

STATE OF WISCONSIN
Senate Journal
Ninety–Ninth Regular Session

WEDNESDAY, January 21, 2009

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

CHIEF CLERK'S ENTRIES

CHIEF CLERK'S REPORT

The Chief Clerk records:

Senate Joint Resolution 1

Deposited in the office of the Secretary of State on 1–21–2009.

**INTRODUCTION, FIRST READING, AND
REFERENCE OF PROPOSALS**

Read first time and referred:

Senate Bill 7

Relating to: the filing of certain forms related to tax incremental financing district number ten in the city of Chippewa Falls.

By Senator Kreitlow; cosponsored by Representatives Dexter, Wood and Suder.

To committee on **Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.**

Senate Bill 8

Relating to: state procurement of contractual services.

By Senators Wirch, Coggs, Hansen, Lassa, Lehman, Miller, Robson and Sullivan; cosponsored by Representatives Pocan, Zigmunt, Barca, Benedict, Berceau, Bernard Schaber, Black, Clark, Danou, Fields, Grigsby, Hraychuck, Hubler, Jorgensen, Krusick, Mason, Molepske, Jr., Nelson, Parisi, Pasch, Pope–Roberts, Radcliffe, Richards, Roys, Seidel, Sheridan, Shilling, Sinicki, Smith, Van Akkeren, A. Williams and Young.

To committee on **Small Business, Emergency Preparedness, Technical Colleges, and Consumer Protection.**

Senate Bill 9

Relating to: a tort action for intentional misrepresentation in a residential real estate transaction.

By Senators Erpenbach, Hansen, Taylor, Lehman, Lassa, Wirch, Sullivan, Olsen, Schultz and Cowles; cosponsored by Representatives Radcliffe, Hebl, Colon, Soletski, Roys, Richards, Berceau, Shilling, Parisi, Hraychuck, Molepske, Jr., A. Ott and Van Roy.

To committee on **Judiciary, Corrections, Insurance, Campaign Finance Reform, and Housing.**

Senate Bill 10

Relating to: the income and franchise tax credit that supplements the federal historic rehabilitation tax credit.

By Senators Lassa, Lehman, Hopper, Risser, Harsdorf, Coggs, Erpenbach, Schultz, Hansen, Kedzie and Plale; cosponsored by Representatives Shilling, Richards, Davis, Roys, Strachota, Molepske, Jr., Ballweg, Roth, Barca, Petrowski, Vruwink, Nygren, Spanbauer, Berceau, Stone, Suder, Gunderson and A. Ott.

To committee on **Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.**

Senate Bill 11

Relating to: a requirement that all employers in this state grant a paid leave of absence on Veterans Day to employees who are veterans.

By Senators Hansen and Erpenbach; cosponsored by Representatives Turner, Sinicki, Berceau, Grigsby, Hilgenberg and Young.

To committee on **Labor, Elections and Urban Affairs.**

Senate Bill 12

Relating to: the operation of motorboats, other than personal watercraft, at slow–no–wake speed within a given distance of the shoreline of a lake.

By Senators Jauch, Holperin, Lehman, Miller and Risser; cosponsored by Representatives Sherman, Berceau, Black, Clark, Hilgenberg, Knodl, Milroy, Molepske, Jr., Pasch, Richards, Roys and Turner.

To committee on **Environment.**

PETITIONS AND COMMUNICATIONS

**State of Wisconsin
Office of the Senate President**

January 21, 2009

The Honorable, the Senate:

Pursuant to Senate Rule 46 (2)(c), I am writing to inform you that I have directed the following proposal(s) to be withdrawn from committee and rereferred. I have obtained the consent of the appropriate standing committee chairperson and the chairperson of the committee on Senate Organization.

Senate Bill 6, relating to designating a portion of the Brunsweler River as a wild river, withdrawn from committee on Transportation, Tourism, Forestry, and Natural Resources and rereferred to committee on Environment.

Sincerely,
FRED A. RISSER
Senate President

Pursuant to Senate Rule 17 (5), Senator Taylor added as a coauthor of **Senate Bill 3**.

Pursuant to Senate Rule 17 (5), Senator Taylor added as a coauthor of **Senate Bill 4**.

Pursuant to Senate Rule 17 (5), Senator Taylor added as a coauthor of **Senate Bill 6**.

**State of Wisconsin
Investment Board**

January 7, 2008

The Honorable, The Legislature:

Pursuant to s. 25.17 (14r), Stats., I want to advise you of revisions to SWIB's "Investment Policies, Objectives and Guidelines" approved by the Board of Trustees during the last six months of 2008. These guidelines apply to SWIB's internally managed portfolios. I am sending you electronic copies of the revised guidelines plus a red-lined copy that show the language added or deleted.

Many of these changes were made as a result of the prudent investor language that was enacted in [2007 Wisconsin Act 212](#). These changes:

- Replace references to the limitations on external management with a discussion of how SWIB will determine the optimal structure for externally managed assets. The statutes previously restricted external management in separate accounts to 20% of the assets, which limited the Board's ability to manage the funds in the most prudent way.

- Remove limitations on derivatives, which had previously been imposed by reference to the insurance statutes, and allow expanded authority for the Global Fixed Income Portfolio. This expanded authority allows the portfolio manager to use derivatives, within established limits, to manage credit and currency risk as well as the opportunity to short certain currencies. The guidelines also make it clear that all investments, including derivatives, are subject to risk measurement and monitoring. The Investment Committee must review all derivative strategies before they are implemented.

- Authorize trading of equity options on exchanges in developed countries other than the United States.

- Establish an internally managed currency overlay strategy for the internal and external international equity portfolios. This will allow active management of the currency risks in these portfolios and thereby separate the currency risk from the risk associated with asset allocation or security selection. The guidelines make a distinction between the positions permitted for major currencies and the remaining currencies in the index and include risk parameters for the aggregate overlay program.

- Eliminate the restriction that had prohibited the government/credit portfolio from establishing a leveraged position. With this change, the portfolio manager will no longer have to hold cash equal to the notional amount of any derivative position but will be required to provide for adequate margin for the derivative holding in the portfolio.

- Establish an internally managed multi-asset strategy that provides for broad investment parameters for individual investment strategies but done within a defined vetting process

and stated risk and leverage limits. The guidelines also require the Internal Auditor to review the investment strategy guidelines and the staff to report to the Board as the strategies are adopted and implemented.

In addition to the items listed above, the Board made other less significant changes to the guidelines that reduce active risk, provide more oversight and incorporate changes made by the Board, such as the asset allocations for 2009.

The reporting requirements in the statutes appear to only apply to internal management and not to contracts we initiate with external managers or changes we make to existing contracts. However, because of the significant amount of assets managed by external managers, we decided in 2006 to inform you of any new contracts with external managers or changes to existing contracts. In keeping with that decision, we want to advise you that we amended the contract for a global fixed income portfolio to clarify investments in sovereign and non-sovereign debt instruments. We also changed the strategy with one external manager from core to growth focus and changed the structure of the portfolio from a commingled fund to a separate account, which reduced the management costs. Finally, SWIB signed a contract with a small cap equities fund of funds manager. This manager in turn contracts with a number of small cap managers, which gives SWIB a more diversified exposure to small company market. All of these changes will further diversify the WRS holdings.

If you have any questions on any of the changes, please contact me at 266-9451 or Sandy Drew at 261-0182.

Sincerely,
KEITH BORARTH
Executive Director

Referred to committee on **Veterans and Military Affairs, Biotechnology, and Financial Institutions**.

**State of Wisconsin
Department of Corrections**

January 15, 2009

The Honorable, The Legislature:

The 2005-07 biennial budget, [2005 Wisconsin Act 25](#), required the Department to conduct a study regarding the possibility of reducing its costs for the care of inmates, who are not a threat to the community and requires extended nursing care. The Department has completed such a study and per the instructions in the non-statutory section 9109 (3q) it is being submitted for distribution under section [13.172\(3\)](#) of the statutes.

Sincerely,
RICK RAEMISCH
Secretary

Referred to committee on **Judiciary, Corrections, Insurance, Campaign Finance Reform, and Housing**.

**State of Wisconsin
Technical College System**

January 13, 2009

The Honorable, The Legislature:

This letter certifies that all sixteen Wisconsin Technical Colleges have provided sexual assault and harassment orientation, materials, and information to students as required under state statute 38.12(11) for the 2007–2008 school year.

Individual college letters assuring compliance are on file in our office at this time. If you have any questions or need additional information, please contact Norman Kenney, System Equal Opportunity Officer at 266–1766.

Sincerely,
DANIEL CLANCY
President, Wisconsin Technical College System

**State of Wisconsin
Department of Health Services**

January 16, 2009
The Honorable, The Senate:

Wisconsin Statute s. 49.45(2)(a)20 directs the Department of Health Services to submit an annual report to the Joint Committee on Finance on the "Participation Rates of Children in the Early and Periodic Screening and Diagnosis Program." In Wisconsin, we have named this program "HealthCheck."

The report's purpose is to identify significant activities of Wisconsin Medicaid's HealthCheck program and, particularly, to report on the percent of children who receive comprehensive health care screens through HealthCheck.

Wisconsin's screening ratio increased from 65 percent in 2001 to 88 percent in 2007. Since tracking of the screening ratio began in 1992, the ratio has increased from 27 percent to the current 88 percent.

I am pleased to send you the completed report for federal fiscal year 2007.

Sincerely,
KAREN E. TIMBERLAKE
Secretary

ADVICE AND CONSENT OF THE SENATE

**State of Wisconsin
Office of the Governor**

September 5, 2008
The Honorable, The Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint LEINENKUGEL, RICHARD, of Menomonee Falls, as Secretary of the Department of Commerce, to serve for the term ending at the pleasure of the Governor.

Respectfully Submitted,
JIM DOYLE
Governor

Read and referred to committee on **Commerce, Utilities, Energy, and Rail.**

**REFERRALS AND RECEIPT OF COMMITTEE
REPORTS CONCERNING PROPOSED
ADMINISTRATIVE RULES**

Senate Clearinghouse Rule 08–060

Relating to wholesale fish dealing and commercial fishing in outlying waters and affecting small business.

Submitted by Department of Natural Resources.

Report received from Agency, January 16, 2009.

Referred to committee on **Transportation, Tourism, Forestry, and Natural Resources**, January 21, 2009.

Senate Clearinghouse Rule 08–096

Relating to emergency assistance grants in the community development block grant program, and affecting small business.

Submitted by Department of Commerce.

Report received from Agency, January 21, 2009.

Referred to committee on **Commerce, Utilities, Energy, and Rail**, January 21, 2009.

Senate Clearinghouse Rule 08–097

Relating to complaint procedures for inmates of the Wisconsin resource center.

Submitted by Department of Health Services.

Report received from Agency, January 21, 2009.

Referred to committee on **Health, Health Insurance, Privacy, Property Tax Relief, and Revenue**, January 21, 2009.

Senate Clearinghouse Rule 08–106

Relating to fees.

Submitted by Department of Military Affairs.

Report received from Agency, January 16, 2009.

Referred to committee on **Veterans and Military Affairs, Biotechnology, and Financial Institutions**, January 21, 2009.

**Motions Under Senate Rule 98 and Joint Rule 7
for the Month of December 2008**

A certificate of commendation by the Wisconsin Senate on the motion of Senator Ellis, for Joey Abraham, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of condolence by the Wisconsin Senate on the motion of Senator Taylor, for Anita Carlisle, on the occasion of honoring her memory.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Schultz, for Christian Cejpek, on the occasion of his tireless efforts to serve and protect the people of Richland County throughout his distinguished law enforcement career.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Kreitlow, for Roger and Sally Conklin, owners of the Conklin Tree Farm in Wheeler, Wisconsin, on the occasion of them donating the tree for the lighting of the State Capitol Tree.

A certificate of congratulations by the Wisconsin Legislature on the motion of Senator Vinehout, for David Feller, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Hansen, for Judy Ferris, on the occasion of her 36 years of distinguished service to Oconto County.

A certificate of congratulations by the Wisconsin Senate on the motion of Senator Grothman, for Christopher David

Henning, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of congratulations by the Wisconsin Legislature on the motion of Senator Vinehout, for Marek Higley, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of congratulations by the Wisconsin Legislature on the motion of Senator Harsdorf, for the Inter-County Cooperative Publishing Association, on the occasion of the celebration of its 75th Anniversary.

A certificate of congratulations by the Wisconsin Senate on the motion of Senator Grothman, for Nathan David Korinek, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Darling, for Kyle Mc Carragher, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Ellis, for Eric Miller, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Darling, for Jim Miller, on the occasion of his retirement after 21 years of dedicated service as the President of the Wisconsin Policy Research Institute.

A certificate of congratulations by the Wisconsin Senate on the motion of Senator Robson, for Tom O'Neill, on the occasion

of his outstanding public service as President of Competitive Wisconsin.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Lazich, for David John Ozburn, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Cowles, for David Schumerth, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Ellis, for Jonathan Seymour, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of commendation by the Wisconsin Senate on the motion of Senator Lazich, for Kevin Stachowiak, on the occasion of earning and attaining the rank of the Eagle Scout Award.

A certificate of congratulations by the Wisconsin Senate on the motion of Senator Vinehout, for Myrle Thompson, on the occasion of her honor meal and for her distinguished service to the United States and the Ho-Chunk Nation.

A certificate of congratulations by the Wisconsin Senate on the motion of Senator Vinehout, for John Williamson, on the occasion of his retirement and his lifelong commitment to the Galesville area.