



STATE OF WISCONSIN

Assembly Journal

Ninety–Third Regular Session

TUESDAY, January 6, 1998

The Chief Clerk makes the following entries under the above date:

AMENDMENTS OFFERED

Assembly substitute amendment 1 to **Assembly Bill 353** offered by Representative Musser.

Assembly substitute amendment 1 to **Assembly Bill 623** offered by Representative Hahn.

Assembly amendment 1 to **Assembly Bill 629** offered by Representatives Olsen and Johnsrud.

Assembly amendment 1 to **Assembly Bill 631** offered by Representative Olsen.

ADMINISTRATIVE RULES

Assembly Clearinghouse Rule 97–93

Relating to the design and construction of elevators and other mechanical lifting devices.

Submitted by Department of Commerce.

Report received from Agency, December 29, 1997.

To committee on **Labor and Employment**.

Referred on January 6, 1998.

Assembly Clearinghouse Rule 97–106

Relating to the inmate complaint review system.

Submitted by Department of Corrections.

Report received from Agency, December 29, 1997.

To committee on **Criminal Justice and Corrections**.

Referred on January 6, 1998.

Assembly Clearinghouse Rule 97–107

Relating to erecting outdoor advertising signs where messages may be changed by electronic process.

Submitted by Department of Transportation.

Report received from Agency, December 23, 1997.

To committee on **Highways and Transportation**.

Referred on January 6, 1998.

Assembly Clearinghouse Rule 97–139

Relating to allowing the operation of double bottoms and certain other vehicles on certain specified highways.

Submitted by Department of Transportation.

Report received from Agency, December 23, 1997.
To committee on **Highways and Transportation**.
Referred on January 6, 1998.

INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

Assembly Bill 689

Relating to: the newspaper recycling fee and scheduled increases to the minimum percentage of newsprint's fiber derived from postconsumer waste.

By Representatives Johnsrud, Ourada, Brandemuehl, Porter, Seratti, Powers and Vrakas; cosponsored by Senators Welch and Farrow.

To committee on **Environment**.

Assembly Bill 690

Relating to: causing the death of children under certain circumstances and affecting parole eligibility.

By Representatives F. Lasee, Ladwig, Brandemuehl, Otte, Musser and Albers; cosponsored by Senators Darling and Drzewiecki.

To committee on **Criminal Justice and Corrections**.

Assembly Bill 691

Relating to: the authority of counties, towns, villages and cities to enact ordinances regulating the purchase, possession, sale or giving away of cigarettes and tobacco products.

By Representatives Dobyns, Walker, Bock, Kreibich, Handrick, Staskunas, Notestein, Turner, Duff, Cullen, Jeskewitz, R. Young, Ladwig, Green, La Fave, Robson, Goetsch, Boyle, Morris–Tatum and Huber; cosponsored by Senators Roessler, Darling and Rosenzweig.

To committee on **State Affairs**.

Assembly Bill 692

Relating to: prison impact assessments and making an appropriation.

By Representatives R. Young, Albers, Baldwin, Bock, Boyle, Grothman, Hanson, Huber, Krug, J. Lehman, Lorge, Murat, Notestein, Plale, Riley, Wasserman, L. Young, Coggs, Hebl, Dueholm, Morris–Tatum, Cullen and Turner; cosponsored by Senators Plache and Clausung.

To joint committee on **Finance**.

Assembly Bill 693

Relating to: requiring disability insurance policies to cover contraceptive articles and services.

By Representatives R. Young, Notestein, Bock, Boyle, L. Young, Cogg and Wasserman; cosponsored by Senator Moore.

To committee on **Insurance, Securities and Corporate Policy**.

Assembly Bill 694

Relating to: technical college for certain Wisconsin works participants.

By Representatives Plouff, Bock, Notestein, Boyle, Black, R. Young, Huber, L. Young, Staskunas, Turner, Gronemus, J. Lehman, Cullen, Hanson, Hasenohrl, Morris-Tatum, Baldwin and R. Potter; cosponsored by Senators Jauch, Moen and Moore.

To committee on **Wisconsin Works Oversight**.

Assembly Bill 695

Relating to: providing exceptions for dental plans from certain mandated coverages.

By Representatives Kelso and Underheim; cosponsored by Senators Moen, Burke and Roessler.

To committee on **Health**.

Assembly Bill 696

Relating to: exemption from discipline for dentists who send impressions, measurements or patients to dental laboratories for shade verification.

By Representatives Underheim, Kaufert, Robson, Musser, Hanson, Albers, Wasserman, Johnsrud, Staskunas, Goetsch, J. Lehman, Plouff, Lorge, Jensen, Grothman and F. Lasee; cosponsored by Senators Moen, Rosenzweig and Breske.

To committee on **Health**.

Assembly Bill 697

Relating to: removing reimbursement of expenses for members of the council on veterans programs.

By Representatives Zukowski, Ryba, Otte, Gronemus and Vander Loop.

To committee on **Veterans and Military Affairs**.

Assembly Bill 698

Relating to: duplicating a motor vehicle operating license.

By Representatives Dobyms, Kreibich, Otte, Skindrud, Duff, Hasenohrl, Musser, Olsen, Ladwig, R. Young, Grothman, Seratti, Plouff, Powers and Albers; cosponsored by Senators A. Lasee, Huelsman and Cowles.

To committee on **Highways and Transportation**.

COMMITTEE REPORTS

The committee on **Children and Families** reports and recommends:

Assembly Bill 192

Relating to: considering certain statutory factors in deviating from the child support percentage standard,

treatment of child care expenses, ordering trusts for the support of children, order of disbursement of wages for Huber law inmates, reducing a payer's child support obligation if the child receives a federal benefit, requiring a study of county child support agency staffing, ordering payment of postmajority support for a child with exceptional educational needs, requiring a report evaluating the adequacy of child support orders and paternity judgments and blood test costs.

Assembly amendment 1 adoption:

Ayes: 5 – Representatives Huebsch, Ainsworth, R. Young, Notestein and Hebl.

Noes: 4 – Representatives Dobyms, Goetsch, Ladwig and Krug.

Assembly amendment 2 adoption:

Ayes: 9 – Representatives Huebsch, Dobyms, Goetsch, Ainsworth, Ladwig, R. Young, Notestein, Krug and Hebl.

Noes: 0.

Assembly amendment 3 adoption:

Ayes: 9 – Representatives Huebsch, Dobyms, Goetsch, Ainsworth, Ladwig, R. Young, Notestein, Krug and Hebl.

Noes: 0.

Assembly amendment 4 adoption:

Ayes: 9 – Representatives Huebsch, Dobyms, Goetsch, Ainsworth, Ladwig, R. Young, Notestein, Krug and Hebl.

Noes: 0.

Passage as amended:

Ayes: 5 – Representatives Huebsch, Dobyms, Goetsch, Ainsworth and Ladwig.

Noes: 4 – Representatives R. Young, Notestein, Krug and Hebl.

To committee on **Rules**.

MICHAEL HUEBSCH

Chairperson

Committee on Children and Families

SPEAKER'S APPOINTMENTS

December 19, 1997

Representative Marc Duff
Room 306 West, State Capitol
Madison, WI 53702

Dear Marc:

As Assembly Speaker, it is my pleasure to appoint you as a member to the Utilities Oversight Committee. You will be filling the position recently created by expanding the committee. This appointment is effective immediately.

Thank you for your service.

Sincerely,

SCOTT R. JENSEN

Assembly Speaker

December 19, 1997

Representative Scott Walker
Room 308 North, State Capitol
Madison, WI 53702

Dear Scott:

As Assembly Speaker, it is my pleasure to appoint you as a member to the Campaign Finance Reform Committee. You will be filling the position that I recently vacated. This appointment is effective immediately.

Thank you for your service.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

December 19, 1997

Representative Bonnie Ladwig
Room 113 West, State Capitol
Madison, WI 53702

Dear Bonnie:

As Assembly Speaker, it is my pleasure to appoint you as Chairperson of the Managed Care Committee. You will be filling the position recently vacated by Representative Gard. This appointment is effective immediately.

Thank you for your service.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

December 19, 1997

Representative Mike Huebsch
Room 20 North, State Capitol
Madison, WI 53702

Dear Mike:

As Assembly Speaker, it is my pleasure to appoint you as Chairperson of the Wisconsin Works Oversight Committee. You will be filling the position recently vacated by Representative Gard. This appointment is effective immediately.

Thank you for your service.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

December 19, 1997

Representative Chuck Schafer
Room 4 West, State Capitol
Madison, WI 53702

Dear Chuck:

As Assembly Speaker, it is my pleasure to appoint you as Vice-Chairman Aging and Long-Term Care Committee. You will be filling the position recently vacated by Representative Gard. This appointment is effective immediately.

Thank you for your service.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

December 19, 1997

Representative Tom Sykora
Room 316 North, State Capitol
Madison, WI 53702

Dear Tom:

As Assembly Speaker, it is my pleasure to appoint you as a member of the Ways and Means Committee. You will be filling the position recently vacated by Representative Gard. This appointment is effective immediately.

Thank you for your service.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

December 19, 1997

Representative Suzanne Jeskewitz
Room 121 West, State Capitol
Madison, WI 53702

Dear Suzanne:

As Assembly Speaker, it is my pleasure to appoint you as Vice-Chairperson of the Wisconsin Works Oversight Committee. This appointment is effective immediately.

Thank you for your service.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

December 19, 1997

Representative Robert Ziegelbauer
Room 207 North, State Capitol
Madison, WI 53702

Dear Bob:

As Assembly Speaker, it is my pleasure to appoint you to the expanded Committee on Utilities Oversight. This appointment is effective immediately.

Thank you for your service.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

Res. No. 267-97-98 by Ald. Menard, Moody & D. Van Akkeren

COMMUNICATIONS

State of Wisconsin
Revisor of Statutes Bureau
Madison

Yours very truly,
PATRICIA LOHSE, CMC
City Clerk
City of Sheboygan

DATE: January 1, 1998
TO: Charles Sanders
Assembly Chief Clerk
Donald J. Schneider
Senate Chief Clerk
FROM: Gary L. Poulson
Deputy Revisor of Statutes
SUBJECT: Rules published in the December 31, 1997,
Wisconsin Administrative Register, No. 504.

REFERRAL OF AGENCY REPORTS

State of Wisconsin
Department of Employment Relations
Madison

December 23, 1997

To the Honorable, the Assembly:

Pursuant to s. 230.04(13)(e), Stats., the annual affirmative Action report of the Department of Employment Relations, is hereby submitted. Please distribute the enclosed announcement of the report's availability to members of the Assembly.

The following rules have been published:

Clearinghouse Rule 96-151	effective	1-1-98
Clearinghouse Rule 96-172	part eff.	1-1-98
Clearinghouse Rule 96-189	effective	1-1-98
Clearinghouse Rule 97-16	effective	1-1-98
Clearinghouse Rule 97-21	effective	1-1-98
Clearinghouse Rule 97-23	part eff.	1-1-98
Clearinghouse Rule 97-26	effective	1-1-98
Clearinghouse Rule 97-39	effective	1-1-98
Clearinghouse Rule 97-40	effective	1-1-98
Clearinghouse Rule 97-41	effective	1-1-98
Clearinghouse Rule 97-58	effective	1-1-98
Clearinghouse Rule 97-80	effective	1-1-98
Clearinghouse Rule 97-85	effective	1-1-98
Clearinghouse Rule 97-88	effective	1-1-98
Clearinghouse Rule 97-94	effective	1-1-98
Clearinghouse Rule 97-96	part eff.	1-1-98
Clearinghouse Rule 97-103	effective	1-1-98
Clearinghouse Rule 97-108	effective	1-1-98
Clearinghouse Rule 97-112	effective	1-1-98

Additional copies may be obtained from the Department of Employment Relations, Division of Affirmative Action, 137 East Wilson Street, Madison, WI 53702. The telephone number is (608)266-8149.

Sincerely,
JON E. LITSCHER
Secretary, DER

Referred to committee on **Labor and Employment.**

State of Wisconsin
Department of Tourism
Madison

December 29, 1997

To the Honorable, the Legislature:

Section 9148(2g) of Wisconsin Act 27, Laws of 1997 requires the Department of Tourism to develop a plan for marketing tourism opportunities in the state to residents of Canada.

The plan is divided between public relations, advertising and trade show elements and is a component of the Department's strategic marketing plan published in October 1997.

Attached is the Department of Tourism's Canadian Marketing Plan.

Sincerely,
MOOSE SPEROS
Secretary, Department of Tourism

Referred to committee on **Tourism and Recreation.**

December 22, 1997

Charles Sanders
Assembly Chief Clerk
1 E. Main St. Suite 402
P.O. Box 8952
Madison, WI 53708

Dear Mr. Sanders:

At a regular meeting of the Common Council of the City of Sheboygan, Wisconsin, held December 15, 1997, the following document was passed, and we are enclosing a certified copy thereof.

AGENCY REPORTS

State of Wisconsin
Department of Natural Resources
Madison

December 12, 1997

To the Honorable, the Assembly:

The Department is notifying you as co-chair of the Joint Committee on Finance of a proposed amendment to a grant which was previously awarded to the Ice Age Park and Trail Foundation for acquisition of three parcels of land in Dane County. The increase raises the amount of the grant by \$288,725. This notice is pursuant to s.23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of Stewardship expenditures above \$250,000.00. The land is required for the National Scenic Ice Age Trail. There are sufficient funds appropriated to complete the purchase.

Attached please find a summary of the project as well as a map and copy of the project plan for the Ice Age Trail Junction Area.

I certify that this request for consideration meets all applicable state and federal statutes, rules, regulations and guidelines. This certification is based upon a thorough and complete analysis of this request.

If you do not notify the Department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed grant, the Department will proceed with awarding a grant. If you need additional information, please contact Janet Beach Hanson at 266-0868 who is available to answer any questions you may have regarding this matter.

Thank you for your consideration.

Sincerely,
GEORGE E. MEYER
Secretary, DNR

State of Wisconsin
Wisconsin Housing and Economic
Development Authority
Madison

December 12, 1997

To the Honorable, the Assembly:

Pursuant to section 234.25, Wisconsin Statutes, attached is the fiscal 1997 annual report of the Wisconsin Housing and Economic Development Authority (WHEDA). This report contains information about WHEDA's fiscal 1997 operations and accomplishments, our strategic plan and the year-end report of our public auditor. Please note that each of the housing programs described in the following pages are consistent with the goals, policies and objectives of the state housing plan.

Should you have any questions or comments on this report, please call me or Jim Langdon at 266-3529. Thank you for your interest in WHEDA.

Sincerely,
FRITZ RUF
Executive Director, WHEDA

State of Wisconsin
Department of Public Instruction
Madison

December 1997

To the Honorable, the Legislature:

The department is pleased to submit the 1997 Annual Report on the Status of Bilingual-Bicultural Education programs, as required under s. 115.96, Wisconsin Statutes.

The report provides a review of the state's administration and funding of bilingual education in Wisconsin and factors contributing to program expansion and the resulting continuously lower annual reimbursement rates for school districts. The number of pupils served from minority languages, the locations of the state-funded programs during the 1997 fiscal year (July 1, 1996, through June 30, 1997), and staff-related data are included in the report to inform those with responsibilities for ensuring the continued success of bilingual education programs in Wisconsin. I am confident that you will find the report informational, useful and of concern given the rising numbers of pupils to be served absent a corresponding increase in fiscal support by the state.

If you have questions on any aspect of this report, please contact Barbara A. Bitters, director, equity, 266-9609. She will be happy to discuss these at your convenience.

Sincerely,
JOHN T. BENSON
State Superintendent

State of Wisconsin
Department of Administration
Madison

December 12, 1997

To the Honorable, the Legislature:

This report is transmitted as required by sec. 20.002(11)(f) of the Wisconsin Statutes, (for distribution to the appropriate standing committees under sec. 13.172(3) Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of November, 1997.

On November 19, 1997 the **Wisconsin Petroleum Inspection Fund** balance was -\$1.30 million. This shortfall continued until November 20, 1997 when the balance reached \$8.08 million. This shortfall was due to the timing of revenues.

On November 3, 1997 the Wisconsin Health Education Loan Repayment Fund balance was -\$2 thousand. This shortfall continued through November 21, 1997 when the balance reached \$13 thousand. This shortfall was due to the timing of revenues.

The Wisconsin Petroleum Inspection and Health Education Loan Repayment Fund shortfalls were not in excess of the \$400 million ceiling and did not exceed the balances of the Funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely,
MARK D. BUGHER
Secretary, DOA

State of Wisconsin
Legislative Audit Bureau
Madison

December 22, 1997

To the Honorable, the Legislature:

As required by [1995 Wisconsin Act 5](#), we have completed an evaluation of state-funded loan guarantee programs administered by the Wisconsin Housing and Economic Development Authority (WHEDA). The programs, which guarantee commercial loans to eligible small businesses and farmers, are managed in the Wisconsin Development Reserve Fund. A 40 percent decrease in the Reserve Fund balance, from \$21.1 million at the end of fiscal year 1991-92 to \$12.9 million as of June 30, 1997, heightens the need for effective fiscal management of the Fund and guarantee programs. The Reserve Fund balance could decrease even more quickly if any one of several events occurs, including changes in the economy or a default on a large guaranteed loan.

In light of the decreasing balance, WHEDA has taken a number of steps to help improve the efficiency and reduce the costs of the guarantee programs. However, we identified several areas in which WHEDA needs to continue to improve its fiscal management of the Reserve Fund. For example, because it does not record or monitor actual time or costs spent on the guarantee programs, WHEDA is unable to adequately support the appropriateness and necessity of costs allocated to the Reserve Fund. In addition, staffing levels and expenses appear relatively high compared to those of commercial lenders and other state agencies. WHEDA also lacks adequate investment policies and strategies to guide investment decisions for the Reserve Fund.

In the future, additional state funds are likely to be required to maintain WHEDA's loan guarantee programs. However, whether to provide additional state funding in the future will depend on program need, demand, and results. WHEDA's loan guarantee programs for small businesses, which are the most costly to administer, are similar to those provided by the

federal Small Business Administration. To help the Legislature assess the continued need for the small business loan guarantee programs, WHEDA needs to measure and report program results, such as the number of actual jobs created and retained.

We appreciate the courtesy and cooperation extended to us by WHEDA. A response from WHEDA is the appendix.

Sincerely,
DALE CATTANACH
State Auditor

State of Wisconsin
Legislative Audit Bureau
Madison

December 30, 1997

To the Honorable, the Assembly:

We have audited the financial statements of ECB Radio and Television Networks, which are public telecommunications entities operated by the Wisconsin Educational Communications Board, for the period July 1, 1996 through June 30, 1997 and have issued our reports on these statements, dated December 5, 1997.

The audit was requested by the Educational Communications Board to fulfill audit requirements of the Corporation for Public Broadcasting. The Corporation requires audited financial statements of public broadcasting entities and certifications of these entities' non-federal revenue sources in determining future funding levels. The audit reports include no major findings, conclusions, or recommendations.

Copies of the audit report have been distributed to members of the Joint Legislative Audit Committee and those required by law to receive them. If you are interested in receiving a copy of this report, please contact our office and request report number 97-24 and 97-25.

Sincerely,
DALE CATTANACH
State Auditor

State of Wisconsin
Legislative Audit Bureau
Madison

December 30, 1997

To the Honorable, the Assembly:

We have audited the financial statements of WHA Radio and Television, which are public telecommunications entities operated by the University of Wisconsin-Extension, for the period July 1, 1996 through June 30, 1997 and have issued our reports on these statements, dated December 9, 1997.

The audit was requested by the University of Wisconsin-Extension to fulfill audit requirements of the Corporation for Public Broadcasting. The Corporation requires audited financial statements of public broadcasting

entities and certifications of these entities' non-federal revenue sources in determining future funding levels. The audit reports include no major findings, conclusions, or recommendations.

Copies of the audit report have been distributed to members of the Joint Legislative Audit Committee and those required by law to receive them. If you are interested in receiving a copy of this report, please contact our office and request report number 97-26 and 97-27.

Sincerely,
DALE CATTANACH
State Auditor

State of Wisconsin
Investment Board
Madison

December 30, 1997

To the Honorable, the Legislature:

Attached is the Investment Board's annual report to the Legislature on investment goals and long-term strategies, as provided under section 25.17(14g) of the Statutes. Objectives for each of the major funds managed by SWIB are described and significant changes since our last report are noted.

The Board currently manages over \$48.2 billion for the Wisconsin Retirement System (WRS), the tenth largest US public pension fund and the 21st largest public or private pension fund in the world. The Board also manages over \$4.8 billion in cash balances of state agencies and local governments in the State Investment Fund (SIF). Cash balances of the WRS are also managed in SIF.

Our investment objectives remain fundamentally the same from year-to-year. A long-term focus guides the investment strategy for the Retirement System trust funds, in keeping with their long-term obligations. The SIF emphasizes safety of principal and liquidity, commensurate with a reasonable rate of return.

Key points of note in this report:

Wisconsin Retirement System Trust Funds

- * The basic investment objective for the Fixed (or balanced) Retirement Fund is to achieve an average 8% annual return over the long-term. This month, the Employee Trust Funds Board approved the actuary's recommendation to increase the expected spread between salary inflation and investment return from 2.7% to 3.2%. This will result in a relative increase in the portion of liabilities funded from investment returns. In June 1998, the ETF Board may consider reductions in contribution rates based on investment returns for 1997.
- * The assets of the Fixed Fund are diversified among various markets in order to produce needed rates of return over the long-term and to manage risk. The overall asset

mix for the Fixed Fund is similar to what is typical for other large public pension funds.

- * Due to the run-up in the domestic stock market, we moved some funds from stocks to bonds in 1997 in order to achieve the strategic targets for these assets. Together, domestic and international stocks continue to represent about 55% of Fund assets.
- * We have shifted a portion of our large-company domestic stock portfolio from active management to an S&P 500 index fund. This enables us to direct more of our analytical resources to the small and mid-size companies where there are greater opportunities to add value with active management. The use of index funds also facilitates rebalancing among asset classes.
- * Trustees and staff are engaged in a major planning exercise to examine the funding needs of the WRS and investment market trends over the next five to ten years. With the assistance of outside experts we are reviewing where investment managers are most likely to add value in the markets of the future. By the fall of 1998, we expect to complete an assessment of the implications for SWIB.

State Investment Fund

- * The State Investment Fund (SIF) continues to maintain a short average maturity because the current market offers relatively little added return for investments of longer maturity. Interest rates for 81% of the portfolio reset within three months or less. This strategy has served the Fund well over the last several years.
- * We restructured the Wisconsin Certificate of Deposit Program to make it more attractive to Wisconsin financial institutions. Because of these changes, participation has grown from 20 banks with \$54 million in CDs to over 121 banks with over \$239 million in outstanding CDs purchased by SWIB.

With the assistance of the UW Survey Research Laboratory, we surveyed WRS members and local governments participating in SIF. These surveys are helping us to improve services and to better understand the types of information participants want to receive from SWIB about the management of their funds.

By March 31 we will submit our annual investment performance report to you. Please feel free to contact me if you have any questions about this report or other matters.

Sincerely,
PATRICIA LIPTON
Executive Director, SWIB

REFERENCE BUREAU CORRECTIONS

Assembly Amendment 1 to **Assembly Bill 579**

1. Page 2, line 5: delete the quotation mark and last period.