OFFICIAL STATEMENT

New Issue

This Official Statement provides information on the Bonds. Some of the information appears on this cover page for ready reference. A prospective investor should read the entire Official Statement to make an informed investment decision.

$247,105,000
STATE OF WISCONSIN
GENERAL OBLIGATION REFUNDING BONDS OF 2001, SERIES 1

Dated: October 1, 2001 **Due: May 1 as shown below**

Ratings-*See page 3*

Based on MBIA Insurance	Underlying Rating	
AAA	AA	Fitch
Aaa	Aa3	Moody's Investors Service, Inc.
AAA	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 included as an item of tax preference but is subject to State of Wisconsin income and franchise taxes—*See pages 11-12*.

Redemption The Bonds are not subject to redemption prior to their maturity.

Security General obligations of the State of Wisconsin—*See page 3*.

Insurance Payment of principal and interest on the Bonds will be insured by a Financial Guaranty Insurance Policy to be issued by MBIA Insurance Corporation (**MBIA**) simultaneously with the delivery of the Bonds.

Purpose Proceeds are being used to advance refund previously issued general obligation bonds and to pay for costs of issuance—*See page 2*.

Interest Payment Dates May 1 and November 1, commencing May 1, 2002

Closing/Settlement On or about October 17, 2001

Denominations $5,000

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—*See pages 3-5*.

Annual Report This Official Statement incorporates by reference Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 22, 2000.

The prices and yields listed below were determined on September 25, 2001 at a negotiated sale. The Underwriters purchased the Bonds at a purchase price of $268,562,298.00.

CUSIP	Due (May 1)	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Call Date	Call Price
977056 Q45	2005	$ 4,230,000	5.00%	3.12%	106.251%	Not Callable	N/A
977056 Q52	2007	18,385,000	5.25	3.63	108.060	Not Callable	N/A
977056 Q60	2008	4,935,000	5.25	3.86	107.963	Not Callable	N/A
977056 Q78	2009	9,180,000	5.25	3.99	108.132	Not Callable	N/A
977056 Q86	2010	26,645,000	5.50	4.10	109.998	Not Callable	N/A
977056 Q94	2011	34,690,000	5.50	4.20	110.129	Not Callable	N/A
977056 R28	2012	17,855,000	5.50	4.34	109.725	Not Callable	N/A
977056 R36	2013	52,350,000	5.50	4.44	109.488	Not Callable	N/A
977056 R44	2014	38,410,000	5.50	4.53	109.199	Not Callable	N/A
977056 R51	2015	40,425,000	5.50	4.62	108.782	Not Callable	N/A

(Accrued interest to be added)

Bear, Stearns & Co. Inc.

Robert W. Baird & Co. Inc. **M♦R♦Beal & Company** **Goldman, Sachs & Co.** **Loop Capital Markets, LLC**

Merrill Lynch & Co. **Morgan Stanley** **UBS PaineWebber Inc.**

Ramirez & Co., Inc. **Salomon Smith Barney** **Siebert Brandford Shank & Co., LLC**

September 26, 2001

This document is the "official" statement—that is, it contains the only authorized information about the offering of the Bonds. This document isn't an offer or solicitation for the Bonds, and no unlawful offer, solicitation, or sale may occur through the use of this document or otherwise. This document isn't a contract, and it provides no investment advice. Prospective investors should consult their advisors and legal counsel with questions about this document, the Bonds, and anything else related to the offering.

The purpose of this document is to provide prospective investors with information that may be important in making an investment decision. It may not be used for any other purpose without the State's permission. The State is the author of this document and is responsible for its accuracy and completeness. The Underwriters are not the authors of this document. In accordance with their responsibilities under federal securities laws, the Underwriters are required to review the information in this document and must have a reasonable basis for their belief in the accuracy and completeness of its key representations.

The estimates, forecasts, projections, and opinions in this document aren't hard facts, and no one guarantees them. Some of the people who prepared, compiled, or reviewed this information had specific functions that covered some aspects of the offering but not others. For example, financial staff focused on quantitative financial information, and legal counsel focused on specific documents or legal issues assigned to them.

No dealer, broker, sales representative, or other person has been authorized to give any information or to make any representations about the Bonds other than what is in this document. The information and expressions of opinion in this document may change without notice. The delivery of this document or any sale of the Bonds does not imply that there has been no change in the matters contained in this document since the date of this document. Material referred to in this document is not part of this document unless expressly included.

In connection with the offering of the Bonds, the Underwriters may overallot or effect transactions which stabilize or maintain the market price of such Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

TABLE OF CONTENTS

STATE OFFICIALS PARTICIPATING IN THE ISSUANCE AND SALE OF THE BONDS

BUILDING COMMISSION MEMBERS

Voting Members	**Term of Office Expires**
Governor Scott McCallum, Chairperson	January 6, 2003
Senator Fred A. Risser, Vice-Chairperson	January 3, 2005
Senator Mark Meyer	January 3, 2005
Senator Carol Roessler	January 3, 2005
Representative Timothy Hoven	January 6, 2003
Representative Jeffrey Plale	January 6, 2003
Representative Daniel Vrakas	January 6, 2003
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 G. Cramer (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
Telefax (608) 266-7645
capfin@doa.state.wi.us

Mr. Frank R. Hoadley
Capital Finance Director
(608) 266-2305
frank.hoadley@doa.state.wi.us

Mr. Lawrence K. Dallia
Assistant Capital Finance Director
(608) 267-7399
larry.dallia@doa.state.wi.us

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 reader. A prospective investor should read the entire Official Statement to make an informed investment decision.

Description:	State of Wisconsin General Obligation Refunding Bonds of 2001, Series 1
Principal Amount:	$247,105,000
Denominations:	$5,000 and integral multiples
Date of Issue:	October 1, 2001
Record Date:	April 15 and October 15
Interest Payment:	May 1 and November 1, commencing May 1, 2002
Maturities:	May 1, 2005 and 2007-2015—*See cover*
Redemption:	The Bonds are not subject to redemption prior to their maturity.
Form:	Book entry only—*See pages 3-5*
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, 2001, there were $3,946,641,144 of outstanding general obligations of the State.
Insurance:	Payment of principal and interest on the Bonds will be insured by a Financial Guaranty Insurance Policy to be issued by MBIA Insurance Corporation simultaneously with the delivery of the Bonds—*See pages 8-11.*
Authority for Issuance:	The Bonds are issued under Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes.
Purpose:	Proceeds of the Bonds are being used to advance refund previously issued general obligation bonds and to pay for costs of issuance.
Additional General Obligation Debt:	The State may issue additional general obligation debt.
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:	Interest on the Bonds is not included in gross income and not an item of tax preference for federal income tax purposes—*See pages 11-12.* Interest on the Bonds is subject to State of Wisconsin income and franchise taxes—*See page 12.*
Legal Opinion:	Validity and tax opinion to be provided by Foley & Lardner—*See APPENDIX C*

OFFICIAL STATEMENT

$247,105,000

STATE OF WISCONSIN

GENERAL OBLIGATION REFUNDING BONDS OF 2001, SERIES 1

INTRODUCTION

This Official Statement provides information about the $247,105,000 General Obligation Refunding Bonds of 2001, Series 1 **(Bonds** or **Refunding 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 22, 2000 **(2000 Annual Report)**.

The Bonds are authorized under the Wisconsin Constitution and the Wisconsin Statutes **(Act)**, as well as an authorizing resolution that the State of Wisconsin Building Commission **(Commission)** adopted on January 25, 2001 **(Resolution)**.

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

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 operations and financial condition, and its general obligations is included as APPENDIX A, which includes by reference Parts II and III of the 2000 Annual Report.

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

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

PLAN OF REFUNDING

General

The Act empowers the Commission to issue refunding bonds. The Bonds are being issued within the available amounts previously authorized by the Act. See APPENDIX B. The Bonds are being issued to refund certain maturities of general obligation bonds that the State previously issued. The refunded maturities are currently outstanding in the total principal amount of $256,390,000 **(Refunded Bonds)**. APPENDIX D identifies and provides information on the Refunded Bonds.

To provide for the refunding of the Refunded Bonds, Bond proceeds, along with a payment the State will receive under a float forward agreement, will be used to purchase direct general obligations of the United States **(Government Obligations)**. These Government Obligations, together with the interest to be earned and a beginning cash deposit, will be sufficient:

- to pay when due the interest on the Refunded Bonds to and including their respective redemption dates, and
- to redeem or pay the principal of the Refunded Bonds on their respective redemption dates at their respective redemption prices.

Refunding Escrow Agreement

The Government Obligations, the beginning cash balance, and the interest earnings will be held in an escrow fund **(Escrow Fund)** created by a Refunding Escrow Agreement **(Escrow Agreement)**, between the State and The Bank of New York **(Escrow Trustee)** solely for the benefit of the owners of the Refunded Bonds.

The Escrow Fund will be held by the Escrow Trustee in trust to make principal and interest payments on the Refunded Bonds. The Escrow Fund will be held by the Escrow Trustee separate and apart from all other funds or accounts held by the Escrow Trustee. The Escrow Trustee will have no lien whatsoever upon any moneys in the Escrow Fund for any of its fees and costs incurred in carrying out the provisions of the Escrow Agreement. Instead, the State will pay these fees and costs to the Escrow Trustee from other available funds.

The float forward agreement allows for amounts on deposit in the Escrow Fund to be reinvested in direct general obligations of the United States for defined periods, before the amounts are required to be applied to make the payments described above.

The accuracy of the mathematical computations of the adequacy of the amounts deposited into the Escrow Fund will be verified by The Arbitrage Group, Inc.

In the opinion of Bond Counsel, upon the State making both the deposit described above into the Escrow Fund and the November 1, 2001 interest payment on the Refunded Bonds, the Refunded Bonds will be deemed to be paid for purposes of State constitutional law and will no longer be considered debt for purposes of the constitutional debt limitations.

THE BONDS

General

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

The Bonds will be dated October 1, 2001 and will bear interest from that date payable on May 1 and November 1 of each year, beginning on May 1, 2002.

Interest on the Bonds will be computed on the basis of a 30-day month and a 360-day year. Payments of principal and interest for each Bond will be paid to the registered owner of the Bonds. The Bonds are being issued initially in book-entry-only form, so the registered owner will be the nominee of a securities depository—initially, The Depository Trust Company, New York, New York (**DTC**). See "THE BONDS; Book-Entry-Only Form".

The Bonds are issued as fully registered bonds without coupons in principal denominations of $5,000 or multiples of $5,000.

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 make principal and interest payments on the Bonds. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient to make principal and interest payments on the Bonds as the payments become due. The Bonds are secured equally with all other outstanding general obligations issued by the State. Payment of principal and interest on the Bonds will be insured by a Financial Guaranty Insurance Policy to be issued by MBIA Insurance Corporation (**MBIA**) simultaneously with the delivery of the Bonds. See "BOND INSURANCE; *The MBIA Insurance Corporation Insurance Policy*".

Redemption Provisions

The Bonds are not subject to redemption prior to their maturity.

Ratings

At the State's request, several rating agencies have rated the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of principal and interest on the Bonds will be issued by MBIA:

Rating	Rating Agency
AAA	Fitch
Aaa	Moody's Investors Service, Inc.
AAA	Standard & Poor's Ratings Services

In addition, at the State's request, several rating agencies have assigned an underlying rating to the Bonds:

Underlying Rating	Rating Agency
AA	Fitch
Aa3	Moody's Investors Service, Inc.
AA	Standard & Poor's Ratings Services

Any explanation of what a rating means may only be obtained from the rating service giving the rating. No one can offer any assurance that a rating given to the Bonds will be maintained for any period of time; a rating agency may lower or withdraw the rating it gives if in its judgment circumstances so warrant. Any downgrade or withdrawal of a rating may adversely affect the market price of the Bonds.

Book-Entry-Only Form

DTC will act as securities depository for the Bonds. The State Treasurer will register all Bonds in the name of Cede & Co. (DTC's partnership nominee). DTC will receive one registered certificate for each maturity.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the same 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 rules applicable to DTC and its Direct and Indirect Participants—that is, 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 make the system work more smoothly, all Bonds deposited by Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. This doesn’t affect the beneficial ownership of any Bond. DTC has no idea who the Beneficial Owners of the Bonds are; its records show only the identity of the Direct Participants to whose accounts the 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.

So long as Cede & Co. is the registered owner of the Bonds as nominee for DTC, references to the Bond owners means Cede & Co. and not the Beneficial Owners.

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 legal requirements.

The State will send redemption notices 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.

The State will make payments on the Bonds to DTC. 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 the Participant and not of the State or DTC, subject to any legal requirements. The State is responsible for sending payments to DTC. DTC is responsible for disbursing those payments to Direct Participants. Both Direct and Indirect Participants are responsible for disbursing those payments to the Beneficial Owners.

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 State's expense.

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

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

No one can give any assurance that DTC, Direct Participants, or Indirect Participants will promptly transfer payments or notices received with respect to the Bonds. The State is not responsible 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 one can give any assurance that DTC will abide by its procedures or that its procedures will not be changed. In the event that the State designates a successor securities depository, the successor may establish different procedures.

Registration and Payment of Bonds

How the Bonds are paid depends on whether or not they are in book-entry-only form.

If the Bonds are in book-entry-only form, payment of principal will 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 Paying Agent–which is the State Treasurer. Payment of interest will be made by wire transfer to the securities depository or its nominee on the payment date.

If the Bonds are not in book-entry-only form, payment of principal will be made by check or draft issued upon the presentation and surrender of the Bonds at the principal office of the Paying Agent, as designated by the Commission. Payment of interest due on the Bonds will be made by check or draft mailed to the registered owner shown in the registration book at the close of business on the 15th day (whether or not a business day) of the calendar month before the interest payment date **(Record Date)**.

Sources and Uses of Funds

The proceeds from the sale of the Bonds, not including accrued interest, are expected to be used as follows:

Sources	
Principal Amount of the Bonds	$247,105,000.00
Original Issue Premium	22,850,283.30
TOTAL SOURCES	$269,955,283.30
Uses	
Deposit to Escrow Fund	$268,032,851.00
Underwriters’ Discount	1,392,985.30
Bond Insurance Premium	527,000.00
Applied to Costs of Issuance	2,447.00
TOTAL USES	$269,955,283.30

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 $2,343,627,800. A refunding obligation 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 2001

General Obligations

The State has sold several issues of general obligations this calendar year:

- $35 million of general obligation bonds for the veterans housing loan program. The State intends to sell and deliver in the near future an additional issue in the amount of $20 million.
- $184 million of general obligation bonds for general governmental purposes. The State sold on September 24, 2001 and intends to deliver on October 10, 2001 an additional issue in the amount of $187 million.
- $50 million of a general obligation loan for general governmental purposes.
- $5 million of general obligation subsidy bonds purchased by the Environmental Improvement Fund.

In addition, the Commission has also authorized the following general obligations that may be issued yet this calendar year:

- Approximately $92 million of general obligation extendible municipal commercial paper for general governmental purposes.
- Approximately $28 million of additional general obligations to refund general obligations previously issued for general governmental purposes. The amount and timing of any additional general obligation refunding bonds depend on market conditions.
- $15 million of taxable general obligation bonds for the veterans housing loan program. The amount and timing of general obligation bonds for this purpose depend on activity of the veterans housing loan program.

The Commission may also authorize and issue additional general obligation subsidy bonds that will be purchased by the Environmental Improvement Fund for the Clean Water Fund Program.

Other Obligations

The Commission has authorized up to $244 million of transportation revenue refunding bonds to refund previously issued transportation revenue bonds. The amount and timing of any transportation revenue refunding bonds depend on market conditions. The Commission has also authorized $155 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 refund the currently outstanding transportation revenue commercial paper notes. The Commission has also authorized and may issue up to $185 million of transportation revenue obligations in the fourth quarter to fund projects in the transportation revenue bond program.

The Commission has also authorized up to $84 million of clean water revenue refunding bonds to refund previously issued clean water revenue bonds. The amount and timing of any clean water revenue refunding bonds depend on market conditions.

The Commission has authorized up to $125 million of petroleum inspection fee revenue refunding bonds. The amount and timing of any such issue depend on market conditions. The Commission has also authorized and may issue up to $94 million of petroleum inspection fee revenue obligations in the fourth quarter to fund claims under a soil remediation program.

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

Underwriting

The Bonds are being purchased by the **Underwriters**, for which Bear, Stearns & Co. Inc. is acting as representative. The Underwriters have agreed, subject to certain conditions, to purchase from the State the Bonds at an aggregate purchase price, not including accrued interest, of $268,562,298.00 (reflecting an original issue premium of $22,850,283.30 and underwriters' discount of $1,392,985.30). The Underwriters have agreed to reoffer the Bonds at the public offering prices or yields set forth on the front cover of this Official Statement. The Bonds may be offered and sold to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than such public offering prices, and such prices may be changed, from time to time, by the Underwriters. The Underwriters' obligations are subject to certain conditions precedent, and they will be obligated to purchase all the Bonds if any Bonds are purchased. Certain legal matters will be passed upon for the Underwriters by their counsel, Quarles & Brady LLP.

Reference Information About the Bonds

The table below—as well as the table on the front cover—includes information about the Bonds and is provided for reference. The CUSIP number for each maturity has been obtained from sources the State believes 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.

$247,105,000
State of Wisconsin
General Obligation Refunding Bonds of 2001, Series 1

Dated Date: October 1, 2001
First Interest Date: May 1, 2002
Issuance Date: On or about October 17, 2001

CUSIP	Due	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Call Date	Call Price
977056 Q45	2005	$ 4,230,000	5.00%	3.12%	106.251%	Not Callable	N/A
977056 Q52	2007	18,385,000	5.25	3.63	108.060	Not Callable	N/A
977056 Q60	2008	4,935,000	5.25	3.86	107.963	Not Callable	N/A
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977056 R36	2013	52,350,000	5.50	4.44	109.488	Not Callable	N/A
977056 R44	2014	38,410,000	5.50	4.53	109.199	Not Callable	N/A
977056 R51	2015	40,425,000	5.50	4.62	108.782	Not Callable	N/A

Financial Advisor

First Albany Corporation has been employed by the State to perform professional services in the capacity of financial advisor. The financial advisor has provided advice on the plan of refunding and the structure of the Bonds, reviewed certain legal and disclosure documents, including this Official Statement, for financial matters, and reviewed the pricing of the Bonds by the Underwriters.

Verification of Mathematical Computations

The arithmetical accuracy of the mathematical computations supporting the adequacy of the maturing principal amounts of, and interest earned on, the Government Obligations deposited pursuant to the Escrow Agreement, to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds, and the arithmetical accuracy of the mathematical computations supporting the conclusion that the refunding aspects of the Bonds will not cause the Bonds to be "arbitrage bonds" under Section 148 of the Internal Revenue Code, will be verified by The Arbitrage Group, Inc., as a condition to the delivery of the Bonds.

Bond Insurance

The MBIA Insurance Corporation Insurance Policy

The following information has been furnished by MBIA for use in this Official Statement. Reference is made to APPENDIX E for a specimen of MBIA's policy.

MBIA's policy unconditionally and irrevocably guarantees the full and complete payment required to be made by or on behalf of the State to the Paying Agent or its successor of an amount equal to (1) the principal of (either at the stated maturity or by an advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Bonds as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed by MBIA's policy shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (2) the reimbursement of any such payment which is subsequently recovered from any owner of the Bonds pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law (**Preference**).

MBIA's policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Bonds. MBIA's policy does not, under any circumstance, insure against loss relating to: (1) optional or mandatory redemptions (other than mandatory sinking fund redemptions); (2) any payments to be made on an accelerated basis; (3) payments of the purchase price of Bonds upon tender by an owner thereof; or (4) any Preference relating to (1) through (3) above. MBIA's policy also does not insure against nonpayment of principal of or interest on the Bonds resulting from the insolvency, negligence, or any other act or omission of the Paying Agent or any other paying agent for the Bonds.

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by MBIA from the Paying Agent or any owner of a Bond the payment of an insured amount for which is then due, that such required payment has not been made, MBIA on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with State Street Bank and Trust Company, N.A. in New York, New York, or its successor, sufficient for the payment of any such insured amounts which are then due. Upon presentment and surrender of such Bonds or presentment of such other proof of ownership of the Bonds, together with any appropriate instruments of assignment to evidence the assignment of the insured amounts due on the Bonds as are paid by MBIA, and appropriate instruments to effect the appointment of MBIA as agent for such owners of the Bonds in any legal proceeding related to payment of insured amounts on the Bonds, such instruments being in a form satisfactory to State Street Bank and Trust Company, N.A., State Street Bank and Trust Company, N.A. shall disburse to such owners or the Paying Agent payment of the insured amounts due on such Bonds, less any amount held by the Paying Agent for the payment of such insured amounts and legally available therefor.

MBIA

MBIA is the principal operating subsidiary of MBIA Inc., a New York Stock Exchange listed company (**Company**). The Company is not obligated to pay the debts of or claims against MBIA. MBIA is domiciled in the State of New York and licensed to do business in and subject to regulation under the laws of all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands of the United States and the Territory of Guam. MBIA has three branches, one in the Republic of France, one in the Republic of Singapore and one in the Kingdom of Spain. New York has laws prescribing minimum capital requirements, limiting classes and concentrations of investments and requiring the approval of policy rates and forms. State laws also regulate the amount of both the aggregate and individual risks that may be insured, the payment of dividends by MBIA, changes in control and transactions among affiliates. Additionally, MBIA is required to maintain contingency reserves on its liabilities, in certain amounts and for certain periods of time.

MBIA does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted here from, other than with respect to the accuracy of the information regarding the policy and MBIA set forth under the heading "BOND INSURANCE". Additionally, MBIA makes no representation regarding the Bonds or the advisability of investing in the Bonds.

The Financial Guarantee Insurance Policies are not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Law.

MBIA Information

The following documents filed by the Company with the Securities and Exchange Commission (**SEC**) are incorporated herein by reference:

1. The Company's Annual Report on Form 10-K for the year ended December 31, 2000;

2. The Company's Quarterly Report on Form l0-Q for the quarter ended June 30, 2001; and

3. The report on Form 8-K filed by the Company on January 30, 2001.

Any documents filed by the Company pursuant to Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act of 1934, as amended, after the date of this Official Statement and prior to the termination of the offering of the Bonds offered hereby shall be deemed to be incorporated by reference in this Official Statement and to be a part hereof. Any statement contained in a document incorporated or deemed to be incorporated by reference herein, or contained in this Official Statement, shall be deemed to be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement.

The Company files annual, quarterly and special reports, information statements and other information with the SEC under File No. 1-9583. Copies of the SEC filings (including (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2000, (2) the Company's Quarterly Report on Form l0-Q for the quarter ended June 30, 2001, and (3) the report on Form 8-K filed by the Company on January 30, 2001) are available (1) over the Internet at the SEC web site; (2) at the SEC's public reference room in Washington D.C.; (3) over the Internet at the Company's web site; and (4) at no cost, upon request to MBIA Insurance Corporation, 113 King Street, Armonk, New York 10504. The telephone number of MBIA is (914) 273-4545.

As of December 31, 2000, MBIA had admitted assets of $7.6 billion (audited), total liabilities of $5.2 billion (audited), and total capital and surplus of $2.4 billion (audited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. As of June 30, 2001, MBIA had admitted assets of $8.1 billion (unaudited), total liabilities of $5.8 billion (unaudited), and total capital and surplus of $2.3 billion (unaudited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities.

Financial Strength Ratings of MBIA

Moody's Investors Service, Inc. rates the financial strength of MBIA "Aaa."

Standard & Poor's, a division of The McGraw-Hill Companies, Inc., rates the financial strength of MBIA "AAA."

Fitch, Inc. rates the financial strength of MBIA "AAA."

Each rating of MBIA should be evaluated independently. The ratings reflect the respective rating agency's current assessment of the creditworthiness of MBIA and its ability to pay claims on its policies of insurance. Any further explanation as to the significance of the above ratings may be obtained only from the applicable rating agency.

The above ratings are not recommendations to buy, sell or hold the Bonds, and such ratings may be subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of the

Bonds. MBIA does not guaranty the market price of the Bonds nor does it guaranty that the ratings on the Bonds will not be revised or withdrawn.

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 relating 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 when the Bonds are delivered, in substantially the form shown in APPENDIX C. If 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, interest on the Bonds is excluded from gross income for federal income tax purposes. Interest also is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. For the purpose of computing the alternative minimum tax imposed on certain corporations, however, interest on the Bonds is taken into account in determining adjusted current earnings. Moreover, the State must comply with all requirements of the Internal Revenue Code of 1986, as amended (**Code**), that must be satisfied after the Bonds are issued for interest on the Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The State has promised to comply with those requirements to the extent it may lawfully do so. Its failure to do so may cause interest on the Bonds to be included in gross income for federal income tax purposes, in some cases retroactive to the date the Bonds were issued. Bond Counsel expresses no opinion about other federal tax consequences arising regarding 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.

Each Bond has an issue price that is greater than the amount payable at maturity of such Bond (**Premium Bonds**).

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the owner owned such Premium Bond. The adjusted tax basis in a Premium 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 Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds.

The Code contains many provisions that could affect the economic value of the Bonds to particular Bond owners. For example:

- 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, if any, 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 federal tax law provisions that could adversely affect the value of an investment in the Bonds for particular owners of Bonds. Prospective investors should consult their own tax advisors about 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. Prospective investors should consult their own tax advisors about 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 presenting certain financial information and operating data about the State **(Annual Reports)**. By approximately December 27 of each year, the State will send the report to each nationally recognized municipal securities information repository **(NRMSIR)** and to any state information depository **(SID).** The State will also provide notices of the occurrence of certain events specified in the undertaking to each NRMSIR, or the Municipal Securities Rulemaking Board **(MSRB)**, and to any SID. As of the date of this Official Statement, no SID has been established. Part I of the 2000 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, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
capfin@doa.state.wi.us

The undertaking also describes the consequences if the State fails to provide any required information. The State must report the failure to the NRMSIRs, or the MSRB, and to any SID. In the last five years, the State has not failed to comply in any material respect with this or any similar undertaking.

Dated: September 26, 2001

STATE OF WISCONSIN

/s/ SCOTT MCCALLUM
Governor Scott McCallum, Chairperson
State of Wisconsin Building Commission

/s/ GEORGE LIGHTBOURN
George Lightbourn, Secretary
State of Wisconsin Department of Administration

/s/ ROBERT G. CRAMER
Robert G. Cramer, 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 22, 2000 **(2000 Annual Report)** are included by reference as part of this APPENDIX A.

Part II to the 2000 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 of, and services provided by, the State
- Results of fiscal year 1999-2000
- 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 of the 2000 Annual Report are the audited general purpose financial statements for the fiscal year ending June 30, 2000, 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 2000 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 2000 Annual Report has been filed with each nationally recognized municipal securities information repository **(NRMSIR)**. Copies of the 2000 Annual Report are available from the Capital Finance Office web site and may also be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
capfin@doa.state.wi.us

As of the date of this Official Statement, Parts II and III of the 2000 Annual Report are available from the Capital Finance Office web site at the following addresses, respectively:

www.doa.state.wi.us/debf/capfin/2000dis2.pdf

www.doa.state.wi.us/debf/capfin/2000dis3.pdf

After publication and filing of the 2000 Annual Report, certain changes or events have occurred that affect items discussed in the 2000 Annual Report. Listed below, by reference to particular sections of the 2000 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.

General Obligations (page 72). Update the table of information with the following:

On August 28, 2001, Moody's Investors Service downgraded the rating on the State's general obligation bonds to Aa3 from Aa2.

On September 4, 2001, Fitch downgraded the rating on the State's general obligation bonds to AA from AA+.

State Budget (pages 25-28). Add the following:

Budget for 2000-01

On May 15, 2001, the Legislative Fiscal Bureau reduced the estimate of general fund tax revenues for the current 2000-01 fiscal year by $129 million. As a result of these revised tax revenue estimates and other factors, including expenditure estimates, the ending balance on June 30, 2001 was estimated to be $165 million. On September 6, 2001, both the Legislative Fiscal Bureau and the Department of Revenue reported that general-purpose revenue collections in the 2000-01 fiscal year were $10,063 million, which is about $7 million more than the estimates provided on May 15, 2001. The Annual Fiscal Report for the fiscal year ended June 30, 2001 will include the final general fund tax collections, departmental revenues and expenditures, and the ending balance for the 2000-01 fiscal year. This Annual Fiscal Report must be published by October 15, 2001.

Budget for 2001-03

On July 26, 2001, the Legislature adopted a budget for the 2001-02 and 2002-03 fiscal years. On August 30, 2001, the Governor signed into law in part, and vetoed in part, the budget for the 2001-02 and 2002-03 fiscal years. A two-thirds vote in each house is required to override any veto. A copy of the approved budget, which incorporates vetoes made by the Governor, along with the Governor's veto message can be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
capfin@doa.state.wi.us

The tables that appear below, the detailed summary of the all-funds budget on page A-4, and detailed summary of the general-fund budget on page A-5 only reflect the budget approved by the Legislature. Updates to the tables and summaries reflecting the fiscal effect of the Governor's actions on the legislatively adopted budget are not yet available. The Governor's vetoes that have a fiscal impact did the following, in summary:

- Eliminated approximately $62 million of general-fund expenditures.
- Increased the required statutory reserve to 1.2% of appropriations and reserves for the 2002-03 fiscal year.
- Eliminated deferral of the $115 million school aid payment.

The fiscal effect of the Governor's vetoes is an increase of the estimated gross ending balance on June 30, 2003 from $92 million to approximately $154 million and an increase of the statutory required balance from $90 million to approximately $141 million. As a result, the estimated net ending balance increases from $2 million to approximately $13 million.

Adopted Legislature Budget
Does Not Reflect Governor's Vetoes
General-Fund Basis
(Amounts in Millions)

	Adopted Legislative Budget 2001-02	Adopted Legislative Budget 2002-03
Beginning Balance	$ 198	$ 248
Tax Revenues	10,661	11,132
Tobacco Securitization Proceeds	450	n/a
Tobacco Settlement Payments	156	158
Nontax Revenues	8,013	8,071
Total Amount Available	$ 19,477	$ 19,669
Total Disbursements/Reserves	$ 19,229	$ 19,576
Estimated Gross Balance	$ 248	$ 92
Required Statutory Reserve	139	90
Net Balance	$ 109	$ 2

Adopted Legislature Budget
Does Not Reflect Governor's Vetoes
All-Funds Basis
(Amounts in Millions)

	Adopted Legislative Budget 2001-03	Adopted Legislative Budget 2002-03
Beginning Balance	$ 198	$ 248
Tax Revenues	10,661	11,132
Tobacco Securitization Proceeds	450	n/a
Tobacco Settlement Payments	156	158
Nontax Revenues	19,904	20,127
Total Amount Available	$ 31,368	$ 31,664
Total Disbursements/Reserves	$ 31,120	$ 31,572
Estimated Gross Balance	$ 248	$ 92
Required Statutory Reserve	139	90
Net Balance	$ 109	$ 2

Table II-3; State Budget–All Funds (Page 36). Update the table with the following:

State Budget–All Funds[a]

Does Not Reflect Governor's Vetoes

	Actual 1999-2000 [b]	Budget 1999-2000	Budget 2000-2001	Legislature Adopted Budget 2001-2002	Legislature Adopted Budget 2002-2003
RECEIPTS					
Fund Balance from Prior Year	$ 701,293,000	$ 701,293,000	$ 658,784,800 [c]	$ 197,829,200	$ 248,478,300
Tax Revenue					
Individual Income	5,962,010,000	5,825,000,000	5,158,800,000 [d]	5,455,527,500	5,687,655,500
General Sales and Use	3,501,659,000	3,500,000,000	3,710,000,000	3,750,485,400	3,975,016,000
Corporate Franchise and Income	644,625,000	660,000,000	658,300,000	594,297,100 [e]	606,418,500 [e]
Public Utility	259,984,000	250,000,000	220,000,000 [f]	244,000,000	249,977,500
Excise					
Cigarette/Tobacco Products	257,896,000	258,000,000	255,200,000 [g]	314,900,000 [h]	322,850,000
Liquor and Wine	34,564,000	33,000,000	33,500,000	35,900,000	36,800,000
Malt Beverage	9,392,000	9,300,000	9,300,000	9,500,000	9,500,000
Inheritance, Estate & Gift	133,261,000	95,000,000	75,000,000 [i]	110,000,000	91,000,000
Insurance Company	86,878,000	105,000,000	100,000,000	90,000,000	92,000,000
Other	1,075,169,000	58,000,000 [j]	61,000,000 [j]	56,600,000 [j]	60,300,000 [j]
Subtotal	11,965,438,000	10,793,300,000	10,281,100,000	10,661,210,000	11,131,517,500
Nontax Revenue					
Departmental Revenue					
Tobacco Settlement	167,362,000	167,886,100	124,763,700	155,526,000	157,602,800
Tobacco Securitization	NA	NA	NA	450,000,000	NA
Other	257,040,000	260,087,900	190,946,100	229,090,300	205,937,300
Total Federal Aids	4,170,531,000	5,085,572,200	4,703,374,700	5,483,569,000	5,588,806,400
Total Program Revenue	2,633,267,000	2,658,535,300	2,734,917,200	3,016,854,100	3,081,504,600
Total Segregated Funds	4,194,291,000	2,275,967,300	2,292,791,500	3,212,998,200	2,977,846,900
Fund Transfers In	NA	64,000,000	NA	NA	NA
Bond Authority	702,676,000	458,000,000	400,000,000	500,000,000	383,000,000
Employee Benefit Contributions [k]	8,782,705,000	6,612,282,700	7,051,394,300	7,461,324,917	7,889,603,973
Subtotal	20,907,872,000	17,582,331,500	17,498,187,500	20,509,362,517	20,284,301,973
Total Available	$ 33,574,603,000	$ 29,076,924,500	$ 28,438,072,300	$ 31,368,401,717	$ 31,664,297,773
DISBURSEMENTS AND RESERVES					
Commerce	$ 570,282,000	$ 418,915,100	$ 415,866,300	$ 424,747,000	$ 425,552,500
Education	8,018,963,000	7,860,268,900	8,223,303,400	8,724,070,200	8,897,913,700
Environmental Resources	2,626,896,000	2,493,567,700	2,437,927,900	2,683,249,500	2,766,164,900
Human Relations and Resources	7,978,636,000	6,850,265,900	6,733,347,000	7,803,582,700	8,081,757,300
General Executive	3,741,255,000	673,415,700	669,656,800	773,694,100	769,763,000
Judicial	102,487,000	104,156,900	104,709,200	105,350,100	105,723,500
Legislative	59,820,000	60,511,900	59,086,500	63,929,500	63,231,300
General Appropriations	3,346,300,000	2,891,183,500	2,163,488,700	2,695,544,400	2,268,108,300
General Obligation Bond Program	505,472,000	458,000,000	400,000,000	500,000,000	383,000,000
Employee Benefit Payments [k]	2,311,624,000	2,504,993,800	2,695,311,400	3,377,515,809	3,830,081,149
Reserve for Employe Benefit Payments [k]	6,471,081,000	4,107,288,900	4,356,082,900	4,083,809,108	4,059,522,824
Subtotal	35,732,816,000	28,422,568,300	28,258,780,100	31,235,492,417	31,650,818,473
Less: (Lapses)	NA	(84,028,600)	(122,124,800)	(149,501,300)	(176,797,000)
Compensation Reserves	NA	56,100,000	117,750,000	27,900,000	82,500,000
Required Statutory Balance	NA	113,883,100	134,328,600	139,063,800	90,000,000
Transfer to Tobacco Control Board	NA	23,500,000	NA	6,032,300	15,345,100
Other	NA	NA	NA	NA	NA
Change in Continuing Balance	(3,030,496,000)	NA	NA	NA	NA
Total Disbursements & Reserves	$ 32,702,320,000	$ 28,532,022,800	$ 28,388,733,900	$ 31,258,987,217	$ 31,661,866,573
Fund Balance	$ 872,283,000	$ 544,901,700	$ 49,338,400	$ 109,414,500	$ 2,431,200
Undesignated Balance	$ 835,714,000	$ 658,784,800	$ 183,667,000	$ 248,478,300	$ 92,431,200

(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 beginning balance for the 2000-2001 fiscal year represents information when the budget became law.
(d) The decrease results from budgeted tax reductions becoming effective.
(e) The decrease results from re-estimates of revenues.
(f) The decrease results from the continued effect of prior years' tax changes.
(g) The decrease results from an anticipated decline in consumption.
(h) The increase results from an 18 cent per pack increase on cigarettes.
(i) The decrease results from an expected one-time collection in the 1999-2000 fiscal year.
(j) The budgeted amounts do not include taxes collected for segregated funds. The largest such tax is the motor fuel tax. The State collected $809 million of motor fuel taxes in the 1999-2000 fiscal year.
(k) 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 2000 Annual Report.

Source: Wisconsin Department of Administration.

Table II-4; State Budget–General Fund (Page 37). Update the table with the following:

State Budget–General Fund[a]

Does Not Reflect Governor's Vetoes

	Actual 1999-2000 [b]	Budget 1999-2000	Budget 2000-2001	Legislature Adopted Budget 2001-2002	Legislature Adopted Budget 2002-2003
RECEIPTS					
Fund Balance from Prior Year	$ 701,293,000	$ 701,293,000	$ 658,784,800 [c]	$ 197,829,200	$ 248,478,300
Tax Revenue					
State Taxes Deposited to General Fund					
Individual Income	5,962,010,000	5,825,000,000	5,158,800,000 [d]	5,455,527,500	5,687,655,500
General Sales and Use	3,501,659,000	3,500,000,000	3,710,000,000	3,750,485,400	3,975,016,000
Corporate Franchise and Income	644,625,000	660,000,000	658,300,000	594,297,100 [e]	606,418,500 [e]
Public Utility	259,984,000	250,000,000	220,000,000 [f]	244,000,000	249,977,500
Excise					
Cigarette/Tobacco Products	257,896,000	258,000,000	255,200,000 [g]	314,900,000 [h]	322,850,000 [h]
Liquor and Wine	34,564,000	33,000,000	33,500,000	35,900,000	36,800,000
Malt Beverage	9,392,000	9,300,000	9,300,000	9,500,000	9,500,000
Inheritance, Estate & Gift	133,261,000	95,000,000	75,000,000 [i]	110,000,000	91,000,000
Insurance Company	86,878,000	105,000,000	100,000,000	90,000,000	92,000,000
Other	67,511,000	58,000,000	61,000,000	56,600,000	60,300,000
Subtotal	10,957,780,000	10,793,300,000	10,281,100,000	10,661,210,000	11,131,517,500
Nontax Revenue					
Departmental Revenue					
Tobacco Settlement	167,362,000 [h]	167,886,100	124,763,700	155,526,000	157,602,800
Tobacco Securitization	NA	NA	NA	450,000,000	NA
Other	257,040,000	260,087,900	190,946,100	229,090,300	205,937,300
Program Revenue-Federal	4,170,531,000	4,453,148,300	4,121,351,700	4,766,889,000	4,843,682,800
Program Revenue-Other	2,633,267,000	2,658,535,300	2,734,917,200	3,016,854,100	3,081,504,600
Fund Transfers In	NA	64,000,000	NA	NA	NA
Subtotal	7,228,200,000	7,603,657,600	7,171,978,700	8,618,359,400	8,288,727,500
Total Available	$ 18,887,273,000	$ 19,098,250,600	$ 18,111,863,500	$ 19,477,398,600	$ 19,668,723,300
DISBURSEMENTS AND RESERVES					
Commerce	$ 209,393,000	$ 218,959,300	$ 220,214,600	$ 229,909,200	$ 235,439,000
Education	7,769,121,000	7,798,220,600	8,163,838,300	8,655,045,700	8,825,072,200
Environmental Resources	270,101,000	261,344,100	259,939,200	254,725,800	266,097,200
Human Relations and Resources	6,742,655,000	6,684,959,800	6,541,581,500	7,450,283,800	7,551,798,300
General Executive	631,485,000	634,410,900	569,934,100	639,385,700	636,301,600
Judicial	102,156,000	103,499,100	104,051,400	104,641,000	105,014,400
Legislative	59,820,000	60,511,900	59,086,500	63,929,500	63,231,300
General Appropriations	2,548,903,000	2,681,988,700	2,013,925,700	1,946,568,600	1,972,290,000
Subtotal	18,333,634,000	18,443,894,400	17,932,571,300	19,344,489,300	19,655,244,000
Less: (Lapses)	NA	(84,028,600)	(122,124,800)	(149,501,300)	(176,797,000)
Compensation Reserves	NA	56,100,000	117,750,000	27,900,000	82,500,000
Required Statutory Balance	NA	113,883,100	134,328,600	139,063,800	90,000,000
Transfer to Tobacco Control Board	NA	23,500,000	NA	6,032,300	15,345,100
Other	NA	NA	NA	NA	NA
Changes in Continuing Balance	(318,644,000)	NA	NA	NA	NA
Total Disbursements & Reserves	$ 18,014,990,000	$ 18,553,348,900	$ 18,062,525,100	$ 19,367,984,100	$ 19,666,292,100
Fund Balance	$ 872,283,000	$ 544,901,700	$ 49,338,400	$ 109,414,500	$ 2,431,200
Undesignated Balance	$ 835,714,000	$ 658,784,800	$ 183,667,000	$ 248,478,300	$ 92,431,200

(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 beginning balance for the 2000-2001 fiscal year represents information when the budget became law.
(d) The decrease results from budgeted tax reductions becoming effective.
(e) The decrease results from re-estimates of revenues.
(f) The decrease results from the continued effect of prior years' tax changes.
(g) The decrease results from an anticipated decline in consumption.
(h) The increase results from an 18 cent per pack increase on cigarettes.
(i) The decrease results from an expected one-time collection in the 1999-2000 fiscal year.

Source: Wisconsin Department of Administration.

Table II-8; General Fund Monthly Position (Page 37). Update the table with the following:

GENERAL FUND MONTHLY CASH POSITION[(a)]
July 1, 1999 through August 31, 2001 — Actual
September 1, 2001 through June 30, 2002 — Estimated[(b)]
(Amounts in Thousands)

	Starting Date	Starting Balance	Receipts[(c)]	Disbursements[(c)]
1999	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	1,910,223	2,811,272
	July	671,608	1,405,811	1,674,899
	August	402,520	1,391,600	1,036,240
	September	757,880	1,716,848	1,540,488
	October	934,240	1,545,868	1,039,609
	November	1,440,499	1,451,918	1,886,868
	December	1,005,549	1,335,205	2,070,373
2001	January	270,381	2,143,861	1,190,946
	February	1,223,296	1,494,577	1,339,377
	March	1,378,496	1,381,012	2,312,836
	April	446,672	2,042,531	1,469,093
	May	1,020,110	1,800,948	1,405,982
	June	1,415,076	1,698,317	2,831,828
	July	281,565	1,575,450	1,853,617
	August	3,398	1,497,565	1,103,304
	September	397,659	2,649,708	1,517,771
	October	1,529,596	1,539,588	1,225,969
	November	1,843,215	1,540,188	2,357,800
	December	1,025,603	1,533,197	2,070,692
2002	January	488,108	2,148,824	1,243,763
	February	1,393,169	1,527,633	1,543,009
	March	1,377,793	1,646,899	2,476,089
	April	548,603	1,922,739	1,651,186
	May	820,156	1,616,493	1,767,001
	June	669,648	2,334,466	2,705,123

[(a)] The General Fund balances presented in this table are not based on Generally Accepted Accounting Principles (GAAP).

[(b)] The monthly receipt and disbursement projections for September 1, 2001 through June 30, 2002 are based on estimates provided by the Division of Executive Budget and Finance and reflect the budget signed into law by the Governor.

[(c)] The amounts shown in September 2001 include receipts from the planned issuance of operating notes and amounts shown in February–May 2002 include disbursements for impoundment payments required in connection with the planned issuance of operating notes. No operating notes were issued in the 1999-2000 or 2000-01 fiscal years. In addition, the receipt amounts shown in June 2002 include receipt of $450 million from proceeds of the expected securitization of tobacco settlement revenues due the State under the Master Settlement Agreement.

Source: Wisconsin Department of Administration.

Table II-9; Balances in Funds Available for Interfund Borrowing (Page 38). Update the table with the following:

BALANCES IN FUNDS AVAILABLE FOR INTERFUND BORROWING[(a)]
July 1, 1999 to September 1, 2001 — Actual
October 1, 2001 to June 1, 2002 — Estimated[(b)]
(Amounts in Millions)

	1999	2000	2001	2002
January		$ 3,735	$ 3,701	$ 1,654
February		4,159	4,435	1,726
March		4,262	4,786	1,798
April		4,267	5,212	1,821
May		3,961	4,952	1,725
June		3,636	4,680	1,680
July	$ 4,017	3,733	4,925	
August	4,245	4,084	5,275	
September	3,865	3,743	4,785	
October	3,820	3,796	1,650[(b)]	
November	3,374	3,378	1,530	
December	3,411	3,489	1,578	

[(a)] Consists of the following funds:

Transportation
Conservation (Partial)
Wisconsin Health Education Loan Repayment
Waste Management
Wisconsin Election Campaign
Investment & Local Impact
Elderly Property Tax Deferral
Lottery
Children's Trust
Racing
Work Injury Supplemental Benefit
Unemployment Compensation Interest Repayment
Uninsured Employers
Health Insurance Risk Sharing Plan
Local Government Property Insurance
Patients Compensation
Mediation
Agricultural College
Common School
Normal School
University
Local Government Investment Pool
Farms for the Future
Agrichemical Management
Historical Society Trust
School Income Fund
Benevolent
Groundwater
Petroleum Storage Environmental Cleanup
Environmental Improvement Fund
Environmental
Recycling
University Trust Principal
Veterans Mortgage Loan Repayment
State Building Trust

[(b)] Estimated balances for October 1, 2001 and succeeding months include only 20% of the amount estimated to be available for the local government investment pool. The local government investment pool is composed of funds deposited by local units of government that may be withdrawn without notice. Balances in the local government investment pool ranged from a low of $63 million on July 1, 1983 to a high of $4.426 billion on March 1, 1994. Under Section 20.002 (11), Wisconsin Statutes, interfund borrowing is limited to 5% of the total general-purpose revenue appropriations then in effect, which based on the 2000-2001 budget adopted by the Legislature, is approximately $572 million, and an additional 3% (approximately $343 million) for a period of up to 30 days.

Source: Wisconsin Department of Administration.

Table II-10; Revenues Deposited to the General Fund (Page 39). Update the table with the following:

REVENUES DEPOSITED TO THE GENERAL FUND[(a)]
July 1, 2000 to June 30, 2001 compared with previous year
(Unaudited)

	Actual Receipts 1999–2000 FY[(b)]	Projected Receipts 2000–01 FY	Actual Receipts July 1, 1999 to June 30, 2000 [(c)]	Actual Receipts July 1, 2000 to June 30, 2001 [(c)]
Individual Income Tax [(d)]	$ 5,962,010,000	$ 5,158,800,000	$ 5,548,285,658	$ 4,725,971,194
General Sales and Use Tax	3,501,659,000	3,710,000,000	3,143,543,283	3,251,963,963
Corporate Franchise and Income Tax	644,625,000	658,300,000	652,374,471	542,395,802
Public Utility Taxes	259,984,000	220,000,000	259,709,059	239,628,753
Excise Taxes	301,852,000	298,000,000	275,346,243	271,939,928
Inheritance Taxes	133,261,000	75,000,000	133,515,018	77,348,470
Miscellaneous Taxes	154,389,000	161,000,000	65,977,524	65,446,092
SUBTOTAL	10,957,780,000	10,281,100,000	10,078,751,256	9,174,694,202
Federal Receipts	4,170,531,000	4,121,351,700	4,082,365,231	4,774,563,490
Dedicated and Other Revenues[(e)]	3,057,669,000	3,050,627,000	3,144,058,331	4,409,432,922
TOTAL	$ 18,185,980,000	$ 17,453,078,700	$ 17,305,174,818	$ 18,358,690,614

(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 2000 Annual Report.

(b) The amounts shown are the sum of all revenues for fiscal year 1999-2000 based on the data used in the preparation of the Annual Fiscal Report (Budgetary Basis) for the year ending June 30, 2000.

(c) The amounts shown are preliminary and do not reflect fiscal year-end adjustments.

(d) The decrease of individual income tax is the result of tax reductions becoming effective.

(e) 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. As an example, this category includes $1.274 billion for an intergovernmental transfer that was processed in March 2001, and there was no comparable transaction in fiscal year 1999-2000.

Source: Wisconsin Department of Administration.

Table II-11; General Fund Expenditures by Function (Page 40). Update the table with the following:

GENERAL FUND EXPENDITURES BY FUNCTION[(a)]
July 1, 2000 to June 30, 2001 compared with previous year
(Unaudited)

	Actual Expenditures 1999–2000 FY[(b)]	Appropriations 2000–01 FY	Actual Expenditures July 1, 1999 to June 30, 2000[(c)]	Actual Expenditures July 1, 2000 to June 30, 2001[(c)]
Commerce	$ 209,393,000	$ 220,214,600	$ 206,226,966	$ 198,769,259
Education	7,769,121,000	8,163,838,300	7,725,190,799	8,260,686,345
Environmental Resources	270,101,000	259,939,200	261,854,525	263,226,746
Human Relations & Resources [(d)]	6,742,655,000	6,541,581,500	6,182,181,621	7,421,203,809
General Executive	631,485,000	569,934,100	642,412,559	647,756,285
Judicial	102,156,000	104,051,400	100,967,872	105,763,121
Legislative	59,820,000	59,086,500	56,299,928	57,909,745
General Appropriations	2,548,903,000	2,013,925,700	2,515,772,951	2,470,911,322
TOTAL	$ 18,333,634,000	$ 17,932,571,300	$ 17,690,907,221	$ 19,426,226,632

(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 2000 Annual Report.

(b) The amounts shown are the sum of all expenditures for fiscal year 1999-2000 based on the data used in the preparation of the Annual Fiscal Report (Budgetary Basis) for the year ending June 30, 2000.

(c) The amounts shown are preliminary and do not reflect fiscal year-end adjustments.

(d) The actual expenditures in this category for July 1, 2000 to June 30, 2001 include $1.274 billion for an intergovernmental transfer that was processed in March 2001, and there was no comparable transaction in fiscal year 1999-2000.

Source: Wisconsin Department of Administration.

APPENDIX B

State of Wisconsin
General Obligation Issuance Status Report
September 1, 2001

Program Purpose	Legislative Authorization	General Obligations Issued to Date [(a)]	Interest Earnings[(b)]	G.O. Ref. Bonds of 2001, Series 1	Total Authorized Unissued Debt [(a)]
University of Wisconsin; academic facilities..........................	$ 1,052,005,900	$ 836,892,229	$ 11,893,712		$ 203,219,959
University of Wisconsin; self-amortizing facilities................	732,009,800	371,397,621	1,606,912		359,005,267
Natural resources; Warren Knowles - Gaylord Nelson stewardship 2000 program................……………	572,000,000	45,350,000			526,650,000
Natural resources; municipal clean drinking water grants..................................	9,800,000	9,518,342	141,818		139,840
Clean water fund program................	637,743,200	362,334,053			275,409,147
Safe drinking water loan program………………………	26,210,000	14,301,520			11,908,480
Natural resources; nonpoint source grants..................	75,763,600	39,430,658	132,570		36,200,372
Natural resources; nonpoint source compliance………	2,000,000	2,000,000			
Natural resources; environmental repair......................	48,000,000	26,024,900	161,017		21,814,083
Natural resources; urban nonpoint source cost-sharing…………………………	17,700,000	3,425,000			14,275,000
Natural resources; municipal flood control and riparian restoration and dam restoration……………………..	9,000,000				9,000,000
Natural resources; environmental segregated fund supported administrative facilities…………..	6,770,400	151,100			6,619,300
Natural resources; segregated revenue supported dam safety projects……………….	6,600,000	3,633,000			2,967,000
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.............	893,493,400	874,194,888	18,513,076		785,436
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

GENERAL OBLIGATION ISSUANCE STATUS REPORT–CONTINUED
September 1, 2001

Program Purpose	Legislative Authorization	General Obligations Issued to Date [a]	Interest Earnings[b]	G.O. Ref. Bonds of 2001, Series 1	Total Authorized Unissued Debt [a]
Natural resources; land acquisition.............................	45,608,600	45,115,269	491,671		1,660
Natural resources; Wisconsin natural areas heritage program............................	2,500,000	2,442,545	17,174		40,281
Natural resources; segregated revenue supported facilities.......................	30,576,400	16,334,722	45,287		14,196,391
Natural resources; general fund supported administrative facilities..................	10,882,400	7,381,075	21,432		3,479,893
Natural resources; ice age trail.....................................	750,000				750,000
Natural resources; dam safety projects…………………	5,500,000	5,382,000	49,701		68,299
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	200,670,000	1,293,404		29,036,596
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	1,400,000			48,600,000
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....................	25,000,000	14,840,000	232,605		9,927,395
Transportation; rail acquisitions and improvements.........................	28,000,000	14,605,000	16		13,394,984
Transportation; local roads for job preservation, state funds.................	2,000,000				2,000,000
Corrections; correctional facilities......................	787,694,900	647,011,762	11,225,678		129,457,460
Corrections; self-amortizing facilities and equipment…………………….	7,337,000	1,386,000	99		5,950,901
Corrections; juvenile correctional facilities……..	27,726,500	25,328,556	102,029		2,295,915
Health and family services; mental health and secure treatment facilities...........…	128,322,900	118,350,268	893,479		9,079,153

GENERAL OBLIGATION ISSUANCE STATUS REPORT–CONTINUED
September 1, 2001

Program Purpose	Legislative Authorization	General Obligations Issued to Date [(a)]	Interest Earnings[(b)]	G.O. Ref. Bonds of 2001, Series 1	Total Authorized Unissued Debt [(a)]
Agriculture; soil and water……………………..	13,575,000	2,730,000	1,248		10,843,752
Agriculture; conservation reserve enhancement..	40,000,000				40,000,000
Administration; Black Point Estate…………………					
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 (c)		$ 205,682,753	22,913,570
Building commission; refunding self-amortizing general obligation debt..................…	275,000,000	231,440,786 (c)		41,422,247	2,136,967
Building commission; refunding tax-supported and self-amortizing general obligation debt………………………………	75,000,000				75,000,000
Building commission; housing state departments and agencies...................................…	463,367,100	312,504,121	2,312,856		148,550,123
Building commission; 1 West Wilson street parking ramp.................................…	15,100,000	14,805,521	294,479		0
Building commission; project contingencies....................…	45,007,500	24,590,000	62,251		20,355,249
Building commission; capital equipment acquisition.......…	115,839,400	83,499,191	729,518		31,610,691
Building commission; discount sale of debt.....................…	90,000,000	66,758,598			23,241,402
Building commission; discount sale of debt (higher education bonds)..............…	100,000,000	99,988,833 (c)			11,167
Building commission; other public purposes..................…	1,396,101,000	870,057,098	6,041,264		520,002,638
Medical College of Wisconsin, Inc.; basic science education and health information technology facilities…	10,000,000	10,000,000			
HR Academy………………………	1,500,000				1,500,000
Medical College of Wisconsin, Inc.; biomedical research and technology incubator………………	25,000,000				25,000,000
Marquette University; dental clinic and education facility..	15,000,000				15,000,000
Swiss cultural center………………	1,000,000				1,000,000
Racine County; Discovery Place museum…………	1,000,000				1,000,000
Milwaukee Police Athletic League; youth activities center…………….	1,000,000				1,000,000

GENERAL OBLIGATION ISSUANCE STATUS REPORT–CONTINUED
September 1, 2001

Program Purpose	Legislative Authorization	General Obligations Issued to Date [a]	Interest Earnings[b]	G.O. Ref. Bonds of 2001, Series 1	Total Authorized Unissued Debt [a]
Technology for educational achievement in Wisconsin board; school district educational technology infrastructure financial assistance…………………	100,000,000	41,485,000	425,571		58,089,429
Technology for educational achievement in Wisconsin board; public library educational technology infrastructure financial assistance………..………	3,000,000	190,000			2,810,000
Educational communications board; educational communications facilities……………………………	22,858,100	7,939,539	36,946		14,881,615
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	4,356,000			28,400
Historical society; Wisconsin history center………….	131,500,000				131,500,000
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....…	22,421,900	17,882,527	192,632		4,346,741
Veterans affairs; veterans facilities...........………….	10,090,100	8,953,065	50,593		1,086,442
Veterans affairs; self-amortizing mortgage loans....…	2,120,840,000	1,888,652,395	2,133,000		230,054,605
Veterans affairs; refunding bonds............................…	665,000,000	632,539,245			32,460,755
Veterans affairs; self-amortizing facilities………….	29,520,900	730,000	501		28,790,399
State fair park board; board facilities..........................……	13,587,100	2,370,000			11,217,100
State fair park board; housing facilities...........................…	11,000,000	10,959,000	13		40,987
State fair park board; self-amortizing facilities...........…..	84,787,100	31,473,800	61,389		53,251,911
Total..…	$14,394,493,200	$10,832,201,827	$65,756,182	$247,105,000	$3,249,430,191

[a] These amounts do not include the State's $20,000,000 General Obligation Bonds of 2001, Series E (Taxable) or $186,615,000 General Obligation Bonds of 2001, Series F which are both expected to be sold and delivered in the near future.

[b] Interest earnings reduce issuance authority by the same amount.

[c] 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)
$247,105,000
STATE OF WISCONSIN
GENERAL OBLIGATION REFUNDING BONDS OF 2001, SERIES 1

We have served as bond counsel in connection with the issuance by the State of Wisconsin (**State**) of its $247,105,000 General Obligation Refunding Bonds of 2001, Series 1, dated October 1, 2001 (**Bonds**). The Bonds are being issued pursuant to Chapter 18, Wisconsin Statutes (**Act**) and a resolution adopted by the State of Wisconsin Building Commission (**Commission**) on January 25, 2001 (**Resolution**).

We examined the law, a certified copy of the proceedings relating to the issuance of the Bonds, and certifications of public officials and others. As to questions of fact material to our opinion, we relied upon those certified proceedings and certifications without independently undertaking to verify them.

Based upon this examination, it is our opinion that, under existing law:

1. The Bonds are valid and binding general obligations of the State.
2. The Resolution has been duly adopted by the Commission and is 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 Bonds 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. Interest on the Bonds is excluded from gross income for federal income tax purposes. It also is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. For the purpose of computing the alternative minimum tax imposed on certain corporations, however, interest on the Bonds is taken into account in determining adjusted current earnings. The State must comply with all requirements of the Internal Revenue Code that must be satisfied after the Bonds are issued for interest on the Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The State has agreed to do so. A failure to comply may cause interest on the Bonds to be included in gross income for federal income tax purposes, in some cases retroactive to the date the Bonds were issued. This letter expresses no opinion about other federal tax law consequences regarding the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or an equitable proceeding). This letter expresses no opinion as to the availability of any particular form of judicial relief.

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 (except only the matters set forth as our opinion in the Official Statement). However, in serving as bond counsel, 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.

This letter speaks as of its date. We assume no duty to change this letter to reflect any facts or circumstances that later come to our attention or any changes in law.

Very truly yours,

FOLEY & LARDNER

Appendix D

STATE OF WISCONSIN
OUTSTANDING BONDS REFUNDED
BY THE BONDS

Series	Dated Date	Principal Amount	Interest Rate	Maturity	CUSIP	Redemption Date	Redemption Price
1993-A	5/1/1993	$ 8,320,000	5.20%	5/1/2013	977055 L75	5/1/2003	100%
1994-A	1/1/1994	5,085,000	4.50	5/1/2005	977055 2V3	5/1/2004	100
1994-A		5,870,000	4.80	5/1/2008	977055 2Y7	5/1/2004	100
1994-A		6,170,000	4.90	5/1/2009	977055 2Z4	5/1/2004	100
1994-A		6,485,000	5.00	5/1/2010	977055 3A8	5/1/2004	100
1994-A		6,825,000	5.00	5/1/2011	977055 3B6	5/1/2004	100
1994-A		7,185,000	5.00	5/1/2012	977055 3C4	5/1/2004	100
1994-A		7,560,000	5.00	5/1/2013	977055 3D2	5/1/2004	100
1995-A	1/15/1995	9,780,000	5.80	5/1/2007	977056 AM2	5/1/2005	100
1995-C	9/15/1995	3,555,000	5.00	5/1/2007	977056 CF5	5/1/2006	100
1995-C		4,150,000	5.20	5/1/2010	977056 CJ7	5/1/2006	100
1995-C		4,385,000	5.25	5/1/2011	977056 CK4	5/1/2006	100
1995-C		4,630,000	5.25	5/1/2012	977056 CL2	5/1/2006	100
1995-C		4,895,000	5.25	5/1/2013	977056 CM0	5/1/2006	100
1995-C		5,185,000	5.25	5/1/2014	977056 CN8	5/1/2006	100
1995-C		5,490,000	5.25	5/1/2015	977056 CP3	5/1/2006	100
1996-A	1/15/1996	5,930,000	4.70	5/1/2007	977056 DS6	5/1/2006	100
1996-A		6,835,000	5.00	5/1/2010	977056 DV9	5/1/2006	100
1996-A		7,180,000	5.00	5/1/2011	977056 DW7	5/1/2006	100
1996-C	9/1/1996	5,995,000	5.50	5/1/2010	977056 GH7	5/1/2007	100
1996-C		6,310,000	5.50	5/1/2011	977056 GJ3	5/1/2007	100
1997-B	7/15/1997	3,970,000	5.00	5/1/2009	977056 KE9	5/1/2008	100
1997-B		4,160,000	5.00	5/1/2010	977056 KF6	5/1/2008	100
1997-B		4,360,000	5.00	5/1/2011	977056 KG4	5/1/2008	100
1999-C	10/15/1999	4,835,000	6.00	5/1/2013	977056 XU9	5/1/2010	100
1999-C		5,100,000	6.00	5/1/2014	977056 XV7	5/1/2010	100
1999-C		5,380,000	6.25	5/1/2015	977056 XW5	5/1/2010	100
2000-A	3/15/2000	6,565,000	5.50	5/1/2011	977056 YR5	5/1/2010	100
2000-A		6,920,000	5.50	5/1/2012	977056 YS3	5/1/2010	100
2000-A		7,305,000	5.50	5/1/2013	977056 YT1	5/1/2010	100
2000-A		7,715,000	5.50	5/1/2014	977056 YU8	5/1/2010	100
2000-A		8,160,000	5.60	5/1/2015	977056 YV6	5/1/2010	100
2000-D	11/1/2000	20,315,000	5.75	5/1/2013	977056 D23	5/1/2011	100
2000-D		21,340,000	5.75	5/1/2014	977056 D31	5/1/2011	100
2000-D		22,445,000	5.75	5/1/2015	977056 D49	5/1/2011	100
		$ 256,390,000					

Appendix E

SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY