STATE OF WISCONSIN

Senate Journal

Ninety-Second Regular Session

WEDNESDAY, July 12, 1995

The chief clerk makes the following entries under the above date.

INTRODUCTION, FIRST READING AND REFERENCE OF BILLS

Read first time and referred:

Senate Bill 269

Relating to: flight instruction training courses.

By Senators Farrow, Rosenzweig, Huelsman, Darling, Cowles and Zien; cosponsored by Representatives Walker, Duff, Urban, Schneiders, Owens, Ladwig, Hahn, Gunderson, Seratti, Kelso, Lorge, Grothman, Olsen and Lazich.

To committee on **Transportation, Agriculture and Local Affairs**.

Senate Bill 270

Relating to: creating a new standard of dangerousness for involuntary civil commitments and emergency detentions, requiring review by the attorney general or his or her designee of certain proposed emergency detentions, emergency detentions, proposed involuntary civil commitments and involuntary civil commitments and requiring preparation and submittal of certain reports.

By Senators Rosenzweig, Panzer, Rude, Buettner, Darling, Farrow and Huelsman; cosponsored by Representatives Bock, Prosser, Meyer, Schneiders, Krug, Foti, Vrakas, Riley, Goetsch, Urban, La Fave, Duff, Ziegelbauer, Hahn, Owens and Klusman.

To committee on Health, Human Services and Aging.

Senate Bill 271

Relating to: designating STH 33 as the "84th Division 'Railsplitters' Memorial Highway".

By Senators Fitzgerald, Zien, Burke, Andrea, Rude and Buettner; cosponsored by Representatives Dobyns, Hoven, Wirch, Goetsch, Olsen, Turner, Owens and Grothman.

To committee on **Transportation**, **Agriculture and Local Affairs**.

Senate Bill 272

Relating to: transfer of interest in junk vehicles, unlicensed motor vehicle salvage dealers and providing a penalty.

By Senators Fitzgerald, Zien, Cowles, Panzer, Buettner and Burke; cosponsored by Representatives Foti, Ward, Handrick, Powers, Otte, Kreibich, F. Lasee, Green, Ryba and Olsen.

To committee on **Transportation, Agriculture and Local Affairs**.

Senate Bill 273

Relating to: imposing service fees on certain tax-exempt real property and making those fees aidable revenues for calculating shared revenue payments.

By Senators Wineke and Risser; cosponsored by Representatives Baldwin, Bell, R. Young, Gronemus, Albers, Ainsworth and Urban.

To committee on **State Government Operations and Corrections**.

Senate Bill 274

Relating to: expanding requirements for a woman's informed consent for performance or inducement of an abortion and for consent to a minor's obtaining an abortion and providing a penalty.

By Senators Drzewiecki, Petak, Buettner, Andrea, Cowles, Rude, Fitzgerald, Breske, A. Lasee, Zien, Farrow, Schultz and Weeden; cosponsored by Representatives Grothman, Grobschmidt, Ladwig, Walker, Albers, Ryba, Duff, Vander Loop, Ourada, Hoven, Schneiders, Musser, Silbaugh, Lehman, Nass, Huebsch, Green, Hutchison, Dobyns, Gard, Lazich, Urban, Ward, Zukowski, Owens, Kreibich, F. Lasee, Seratti, Johnsrud, Goetsch, Ainsworth, Lorge, Gunderson, Coleman, Hahn, Olsen, Wood, Otte, Freese, Brandemuehl, Ott, Porter, Handrick, Kelso and Powers.

To committee on Health, Human Services and Aging.

PETITIONS AND COMMUNICATIONS

State of Wisconsin Department of Natural Resourses

June 28, 1995

The Honorable, The Legislature:

The Report, Cryptosporidium spp. and Giardia spp., Occurrence, Distribution and Levels in Wisconsin Waters, is being peer reviewed at this time. I will forward a final copy to you by August 31, 1995.

I appreciate your patience in this matter.

Sincerely,

GEORGE E. MEYER

Secretary

State of Wisconsin Office of the Commissioner of Insurance

July 6, 1995

The Honorable, The Legislature:

The Task Force has completed its work and has prepared the attached document for your review. The Task Force was active, creative and productive—resulting in a set of recommendations

for resolving the problems identified in the 1993 Wisconsin Act 447. The first part of the document is a policy brief, the second part is a more detailed Technical Report.

The Office is available to clarify the information in the report and to provide support as needed.

Sincerely,

JOSEPHINE MUSSER Commissioner of Insurance

State of Wisconsin Commissioner of Insurance

June 1995

The Honorable, The Legislature:

Pursuant to s. 153.25, Wis. Stat., the Office of Health Care Information (OHCI) is pleased to submit to the Governor and the Legislature its fifth hospital report on mortality and morbidity. As stipulated in s. 153.40 (6), Wis. Stat., OHCI provided hospitals the opportunity to review and comment on their data. Written hospital comments have been included in the report.

OHCI wishes to express its appreciation and thanks to the members of the Mortality and Morbidity Technical Advisory Committee for their valued assistance in the planning and organization of this report, a s well as to all Wisconsin hospitals that were part of the reporting process.

Please contact OHCI if you or your staff would like additional copies of this report, or have any questions.

Sincerely,

JOSEPHINE MUSSER Commissioner of Insurance

TRUDY A. KARLSON, PH.D. Director,
Office of Health Care Information

State of Wisconsin Department of Administration

June 30, 1995

The Honorable, The Legislature:

As required by 1993 Wisconsin Act 351, I am submitting to you for distribution to the appropriate standing committee under s. 13. 172 (3) of Wisconsin law the second semiannual Wisconsin Gasohol and Alternative Fuel Use Report. If you or any committee members have questions, please contact Nathaniel E. Robinson, Administrator, Division of Energy and Intergovernmental Relations, at 608/266–7257.

Sincerely,

JAMES A. KLAUSER Secretary

Referred to committee on **Transportation**, **Agriculture and Local Affairs**.

State of Wisconsin Department of Health and Social Services

June 30, 1995

The Honorable, The Legislature:

1989 Wisconsin Act 31, Section 1118i, requires the Department of Health and Social Services to submit to the chief clerk of each house of the legislature a report on June 30 annually on the allocation and expenditure of funds for services for homeless individuals. Attached is the Department's fourth annual report.

Departmental staff are available if you have any questions or require any additional information.

Sincerely,

RICHARD LORANG Acting Secretary

State of Wisconsin Department of Public Instruction

July 5, 1995

The Honorable, The Legislature:

Attached is a report on the After School and Summer School grant program as required by State Statute, Sec. 115.361(5)(c)3.

Please contact me or my staff should you have any questions.

Sincerely,

JOHN T. BENSON State Superintendent

State of Wisconsin Legislative Audit Bureau

July 10, 1995

The Honorable, The Legislature:

We have completed an evaluation of the investment practices of the State of Wisconsin Investment Board, as requested by the Joint Legislative Audit Committee. A second report, to be released later this summer, will examine the structure of the Investment Board's employe salary bonus plan and the process used to select investments for the Board's private placement portfolio.

On March 17, 1995, the Investment Board publicly disclosed that the State Investment Fund, which at the time had assets of approximately \$6.8 billion, had incurred a \$95 million loss. The loss resulted from the Investment Board's efforts to enhance earnings through the use of derivatives without an adequate understanding of the risk some investments presented. Staff contend they were misled in the purchase of a Mexican interest rate swap by an investment dealer, but a careful analysis of documents presented and a few simple calculations would have identified the risk in this transaction. Further, when this and another derivative investment experienced substantial losses, investment staff restructured the investment agreements in an effort to minimize loss, but in doing so put even more funds at risk.

Effective management oversight mechanisms might have prevented the loss, but the Investment Board's decentralized organizational structure and existing oversight mechanisms were inadequate to detect potential problem investments. We make recommendations for the Executive Director and the Board of Trustees to improve investments reporting and oversight.

Since the \$95 million loss was disclosed, \$1.4 billion has been withdrawn from the State Investment Fund's Local Government Investment Pool. The loss, together with local officials' concerns about the Fund's management and state officials' concerns about local governments' ability to leave the Fund without penalty, suggest that changes in the State Investment Funds are needed.

The loss in the State Investment Fund also raised questions about derivative holdings in the Wisconsin Retirement Funds. On May 30, the Investment Board disclosed a net unrealized loss of \$93 million from approximately 200 derivatives in the Retirement Funds. However, this is not as significant as the loss in the State Investment Fund because it is a loss based on market prices, which regularly change, and because of the size of the Retirement Funds and the long—term nature of their investments.

We appreciate the courtesy and cooperation extended to us by the State of Wisconsin Investment Board's trustees and staff. A response from the Board's Executive Director is Appendix

Sincerely,

DALE CATTANACH State Auditor

State of Wisconsin Ethics Board

July 5, 1995

To the Honorable the Senate:

At the direction of s. 13.685(7), Wisconsin Statutes, I am furnishing you with the name of an organization recently registered with the Ethics Board that employs one or more individuals to affect state legislation or administrative rules, and notifying you of changes in the Ethics Board's records of licensed lobbyists and their employers. For the recently registered organization I have included the organization's description of the general area of legislative or administrative action that it attempts to influence and the name of each licensed lobbyist that the organization has authorized to act on its behalf.

Organization recently registered:

Below is the name of an organization recently registered with the Ethics Board as employing one or more individuals to affect state legislation or administrative rules.

Midway Hotel - Highway 100

Subjects: Any matter affecting the company in any way by any agency or the legislature.

Broydrick, Bill Broydrick, Cindi

Organization's authorization of additional lobbyists:

The following organizations previously registered with the Ethics Board as employers of lobbyists have authorized to act on their behalf these additional licensed lobbyists:

Consulting Engineers, Wisconsin Assn of Stitt, Donald

Firstar Corp

Bablitch, Stephen

Petroleum Marketers Assn of Wisconsin & Wisconsin Assoc. of Convenience Stores, Inc

Solie, Denise Leigh

Organization's termination of lobbyists:

Each of the following organizations previously registered with the Ethics Board as the employer of a lobbyist has withdrawn, on the date indicated, its authorization for the lobbyist identified to act on the organization's behalf.

Automotive Trades Assn, Inc. Wisconsin Gundermann, Robert 6/30/95

Delta Dental Plan of Wisconsin, Inc Gundermann, Robert

Health Insurance Assn of America Gundermann, Robert 6/30/95

Metropolitan Milwaukee Assn of Commerce

Hilbert, Lisa	6/30/95
Tenuta, James	6/30/95
Gundermann, Robert	6/30/95

Physical Therapy Assn, Wisconsin

Gundermann, Robert

Theatre Owners, National Assn of 6/30/95 Gundermann, Robert

Truck Stop Operators, Inc, Wisconsin Assn of

Gundermann, Robert 6/30/95

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 the organizations that employ lobbyists.

Sincerely,

R. ROTH JUDD

Executive Director

State of Wisconsin Office of the Commissioner of Insurance

June 30, 1995

The Honorable, The Legislature:

In accordance with s.619.15 (2), Wis. Stat., I am pleased to submit the annual Report of the Wisconsin Health Insurance Risk-Sharing Plan (HIRSP). The plan was established in 1981 and now offers health insurance to 11,264 Wisconsin residents.

I am confident that the HIRSP Board of Governors will continue to explore additional cost-containment options for the plan, which will prove to be beneficial to both HIRSP enrollees and the state of Wisconsin.

The data continues to show that HIRSP remains as a viable alternative for health insurance for Wisconsin citizens. Please contact Eileen Mallow of my staff if you have any questions.

Sincerely, JOSEPHINE MUSSER

Commissioner of Insurance

State of Wisconsin Office of the Commissioner of Insurance

June 30, 1995

The Honorable, The Legislature:

Attached is the annual report of the Small Employers Insurance Board (Board) as required under Section 635.23, Wis. Stat.

The report discusses, among other issues, the performance of the Small Employer Health Insurance Basic Plan. In evaluating the performance of this Plan which requires small group health insurers to offer a guarantee issue product, the Board expressed a desire to communicate opinions to the Legislature on how the performance of this plan could be improved.

Since some of the proposals discussed by the Board lie outside of its jurisdiction, it was felt that they be communicated separate from the annual report. In particular, the Board identified the following suggestions:

1. The provisions in the state statute for the Basic Plan should be amended to allow for two policies, one with a high annual limit on coverage and one with a low annual limit. The low annual limit of \$30,000 in benefits was identified in a recent survey as one of the more negative aspects of the benefit design preventing employers from purchasing policies.

- 2. Statutes mandating an employer contribution should be amended to allow for employees to pay more of the premium, rather than not be eligible for the Basic Plan because an employer could not afford to contribute to premiums.
- 3. Expand the effects of Chapter 635, Wis. Stat. to apply to larger groups (for example up to 100 employees).

The Board felt that these changes would improve the marketability of Basic Plan policies by insurers.

The Board has also asked me to express their desire to discuss these provisions with members of the Legislature at a later meeting.

Should you have any questions, please contact me, or Peter Farrow at 264-6239.

Sincerely,

JOSEPHINE MUSSER Commissioner of Insurance

EXECUTIVE COMMUNICATIONS

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint HAUGESTUEN, JOYCE, of Dallas, as a member of the Barbering and Cosmetology Examining Board, to serve for the term ending July 1, 1998.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Business**, **Economic Development and Urban Affairs**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint KREYER, AUDRIE J., of Fennimore, as a member of the Barbering and Cosmetology Examining Board, to serve for the term ending July 1, 1999.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Business**, **Economic Development and Urban Affairs**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint FAHEY, JOHN W., of Madison, as a member of the Barbering and Cosmetology Examining Board, to serve for the term ending July 1, 1999.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Business**, **Economic Development and Urban Affairs**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint TROTTER, DANNY E., of Edgerton, as a member of the Barbering and Cosmetology Examining Board, to serve for the term ending July 1, 1999.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Business**, **Economic Development and Urban Affairs**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint SIEVERT, JAMES A., of Wausau, as a member of the Dentistry Examining Board, to serve for the term ending July 1, 1999.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Health**, **Human Services and Aging**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint ELLIOTT, JAMES N., of Milwaukee, as a member of the Wisconsin Technical College System Board, to serve for the term ending May 1, 2001.,

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Education and Financial Institutions**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint BARRY, JONATHAN B., of Madison, as a member of the Wisconsin Technical College System, to serve for the term ending May 1, 2001.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Education and Financial Institutions**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint REID, L. ANNE, of West Bend, as a member of the Wisconsin Technical College System Board, to serve for the term ending May 1, 2001.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Education and Financial Institutions**.

State of Wisconsin Office of the Governor

June 29, 1994

The Honorable, The Senate:

I am please to nominate and with the advice and consent of the Senate, do appoint LEEAN, JOE, of Waupaca, as Secretary of the Department of Health and Social Services, to serve for the term ending at the pleasure of the Governor.

Respectfully submitted,

TOMMY G. THOMPSON

Governor

Read and referred to committee on Health, Human Services and Aging.

REFERRALS AND RECEIPT OF COMMITTEE REPORTS CONCERNING PROPOSED ADMINISTRATIVE RULES

Senate Clearinghouse Rule 94-160

Relating to compensation and conditions for the placement of utility facilities in railroad right-of-way.

No action taken.

Robert Cowles Chairperson

Senate Enrolled Proposals

The Chief Clerk records:

Senate Bill 262

Report correctly enrolled on July 10, 1995.

Senate Enrolled Proposals

The Chief Clerk records:

Senate Bill 7

Senate Bill 13

Senate Bill 133

Report correctly enrolled on July 6, 1995.