

No. 569, S.]

[Published August 28, 1957.

### CHAPTER 607

AN ACT to create 25.17 (14) and (15) of the statutes, relating to the determination of "admitted assets" in the making of investments by the state of Wisconsin investment board.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

25.17 (14) and (15) of the statutes are created to read:

25.17 (14) Each of the funds mentioned in sub. (1) (v), (wm) and (z) shall annually, within a reasonable time after January 1, make and file with the state of Wisconsin investment board a report of the value of the investments of such fund determined as of the last preceding December 31 upon the following basis:

(a) Bonds or other evidences of debt, having a fixed term and rate, if amply secured and not in default as to principal or interest, shall be valued:

1. If purchased at par, at the par value.

2. If purchased above or below par, at the purchase price adjusted, as of said December 31, so as to bring the value to par at maturity and so as to yield in the meantime the effective rate of interest at which the purchase was made.

(b) Any amounts due as of said December 31 as the balance payable from any participating municipality for prior service obligation, at the face value thereof on said date.

(c) All other investments, except real property included under par. (d), at the current market value thereof.

(d) Real property which is leased to others by long term lease shall be valued at the cost of the property adjusted, as of said December 31, so as to bring the cost at the end of the primary term of the lease to such amount as was determined and established by the state of Wisconsin investment board at the time of making the investment, or subsequently, or if no such amount was so determined and fixed (at the time of making the investment or subsequently) then to zero, and so as to yield in the meantime the effective rate of interest at which the investment was made.

(15) For purposes of the power and authority of the state of Wisconsin investment board to make investments the "admitted assets" of a fund shall be the total valuation of the investments of such fund, other than common stocks, as set forth in the last report made and filed by said fund with the state of Wisconsin investment board pursuant to sub. (14), plus the purchase price of any investments, other than common stocks, made for said fund by said board subsequent to the last December 31 for which a valuation report has been filed by the fund with the board, minus the admitted asset value of any investments sold, other than common stocks, of said fund by said board subsequent to the last December 31 for which a valuation report has been filed by the fund with the board, plus the market value of the common stocks of the fund on the last day of the preceding month. Any percentage limitation or permission respecting the power and authority of the state of Wisconsin investment board to make investments shall be calculated as each occasion for investment occurs and upon the "admitted assets" of the fund at that time.

Approved August 14, 1957.

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