



# STATE OF WISCONSIN

# Assembly Journal

## Ninety-Fourth Regular Session

WEDNESDAY, November 24, 1999

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

### INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

#### **Assembly Bill 596**

Relating to: the disclosure of personal identifiers obtained by the department of natural resources from fish and game approval applications, campsite reservation applications and subscription requests.

By Representatives Petrowski, Huebsch, Albers, Jensen, Balow, Freese, Goetsch, Hahn, Jeskewitz, Johnsrud, Kestell, Kreibich, Ladwig, F. Lasee, Montgomery, Musser, Nass, Olsen, Owens, Ainsworth, Pettis, Ryba, Schneider, Schooff, Spillner, Stone, Suder, Sykora, Vrakas, Grothman, Meyerhofer, Gronemus, Seratti and Underheim; cosponsored by Senators Erpenbach, Darling, Panzer, Roessler, Schultz, Welch and Lazich.

To committee on **Judiciary and Personal Privacy**.

#### **Assembly Bill 597**

Relating to: sex offender registration, release of information from the sex offender registry, honesty testing of sex offenders, making an appropriation and providing a penalty.

By Representatives Walker, Huber, Sykora, Balow, Kaufert, Huebsch, Gronemus, Goetsch, Plouff, Suder, Wasserman, Owens, Plale, Gundrum, Ryba, Hahn, Albers, Gunderson, Hundertmark, Kelso, Kestell, Ladwig, Musser, Olsen, Petrowski, Pettis, Porter, Stone, Urban, Vrakas, Coggs, Montgomery, Meyerhofer and F. Lasee; cosponsored by Senators Breske, Huelsman, Grobschmidt, Darling, Jauch, Rosenzweig, Farrow, Fitzgerald, A. Lasee and Robson.

To committee on **Corrections and the Courts**.

#### **Assembly Bill 598**

Relating to: eliminating the authority for certain electors to vote a straight party ticket and eliminating the separate ballot for the offices of president and vice president.

By Representatives Walker, Huebsch, Klusman, Stone, Gundrum, Kestell, Musser, Spillner, Goetsch, Porter, Sykora, F. Lasee, Kelso, Grothman, Handrick, Seratti and Gunderson; cosponsored by Senator Darling.

To committee on **Campaigns and Elections**.

#### **Assembly Bill 599**

Relating to: allowing cities, villages and towns to authorize municipal fire, emergency medical technician or first responder departments to deposit, disburse and expend certain funds.

By Representatives Ott, Kestell, Musser, Boyle, Spillner, Brandemuehl, Freese and Petrowski.

To committee on **Urban and Local Affairs**.

#### **Assembly Bill 600**

Relating to: transporting persons in open cargo areas of certain motor trucks.

By Representatives Kelso, Lassa, Stone, Olsen, Hasenohrl, Bock and Riley; cosponsored by Senator Shibilski.

To committee on **Highway Safety**.

#### **Assembly Bill 601**

Relating to: observing James Madison's birthday.

By Representative Black.

To committee on **Education**.

#### **Assembly Bill 602**

Relating to: establishing a time period for review by the department of natural resources of applications for certain permits, licenses, approvals and determinations and requiring the exercise of rule-making authority.

By Representatives Montgomery, La Fave, Albers, Brandemuehl, Carpenter, F. Lasee, Freese, Gronemus, Gunderson, Kedzie, Kelso, Kreibich, Ladwig, Musser, Owens, Petrowski, Porter, Ryba, Spillner, Stone, Sykora, Urban and Duff; cosponsored by Senators Shibilski, Darling, Drzewiecki, Huelsman, Schultz and Wirsch.

To committee on **Environment**.

#### **Assembly Bill 603**

Relating to: prisoner reimbursement to county for booking costs.

By Representatives Montgomery, Ryba, Goetsch, Gunderson, Hahn, Ladwig, M. Lehman, Musser, Ott, Pettis, Porter, Seratti, Stone, Suder and Vrakas; cosponsored by Senators Breske, Cowles, Darling, Drzewiecki, Farrow, A. Lasee, Roessler and Schultz.

To committee on **Corrections and the Courts**.

#### **Assembly Bill 604**

Relating to: permits for the placement of fish shanties or similar shelters and making an appropriation.

By Representatives Pettis, Stone, Musser, Rhoades, Sykora, Plouff, Kreibich and Gunderson.  
To committee on **Natural Resources**.

**FROM:** Gary L. Poulson  
Deputy Revisor of Statutes

**SUBJECT:** Rules published in the October, 1999, Wisconsin Administrative [Register, No. 526](#).

The following rules have been published:

- Clearinghouse Rule 97-128 effective 11-1-99
- Clearinghouse Rule 98-181 effective 11-1-99
- Clearinghouse Rule 98-202 effective 11-1-99
- Clearinghouse Rule 98-203 effective 11-1-99
- Clearinghouse Rule 99-003 effective 11-1-99
- Clearinghouse Rule 99-016 effective 11-1-99
- Clearinghouse Rule 99-029 effective 11-1-99
- Clearinghouse Rule 99-048 effective 11-1-99
- Clearinghouse Rule 99-054 effective 11-1-99
- Clearinghouse Rule 99-063 effective 11-1-99
- Clearinghouse Rule 99-065 effective 11-1-99
- Clearinghouse Rule 99-075 effective 11-1-99
- Clearinghouse Rule 99-076 effective 11-1-99
- Clearinghouse Rule 99-084 effective 11-1-99

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## COMMITTEE REPORTS

The committee on **Urban and Local Affairs** reports and recommends:

### Assembly Bill 180

Relating to: liability for the inspection of property.

Assembly amendment 1 adoption:

Ayes: 9 – Representatives Gunderson, Brandemuehl, Kedzie, Stone, Musser, Colon, Berceau, Carpenter and Williams.

Noes: 0.

Passage as amended:

Ayes: 7 – Representatives Gunderson, Brandemuehl, Kedzie, Stone, Musser, Berceau and Carpenter.

Noes: 2 – Representatives Colon and Williams.

To committee on **Rules**.

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## REFERRAL OF AGENCY REPORTS

State of Wisconsin  
Department of Administration  
Madison

November 15, 1999

### Assembly Bill 467

Relating to: membership on landfill and hazardous waste facility negotiating committees.

Passage:

Ayes: 9 – Representatives Gunderson, Brandemuehl, Kedzie, Stone, Musser, Colon, Berceau, Carpenter and Williams.

Noes: 0.

To committee on **Rules**.

To the Honorable, the Legislature:

Chapter 34, Laws of 1979, requires that when the Department of Administration maintains an office in Washington, DC, for the purpose of promoting federal/state cooperation, it should submit a report detailing the activities of the office and reporting the status of federal legislation of concern to the Legislature and other state agencies (Wis. Stats. 16.548(2)).

The report for the period July, 1999, through September, 1999, is attached.

Sincerely,  
*GEORGE LIGHTBOURN*  
Acting Secretary

*SCOTT GUNDERSON*  
Chairperson  
Committee on Urban and Local Affairs

Referred to committee on **State Affairs**.

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## COMMUNICATIONS

State of Wisconsin  
Revisor of Statutes Bureau  
Madison

State of Wisconsin  
Council on Physical Disabilities  
Madison

November 19, 1999

**DATE:** November 1, 1999

**TO:** Charles Sanders  
Assembly Chief Clerk

Donald J. Schneider  
Senate Chief Clerk

To the Honorable, the Legislature:

As required by s. 46.29(f) of the state statutes, I am pleased to submit to you the Annual report of the Council on Physical Disabilities for state fiscal year 1999 (July 1, 1998 through June 30, 1999). The Council appreciates the opportunity to

participate in state government as a representative of Wisconsin's citizens with physical disabilities.

Large print, Braille, audiotapes, and computer disc versions of this report are available by contacting the staff at the Council at 608/266-9667 (voice) or 608/267-3906 (Fax).

Sincerely,  
*JOEL RODNEY*  
Chairperson

Referred to committee on **Health**.

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State of Wisconsin  
Technical College System Board  
Madison

November 22, 1999

To the Honorable, the Legislature:

Pursuant to Wis. Stats. ss 38.12(11), this is to notify you that all sixteen districts of the Wisconsin Technical College System have provided the required materials, information, and orientation on sexual assault and sexual harassment for the 1999-2000 school year. Information and materials are provided in student handbooks, information flyers, resource guides, student newspapers, booklets, college policies and verbal orientation sessions. Assurances from the districts and sample orientation materials are on file in our office and are available upon request.

If you need additional information or have any questions on this matter, please contact Mr. Keith Krinke, Director, Human Resources, at 266-1844.

Sincerely,  
*EDWARD CHIN*  
State Director

Referred to committee on **Colleges and Universities**.

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**AGENCY REPORTS**

State of Wisconsin  
Department of Administration  
Madison

October 26, 1999

To the Honorable, the Legislature:

This document presents the Department of Administration's biennial report for the period ending June 30, 1999, in accordance with s. 15.04(1)(d), Wis. Stats. The report outlines divisions' and attached agencies' accomplishments for the completed biennium and includes a summary of objectives for the coming biennium.

Our achievements of the past two years reflect the efforts of DOA's dedicated and conscientious employees, who successfully met the many challenges facing them. Looking ahead, we see additional means for improving the

effectiveness of departmental operations and programs, and we intend to proceed with a commitment to efficiency and cost control.

We will be happy to respond to any questions or comments about the department and its functions.

Sincerely,  
*GEORGE LIGHTBOURN*  
Acting Director

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State of Wisconsin  
Investment Board  
Madison

November 17, 1999

To the Honorable, the Legislature:

Section 25.17(14r) of the Statutes requires that the State of Wisconsin Investment Board (SWIB) submit a report to the Joint Committee on Audit, Joint Committee on Finance and the Chief Clerks of each House summarizing any change in the Board's investment policies, upon adoption of the change.

On October 14, 1999 the Board approved modifications to the Investment Policy Guidelines relating to the Non-Traditional, private equity portfolios. Attached are the modified guidelines. Additions to the previous guidelines are shaded and deletions are the ~~striecken~~ material.

Temporary investment guideline changes were adopted at the November 4th Board meeting, affecting the State Investment Fund (SIF). Because these changes are temporary, the investment guideline document will not be amended and modified guidelines are not attached.

**Non-Traditional Portfolio**

The Non-Traditional portfolio represents a broadly diversified portfolio, invested in a wide variety of investments which may not fall within current parameters of traditional asset classes such as publicly traded stocks and bonds. The portfolio is intended to be global in nature and focus on investment instruments which have been undervalued due to complex or novel structuring, indeterminate risk exposures and other factors creating market inefficiencies. The portfolio is invested in both public and private equities and fixed income investments, partnerships and other fund investments.

Since its inception, the portfolio has evolved from a significant concentration in domestic stocks to a more global non-traditional investment approach. We believe that there is greater value in emerging markets today. In order to capitalize on these opportunities, the Board revised the portfolio's emerging market exposure limit from 33% to 60%. Although it is unlikely that the new limit will be approached, this change has the effect of increasing the Fixed Trust Fund's potential emerging market exposure from an upper limit of 5% to about 6% of the fund. The current exposure is approximately 2%.

**Private Equity Portfolios**

SWIB presently has two private equity portfolios in the Private Placements division: the Leveraged Buy-out Portfolio (LBO) and the Venture Capital Portfolio (Ven-cap). SWIB

also has investment guidelines which grant authority for certain small private equity investments, without the requirement that the portfolio manager gain prior approval from the Board. These are outlined under the Small Investment Pool (SIP) section of the guidelines. The Board approved changes for these guidelines which served to clarify the existing and historical investment activity in these areas. The guideline changes did not materially alter the investment practices in these portfolios.

The LBO portfolio consists of direct leveraged buy-out investments in U.S. corporations as well as investments in leveraged buy-out funds. Target LBO investments are existing companies which are undergoing an ownership change and have the potential for significant growth and operating improvement. The form of the investments in the LBO portfolio can be direct debt and/or equity ownership in a specific company or investments in LBO funds which, in turn, make similar types of debt and/or equity investments on behalf of the fund. The Board approved guideline changes which clarified the authority for direct investments.

The Ven-cap portfolio invests in venture capital funds which, in turn, invest in new companies in the early stages of development, generally prior to a public offering of the company's stock. The Board adopted guideline changes which specifically reference the Fixed Trust fund's statutory limitation for venture capital investing. This limit is presently 2% of the value of the Fixed Trust Fund. Other minor modifications were made for clarification purposes.

The SIP is designed to facilitate follow-on investments that are too small to warrant trustee involvement. These situations frequently occur quite rapidly and may or may not take the identical structure of the existing holdings. The ability to react quickly is of critical importance to the success of a direct investment program. These guidelines were modified to clarify that appropriate SIP investments should exhibit similar credit-quality characteristics as the original investment (previously approved by the Board). Another minor modification removed the authority to make new investments in venture capital and LBO funds. This was done

because there was no reasonable likelihood that such authority would ever be utilized.

Consistent with current practice for all SWIB portfolios, the private equity portfolio guidelines were modified to grant explicit authority for the portfolio manager to sell assets at his or her discretion. The guidelines for these portfolios were previously silent in this area.

**State Investment Fund**

The Board established a temporary increase to the Wisconsin Certificate of Deposit program limit. An increase in the program limit of \$500 million was adopted in anticipation of increased liquidity needs of Wisconsin banks and to provide the SIF with an additional investment option in the months of November and December. The program limit will revert back to \$350 million in the spring of 2000.

Please contact me if you have any questions about this report.

Sincerely,  
*PATRICIA LIPTON*  
Executive Director

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State of Wisconsin  
Public Service Commission  
Madison

November 23, 1999

To the Honorable, the Assembly:

The enclosed report on Piepgras Holding Company (Piepgras) and its impact on the operations of St. Croix Valley Natural Gas Company (St. Croix) was prepared as required by Wis. Stat. 196.795(7)(ar) for distribution to the Legislature under Wis. Stat. 13.172(2). This report covers financial operations for the calendars 1996 through 1998.

Sincerely,  
*LYNDA L. DORR*  
Secretary to the Commission