

STATE OF WISCONSIN
Senate Journal
Ninety–Seventh Regular Session

WEDNESDAY, October 18, 2006

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

CHIEF CLERK’S ENTRIES

The Chief Clerk makes the following entries dated Thursday, October 12, 2006.

**State of Wisconsin
Senate**

October 11, 2006

The Honorable, The Senate:

This letter is to inform you of a temporary replacement on the Senate Committee on Organization. Senator Risser will be replacing Senator Hansen for the public hearing and executive session taking place on Thursday, October 12, 2006.

Please contact me if you have any questions pertaining to this matter.

Sincerely,
DALE W. SCHULTZ
Senate Majority Leader

The Chief Clerk makes the following entries dated Monday, October 16, 2006.

The committee on **Natural Resources and Transportation** reports and recommends:

Senate Clearinghouse Rule 06–089

Relating to licensing of driver schools and instructors.

No action taken.

NEAL KEDZIE
Chairperson

The Chief Clerk makes the following entries dated Tuesday, October 17, 2006.

The committee on **Judiciary, Corrections and Privacy** reports and recommends:

Senate Clearinghouse Rule 06–066

Relating to the establishment of an annual fee to partially offset the costs of monitoring persons who are required to register as sex offenders and who are in the custody of the

Department of Corrections or are on probation, parole, or extended supervision.

No action taken.

DAVID ZIEN
Chairperson

The committee on **Labor and Election Process Reform** reports and recommends:

Senate Clearinghouse Rule 06–072

Relating to an unemployment insurance work search.

No action taken.

Senate Clearinghouse Rule 06–073

Relating to unemployment benefit claiming procedures.

No action taken.

THOMAS REYNOLDS
Chairperson

The Chief Clerk makes the following entries dated Tuesday, October 18, 2006.

The committee on **Agriculture and Insurance** reports and recommends:

Senate Clearinghouse Rule 06–083

Relating to defined network plans, preferred provider plans, limited service health organizations and limited scope plans and affecting small businesses.

Modifications requested, Ayes 7, Noes 0.

Ayes: 7 – Kapanke, Kedzie, Brown, Olsen, Erpenbach, Hansen and Miller

Noes: 0 – None.

DAN KAPANKE
Chairperson

PETITIONS AND COMMUNICATIONS

**State of Wisconsin
Investment Board**

October 10, 2006

The Honorable, The Legislature:

Since the enactment of s. [25.17 \(14r\)](#), Stats., as a part of [1995 Wisconsin Act 274](#), the Investment Board has provided you with a copy of all changes the Trustees adopt to investment policies and guidelines. The guidelines we have filed have dealt with assets invested by internal investment managers.

When the law was enacted, most assets under the Investment Board’s management were invested by our internal staff.

However, as funds have grown and markets have changed, the Board has further diversified how assets are managed and invested. This was done to take advantage of market changes and to achieve optimum returns while still controlling the risk. Today, the majority of assets in the Wisconsin Retirement System are invested externally. This includes both active external management, where the investments are held in SWIB's name, and commingled funds (e.g., index funds), where SWIB's assets are combined with other investors' assets and invested in the name of the commingled fund.

The Investment Board's direct investments managed by external managers are governed by a contract between the investment manager and the Investment Board. Each of these contracts includes investment guidelines established by SWIB's internal Investment Committee within investment limits set by applicable laws. These guidelines are tailored for a specific external manager to take advantage of the manager's unique skills.

The statute requires SWIB to file changes in the Board's investment policies or guidelines. While it does not appear to require the filing of guidelines included in contracts with external managers, in the interest of full disclosure and because the number of external managers has grown, we decided to file the contractual procedures and guidelines for the external managers, as well as the Board's policies and procedures for internal managers. I have enclosed the part of each contract with an external manager that includes the current procedures and guidelines for the specific external manager. When future amendments are made, I will provide you with both a red-lined copy and clean copy to show the amendments.

Please call either Jane Hamblen (266-8824), Chief Legal Counsel, or Sandy Drew (261-0182), Legislative Liaison, if you have questions.

Sincerely,
DAVID C. MILLS
Executive Director

**State of Wisconsin
Medical College of Wisconsin**

October 12, 2006

The Honorable, The Senate:

Enclosed is the biennial report of the Medical College of Wisconsin, prepared according to the statutory requirement under section 13.106. This report contains information in the following areas:

- The financial status of the family practice residency sites.
- The number of family practice residents choosing to practice in medically underserved areas of the state upon graduation.
- The number of graduates entering family practice as a career.

Please feel free to contact me at (414-456-8217 if you have any questions of would like additional information.

Sincerely,
KATHRYN A. KUHN
Director of Government Affairs

**State of Wisconsin
Legislative Audit Bureau**

October 13, 2006

The Honorable, The Legislature:

We have completed an evaluation of the University of Wisconsin (UW) System's personnel policies and practices, as requested by the Joint Legislative Audit Committee. In

September 2005, UW System had approximately 42,000 employees, including 28,100 unclassified staff who are primarily administrative, professional, and research personnel, senior administrators, and faculty.

We found that UW System's unclassified staff, and particularly faculty, reported using considerably less sick leave use than other UW System employees. For example, in 2005, 45.2 percent of all UW System employees who earned sick leave reported using none. During the same period, 77.1 percent of faculty reported no sick leave use. Accumulated unused sick leave is converted at retirement to credits that can help pay for health insurance. UW System employees who retired in 2005 converted an average of \$112,000, and faculty converted an average of \$222,100. We include a recommendation for the Board of Regents to consider modifying how sick leave use is reported within UW System.

UW System employees who are limited appointees serve at the pleasure of their appointing authority. In the past, limited appointees could move from their limited appointments to back-up positions. As of December 2005, 1,088 limited appointees held back-up positions. The number of position titles designated as limited appointments has been reduced by the Board of Regents, but its policies allow exceptions. To ensure their proper application, we include a recommendation for the Board of Regents to report to the Legislature on both the additional position titles UW System has designated as limited appointments and the job protections available to those who hold them.

"Consultant" is a position title for certain UW System employees. System policies do not limit salaries paid to unclassified consultants who are unclassified staff. We found instances in which consultants' salaries exceeded the pay ranges for positions with similar responsibilities. We include a recommendation for UW System to report more complete information on all of its consultants, including the duration of their employment.

We appreciate the courtesy and cooperation extended to us by staff throughout UW System. A response from the UW System President follows the appendices.

Sincerely,
JANICE MUELLER
State Auditor

**State of Wisconsin
Ethics Board**

October 17, 2006

The Honorable, The Senate:

The following lobbyists have been authorized to act on behalf of the organizations set opposite their names.

For more detailed information about these lobbyists and organizations and a complete list of organizations and people authorized to lobby the 2005-2006 session of the legislature, visit the Ethics Board's web site at <http://ethics.state.wi.us>

Cullen, Lee	Johnson Controls Inc
Leonard, Ramie	Milwaukee Deputy Sheriffs Association
McIntosh, Forbes	Milwaukee Deputy Sheriffs Association
Pawlisch, Curt	Johnson Controls Inc

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for lobbying activities filed by organizations that employ lobbyists.

Sincerely,
R. ROTH JUDD
Executive Director