) of the statutes.

6 (b) On the first day of the 2nd month that occurs after the effective date of this  
7 paragraph, the investment board shall estimate the amounts required for its  
8 operating expenditures for the remainder of the 1999–2000 fiscal year and shall  
9 assess each fund for which the board has management responsibility for its share of  
10 the estimated operating expenditures in an equitable manner. The board shall pay  
11 the assessment from the current income of each fund, unless an appropriation is  
12 made for payment of the assessment, in which case the assessment shall be paid from  
13 that appropriation account. The total amount that the board may assess the funds  
14 for which the board has management responsibility for the 1999–2000 fiscal year  
15 may not exceed 0.03% of the total market value of the assets of the funds on June 30,  
16 1999, less any amount expended for operating expenditures by the board from the  
17 appropriation account under section 20.536 (1) (k), 1997 stats., between July 1, 1999,  
18 and the first day of the 2nd month that occurs after the effective date of this  
19 paragraph. For the purposes of this paragraph, the board shall determine the total  
20 market value of the assets of the funds according to the methodology used to  
21 determine the market value of the fixed retirement investment trust under section  
22 25.17 (14) of the statutes.

23 (c) The investment board shall transmit a notice of each assessment to each  
24 fund at the time that the assessment is made, and shall transmit a statement of the  
25 board's actual expenditures for management of each fund at the close of the

1 ~~1999-2000 fiscal year both to the state agency having primary responsibility for~~  
2 ~~expenditure of principal or earnings of the fund and to the department of~~  
3 ~~administration or, if there is no state agency, only to the department of~~  
4 ~~administration.”.~~

5 **12.** Page 1610, line 24: delete the material beginning with that line and  
6 ending with page 1611, line 2.

7

(END)

Insert ✓  
9-7

1999-2000 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBb1813/lins  
RAC:.....

**Insert 7-15:**

(c) 1. Except as provided in subd. 2.,<sup>✓</sup> the total amount that the board may assess the funds for which the board has management responsibility for any fiscal year may not exceed 0.025%<sup>✓</sup> of the total market value of the assets of the funds on May 31 of the preceding fiscal year.

2. The board may assess the funds for which the board has management responsibility for any fiscal year in an amount that is greater than 0.025% but does not exceed 0.003% of the total market value of the assets of the funds on May 31 of the preceding fiscal year if the board notifies the joint committee on finance in writing of the proposed assessment. If the cochairpersons of the committee do not notify the board that the committee has scheduled a meeting for the purpose of reviewing the proposed assessment within 14 working days after the date of the board's notification, the board may make the assessment. If, within 14 working days after the date of the board's notification, the cochairpersons of the committee notify the board that the committee has scheduled a meeting for the purpose of reviewing the proposed assessment, the board may make the assessment only upon approval of the committee.

3. For the purposes of this paragraph,<sup>✓</sup> the board shall do all of the following:

a<sup>3</sup>. Determine the total market value of the assets of the funds according to the methodology used to determine the market value of the fixed retirement investment trust under s. 25.17 (14).<sup>✓</sup>



INS 7-15 cont

b. Annually, certify to the department of administration and to the joint committee on finance the total market value of the assets of the funds on May 31 no later than June 15.

**Insert 9-7:**

1. Page 1611, line 2: after that line insert:

“(3) INVESTMENT BOARD OPERATING EXPENSES. The treatment of section 20.536 (1) (k) of the statutes takes effect on July 1, 2000.”

### Increased Budget Flexibility for the State of Wisconsin Investment Board

Effective on the general effective date of the biennial budget and applicable to the 1999-00 fiscal year only, authorize SWIB to assess each fund for which it has management responsibility an amount that in total for all funds could not exceed \$14,498,600 [0.0225% – two and one-quarter basis points – of the total statutorily defined market value of such funds as of June 30, 1999] and authorize the agency to make the necessary initial assessments to implement this provision. [NOTE: A 0.0225% assessment in 1999-00 would yield \$14,498,600, compared to the \$13,161,800 authorized under the JFC version of the budget bill.]

- Effective July 1, 2000, authorize SWIB to assess each fund for which it has management responsibility an amount that could not exceed the greater of: (1) \$17,720,500 (0.0275% the total statutorily defined market value of such funds as of June 30, 1999); or (2) 0.0275% the total statutorily defined market value of such funds, as determined on April 30 of the preceding fiscal year and certified to DOA and JFC by June 15 of the preceding fiscal year.
- The amounts assessed would support the agency's costs and expenses of operation and the management of assets, but would exclude fees, out-of-pocket costs and capital expenditures under ss. 25.18(1)(a), (c), (f), (m) and (2)(d) or (e), or 40.04(3).
- Provide that beginning with the 2000-01 fiscal year SWIB could assess up to 0.03% of assets under management for operating expenses in a fiscal year with the approval of the Joint Committee on Finance for any assessment over 0.0275%. SWIB would submit any such budget for operating expenditures that exceeded 0.0275% (up to 0.03%) of assets under management for review and approval by JFC under a 14-day passive review mechanism.

[NOTE: Based on 0.0275% of the greater of the dollar amount of the most recent assets under management figure [July 31, 1999] or the dollar value of such assets on June 30, 1999, the asset value on June 30, 1999 would be controlling at this writing. Consequently, an assessment of 0.0275% of the June 30, 1999, asset value for 2000-01 would yield \$17,720,500. The JFC approved expenditure authority for 2000-01 is \$15,328,600. An assessment of up to 0.03% of assets under management [based on the June 30, 1999, assets under management figure] would provide operating expenditure authority of \$19,331,000.]

- On July 1 and January 1 of each fiscal year, SWIB would estimate the amounts required for its operating expenditures for the ensuing 6-month period and would assess each fund for which the Board has

management responsibility the fund's share of such costs. Assessments would be credited to a new PR continuing appropriation to support the Board's general program operations.

- JFC retains authority to approve additional PR-funded positions under current law position authorization control procedures (14-day passive review).





State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1813/r 2  
RAC:jlq:kjf

RM has been  
run

LFB:.....Mason – SWIB operating costs

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 250, line 3: delete “A” and substitute “C”.
- 3 **2.** Page 250, line 3: delete “13,161,800” and substitute “-0-”.
- 4 **3.** Page 250, line 3: delete “15,328,600” and substitute “-0-”.
- 5 **4.** Page 390, line 16: after that line insert:
- 6 “SECTION 593e. 20.536 (1) (k) of the statutes is repealed and recreated to read:
- 7 20.536 (1) (k) *General program operations.* All moneys received from
- 8 assessments made under s. 25.187 (2) and from charges made under s. 25.17 (9) for
- 9 the purpose of conducting general program operations.”.
- 10 **5.** Page 464, line 11: delete lines 11 to 22.

1           **6.** Page 465, line 17: after that line insert:

2           “**SECTION 701p.** 25.187 of the statutes is created to read:

3           **25.187 Operating expenditures.** (1) In this section, “operating  
4 expenditures” include all costs and expenses incurred by the investment board for  
5 the purpose of operating the board and managing the assets of each fund for which  
6 the board has management responsibility, but does not include costs or expenses  
7 incurred under s. 25.18 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.).

8           (2) (a) Subject to pars. (b) and (c), on July 1 and January 1 of each year,  
9 ~~beginning on July 1, 2000,~~ the investment board shall estimate the amounts required  
10 for its operating expenditures for the next 6-month period and shall assess each fund  
11 for which the board has management responsibility for its share of the estimated  
12 operating expenditures in an equitable manner. The board shall pay the assessment  
13 from the current income of each fund, unless an appropriation is made for payment  
14 of the assessment, in which case the assessment shall be paid from that  
15 appropriation account.

16           (b) If the estimate of the amounts required for the board’s operating  
17 expenditures for a 6-month period differs from its actual operating expenditures, the  
18 board shall adjust the estimate of the amounts required for its operating  
19 expenditures for the next 6-month period to reflect the difference between its  
20 estimated operating expenditures and actual operating expenditures for the prior  
21 6-month period.

22           (c) 1. Except as provided in subd. 2., the total amount that the board may assess  
23 the funds for which the board has management responsibility for any fiscal year may

1 not exceed ~~0.02%~~ <sup>0.0275%</sup> of the total market value of the assets of the funds on May 31 of  
 2 the preceding fiscal year.

3 2. The board may assess the funds for which the board has management  
 4 responsibility for any fiscal year in an amount that is greater than ~~0.02%~~ <sup>0.0275%</sup> but does  
 5 not exceed ~~0.03%~~ <sup>0.03%</sup> of the total market value of the assets of the funds on ~~May 31~~ <sup>April 30</sup> of  
 6 the preceding fiscal year if the board notifies the joint committee on finance in  
 7 writing of the proposed assessment. If the cochairpersons of the committee do not  
 8 notify the board that the committee has scheduled a meeting for the purpose of  
 9 reviewing the proposed assessment within 14 working days after the date of the  
 10 board's notification, the board may make the assessment. If, within 14 working days  
 11 after the date of the board's notification, the cochairpersons of the committee notify  
 12 the board that the committee has scheduled a meeting for the purpose of reviewing  
 13 the proposed assessment, the board may make the assessment only upon approval  
 14 of the committee.

15 3. For the purposes of this paragraph, the board shall do all of the following:

16 a. Determine the total market value of the assets of the funds according to the  
 17 methodology used to determine the market value of the fixed retirement investment  
 18 trust under s. 25.17 (14).

19 b. Annually, certify to the department of administration and to the joint  
 20 committee on finance the total market value of the assets of the funds on ~~May 31~~ <sup>April 30</sup>  
 21 later than June 15.

22 (3) The investment board shall transmit a notice of each assessment to each  
 23 fund at the time that the assessment is made, and shall transmit a statement of the  
 24 board's actual expenditures for management of each fund at the close of each fiscal  
 25 year both to the state agency having primary responsibility for expenditure of

1 principal or earnings of the fund and to the department of administration or, if there  
2 is no state agency, only to the department of administration.”.

3 ~~7. Page 1611, line 2: after that line insert:~~  
4 ~~“(2c) INVESTMENT BOARD OPERATING EXPENSES. The treatment of section 20.536~~  
5 ~~(1) (k) of the statutes takes effect on July 1, 2000.”.~~

6 (END)

6  
Insert  
4-6

4-6

1 (b) If the estimate of the amounts required for the board's operating  
 2 expenditures for a 6-month period differs from its actual operating expenditures, the  
 3 board shall adjust the estimate of the amounts required for its operating  
 4 expenditures for the next 6-month period to reflect the difference between its  
 5 estimated operating expenditures and actual operating expenditures for the prior  
 6 6-month period.

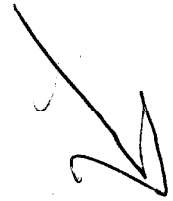
7 (c) The total amount that the board may assess the funds for which the board  
 8 has management responsibility for any fiscal year may not exceed the greater of 95%  
 9 of its prior fiscal year expenditures from the appropriation account under s. 20.536  
 10 (1) (k) or 0.04% of the total market value of the assets of the funds on June 30 of the  
 11 preceding fiscal year. For the purposes of this paragraph, the board shall determine  
 12 the total market value of the assets of the funds according to the methodology used  
 13 to determine the market value of the fixed retirement investment trust under s.  
 14 25.17 (14).

15 (3) The investment board shall transmit a notice of each assessment to each  
 16 fund at the time that the assessment is made, and shall transmit a statement of the  
 17 board's actual expenditures for management of each fund at the close of each fiscal  
 18 year both to the state agency having primary responsibility for expenditure of  
 19 principal or earnings of the fund and to the department of administration or, if there  
 20 is no state agency, only to the department of administration."

21  
 22  
 23

11. Page 1526, line 23: after that line insert: ✓

“(2) OPERATING EXPENDITURES FOR INVESTMENT BOARD DURING THE 1999-2000 FISCAL  
 YEAR.”



1 (a) In this subsection, "operating expenditures" include all costs and expenses  
 2 incurred by the investment board for the purpose of operating the board and  
 3 managing the assets of each fund for which the board has management  
 4 responsibility, but does not include costs or expenses incurred under section 25.18

5 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.) of the statutes.

6 (b) *Notwithstanding section 25.187 of the statutes, as created by this act, no later than*  
 7 ~~On~~ the first day of the 2nd month that occurs after the effective date of this  
 8 paragraph, the investment board shall estimate the amounts required for its  
 9 operating expenditures for the remainder of the 1999-2000 fiscal year and shall  
 10 assess each fund for which the board has management responsibility for its share of  
 11 the estimated operating expenditures in an equitable manner. The board shall pay  
 12 the assessment from the current income of each fund, unless an appropriation is  
 13 made for payment of the assessment, in which case the assessment shall be paid from  
 14 that appropriation account. The total amount that the board may assess the funds  
 15 for which the board has management responsibility for the 1999-2000 fiscal year  
 16 may not exceed 0.04% of the total market value of the assets of the funds on June 30,

17 1999, less any amount expended for operating expenditures by the board from the  
 18 appropriation account under section 20.536 (1) (k), 1997 stats., between July 1, 1999,  
 19 and the first day of the 2nd month that occurs after the effective date of this

20 paragraph. For the purposes of this paragraph, the board shall determine the total  
 21 market value of the assets of the funds according to the methodology used to  
 22 determine the market value of the fixed retirement investment trust under section  
 23 25.17 (14) of the statutes.

24 (c) The investment board shall transmit a notice of each assessment to each  
 25 fund at the time that the assessment is made, and shall transmit a statement of the  
 board's actual expenditures for management of each fund at the close of the

\$14,498,600

1 1999-2000 fiscal year both to the state agency having primary responsibility for  
2 expenditure of principal or earnings of the fund and to the department of  
3 administration or, if there is no state agency, only to the department of  
4 administration.”.

5 **12.** Page 1610, line 24: delete the material beginning with that line and  
6 ending with page 1611, line 2.

7

(END) of insert



State of Wisconsin  
1999-2000 LEGISLATURE

LRBb1813/3  
RAC:jlg&cmh:km

LFB

RM has been  
mm

LFB:.....Mason – SWIB operating costs

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 1. Page 250, line 3: delete "A" and substitute "C".
- 3 2. Page 250, line 3: delete "13,161,800" and substitute "-0-".
- 4 3. Page 250, line 3: delete "15,328,600" and substitute "-0-".
- 5 4. Page 390, line 16: after that line insert:
- 6 "SECTION 593e. 20.536 (1) (k) of the statutes is repealed and recreated to read:
- 7 20.536 (1) (k) *General program operations.* All moneys received from
- 8 assessments made under s. 25.187 (2) and from charges made under s. 25.17 (9) for
- 9 the purpose of conducting general program operations."
- 10 5. Page 464, line 11: delete lines 11 to 22.



1           **6.** Page 465, line 17: after that line insert:

2           “SECTION 701p. 25.187 of the statutes is created to read:

3           **25.187 Operating expenditures.** (1) In this section, “operating  
4 expenditures” include all costs and expenses incurred by the investment board for  
5 the purpose of operating the board and managing the assets of each fund for which  
6 the board has management responsibility, but does not include costs or expenses  
7 incurred under s. 25.18 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.).

8           (2) (a) Subject to pars. (b) and (c), on July 1 and January 1 of each year, the  
9 investment board shall estimate the amounts required for its operating expenditures  
10 for the next 6-month period and shall assess each fund for which the board has  
11 management responsibility for its share of the estimated operating expenditures in  
12 an equitable manner. The board shall pay the assessment from the current income  
13 of each fund, unless an appropriation is made for payment of the assessment, in  
14 which case the assessment shall be paid from that appropriation account.

15           (b) If the estimate of the amounts required for the board’s operating  
16 expenditures for a 6-month period differs from its actual operating expenditures, the  
17 board shall adjust the estimate of the amounts required for its operating  
18 expenditures for the next 6-month period to reflect the difference between its  
19 estimated operating expenditures and actual operating expenditures for the prior  
20 6-month period.

21           (c) 1. Except as provided in subd. 2., the total amount that the board may assess  
22 the funds for which the board has management responsibility for any fiscal year may  
23 not exceed 0.0275% of the total market value of the assets of the funds on ~~May 31~~ of  
24 the preceding fiscal year.

*May*  
April 30

*In addition to the amount assessed under subd. 1, the*

1           2. ~~The~~ board may assess the funds for which the board has management  
2 responsibility for any fiscal year ~~in an amount that is greater than 0.0275% but does~~  
3 ~~not exceed 0.03%~~ *an additional 0.0025%* of the total market value of the assets of the funds on April 30 of  
4 the preceding fiscal year if the board notifies the joint committee on finance in  
5 writing of the proposed assessment. If the cochairpersons of the committee do not  
6 notify the board that the committee has scheduled a meeting for the purpose of  
7 reviewing the proposed assessment within 14 working days after the date of the  
8 board's notification, the board may make the assessment. If, within 14 working days  
9 after the date of the board's notification, the cochairpersons of the committee notify  
10 the board that the committee has scheduled a meeting for the purpose of reviewing  
11 the proposed assessment, the board may make the assessment only upon approval  
12 of the committee.

13           3. For the purposes of this paragraph, the board shall do all of the following:

14           a. Determine the total market value of the assets of the funds according to the  
15 methodology used to determine the market value of the fixed retirement investment  
16 trust under s. 25.17 (14).

17           b. Annually, certify to the department of administration and to the joint  
18 committee on finance the total market value of the assets of the funds on April 30 no  
19 later than June 15.

20           (3) The investment board shall transmit a notice of each assessment to each  
21 fund at the time that the assessment is made, and shall transmit a statement of the  
22 board's actual expenditures for management of each fund at the close of each fiscal  
23 year both to the state agency having primary responsibility for expenditure of  
24 principal or earnings of the fund and to the department of administration or, if there  
25 is no state agency, only to the department of administration.”.

1           **7.** Page 1526, line 23: after that line insert:

2           “(2g) OPERATING EXPENDITURES FOR INVESTMENT BOARD DURING THE 1999–2000  
3 FISCAL YEAR.

4           (a) In this subsection, “operating expenditures” include all costs and expenses  
5 incurred by the investment board for the purpose of operating the board and  
6 managing the assets of each fund for which the board has management  
7 responsibility, but does not include costs or expenses incurred under section 25.18  
8 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.) of the statutes.

9           (b) Notwithstanding section 25.187 of the statutes, as created by this act, no  
10 later than the first day of the 2nd month that occurs after the effective date of this  
11 paragraph, the investment board shall estimate the amounts required for its  
12 operating expenditures for the 1999–2000 fiscal year and shall assess each fund for  
13 which the board has management responsibility for its share of the estimated  
14 operating expenditures in an equitable manner. The board shall pay the assessment  
15 from the current income of each fund, unless an appropriation is made for payment  
16 of the assessment, in which case the assessment shall be paid from that  
17 appropriation account. The total amount that the board may assess the funds for  
18 which the board has management responsibility for the 1999–2000 fiscal year may  
19 not exceed \$14,498,600. For the purposes of this paragraph, the board shall  
20 determine the total market value of the assets of the funds according to the  
21 methodology used to determine the market value of the fixed retirement investment  
22 trust under section 25.17 (14) of the statutes.

23           (c) The investment board shall transmit a notice of each assessment to each  
24 fund at the time that the assessment is made, and shall transmit a statement of the

1 board's actual expenditures for management of each fund at the close of the  
2 1999-2000 fiscal year both to the state agency having primary responsibility for  
3 expenditure of principal or earnings of the fund and to the department of  
4 administration or, if there is no state agency, only to the department of  
5 administration.".

6

(END)

1999 - 2000 LEGISLATURE

LRBb1813/2 4  
RAC:jlg&cmh:jf

NDW

R M has been  
mm

LFB:.....Mason - SWIB operating costs

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 250, line 3: delete "A" and substitute "C".

3 **2.** Page 250, line 3: delete "13,161,800" and substitute "-0-".

4 **3.** Page 250, line 3: delete "15,328,600" and substitute "-0-".

5 **4.** Page 390, line 16: after that line insert:

6 "SECTION 593e. 20.536 (1) (k) of the statutes is repealed and recreated to read:

7 20.536 (1) (k) *General program operations.* All moneys received from  
8 assessments made under s. 25.187 (2) and from charges made under s. 25.17 (9) for  
9 the purpose of conducting general program operations."

10 **5.** Page 464, line 11: delete lines 11 to 22.

1           **6.** Page 465, line 17: after that line insert:

2           “**SECTION 701p.** 25.187 of the statutes is created to read:

3           **25.187 Operating expenditures.** (1) In this section, “operating  
4 expenditures” include all costs and expenses incurred by the investment board for  
5 the purpose of operating the board and managing the assets of each fund for which  
6 the board has management responsibility, but does not include costs or expenses  
7 incurred under s. 25.18 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.).

8           (2) (a) Subject to pars. (b) and (c), on July 1 and January 1 of each year, the  
9 investment board shall estimate the amounts required for its operating expenditures  
10 for the next 6–month period and shall assess each fund for which the board has  
11 management responsibility for its share of the estimated operating expenditures in  
12 an equitable manner. The board shall pay the assessment from the current income  
13 of each fund, unless an appropriation is made for payment of the assessment, in  
14 which case the assessment shall be paid from that appropriation account.

15           (b) If the estimate of the amounts required for the board’s operating  
16 expenditures for a 6–month period differs from its actual operating expenditures, the  
17 board shall adjust the estimate of the amounts required for its operating  
18 expenditures for the next 6–month period to reflect the difference between its  
19 estimated operating expenditures and actual operating expenditures for the prior  
20 6–month period.

21           (c) 1. Except as provided in subd. 2., the total amount that the board may assess  
22 the funds for which the board has management responsibility for any fiscal year may  
23 not exceed 0.0275% of the total market value of the assets of the funds on April 30  
24 of the preceding fiscal year.

1           2. In addition to the amount assessed under subd. 1., the the board may assess  
2 the funds for which the board has management responsibility for any fiscal year<sup>up to ✓</sup>  
3 additional 0.0025% of the total market value of the assets of the funds on April 30  
4 of the preceding fiscal year if the board notifies the joint committee on finance in  
5 writing of the proposed assessment. If the cochairpersons of the committee do not  
6 notify the board that the committee has scheduled a meeting for the purpose of  
7 reviewing the proposed assessment within 14 working days after the date of the  
8 board's notification, the board may make the assessment. If, within 14 working days  
9 after the date of the board's notification, the cochairpersons of the committee notify  
10 the board that the committee has scheduled a meeting for the purpose of reviewing  
11 the proposed assessment, the board may make the assessment only upon approval  
12 of the committee.

13           3. For the purposes of this paragraph, the board shall do all of the following:

14           a. Determine the total market value of the assets of the funds according to the  
15 methodology used to determine the market value of the fixed retirement investment  
16 trust under s. 25.17 (14).

17           b. Annually, certify to the department of administration and to the joint  
18 committee on finance the total market value of the assets of the funds on April 30 no  
19 later than June 15.

20           (3) The investment board shall transmit a notice of each assessment to each  
21 fund at the time that the assessment is made, and shall transmit a statement of the  
22 board's actual expenditures for management of each fund at the close of each fiscal  
23 year both to the state agency having primary responsibility for expenditure of  
24 principal or earnings of the fund and to the department of administration or, if there  
25 is no state agency, only to the department of administration.”.

1           **7.** Page 1526, line 23: after that line insert:

2           “(2g) OPERATING EXPENDITURES FOR INVESTMENT BOARD DURING THE 1999–2000  
3 FISCAL YEAR.

4           (a) In this subsection, “operating expenditures” include all costs and expenses  
5 incurred by the investment board for the purpose of operating the board and  
6 managing the assets of each fund for which the board has management  
7 responsibility, but does not include costs or expenses incurred under section 25.18  
8 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.) of the statutes.

9           (b) Notwithstanding section 25.187 of the statutes, as created by this act, no  
10 later than the first day of the 2nd month that occurs after the effective date of this  
11 paragraph, the investment board shall estimate the amounts required for its  
12 operating expenditures for the 1999–2000 fiscal year and shall assess each fund for  
13 which the board has management responsibility for its share of the estimated  
14 operating expenditures in an equitable manner. The board shall pay the assessment  
15 from the current income of each fund, unless an appropriation is made for payment  
16 of the assessment, in which case the assessment shall be paid from that  
17 appropriation account. The total amount that the board may assess the funds for  
18 which the board has management responsibility for the 1999–2000 fiscal year may  
19 not exceed \$14,498,600. For the purposes of this paragraph, the board shall  
20 determine the total market value of the assets of the funds according to the  
21 methodology used to determine the market value of the fixed retirement investment  
22 trust under section 25.17 (14) of the statutes.

23           (c) The investment board shall transmit a notice of each assessment to each  
24 fund at the time that the assessment is made, and shall transmit a statement of the



1 board's actual expenditures for management of each fund at the close of the  
2 1999-2000 fiscal year both to the state agency having primary responsibility for  
3 expenditure of principal or earnings of the fund and to the department of  
4 administration or, if there is no state agency, only to the department of  
5 administration.".

6

(END)



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1813/4 5  
RAC:jlg&cmh:hmh

Now

RM has been  
run

LFB:.....Mason - SWIB operating costs

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 250, line 3: delete "A" and substitute "C".

3 2. Page 250, line 3: delete "13,161,800" and substitute "-0-".

4 3. Page 250, line 3: delete "15,328,600" and substitute "-0-".

5 4. Page 390, line 16: after that line insert:

6 "SECTION 593e. 20.536 (1) (k) of the statutes is repealed and recreated to read:

7 20.536 (1) (k) *General program operations.* All moneys received from

8 assessments made under s. 25.187 (2) and from charges made under s. 25.17 (9) for

9 the purpose of conducting general program operations."

10 5. Page 464, line 11: delete lines 11 to 22.

1           **6.** Page 465, line 17: after that line insert:

2           “**SECTION 701p.** 25.187 of the statutes is created to read:

3           **25.187 Operating expenditures.** (1) In this section, “operating  
4 expenditures” include all costs and expenses incurred by the investment board for  
5 the purpose of operating the board and managing the assets of each fund for which  
6 the board has management responsibility, but does not include costs or expenses  
7 incurred under s. 25.18 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.).

8           (2) (a) Subject to pars. (b) and (c), on July 1 and January 1 of each year, the  
9 investment board shall estimate the amounts required for its operating expenditures  
10 for the next 6-month period and shall assess each fund for which the board has  
11 management responsibility for its share of the estimated operating expenditures in  
12 an equitable manner. The board shall pay the assessment from the current income  
13 of each fund, unless an appropriation is made for payment of the assessment, in  
14 which case the assessment shall be paid from that appropriation account.

15           (b) If the estimate of the amounts required for the board’s operating  
16 expenditures for a 6-month period differs from its actual operating expenditures, the  
17 board shall adjust the estimate of the amounts required for its operating  
18 expenditures for the next 6-month period to reflect the difference between its  
19 estimated operating expenditures and actual operating expenditures for the prior  
20 6-month period.

21           (c) 1. Except as provided in subd. 2., the total amount that the board may assess  
22 the funds for which the board has management responsibility for any fiscal year may  
23 not exceed 0.0275% of the total market value of the assets of the funds on April 30  
24 of the preceding fiscal year.

the greater of \$17,720,500 or ✓

1

2           2. In addition to the amount assessed under subd. 1., ~~the~~<sup>the</sup> the board may assess  
3 the funds for which the board has management responsibility for any fiscal year up  
4 to an additional 0.0025% of the total market value of the assets of the funds on April  
5 30 of the preceding fiscal year if the board notifies the joint committee on finance in  
6 writing of the proposed assessment. If the cochairpersons of the committee do not  
7 notify the board that the committee has scheduled a meeting for the purpose of  
8 reviewing the proposed assessment within 14 working days after the date of the  
9 board's notification, the board may make the assessment. If, within 14 working days  
10 after the date of the board's notification, the cochairpersons of the committee notify  
11 the board that the committee has scheduled a meeting for the purpose of reviewing  
12 the proposed assessment, the board may make the assessment only upon approval  
13 of the committee.

14           3. For the purposes of this paragraph, the board shall do all of the following:

15           a. Determine the total market value of the assets of the funds according to the  
16 methodology used to determine the market value of the fixed retirement investment  
17 trust under s. 25.17 (14).

18           b. Annually, certify to the department of administration and to the joint  
19 committee on finance the total market value of the assets of the funds on April 30 no  
20 later than June 15.

21           **(3)** The investment board shall transmit a notice of each assessment to each  
22 fund at the time that the assessment is made, and shall transmit a statement of the  
23 board's actual expenditures for management of each fund at the close of each fiscal  
24 year both to the state agency having primary responsibility for expenditure of  
25 principal or earnings of the fund and to the department of administration or, if there  
is no state agency, only to the department of administration.”

1           **7.** Page 1526, line 23: after that line insert:

2           “(2g) OPERATING EXPENDITURES FOR INVESTMENT BOARD DURING THE 1999-2000  
3 FISCAL YEAR.

4           (a) In this subsection, “operating expenditures” include all costs and expenses  
5 incurred by the investment board for the purpose of operating the board and  
6 managing the assets of each fund for which the board has management  
7 responsibility, but does not include costs or expenses incurred under section 25.18  
8 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.) of the statutes.

9           (b) Notwithstanding section 25.187 of the statutes, as created by this act, no  
10 later than the first day of the 2nd month that occurs after the effective date of this  
11 paragraph, the investment board shall estimate the amounts required for its  
12 operating expenditures for the 1999-2000 fiscal year and shall assess each fund for  
13 which the board has management responsibility for its share of the estimated  
14 operating expenditures in an equitable manner. The board shall pay the assessment  
15 from the current income of each fund, unless an appropriation is made for payment  
16 of the assessment, in which case the assessment shall be paid from that  
17 appropriation account. The total amount that the board may assess the funds for  
18 which the board has management responsibility for the 1999-2000 fiscal year may  
19 not exceed \$14,498,600. For the purposes of this paragraph, the board shall  
20 determine the total market value of the assets of the funds according to the  
21 methodology used to determine the market value of the fixed retirement investment  
22 trust under section 25.17 (14) of the statutes.

23           (c) The investment board shall transmit a notice of each assessment to each  
24 fund at the time that the assessment is made, and shall transmit a statement of the

1 board's actual expenditures for management of each fund at the close of the  
2 1999-2000 fiscal year both to the state agency having primary responsibility for  
3 expenditure of principal or earnings of the fund and to the department of  
4 administration or, if there is no state agency, only to the department of  
5 administration.".

6

**(END)**



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1813/5  
RAC:jlg&cmh:km

LFB:.....Mason - SWIB operating costs

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 250, line 3: delete "A" and substitute "C".
- 3 **2.** Page 250, line 3: delete "13,161,800" and substitute "-0-".
- 4 **3.** Page 250, line 3: delete "15,328,600" and substitute "-0-".
- 5 **4.** Page 390, line 16: after that line insert:
- 6 "SECTION 593e. 20.536 (1) (k) of the statutes is repealed and recreated to read:
- 7 20.536 (1) (k) *General program operations.* All moneys received from
- 8 assessments made under s. 25.187 (2) and from charges made under s. 25.17 (9) for
- 9 the purpose of conducting general program operations."
- 10 **5.** Page 464, line 11: delete lines 11 to 22.

1           **6.** Page 465, line 17: after that line insert:

2           “**SECTION 701p.** 25.187 of the statutes is created to read:

3           **25.187 Operating expenditures.** (1) In this section, “operating  
4 expenditures” include all costs and expenses incurred by the investment board for  
5 the purpose of operating the board and managing the assets of each fund for which  
6 the board has management responsibility, but does not include costs or expenses  
7 incurred under s. 25.18 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.).

8           (2) (a) Subject to pars. (b) and (c), on July 1 and January 1 of each year, the  
9 investment board shall estimate the amounts required for its operating expenditures  
10 for the next 6-month period and shall assess each fund for which the board has  
11 management responsibility for its share of the estimated operating expenditures in  
12 an equitable manner. The board shall pay the assessment from the current income  
13 of each fund, unless an appropriation is made for payment of the assessment, in  
14 which case the assessment shall be paid from that appropriation account.

15           (b) If the estimate of the amounts required for the board’s operating  
16 expenditures for a 6-month period differs from its actual operating expenditures, the  
17 board shall adjust the estimate of the amounts required for its operating  
18 expenditures for the next 6-month period to reflect the difference between its  
19 estimated operating expenditures and actual operating expenditures for the prior  
20 6-month period.

21           (c) 1. Except as provided in subd. 2., the total amount that the board may assess  
22 the funds for which the board has management responsibility for any fiscal year may  
23 not exceed the greater of \$17,720,500 or 0.0275% of the total market value of the  
24 assets of the funds on April 30 of the preceding fiscal year.



1           2. In addition to the amount assessed under subd. 1., the board may assess the  
2 funds for which the board has management responsibility for any fiscal year up to  
3 an additional 0.0025% of the total market value of the assets of the funds on April  
4 30 of the preceding fiscal year if the board notifies the joint committee on finance in  
5 writing of the proposed assessment. If the cochairpersons of the committee do not  
6 notify the board that the committee has scheduled a meeting for the purpose of  
7 reviewing the proposed assessment within 14 working days after the date of the  
8 board's notification, the board may make the assessment. If, within 14 working days  
9 after the date of the board's notification, the cochairpersons of the committee notify  
10 the board that the committee has scheduled a meeting for the purpose of reviewing  
11 the proposed assessment, the board may make the assessment only upon approval  
12 of the committee.

13           3. For the purposes of this paragraph, the board shall do all of the following:

14           a. Determine the total market value of the assets of the funds according to the  
15 methodology used to determine the market value of the fixed retirement investment  
16 trust under s. 25.17 (14).

17           b. Annually, certify to the department of administration and to the joint  
18 committee on finance the total market value of the assets of the funds on April 30 no  
19 later than June 15.

20           (3) The investment board shall transmit a notice of each assessment to each  
21 fund at the time that the assessment is made, and shall transmit a statement of the  
22 board's actual expenditures for management of each fund at the close of each fiscal  
23 year both to the state agency having primary responsibility for expenditure of  
24 principal or earnings of the fund and to the department of administration or, if there  
25 is no state agency, only to the department of administration.”.

1           **7.** Page 1526, line 23: after that line insert:

2           “(2g) OPERATING EXPENDITURES FOR INVESTMENT BOARD DURING THE 1999-2000  
3 FISCAL YEAR.

4           (a) In this subsection, “operating expenditures” include all costs and expenses  
5 incurred by the investment board for the purpose of operating the board and  
6 managing the assets of each fund for which the board has management  
7 responsibility, but does not include costs or expenses incurred under section 25.18  
8 (1) (a), (c), (f) or (m) or (2) (d) or (e) or 40.04 (3) (intro.) of the statutes.

9           (b) Notwithstanding section 25.187 of the statutes, as created by this act, no  
10 later than the first day of the 2nd month that occurs after the effective date of this  
11 paragraph, the investment board shall estimate the amounts required for its  
12 operating expenditures for the 1999-2000 fiscal year and shall assess each fund for  
13 which the board has management responsibility for its share of the estimated  
14 operating expenditures in an equitable manner. The board shall pay the assessment  
15 from the current income of each fund, unless an appropriation is made for payment  
16 of the assessment, in which case the assessment shall be paid from that  
17 appropriation account. The total amount that the board may assess the funds for  
18 which the board has management responsibility for the 1999-2000 fiscal year may  
19 not exceed \$14,498,600. For the purposes of this paragraph, the board shall  
20 determine the total market value of the assets of the funds according to the  
21 methodology used to determine the market value of the fixed retirement investment  
22 trust under section 25.17 (14) of the statutes.

23           (c) The investment board shall transmit a notice of each assessment to each  
24 fund at the time that the assessment is made, and shall transmit a statement of the

1 board's actual expenditures for management of each fund at the close of the  
2 1999-2000 fiscal year both to the state agency having primary responsibility for  
3 expenditure of principal or earnings of the fund and to the department of  
4 administration or, if there is no state agency, only to the department of  
5 administration.".

6

(END)