

OFFICIAL STATEMENT

New Issue

This Official Statement has been prepared by the State of Wisconsin to provide information on the Bonds. Selected information is presented on this cover page for the convenience of the user. To make an informed decision, a prospective investor should read the entire Official Statement. Unless indicated, capitalized terms used on this cover page have the meanings given in the Official Statement.

\$87,715,000 STATE OF WISCONSIN GENERAL OBLIGATION BONDS OF 2000, SERIES C

Dated: July 15, 2000

Due: May 1, as shown below

Ratings	AA+ Fitch Aa2 Moody's Investors Service, Inc. AA Standard & Poor's Ratings Services
Tax Exemption	Interest on the Bonds is, for federal income tax purposes, excluded from gross income and is not an item of tax preference but is subject to State of Wisconsin income and franchise taxes— <i>See pages 7-9.</i>
Redemption	The Bonds are callable at par on or after May 1, 2010— <i>See page 2.</i>
Security	General obligations of the State of Wisconsin— <i>See page 2.</i>
Purpose	Proceeds from the Bonds are being used for various governmental purposes— <i>See page 3.</i>
Interest Payment Dates	May 1 and November 1
First Interest Payment Date	May 1, 2001
Denominations	\$5,000
Closing/Settlement	August 2, 2000
Bond Counsel	Foley & Lardner
Registrar/Paying Agent	State Treasurer
Issuer Contact	Wisconsin Capital Finance Office—(608) 266-2305; capfin@doa.state.wi.us
Book-Entry-Only Form	The Depository Trust Company— <i>See pages 3-5.</i>
Annual Report	This Official Statement incorporates by reference Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 1999.

The Bonds were sold at competitive sale on July 19, 2000. The interest rates payable by the State, which are shown below, resulted from the award of the Bonds.

CUSIP	Year (May 1)	Principal Amount	Interest Rate	First Optional Redemption Date	Call Price
977056 B66	2012	\$ 6,865,000	5.10%	5/1/2010	100%
977056 B74	2013	7,215,000	5.20	5/1/2010	100
977056 B82	2014	7,595,000	5.25	5/1/2010	100
977056 B90	2015	8,000,000	5.30	5/1/2010	100
977056 C24	2016	8,425,000	5.40	5/1/2010	100
977056 C32	2017	8,880,000	5.40	5/1/2010	100
977056 C40	2018	9,370,000	5.45	5/1/2010	100
977056 C57	2019	9,890,000	5.50	5/1/2010	100
977056 C65	2020	10,445,000	5.55	5/1/2010	100
977056 C73	2021	11,030,000	5.55	5/1/2010	100

Purchase Price: \$86,438,785.90

July 19, 2000

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No dealer, broker, sales representative, or other person has been authorized to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the State of Wisconsin or other matters contained herein since the date hereof.

The issuer is the author of this Official Statement and is responsible for its accuracy and completeness. The Underwriters are not the authors of this Official Statement. In accordance with their responsibilities under federal securities laws, the Underwriters are required to review the information in this Official Statement and must have a reasonable basis for their belief in the accuracy and completeness of the Official Statement's key representations.

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STATE OFFICIALS PARTICIPATING IN THE ISSUANCE AND SALE OF THE BONDS

BUILDING COMMISSION MEMBERS

Voting Members	Term of Office Expires
Governor Tommy G. Thompson, Chairperson	January 6, 2003
Senator Fred A. Risser, Vice-Chairperson	January 8, 2001
Senator Carol Roessler	January 8, 2001
Senator Robert Wirch	January 8, 2001
Representative Timothy Hoven	January 8, 2001
Representative Robert Turner	January 8, 2001
Representative Daniel Vrakas	January 8, 2001
Mr. Bryce Styza, Citizen Member	At the pleasure of the Governor
Nonvoting, Advisory Members	
Mr. George Lightbourn, Secretary Department of Administration	At the pleasure of the Governor
Mr. Adel Tabrizi, State Chief Engineer Department of Administration	—
Mr. Wilbert King, State Chief Architect Department of Administration	—
Building Commission Secretary	
Mr. Robert Brandherm (also serves as Administrator, Division of Facilities Development of the Department of Administration)	At the pleasure of the Building Commission and Secretary of Administration

OTHER PARTICIPANTS

Mr. Jack C. Voight State Treasurer	January 6, 2003
Mr. James E. Doyle State Attorney General	January 6, 2003

DEBT MANAGEMENT AND DISCLOSURE

Department of Administration
Capital Finance Office
P.O. Box 7864
101 E. Wilson Street, 10th Floor
Madison, WI 53707-7864
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capfin@doa.state.wi.us

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Mr. Lawrence K. Dallia
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Mr. David R. Erdman
Capital Finance Officer
(608) 267-0374
david.erdman@doa.state.wi.us

SUMMARY DESCRIPTION OF BONDS

Selected information is presented on this page for the convenience of the user. To make an informed decision regarding the Bonds, a prospective investor should read the entire Official Statement.

Description:	State of Wisconsin General Obligation Bonds of 2000, Series C
Principal Amount:	\$87,715,000
Denominations:	\$5,000 and integral multiples
Date of Issue:	July 15, 2000
Record Date:	April 15 and October 15
Interest Payment:	May 1 and November 1, commencing May 1, 2001
Maturities:	May 1, 2012-2021— <i>See cover</i>
Redemption:	<i>Optional</i> — The Bonds are subject to optional redemption at par beginning May 1, 2010— <i>See page 2</i>
Form:	Book-entry-only— <i>See pages 3-5</i>
Paying Agent:	All payments of principal and interest on the Bonds will be paid by the State Treasurer. All payments will be made to The Depository Trust Company, which will distribute payments to Beneficial Owners as described herein.
Security:	The Bonds are general obligations. As of June 1, 2000, there were \$3,731,062,453 of outstanding general obligations of the State.
Additional General Obligation Debt:	The State may issue additional general obligation debt.
Authority for Issuance:	The Bonds are issued under Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes.
Purpose:	Acquisition, construction, development, extension, enlargement, or improvement of land, water, property, highways, buildings, equipment, or facilities for public purposes.
Legality of Investment:	State law provides that the Bonds are legal investments for all banks, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, and other persons or entities carrying on a banking business; for all executors, administrators, guardians, trustees, and other fiduciaries; and for the State and all public officers, municipal corporations, political subdivisions, and public bodies.
Tax Exemption:	Not included in gross income and not an item of tax preference for federal income tax purposes— <i>See pages 7-9</i> Subject to State of Wisconsin income and franchise taxes— <i>See pages 7-9</i>
Legal Opinion:	Validity and tax opinion to be provided by Foley & Lardner— <i>See page C-1</i>

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OFFICIAL STATEMENT
\$87,715,000
STATE OF WISCONSIN
GENERAL OBLIGATION BONDS OF 2000, SERIES C

INTRODUCTION

This Official Statement sets forth information concerning the \$87,715,000 General Obligation Bonds of 2000, Series C (**Bonds**) issued by the State of Wisconsin (**State**). This Official Statement includes by reference Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 1999 (**1999 Annual Report**).

The Bonds are authorized pursuant to Article VIII, Section 7 of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes and an authorizing resolution adopted by the State of Wisconsin Building Commission (**Commission**) on June 28, 2000.

The Commission, an agency of the State, is empowered by law to authorize, issue, and sell all debt obligations of the State. The Commission is assisted and staffed by the State of Wisconsin Department of Administration (**Department of Administration**).

In connection with the issuance and sale of the Bonds, the Commission has authorized the Department of Administration to prepare this Official Statement. This Official Statement contains information furnished by the State or obtained from the sources indicated.

THE STATE

The State is located in the Midwest among the northernmost tier of states. The State ranks 18th among the states in population and 26th in land area. Wisconsin attained statehood in 1848, its capital is Madison, and its largest city is Milwaukee.

Information concerning the State, its financial condition, and general obligation debt is included as **APPENDIX A**, which includes by reference Parts II and III of the 1999 Annual Report.

Requests for additional information about the State may be directed to:

<i>Contact:</i>	Capital Finance Office Attn: Capital Finance Director
<i>Phone:</i>	(608) 266-2305
<i>Mail:</i>	101 East Wilson Street, FLR 10 P.O. Box 7864 Madison, WI 53707-7864
<i>E-mail:</i>	capfin@doa.state.wi.us

THE BONDS

General

The **cover of this Official Statement** sets forth the maturity dates, amounts, and interest rates for the Bonds.

The Bonds will be dated July 15, 2000 and will bear interest from that date payable on May 1 and November 1 of each year, beginning on May 1, 2001.

Interest on the Bonds will be computed on the basis of a 30-day month and a 360-day year. Principal of and interest on each Bond will be paid to the registered owner of the Bonds, which initially will be a nominee of The Depository Trust Company, New York, New York (DTC).

The Bonds are issued as fully registered bonds without coupons in principal denominations of \$5,000 or any integral multiple thereof.

Security

The Bonds are direct and general obligations of the State. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of the principal of and interest on the Bonds. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for the payment of the principal of and interest on the Bonds as the Bonds mature and become due. The Bonds are on parity with all other outstanding general obligation debt issued by the State.

Redemption Provisions

Optional Redemption

The Bonds are subject to optional redemption prior to their maturity date on May 1, 2010 or any date thereafter, in whole or in part in integral multiples of \$5,000, at a redemption price equal to par (100%) plus accrued interest to the date of redemption. This redemption is at the option of the Commission, and the Commission will direct the amounts and maturities of the Bonds to be redeemed.

Selection of Bonds

If the Bonds are in book-entry-only form and less than all of a particular maturity are to be redeemed, selection of the actual purchasers of the Bonds affected thereby will be made solely by the securities depository and its participants in accordance with their then prevailing rules. See **“THE BONDS; Book-Entry-Only Form”**. If the Bonds are in certificated form and less than all of a particular maturity are to be redeemed, selection will be by lot.

Notice of Redemption

So long as the Bonds are in book-entry-only form, a notice of the redemption of any of said Bonds will be sent to the securities depository not less than 30 days and not more than 45 days prior to the date of redemption. A notice of redemption may be revoked by sending notice to the securities depository not less than 15 days prior to the proposed date of redemption.

In the event that the Bonds are outstanding in certificated form, a notice of the redemption of any of the Bonds will be published at least once at least 30 and not more than 45 days prior to the date of redemption in a financial newspaper published or circulated in New York, New York. The notice will also be mailed, postage prepaid, at least 30 and not more than 45 days prior to the date of redemption to the registered owners of any Bonds to be redeemed, but such mailing will not be a condition precedent to such redemption and failure to mail any such notice will not affect the validity of any proceedings for the redemption of the Bonds. A notice of redemption may be revoked by publication of a notice not less than 15 days prior to the proposed date of redemption in a financial newspaper published or circulated in New York, New York. The notice of revocation will also be mailed, postage prepaid, not less than 15 days prior to the proposed redemption date to the registered owners of any Bonds to have been redeemed, but such mailing

will not be a condition precedent to such revocation and failure to mail such notice will not affect the validity of such revocation.

Interest on any Bond so called for prior redemption will cease to accrue on the redemption date provided payment thereof has been duly made or provided for.

Application of Bond Proceeds

The Wisconsin Statutes authorize the issuance and sale of public debt to acquire, construct, develop, extend, enlarge, or improve land, waters, property, highways, buildings, equipment, or facilities. The Wisconsin Legislature has the authority to establish the borrowing purposes and amounts for which public debt may be issued. **APPENDIX B** includes a summary of these purposes and amounts authorized and issued for each borrowing purpose. **APPENDIX B** also identifies the purposes and amounts for which the Bonds are being issued.

Bond proceeds will be deposited in the Capital Improvement Fund of the State and will be expended as costs for the various borrowing purposes are incurred. Until these expenditures are made, the Bond proceeds are invested by the State of Wisconsin Investment Board. See “STATE OF WISCONSIN INVESTMENT BOARD” in Part II of the 1999 Annual Report.

Ratings

At the State’s request, several rating agencies have rated the Bonds:

<i>Rating</i>	<i>Rating Agency</i>
AA+	Fitch
Aa2	Moody’s Investors Services
AA	Standard and Poor’s Ratings Services

Any explanation of the significance of a rating may only be obtained from the rating service furnishing that rating. There is no assurance a rating given to the Bonds will be maintained for any period of time; a rating may be lowered or withdrawn entirely by the rating service if in its judgment circumstances so warrant. Any downgrade or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Book-Entry-Only Form

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities, registered in the name of Cede & Co. (DTC’s partnership nominee). One fully registered bond will be issued for each maturity of the Bonds as set forth on the front cover, each in the principal amount of such maturity, and deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants (**Direct Participants**) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and

dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**Indirect Participants**) (the Indirect Participants and Direct Participants are collectively referred to as **Participants**). The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (**Beneficial Owner**) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to the State as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to DTC by the State Treasurer. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of the State or DTC, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the State, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the State. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered at the expense of the State.

The State may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC; the State takes no responsibility for its accuracy.

No assurance can be given by the State that DTC, Direct Participants, and Indirect Participants will promptly transfer payments or notices received with respect to the Bonds. The State assumes no liability for the failure of DTC, Direct Participants, or Indirect Participants to transfer to the Beneficial Owner payments or notices received with respect to the Bonds.

Similarly, no assurance can be given by the State that DTC will abide by its procedures or that such procedures will not be changed from time to time. In the event that a successor securities depository is designated, it may establish different procedures.

Registration and Payment of Bonds

So long as the Bonds are in book-entry-only form, payment of principal due on the Bonds shall be made by wire transfer to the securities depository or its nominee upon the presentation and surrender of the Bonds at the principal office of the State Treasurer, which shall be the Registrar and Paying Agent on the Bonds. Payment of interest due on the Bonds shall be made by wire transfer to the securities depository or its nominee shown in the registration books at the close of business on the 15th day (whether or not a business day) of the calendar month next preceding that interest payment date (**Record Date**).

When in certificated form, payment of principal due on the Bonds shall be made by check or draft issued upon the presentation and surrender of the Bonds at the principal office of the Paying Agent. Payment of interest due on the Bonds shall be made by check or draft mailed to the registered owner shown in the registration books on the Record Date.

OTHER INFORMATION

Limitations on Issuance of General Obligations

All general obligations issued by the State fall within a debt limit set forth in the Wisconsin Constitution and Statutes. There is an annual limit of three-quarters of one percent, and a cumulative limit of five percent, of the aggregate value of all taxable property in the State. The annual limit is currently \$1,999,256,351. A refunding bond issue does not count for purposes of the annual debt limit or the cumulative debt limit. Accrued interest on any obligation that is not paid during the fiscal year that it accrues is treated as debt and taken into account for purposes of the debt limitations.

Borrowing Plans for 2000

General Obligations

This is the third series of general obligation bonds to be issued in this calendar year. The State has previously issued \$150 million of general obligation bonds for general governmental purposes and sold, but not yet delivered, \$35 million of taxable general obligations to fund veterans housing loans. The Commission has also authorized the following general obligations:

- Up to \$220 million of general obligation extendible municipal commercial paper notes for general governmental purposes and funding outstanding general obligation extendible commercial notes. These general obligation notes are expected to be placed by dealers in the third quarter of this calendar year.
- Up to \$35 million of tax-exempt general obligation bonds to fund veterans housing loans. The competitive sale of these tax-exempt general obligation bonds depends on the funding needs of the veterans housing loan program.

In addition, the State also expects the following general obligations to be issued this calendar year, although the Building Commission has not yet acted to authorize the issuance of these general obligations:

- Taxable general obligation bonds in the fourth quarter to fund veterans housing or home improvement loans.
- General obligation subsidy bonds for the Environmental Improvement Fund, which provides funds for the Clean Water Fund Loan Program.

Other Obligations

The State has authorized up to \$200 million of transportation revenue bonds to fund projects in the transportation revenue bond program. The competitive sale of these transportation revenue bonds is expected in the third quarter of this calendar year. The State has also authorized \$188 million of transportation revenue bonds for the refunding of outstanding transportation revenue commercial paper notes. This authorization is required pursuant to a credit agreement with the banks providing a letter of credit for security on the transportation revenue commercial paper notes. At this time, the State does not intend to fund the currently outstanding transportation revenue commercial paper notes.

The State may issue clean water revenue bonds in the fourth quarter of this calendar year to fund loans under the Environmental Improvement Fund.

The State expects to issue master lease certificates of participation in the third quarter of this calendar year.

The State may issue operating notes in the third quarter of this calendar year.

Underwriting

The Bonds were purchased through competitive bidding on July 19, 2000 by the following account (**Underwriters**): US Bancorp Piper Jaffray, book-running manager, and Robert W. Baird & Co. Incorporated.

The Underwriters paid \$86,438,785.90, resulting in a true interest cost rate to the State of 5.538949%.

Reference Information About the Bonds

The tables below and **on the front cover** include information about the Bonds and are provided for reference. The CUSIP number for each maturity has been obtained from sources believed to be reliable, but the State is not responsible for the correctness of the CUSIP numbers. The Underwriter has provided the reoffering yields and prices to allow the computation of yield for federal tax law compliance. The price at issuance is the lower of the price to maturity or the price to call.

\$87,715,000
State of Wisconsin
General Obligation Bonds of 2000, Series C

Dated Date: July 15, 2000
First Interest Date: May 1, 2001
Closing/Settlement Date: August 2, 2000

CUSIP	Year (May 1)	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional	Call Price
						Redemption Date	
977056 B66	2012	\$ 6,865,000	5.10%	5.15%	99.555%	5/1/2010	100%
977056 B74	2013	7,215,000	5.20	5.25	99.531	5/1/2010	100
977056 B82	2014	7,595,000	5.25	5.33	99.218	5/1/2010	100
977056 B90	2015	8,000,000	5.30	5.39	99.083	5/1/2010	100
977056 C24	2016	8,425,000	5.40	5.46	99.362	5/1/2010	100
977056 C32	2017	8,880,000	5.40	5.52	98.690	5/1/2010	100
977056 C40	2018	9,370,000	5.45	5.56	98.759	5/1/2010	100
977056 C57	2019	9,890,000	5.50	5.60	98.838	5/1/2010	100
977056 C65	2020	10,445,000	5.55	5.63	99.044	5/1/2010	100
977056 C73	2021	11,030,000	5.55	5.66	98.657	5/1/2010	100

Legal Investment

State law provides that the Bonds are legal investments for the following:

- banks, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, and other persons or entities carrying on a banking business.
- executors, administrators, guardians, trustees, and other fiduciaries.
- the State and all public officers, municipal corporations, political subdivisions, and public bodies.

Legal Opinion

Legal matters incident to the authorization, issuance, and sale of the Bonds are subject to the approval of Foley & Lardner (**Bond Counsel**). Bond Counsel will deliver an approving opinion with delivery of the Bonds, in substantially the form shown in **APPENDIX C**. In the event certificated Bonds are issued, the opinion will be printed on the reverse side of each Bond.

As required by law, the Attorney General will examine a certified copy of all proceedings leading to issuance of the Bonds. The Attorney General will deliver an opinion on the regularity and validity of the proceedings. In the event certificated Bonds are issued, a certificate of the Attorney General will be printed on the reverse side of each Bond.

Tax Exemption

Federal Income Tax

In the opinion of Bond Counsel, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and the interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers; it should be noted, however, that with respect to certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations.

The opinions set forth in the preceding paragraph are subject to the condition that the State comply with all requirements of the Internal Revenue Code of 1986, as amended (**Code**), and

other federal tax legislation that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The State has covenanted to comply with each such requirement to the extent it may lawfully do so. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Bonds. The proceedings authorizing the Bonds do not provide for an increase in interest rates or a redemption of the Bonds in the event of taxability.

In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of each Bond maturing May 1, 2012 through 2021 (**Discount Bonds**), to the extent properly allocable to each owner of a Discount Bond, is excluded from gross income for federal income tax purposes to the same extent that any interest payable on such Discount Bond is or would be excluded from gross income for federal income tax purposes. The original issue discount is the excess of the stated redemption price at maturity of a Discount Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discount Bonds were sold (**Issue Price**).

Under Section 1288 of the Code, original issue discount on Discount Bonds accrues on a compound interest basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the Issue Price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of each accrual period), less (iii) any interest payable on such Discount Bond during such accrual period.

The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period and will increase the owner's tax basis in such Discount Bond. The adjusted tax basis in a Discount Bond will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of such Discount Bond.

Owners of Discount Bonds who did not purchase such Discount Bonds in the initial offering at the Issue Price should consult their own tax advisors with respect to the tax consequences of owning such Discount Bond.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of holding such Discount Bonds. It is possible that under the applicable provisions governing the determination of state and local taxes, accrued original issue discount on the Discount Bonds may be deemed to be received in the year of accrual, even though there will not be a corresponding cash payment until a later year.

The Code contains numerous provisions that could affect the economic value of the Bonds to particular Bond owners. The following are some examples:

- Section 265 of the Code denies a deduction for interest on any indebtedness incurred or continued to purchase or carry the Bonds or, in the case of financial institutions, a portion of an owner's interest expense allocable to interest on the Bonds.
- Property and casualty insurance companies will be required in each taxable year to reduce the amount of their deductible losses by 15% of the amount of tax-exempt interest received or accrued during such taxable year, including interest on the Bonds, and life insurance companies are subject to similar provisions under which taxable income is increased by reason of receipt or accrual of tax-exempt interest.

- Interest on the Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code.
- Passive investment income, including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of the S corporation is passive investment income.
- Section 86 of the Code requires certain recipients of social security and railroad retirement benefits to include a portion of such benefits in gross income by reason of receipt or accrual of interest on the Bonds.
- A portion of the original issue discount that accrues in each year to an owner of a Discount Bond may result in collateral federal income tax consequences similar to the consequences of receipt of interest on the Bonds and may result in tax liability in the year of accrual, even though the owner of the Discount Bond will not receive a corresponding cash payment until a later year.

This section does not present an exhaustive discussion of collateral tax consequences arising from ownership of the Bonds. There may be other provisions of the Code that could adversely affect the value of an investment in the Bonds for particular owners of Bonds. Investors should consult their own tax advisors with respect to the tax consequences of owning a Bond.

State of Wisconsin Income and Franchise Taxes

Interest on the Bonds is subject to State of Wisconsin income and franchise taxes. Investors should consult their own tax advisors with respect to the state and local tax consequences of owning a Bond.

CONTINUING DISCLOSURE

The State has made an undertaking, for the benefit of the beneficial owners of the Bonds, to provide an annual report, providing certain financial information and operating data relating to the State (**Annual Reports**), not later than 180 days following the close of the State's fiscal year, to each nationally recognized municipal securities information repository (**NRMSIR**) and to the state information depository (**SID**), if any, and to provide notices of occurrence of certain events specified in the Rule to each NRMSIR or the Municipal Securities Rulemaking Board (**MSRB**) and the SID, if any. As of the date of this Official Statement, no SID has been established. Part I of the 1999 Annual Report, which contains information on the undertaking, is included by reference as part of this Official Statement.

Copies of the Annual Reports and notices may be obtained from:

State of Wisconsin Capital Finance Office
 Department of Administration
 101 East Wilson Street
 P.O. Box 7864
 Madison, WI 53707-7864
 (608) 266-2305
capfin@doa.state.wi.us

The undertaking also describes the consequences of any failure to provide the required information. The undertaking requires that a failure to provide the required information must be reported to the NRMSIRS or the MSRB, and to any SID. In the last five years, there has been no failure to comply in any material respect with a similar undertaking by the State.

Certain statements in this Official Statement involve matters of opinion or estimates and are not intended as representations of fact. The quotations, summaries, and explanations of laws, resolutions, judicial decisions, and administrative regulations in this Official Statement do not purport to be complete and are qualified by reference to the complete text of such documents. Material referred to in this Official Statement is not part of this Official Statement unless expressly included. This Official Statement is not a contract or agreement between the State and the purchasers or owners of any of the Bonds.

This Official Statement is submitted only in connection with the sale of the Bonds by the State and may not be reproduced or used in whole or in part for any other purpose, except with express permission.

Dated: July 19, 2000

STATE OF WISCONSIN

/s/ TOMMY G. THOMPSON

Governor Tommy G. Thompson, Chairperson
State of Wisconsin Building Commission

/s/ GEORGE LIGHTBOURN

George Lightbourn, Secretary
State of Wisconsin Department of Administration

/s/ ROBERT BRANDHERM

Robert Brandherm, Secretary
State of Wisconsin Building Commission

APPENDIX A

INFORMATION ABOUT THE STATE

This appendix includes information concerning the State of Wisconsin (**State**). Parts II and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 1999 (**1999 Annual Report**) are included by reference as part of this APPENDIX A.

Part II to the 1999 Annual Report contains general information about the State. More specifically, that part presents information on the following matters:

- State's operations and financial procedures
- State's accounting and financial reporting
- Organization and description of services provided by the State
- Results of fiscal year 1998-99
- State budget
- Obligations of the State
- State Investment Board
- Statistical information about the State's population, income and employment

Included as APPENDIX A to Part II are the audited general purpose financial statements for the fiscal year ending June 30, 1999, prepared in conformity with generally accepted accounting principles (**GAAP**) for governments as prescribed by the Government Accounting Standards Board, and the State Auditor's report.

Part III to the 1999 Annual Report contains information concerning general obligations issued by the State. That part presents a discussion of the security provisions for general obligation debt (including the flow of funds to pay debt service on general obligations), data pertaining to the State's outstanding general obligation debt, and the portion of that general obligation debt that is revenue-supported general obligation debt.

The 1999 Annual Report has been filed with each nationally recognized municipal securities information repository (**NRMSIR**). Copies of the 1999 Annual Report may also be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
101 East Wilson Street
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
capfin@doa.state.wi.us

After publication and filing of the 1999 Annual Report, certain changes or events have occurred that affect items discussed in the 1999 Annual Report. Listed below, by reference to particular sections of the 1999 Annual Report, are changes or additions to the discussion contained in those particular sections. Many of the following changes have not been filed with the NRMSIRs. However, the State has filed, and expects to continue to file, certain informational notices with the NRMSIRs. These informational notices do not constitute listed material events under the State's Master Agreement on Continuing Disclosure.

State Budget (page 34). Add the following:

On January 24, 2000, the Legislative Fiscal Bureau provided revised general-fund estimates for the 1999-2000 and 2000-2001 fiscal years, taking into account economic forecasts and actual tax collections and expenditures. The revised estimates show the following differences from estimates used in the 1999-2001 biennial budget and the sales tax rebate signed into law on November 16, 1999:

- 1999-2000 general-fund tax collections are now estimated to be \$145.3 million greater at \$10.793 billion.
- 2000-2001 general-fund tax collections are now estimated to be \$271.9 million greater at \$10.599 billion.
- Departmental revenues (non-tax receipts) are now estimated to be \$25.5 million lower.
- Net expenditures are now estimated to be \$27.6 million greater.

On May 30, 2000, the Governor signed legislation that restores the State's property tax rent credit pertaining to individual income taxes starting in tax year 2000. It is estimated that this law will reduce 2000-2001 general-fund tax collections by \$319.0 million.

The above information is intended to provide an update to the budget tables that appear on pages A-3 and A-4; however, this information is not intended to be a general-fund condition statement or a forecast of the June 30, 2000 general-fund balance.

Potential Effect of Litigation; Assessment of Taxes for Railroads (page 37). Amend with the following:

Recently, the Wisconsin Court of Appeals decided against the State in this case. The State currently expects that it will incur a liability of approximately \$22 million. This liability will be payable, with interest, unless this case is reversed on the appeal that the State will make to the Wisconsin Supreme Court.

Table II-5; State Budget–All Funds (Page 35). Replace the table with the following, which reflects the Governor’s actions on the biennial budget:

State Budget–All Funds^(a)

	Actual ^(b) 1998-99	Budget 1998-99	Budget 1999-2000	Budget 2000-2001
RECEIPTS				
Fund Balance from Prior Year.....	\$ 552,311,000	\$ 352,243,400	\$ 701,293,000	\$ 550,993,800
Tax Revenue				
Individual Income.....	5,162,239,000	5,052,400,000	5,795,065,000	5,343,763,400 ^(c)
General Sales and Use.....	3,284,695,000	3,134,030,000	3,443,143,500	3,623,801,900
Corporate Franchise and Income.....	635,203,000	654,700,000	645,703,200	639,562,400 ^(d)
Public Utility.....	287,085,000	272,600,000	244,105,000	219,950,000 ^(e)
Excise				
Cigarette/Tobacco Products.....	266,817,000	268,900,000	247,575,000	242,600,000 ^(f)
Liquor and Wine.....	32,941,000	32,300,000	33,000,000	33,500,000
Malt Beverage.....	9,163,000	9,500,000	9,300,000	9,300,000
Inheritance, Estate & Gift.....	116,898,000	55,000,000	90,000,000	70,000,000 ^(g)
Insurance Company.....	97,045,000	95,000,000	84,000,000	86,000,000
Other.....	1,089,833,000 ^(h)	88,237,500 ^(h)	56,113,400 ^(h)	58,613,400 ^(h)
Subtotal.....	10,981,919,000	9,662,667,500	10,648,005,100	10,327,091,100
Nontax Revenue				
Departmental Revenue.....	\$ 158,390,000	\$ 151,226,600	\$ 252,555,800	\$ 182,585,200
Tobacco Settlement.....	NA	NA	185,031,900	148,984,800
Total Federal Aids.....	3,774,415,000	4,339,196,600	5,073,553,400	4,677,447,800
Total Program Revenue.....	2,358,405,000	2,353,325,400	2,647,370,200	2,720,533,400
Total Segregated Funds.....	3,542,902,000	2,229,010,500	2,275,227,200	2,290,799,300
Fund Transfers In.....	NA	NA	64,000,000	NA
Bond Authority.....	490,003,000	490,000,000	458,000,000	400,000,000
Employee Benefit Contributions ⁽ⁱ⁾	6,794,183,000	4,840,878,164	6,612,282,700	7,051,394,300
Subtotal.....	17,118,298,000	14,343,637,264	17,568,021,200	17,471,744,800
Total Available.....	\$ 28,652,528,000	\$ 24,358,548,164	\$ 28,917,319,300	\$ 28,349,829,700
DISBURSEMENTS AND RESERVES				
Commerce.....	\$ 367,656,000	\$ 390,029,300	\$ 416,377,800	\$ 417,404,800
Education.....	7,537,266,000	7,332,883,400	7,857,071,000	8,211,025,300
Environmental Resources.....	2,494,198,000	2,183,076,800	2,480,489,400	2,427,967,200
Human Relations and Resources.....	6,579,235,000	6,120,171,500	6,841,230,700	6,695,265,900
General Executive.....	3,283,685,000	613,160,900	672,909,000	668,691,900
Judicial.....	95,431,000	90,209,800	101,242,400	101,739,000
Legislative.....	58,081,000	55,994,700	60,239,300	58,829,900
General Appropriations.....	2,547,602,000	2,012,329,700	2,882,274,900	2,168,380,400
General Obligation Bond Program.....	401,345,000	430,000,000	458,000,000	400,000,000
Employee Benefit Payments ⁽ⁱ⁾	1,934,678,000	2,019,386,350	2,504,993,800	2,695,311,400
Reserve for Employee Benefit Payments ⁽ⁱ⁾	4,859,505,000	2,821,491,814	4,107,288,900	4,356,082,900
Subtotal.....	30,158,682,000	24,068,734,264	28,382,117,200	28,200,698,700
Less: (Lapses).....	NA	(60,255,000)	(95,891,700)	(118,987,100)
Compensation Reserves.....	NA	66,338,400	56,100,000	117,750,000
Required Statutory Balance.....	NA	99,426,600	113,717,800	134,139,300
Fund Transfers Out.....	NA	166,108,600	23,500,000	NA
Other.....	NA	NA	500,000	NA
Change in Continuing Balance.....	(2,218,980,000)	NA	NA	NA
Total Disbursements & Reserves.....	\$ 27,939,702,000	\$ 24,340,352,864	\$ 28,480,043,300	\$ 28,333,600,900
Fund Balance.....	\$ 712,826,000	\$ 18,195,300	\$ 437,276,000	\$ 16,228,800
Undesignated Balance.....	\$ 701,293,000	\$ 117,621,900	\$ 550,993,800	\$ 150,368,100

- (a) The amounts shown are based on statutorily required accounting and not on GAAP.
- (b) The amounts shown are unaudited and rounded to the nearest thousand.
- (c) The decrease results from budgeted tax reductions becoming effective.
- (d) The decrease results from budgeted tax changes that produce one-time effects in the first fiscal year.
- (e) The decrease results from the continued effect of prior years' tax changes.
- (f) The decrease results from an anticipated decline in consumption.
- (g) The decrease results from an expected one-time collection in the 1999-2000 fiscal year.
- (h) The budgets do not include taxes collected for segregated funds. The largest such tax is the motor fuel tax. The State collected \$797 million of motor fuel taxes in the 1998-99 fiscal year. The 1998-99 fiscal year includes revenues collected from a tax amnesty program.
- (i) State law separates the accounting of employee benefits from the budget. They are included for purposes of comparability to the figures presented in this table and Tables II-1 and II-2 in the 1999 Annual Report.

Table II-6; State Budget–General Fund (Page 36). Replace the table with the following, which now reflects the Governor’s actions on the biennial budget:

State Budget–General Fund^(a)

	Actual ^(b) 1998-99	Budget 1998-99	Budget 1999-2000	Budget 2000-2001
RECEIPTS				
Fund Balance from Prior Year.....	\$ 552,311,000	\$ 352,243,400	\$ 701,293,000	\$ 550,993,800
Tax Revenue				
State Taxes Deposited to General Fund				
Individual Income.....	5,162,239,000	5,052,400,000	5,795,065,000	5,343,763,400 ^(c)
General Sales and Use.....	3,284,695,000	3,134,030,000	3,443,143,500	3,623,801,900
Corporate Franchise and Income.....	635,203,000	654,700,000	645,703,200	639,562,400 ^(d)
Public Utility.....	287,085,000	272,600,000	244,105,000	219,950,000 ^(e)
Excise				
Cigarette/Tobacco Products.....	266,817,000	268,900,000	247,575,000	242,600,000 ^(f)
Liquor and Wine.....	32,941,000	32,300,000	33,000,000	33,500,000
Malt Beverage.....	9,163,000	9,500,000	9,300,000	9,300,000
Inheritance, Estate & Gift.....	116,898,000	55,000,000	90,000,000	70,000,000 ^(g)
Insurance Company.....	97,045,000	95,000,000	84,000,000	86,000,000
Other.....	69,243,000 ^(h)	88,237,500 ^(h)	56,113,400	58,613,400
Subtotal.....	<u>9,961,329,000</u>	<u>9,662,667,500</u>	<u>10,648,005,100</u>	<u>10,327,091,100</u>
Nontax Revenue				
Departmental Revenue.....	158,390,000	151,226,600	\$ 252,555,800	\$ 182,585,200
Tobacco Settlement.....	NA	NA	185,031,900	148,984,800
Program Revenue-Federal.....	3,774,415,000	3,929,984,000	4,450,884,500	4,105,179,800
Program Revenue-Other.....	2,358,405,000	2,353,325,400	2,647,370,200	2,720,533,400
Fund Transfers In.....	NA	NA	64,000,000	NA
Subtotal.....	<u>6,291,210,000</u>	<u>6,434,536,000</u>	<u>7,599,842,400</u>	<u>7,157,283,200</u>
Total Available.....	<u>\$ 16,804,850,000</u>	<u>\$ 16,449,446,900</u>	<u>\$ 18,949,140,500</u>	<u>\$ 18,035,368,100</u>
DISBURSEMENTS AND RESERVES				
Commerce.....	\$ 199,054,000	\$ 195,817,600	216,422,000	221,753,100
Education.....	7,228,129,000	7,185,455,400	7,795,022,700	8,151,560,200
Environmental Resources.....	244,061,000	239,024,700	258,472,200	260,085,700
Human Relations and Resources.....	5,829,545,000	6,013,539,700	6,676,189,200	6,505,112,000
General Executive.....	523,088,000	533,306,400	633,904,200	568,969,200
Judicial.....	95,074,000	89,565,900	100,584,600	101,081,200
Legislative.....	58,081,000	55,994,700	60,239,300	58,829,900
General Appropriations.....	<u>1,921,555,000</u>	<u>1,846,928,600</u>	<u>2,673,104,200</u>	<u>2,018,845,800</u>
Subtotal.....	<u>16,098,587,000</u>	<u>16,159,633,000</u>	<u>18,413,938,400</u>	<u>17,886,237,100</u>
Less: (Lapses).....	NA	(60,255,000)	(95,891,700)	(118,987,100)
Compensation Reserves.....	NA	66,338,400	56,100,000	117,750,000
Required Statutory Balance.....	NA	99,426,600	113,717,800	134,139,300
Fund Transfers Out.....	NA	166,108,600	23,500,000	NA
Other.....	NA	NA	500,000	NA
Changes in Continuing Balance.....	<u>(6,563,000)</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>
Total Disbursements & Reserves.....	<u>\$ 16,092,024,000</u>	<u>\$ 16,431,251,600</u>	<u>\$ 18,511,864,500</u>	<u>\$ 18,019,139,300</u>
Fund Balance.....	\$ 712,826,000	\$ 18,195,300	\$ 437,276,000	\$ 16,228,800
Undesignated Balance.....	\$ 701,293,000	\$ 117,621,900	\$ 550,993,800	\$ 150,368,100

(a) The amounts shown are based on statutorily required accounting and not on GAAP.

(b) The amounts shown are unaudited and rounded to the nearest thousand.

(c) The decrease results from budgeted tax reductions becoming effective.

(d) The decrease results from budgeted tax changes that produce one-time effects in the first fiscal year.

(e) The decrease results from the continued effect of prior years' tax changes.

(f) The decrease results from an anticipated decline in consumption.

(g) The decrease results from an expected one-time collection in the 1999-2000 fiscal year.

(h) The 1998-99 fiscal year information include revenues collected from a tax amnesty program.

Source: Wisconsin Department of Administration.

Table II-9; General Fund Monthly Position (Page 45). Replace the table with the following:

GENERAL FUND MONTHLY CASH POSITION
July 1, 1997 through May 31, 2000 — Actual
June 1, 2000 through June 30, 2000 — Estimated^(a)
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>	<u>Receipts^(b)</u>	<u>Disbursements^(b)</u>
1997	July.....	\$ 493,468	\$ 1,583,435	\$ 1,558,759
	August.....	518,144	1,092,096	868,164
	September.....	742,076	1,518,617	1,140,770
	October.....	1,119,923	1,281,159	1,220,979
	November.....	1,180,103	1,363,754	1,575,478
	December.....	968,379	1,221,439	1,810,967
1998	January.....	378,851	1,701,236	1,004,066
	February.....	1,076,021	1,222,276	1,122,065
	March.....	1,176,232	1,357,272	2,111,569
	April.....	421,935	1,536,033	1,078,050
	May.....	879,918	1,258,276	990,358
	June.....	1,147,836	1,535,006	2,240,138
	July.....	442,704	1,641,655	1,750,960
	August.....	333,399	1,200,704	803,188
	September.....	730,915	1,607,957	1,283,254
	October.....	1,055,618	1,267,513	1,035,960
	November.....	1,287,171	1,408,782	1,619,285
	December.....	1,076,668	1,333,433	1,878,358
1999	January.....	531,743	1,745,237	953,828
	February.....	1,323,152	1,267,106	1,107,154
	March.....	1,483,104	1,491,320	2,232,696
	April.....	741,728	1,648,520	1,185,032
	May.....	1,205,216	1,488,763	1,027,762
	June.....	1,666,217	1,541,035	2,470,983
	July.....	736,269	1,441,009	1,836,987
	August.....	340,291	1,308,849	868,154
	September.....	780,986	1,547,229	1,292,942
	October.....	1,035,273	1,331,192	1,031,907
	November.....	1,334,558	1,433,801	1,794,197
	December.....	974,162	1,449,618	1,987,753
2000	January.....	436,027	2,095,798	1,693,313
	February.....	838,512	1,544,207	1,240,280
	March.....	1,142,439	1,526,625	2,143,437
	April.....	525,627	1,812,812	1,174,173
	May.....	1,164,266	1,580,865	1,172,474
	June.....	1,572,657	1,761,576	2,591,357

^(a) The monthly receipt and disbursement projections for June 1, 2000 through June 30, 2000 are based on estimates provided by the Division of Executive Budget and Finance.

^(b) The receipt amounts shown in July 1997 and 1998 include the proceeds received at closing for the respective operating notes. See "OTHER OBLIGATIONS; Operating Notes" in Part II of the 1999 Annual Report. The disbursement amounts shown for February, March, April and May 1998-1999 include impoundment payments required in connection with the operating notes. No operating notes were issued in the 1999-2000 fiscal year.

Source: Wisconsin Department of Administration.

Table II-11; Revenues Deposited to the General Fund (Page 47). Replace the table with the following:

**REVENUES DEPOSITED TO THE GENERAL FUND^(a)
July 1, 1999 to May 31, 2000 compared with previous year
(Unaudited)**

	Actual Receipts 1998-99 FY^(b)	Projected Receipts 1999-2000 FY	Actual Receipts July 1, 1998 to May 31, 1999	Actual Receipts July 1, 1999 to May 31, 2000
Individual Income Tax	\$ 5,162,239,000	\$ 5,795,065,000	\$ 4,444,978,990	\$ 4,963,033,926
General Sales and Use Tax	3,284,695,000	3,443,143,500	2,655,993,704	2,844,412,621
Corporate Franchise and Income Tax	635,203,000	645,703,200	502,662,412	514,152,166
Public Utility Taxes	287,085,000	244,105,000	138,613,384	258,654,955
Excise Taxes	308,921,000	289,875,000	255,079,195	248,282,088
Inheritance Taxes	116,898,000	90,000,000	112,230,607	127,789,524
Miscellaneous Taxes	166,288,000	140,113,400	145,944,944	136,280,844
SUBTOTAL.....	<u>9,961,329,000</u>	<u>10,648,005,100</u>	<u>8,255,503,236</u>	<u>9,092,606,124</u>
Federal Receipts.....	3,774,415,000	4,454,261,000	3,438,982,903	3,673,478,390
Dedicated and Other Revenues ^(c)	<u>2,516,795,000</u>	<u>3,152,112,400</u>	<u>2,487,133,951</u> ^(d)	<u>2,815,545,266</u> ^(d)
TOTAL.....	<u>\$16,252,539,000</u>	<u>\$18,254,378,500</u>	<u>\$ 14,181,620,090</u>	<u>\$ 15,581,629,780</u>

- (a) The amounts shown are based on the statutory accounting basis and not on GAAP. See "ACCOUNTING AND FINANCIAL REPORTING" in Part II of the 1999 Annual Report.
- (b) The amounts shown are the sum of all revenues for fiscal year 1998-99 based on the data used in the preparation of the Annual Fiscal Report, Budgetary Basis, for the year ending June 30, 1999.
- (c) The statutory basis of accounting requires that certain transfers between General Fund appropriations be recorded as both revenues and expenditures of the General Fund. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.
- (d) The amounts shown do not reflect receipt of \$350 million principal amount in fiscal year 1998-99 from the sale of operating notes. No operating notes were issued in the 1999-2000 fiscal year.

Source: Wisconsin Department of Administration.

Table II-12; General Fund Expenditures by Function (Page 48). Replace the table with the following:

**GENERAL FUND EXPENDITURES BY FUNCTION^(a)
July 1, 1999 to May 31, 2000 compared with previous year
(Unaudited)**

	Actual Expenditures <u>1998-99 FY^(b)</u>	Appropriations <u>1999-2000 FY</u>	Actual Expenditures July 1, 1998 to <u>May 31, 1999</u>	Actual Expenditures July 1, 1999 to <u>May 31, 2000</u>
Commerce.....	\$ 199,054,000	\$ 216,422,000	\$ 167,958,797	\$ 175,558,933
Education.....	7,228,129,000	7,795,022,700	5,644,594,824	6,062,377,516
Environmental Resources.....	244,061,000	258,472,200	229,178,449	251,106,629
Human Relations & Resources.....	5,829,545,000	6,676,189,200	5,190,495,013	5,540,448,818
General Executive.....	523,088,000	633,904,200	466,226,121	576,695,727
Judicial.....	95,074,000	100,584,600	86,622,679	92,705,490
Legislative.....	58,081,000	60,239,300	48,939,276	51,525,414
General Appropriations.....	<u>1,921,555,000</u>	<u>2,673,104,200</u>	<u>1,724,864,974</u>	<u>2,497,615,610</u>
TOTAL.....	<u>\$ 16,098,587,000</u>	<u>\$ 18,413,938,400</u>	<u>\$ 13,558,880,133</u>	<u>\$ 15,248,034,137</u>

(a) The amounts shown are based on the statutory accounting basis and not on GAAP. See "ACCOUNTING AND FINANCIAL REPORTING" in Part II of the 1999 Annual Report.

(b) The amounts shown are the sum of all expenditures for fiscal year 1998-99 based on the data used in the preparation of the Annual Fiscal Report, Budgetary Basis, for the year ending June 30, 1999.

Source: Wisconsin Department of Administration.

Table III-6; Debt Statement (Page 86). Replace the table with the following:

Debt Statement					
June 1, 2000					
	<u>Tax-Supported Debt</u>		<u>Revenue-Supported Debt^(a)</u>		<u>Total</u>
	<u>General Fund</u>	<u>Segregated Funds^(b)</u>	<u>Veterans Housing</u>	<u>Other^(c)</u>	
GENERAL OBLIGATIONS					
Outstanding Indebtedness ..	<u>\$2,567,023,529</u>	<u>\$49,646,587</u>	<u>\$762,185,000</u>	<u>\$352,207,337</u>	<u>\$3,731,062,453</u>
NONSTOCK, NONPROFIT CORPORATIONS^(d)					
Wisconsin State Colleges					
Building Corp.				<u>125,000</u>	<u>125,000</u>
Outstanding Indebtedness..				<u>\$ 125,000</u>	<u>\$ 125,000</u>
Total Outstanding Indebtedness	<u>\$2,567,023,529</u>	<u>\$49,646,587</u>	<u>\$762,185,000</u>	<u>\$352,332,337</u>	<u>\$3,731,187,453</u>

- (a) Revenue Supported Debt represents general obligation debt of the State and indebtedness of its nonstock, nonprofit corporations issued to fund particular programs and facilities with the initial expectation that revenues and other proceeds derived from the operation of the programs and facilities will amortize the allocable debt without recourse to the General Fund.
- (b) Includes the Transportation Fund and certain administrative facilities for the Department of Natural Resources.
- (c) Includes university dormitories, food service, intercollegiate athletic facilities, certain facilities on the State Fair grounds, and capital equipment acquisition.
- (d) See "STATE OBLIGATIONS; Nonstock, Nonprofit Corporations" in Part II of the 1999 Annual Report for a description of the nonstock, nonprofit corporations.

Source: Wisconsin Department of Administration.

Appendix B

STATE OF WISCONSIN GENERAL OBLIGATION ISSUANCE STATUS REPORT June 15, 2000

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings^(a)</u>	<u>G. O. Bonds of 2000, Series C</u>	<u>Total Authorized Unissued Debt</u>
University of Wisconsin; academic facilities.....	\$ 856,708,700	\$ 746,892,229	\$ 11,377,924	\$ 13,275,000	\$ 85,163,547
University of Wisconsin; self-amortizing facilities.....	513,941,400	307,787,621	1,078,732	21,330,000	183,745,047
Natural resources; Warren Knowles - Gaylord Nelson stewardship 2000 program.....	460,000,000	25,000,000			435,000,000
Natural resources; municipal clean drinking water grants.....	9,800,000	9,518,342	141,818		139,840
Clean water fund program.....	552,743,200	351,804,053			200,939,147
Safe drinking water loan program.....	26,210,000	14,131,520			12,078,480
Natural resources; nonpoint source grants.....	56,763,600	31,955,658	132,570	1,770,000	22,905,372
Natural resources; nonpoint source compliance.....	2,000,000	2,000,000			
Natural resources; environmental repair.....	43,000,000	21,954,900	161,017	1,420,000	19,464,083
Natural resources; urban nonpoint source cost-sharing.....	13,000,000			735,000	12,265,000
Natural resources; environmental segregated fund supported administrative facilities.....	3,050,900	136,100			2,914,800
Natural resources; segregated revenue supported dam safety projects.....	6,350,000	3,048,000		90,000	3,212,000
Natural resources; pollution abatement and sewage collection facilities, ORAP funding.....	146,850,000	145,010,325	50,000		1,789,675
Natural resources; pollution abatement and sewage collection facilities.....	902,449,800	874,069,888	18,510,235	20,000	9,849,677
Natural resources; pollution abatement and sewage collection facilities; combined sewer overflow.....	200,600,000	194,309,242	6,287,401		3,357
Natural resources; recreation projects.....	56,055,000	56,053,994	1,006		
Natural resources; local parks land acquisition and development.....	2,490,000	2,439,349	42,259		8,392
Natural resources; recreation development.....	23,061,500	22,818,110	141,227		102,163
Natural resources; land acquisition.....	45,608,600	45,115,269	491,671		1,660

GENERAL OBLIGATION ISSUANCE STATUS REPORT—CONTINUED
June 15, 2000

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Interest Earnings^(a)	G. O. Bonds of 2000, Series C	Total Authorized Unissued Debt
Natural resources; Wisconsin natural areas heritage program.....	2,500,000	2,442,545	17,174		40,281
Natural resources; segregated revenue supported facilities.....	23,376,600	15,544,722	45,287	190,000	7,596,591
Natural resources; general fund supported administrative facilities.....	10,882,400	7,011,075	21,432	115,000	3,734,893
Natural resources; ice age trail.....	750,000				750,000
Natural resources; dam safety projects.....	5,500,000	5,367,000	49,701		83,299
Natural resources; segregated revenue supported land acquisition.....	2,500,000	2,498,446			1,554
Natural resources; Warren Knowles - Gaylord Nelson stewardship program.....	231,000,000	182,480,000	1,293,404	4,375,000	42,851,596
Transportation; administrative facilities.....	8,890,400	8,759,479	33,943		96,978
Transportation; accelerated bridge improvements.....	46,849,800	46,849,800			
Transportation; rail passenger route development...	50,000,000				50,000,000
Transportation; accelerated highway improvements.....	185,000,000	185,000,000			
Transportation; connecting highway improvements.....	15,000,000	15,000,000			
Transportation; federally aided highway facilities.....	10,000,000	10,000,000			
Transportation; highway projects.....	41,000,000	41,000,000			
Transportation; harbor improvements.....	22,000,000	14,170,000	232,605	310,000	7,287,395
Transportation; rail acquisitions and improvements.....	23,500,000	14,135,000		165,000	9,200,000
Transportation; local roads for job preservation, state funds.....	10,000,000				10,000,000
Corrections; correctional facilities.....	697,679,300	552,011,762	10,194,467	10,245,000	125,228,071
Corrections; self-amortizing facilities and equipment.....	7,337,000	1,320,000	99	15,000	6,001,901
Corrections; juvenile correctional facilities.....	27,726,500	25,278,556	101,839	20,000	2,326,105
Health and family services; mental health and secure treatment facilities.....	125,705,700	104,350,268	735,783	6,870,000	13,749,649

GENERAL OBLIGATION ISSUANCE STATUS REPORT—CONTINUED
June 15, 2000

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Interest Earnings^(a)	G. O. Bonds of 2000, Series C	Total Authorized Unissued Debt
Agriculture; soil and water.....	6,575,000	1,200,000	1,248	45,000	5,328,752
Agriculture; conservation reserve enhancement..	40,000,000				40,000,000
Administration; Black Point Estate.....	1,600,000				1,600,000
Building commission; previous lease rental authority.....	143,071,600	143,068,654			2,946
Building commission; refunding corporation self-amortizing debt.....	870,000				870,000
Building commission; refunding tax-supported general obligation debt.....	2,125,000,000	1,896,403,677 ^(b)			228,596,323
Building commission; refunding self-amortizing general obligation debt.....	275,000,000	231,440,786 ^(b)			43,559,214
Building commission; housing state departments and agencies.....	387,646,600	235,504,121	1,998,808	18,740,000	131,403,671
Building commission; 1 West Wilson street parking ramp.....	15,100,000	14,805,521	294,479		
Building commission; project contingencies.....	36,188,400	18,790,000	51,028	1,250,000	16,097,372
Building commission; capital equipment acquisition.....	105,370,400	69,499,191	728,797		35,142,412
Building commission; discount sale of debt.....	90,000,000	65,428,484		1,276,214	23,295,302
Building commission; discount sale of debt (higher education bonds).....	100,000,000	99,988,833 ^(b)			11,167
Building commission; other public purposes.....	1,056,769,500	799,534,312	5,401,265	148,786	251,685,137
Medical College of Wisconsin, Inc.;					
basic science education and health information technology facilities...	10,000,000	10,000,000			
Marquette University; dental clinic and education facility..	15,000,000				15,000,000
Swiss cultural center.....	1,000,000				1,000,000
Milwaukee Police Athletic League; youth activities center.....	1,000,000				1,000,000
Technology for educational achievement in Wisconsin board; school district educational technology infrastructure financial assistance.....	100,000,000	25,435,000	420,588		74,144,412

GENERAL OBLIGATION ISSUANCE STATUS REPORT—CONTINUED
June 15, 2000

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Interest Earnings^(a)	G. O. Bonds of 2000, Series C	Total Authorized Unissued Debt
Technology for educational achievement in Wisconsin board; public library educational technology infrastructure financial assistance.....	10,000,000				10,000,000
Educational communications board; educational communications facilities.....	8,658,100	7,504,539	36,946		1,116,615
Historical society; self-amortizing facilities.....	3,173,600	1,029,156	3,896		2,140,548
Historical society; historic records.....	400,000				400,000
Historical society; historic sites.....	1,839,000	1,825,756			13,244
Historical society; museum facility.....	4,384,400	4,351,000			33,400
Public instruction; state school, state center and library facilities.....	7,367,700	7,330,612	32,508		4,580
Military affairs; armories and military facilities.....	20,417,300	17,677,527	192,543	55,000	2,492,230
Veterans affairs; veterans facilities.....	10,090,100	8,718,065	50,556	125,000	1,196,479
Veterans affairs; self-amortizing mortgage loans.....	2,020,500,000	1,833,706,295	2,133,000		184,660,705
Veterans affairs; refunding bonds.....	665,000,000	632,539,245			32,460,755
Veterans affairs; self-amortizing facilities.....	15,941,000			20,000	15,921,000
State fair park board; board facilities.....	3,887,100	1,920,000		110,000	1,857,100
State fair park board; housing facilities.....	11,000,000	10,939,000	3		60,997
State fair park board; self-amortizing facilities.....	44,787,100	23,473,800	6,046	5,000,000	16,307,254
Total.....	<u>\$12,805,517,300</u>	<u>\$10,249,376,827</u>	<u>\$62,493,306</u>	<u>\$87,715,000</u>	<u>\$2,405,932,167</u>

^(a) Interest earnings reduce issuance authority by the same amount.

^(b) Interest scheduled to accrue on any obligation that is not payable during the current fiscal year is treated as debt and taken into account for purposes of the statutory authority to issue debt.

Source: Wisconsin Department of Administration.

Appendix C

EXPECTED FORM OF LEGAL OPINION

Upon delivery of the Bonds, it is expected that Foley & Lardner will deliver a legal opinion in substantially the following form:

(Letterhead of Foley & Lardner)

\$87,715,000

STATE OF WISCONSIN

GENERAL OBLIGATION BONDS OF 2000, SERIES C

We have acted as bond counsel in connection with the issuance by the State of Wisconsin (the "State") of its General Obligation Bonds of 2000, Series C to the amount of \$87,715,000, dated July 15, 2000 (the "Bonds"). We investigated the law and examined such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we relied upon the certified proceedings and other certificates of public officials furnished to us without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement). However, in connection with the rendering of our opinion as to the validity of the Bonds, nothing has come to our attention that would lead us to believe that the Official Statement (except for the financial statements and other financial or statistical data included therein, as to which we express no view), as of the date of delivery of the Bonds, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

The Bonds are being issued pursuant to Chapter 18, Wisconsin Statutes (the "Act") and a resolution adopted by the State of Wisconsin Building Commission (the "Commission") on June 28, 2000 (the "Resolution").

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bonds, to the amount named, are valid and binding general obligations of the State.
2. The Resolution has been duly adopted by the Commission and constitutes a valid and binding obligation of the State enforceable upon the State as provided in the Resolution.
3. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of the principal of, premium, if any, and interest on the Bonds as the same mature and become due. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for such purpose.
4. The interest on the Bonds is excluded from gross income for federal income tax purposes, and the interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers; it should be noted, however, that with respect to certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for

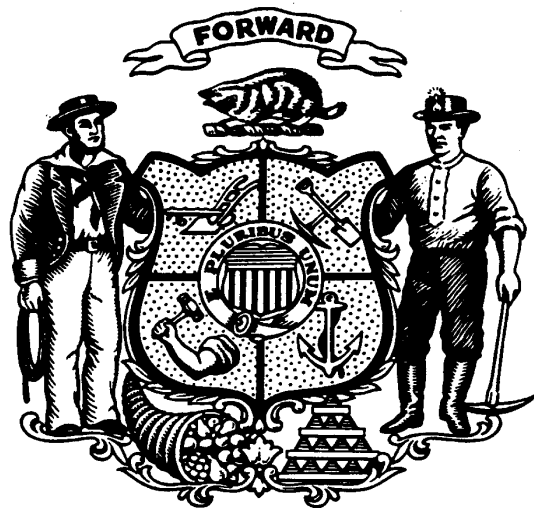
the purpose of computing the alternative minimum tax imposed on such corporations. The opinions set forth in the preceding sentence of this paragraph are subject to the condition that the State comply with all requirements of the Internal Revenue Code of 1986, as amended, and other federal tax legislation that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The State has covenanted to comply with each such requirement to the extent it may lawfully do so. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

FOLEY & LARDNER

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