

## OFFERING MEMORANDUM

This Offering Memorandum provides information about the Notes. Some of the information appears on this cover page for ready reference. To make an informed investment decision, a prospective investor should read the entire Offering Memorandum.

# STATE OF WISCONSIN \$950,000,000 GENERAL OBLIGATION EXTENDIBLE MUNICIPAL COMMERCIAL PAPER

<b>Notes</b>	The Notes may be issued as Tax-Exempt Notes or Tax-Exempt AMT Notes— <i>Pages 2-3.</i>
<b>Ratings</b>	As of the date of this Offering Memorandum, several rating agencies have provided ratings on the Tax-Exempt Notes and Tax-Exempt AMT Notes— <i>Page 6.</i> F1+ Fitch Ratings P-1 Moody's Investors Service, Inc. A-1+ Standard & Poor's Ratings Services
<b>Tax Exemption</b>	Interest on the Tax-Exempt Notes is, for federal income tax purposes, excluded from gross income and not an item of tax preference for purposes of alternative minimum tax. Interest on the Tax-Exempt AMT Notes is, for federal income tax purposes, excluded from gross income and an item of tax preference for purposes of alternative minimum tax. Interest on all Notes is subject to current State of Wisconsin income and franchise taxes— <i>Pages 8-9.</i>
<b>Original Maturity Date</b>	From 1 to 180 days from the original issue date of each Note.
<b>Extended Maturity Date</b>	On the Original Maturity Date of a Note, the State has the option to extend the maturity date to the date that is 270 days after the original issue date (or if such day is not a Business Day, then the last Business Day occurring before such day). The option to extend the maturity date exists solely in case there is a disruption in market liquidity for the Notes— <i>Pages 4-6.</i>
<b>Interest Payment Dates</b>	Interest on each Note is payable on the Original Maturity Date. However, if the Original Maturity Date is extended, then interest is not payable on the Original Maturity Date but on the first Business Day of either the first or second month after the Original Maturity Date (depending on what day of the month it is) and then on a monthly basis and on any redemption date or the Extended Maturity Date— <i>Page 5.</i>
<b>Redemption</b>	<i>Original Maturity Date</i> —A Note is not subject to redemption prior to its Original Maturity Date. <i>If Original Maturity Date is Extended</i> —A Note is subject to redemption in whole but not in part, at the option of the State, prior to the Extended Maturity Date; provided that the State must redeem all Notes that have Extended Maturity Dates— <i>Page 6.</i>
<b>Security</b>	The Notes are general obligations of the State of Wisconsin— <i>Pages 3-4.</i>
<b>Rule 2a-7 Compliance</b>	Wilmer Cutler Pickering Hale and Dorr LLP has provided a memorandum to the State and Dealers that analyzes the structure of the Notes. Based upon the analysis in that memorandum, the maturity requirements of Rule 2a-7 would not preclude a money market fund from determining that the Notes are eligible securities under Rule 2a-7. Each investor must make its own determination that the Notes are eligible securities— <i>Page 6.</i>
<b>Purpose</b>	Proceeds of the Notes are used to pay, or to fund previously issued general obligation extendible municipal commercial paper that paid, various governmental purposes and veterans housing loans— <i>Page 3.</i>
<b>Denominations</b>	\$100,000 and \$1,000 increments above \$100,000
<b>Dealers</b>	Goldman, Sachs & Co. Merrill Lynch, Pierce, Fenner & Smith Incorporated
<b>Bond Counsel</b>	Foley & Lardner LLP
<b>Issuing and Paying Agent</b>	U.S. Bank Trust National Association
<b>Issuer Contact</b>	Wisconsin Capital Finance Office (608) 266-2305; <a href="mailto:DOACapitalFinanceOffice@wisconsin.gov">DOACapitalFinanceOffice@wisconsin.gov</a>
<b>Book-Entry Form</b>	The Depository Trust Company— <i>Page 7.</i>
<b>Annual Report</b>	This Offering Memorandum incorporates by reference Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report dated December 21, 2007 and any subsequent notice provided pursuant to the State's continuing disclosure undertaking. At such time as the State publishes a new Annual Report, this Offering Memorandum incorporates by reference the corresponding parts of that Annual Report.

The State has authorized this document for providing information about the Notes. This document is not an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the Notes by any person in any jurisdiction where it is unlawful for the person to make the offer, solicitation, or sale. This document is not a contract, and it provides no investment advice. Prospective investors should consult their advisors and legal counsel with questions about this document, the Notes, 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 estimates, forecasts, projections, and opinions in this document are not 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 Notes other than what is in this document. The information and expressions of opinion in this document may change without notice. Neither the delivery of this document nor any sale of the Notes implies that there has been no change in the other matters contained in this document since its date. Material referred to in this document is not part of this document unless expressly included.

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# STATE OFFICIALS PARTICIPATING IN THE ISSUANCE AND SALE OF THE NOTES

## BUILDING COMMISSION MEMBERS

<b>Voting Members</b>	<b>Term of Office Expires</b>
Governor Jim Doyle, Chairperson	January 2, 2011
Senator Fred A. Risser, Vice-Chairperson	January 4, 2009
Senator Ted Kanavas	January 4, 2009
Senator Jeffrey Plale	January 2, 2011
Representative Dean Kaufert	January 4, 2009
Representative Phil Montgomery	January 4, 2009
Representative Jennifer Shilling	January 4, 2009
Mr. Terry McGuire, Citizen Member	At the pleasure of the Governor
<b>Nonvoting, Advisory Members</b>	
Mr. Adel Tabrizi, State Chief Engineer Department of Administration	—
Mr. Dave Haley, State Chief Architect Department of Administration	—
<b>Building Commission Secretary</b>	
Mr. David W. Helbach, Administrator Division of State Facilities Department of Administration	At the pleasure of the Building Commission and the Secretary of Administration

## OTHER PARTICIPANTS

Mr. J.B. Van Hollen State Attorney General	January 2, 2011
Mr. Michael L. Morgan, Secretary Department of Administration	At the pleasure of the Governor

## 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

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**OFFERING MEMORANDUM**  
**STATE OF WISCONSIN**  
**\$950,000,000**  
**GENERAL OBLIGATION**  
**EXTENDIBLE MUNICIPAL COMMERCIAL PAPER**

**INTRODUCTION**

This Offering Memorandum provides information about the General Obligation Extendible Municipal Commercial Paper (**Notes**) issued by the State of Wisconsin (**State**).

The Notes are authorized by the Wisconsin Constitution and Wisconsin Statutes and are issued pursuant to both a Program Resolution for State of Wisconsin General Obligation Extendible Municipal Commercial Paper that the State of Wisconsin Building Commission (**Commission**) adopted on October 17, 2007 (**Program Resolution**), and by specific **Authorizing Resolutions** adopted from time to time by the Commission.

Notes may be issued from time to time, either in an initial issuance or to provide payment of maturing Notes (Notes issued to redeem or pay other Notes are referred to as **roll-over Notes**). The Program Resolution authorizes the issuance of three series of Notes: **Tax-Exempt Notes**, **Tax-Exempt AMT Notes**, and **Taxable Notes**. Currently, the Building Commission has authorized an initial issuance of Tax-Exempt Notes and Tax-Exempt AMT Notes but not Taxable Notes. This Offering Memorandum does not pertain to Taxable Notes.

Since 2000, the State has issued general obligation extendible municipal commercial paper notes under a prior program resolution (**Prior Notes**) to fund various general governmental purposes and veterans housing loans. The Prior Notes were issued under eight separate series designations, based on the date or dates of initial issuance. The Notes are being issued to consolidate and fund the Prior Notes, and to fund various additional general governmental purposes and veterans housing loans.

With respect to Notes issued after the date of this Offering Memorandum (including roll-over Notes) and until such time as the State publishes a more current offering memorandum, the reader should also review the State of Wisconsin Continuing Disclosure Annual Report (**Annual Report**) published pursuant to the State's continuing disclosure undertaking that is, at the time, the one most recently published. This Offering Memorandum incorporates by reference Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report dated December 21, 2007 (**2007 Annual Report**) and any subsequent notice provided pursuant to the State's continuing disclosure undertaking. At such time as the State publishes a new Annual Report, this Offering Memorandum then incorporates by reference the corresponding parts of that Annual Report.

The Commission 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 Offering Memorandum. This Offering Memorandum contains information furnished by the State or obtained from the sources indicated. Capitalized terms not defined in this Offering Memorandum have the meanings assigned in the Program Resolution or Authorizing Resolutions.

## THE STATE

The State is located in the Midwest among the northernmost tier of states. The State ranks 20th 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 about the State, its financial condition, and its general obligations is included as Appendix A, which includes by reference, and makes changes or additions to, Parts II and III of the 2007 Annual Report.

Requests for additional information about the State, including any request for a copy of the Program Resolution or any Authorizing Resolution, 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:* [DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)  
*Web site:* [www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

## THE PROGRAM

This Offering Memorandum describes the Notes issued under the State of Wisconsin's General Obligation Extendible Municipal Commercial Paper Program (**Program**), established pursuant to the Program Resolution.

The State has appointed Goldman, Sachs & Co. and Merrill Lynch, Pierce, Fenner & Smith Incorporated to serve as **Dealers** for the Notes. Inquiries to the Dealers may be directed to the following:

<i>Contact:</i>	Goldman, Sachs & Co.	Merrill Lynch, Pierce, Fenner & Smith Incorporated
		Attn: Municipal Money Markets
<i>Address:</i>	85 Broad Street, FLR 29 New York, NY, 10004	250 Vesey Street 4 World Financial Center, FLR 9 New York, NY 10080
<i>Phone:</i>	(212) 902-6633	(212) 449-5101
<i>E-Mail:</i>	<a href="mailto:daniel.bingham@gs.com">daniel.bingham@gs.com</a>	<a href="mailto:temm@exchange.ml.com">temm@exchange.ml.com</a>

The State has appointed U.S. Bank Trust National Association to serve as **Issuing and Paying Agent** for the Notes. Inquiries to the Issuing and Paying Agent may be directed to:

*Contact:* U.S. Bank Trust National Association  
*Address:* 100 Wall Street, FLR 16  
New York, NY 10005  
*Phone:* (212) 361-2893  
*Telefax:* (212) 509-3384  
*E-mail:* [beverly.freeney@usbank.com](mailto:beverly.freeney@usbank.com)

The Depository Trust Company (**DTC**) serves as securities depository (**Depository**) for the Notes.

In the Program Resolution, the Commission expresses its expectation that the amounts borrowed for each borrowing purpose through an initial issuance of Notes will be amortized in accordance with fiscal policies of the State through management of the amount of outstanding Notes.

## **Funding Prior Notes**

As of January 1, 2008, \$452 million of Prior Notes were outstanding under eight different series designations. The Commission has adopted an Authorizing Resolution for an initial issuance of Notes to fund the Prior Notes. The initial issuance of Notes for this funding is expected to commence on approximately February 1, 2008 and occur over a period of 90 days. This initial issuance of Notes will eliminate the multiple series designations that currently exist for the Prior Notes.

## **Additional Authorized Notes**

The State may increase the principal amount of Notes outstanding, upon adoption by the Commission of one or more Authorizing Resolutions, to fund various general governmental purposes and veterans housing loans. With respect to an initial issuance, specific instructions must be provided to the Issuing and Paying Agent before a Dealer may increase the principal amount of Notes outstanding. The total amount of Notes authorized to be outstanding pursuant to the Program Resolution is \$950 million. The Notes will not be given a series designation based on any initial issuance date.

## **Application of Proceeds**

The Wisconsin Legislature has established the borrowing purposes and amounts for which public debt may be issued. **APPENDIX B** includes a summary of those purposes, including both the amount authorized and the amount previously issued for each purpose, as of January 1, 2008.

Proceeds from each initial issuance of Notes are deposited in the State's Capital Improvement Fund and are then used to fund the Prior Notes or spent as the State incurs costs for the various borrowing purposes, as identified in the respective Authorizing Resolution. Until the money is spent, the State of Wisconsin Investment Board invests the Note proceeds. See **APPENDIX A**.

Proceeds from each initial issuance of Tax-Exempt AMT Notes are further applied to the veterans housing loan program. This program, operated by the State of Wisconsin Department of Veterans Affairs, is the largest revenue-supported general obligation bonding program of the State and is currently funded by tax-exempt and taxable general obligations of the State. Although the general obligations issued for this purpose are supported by the State's full faith, credit, and taxing power, the repayment of veterans housing loans are estimated to be at least sufficient to pay the debt service on the State's general obligations issued for this purpose. See **APPENDIX A**.

# **THE NOTES**

## **Security**

The Notes 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 Notes. 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 Notes. The Notes are secured equally with all other outstanding general obligations issued by the State.

Although the Notes are general obligations of the State, it is expected that the principal of the Notes will be paid from one or more of the following sources:

- Proceeds of roll-over Notes that are issued to provide payment of previously issued and maturing Notes.
- Proceeds of State general obligation bonds or commercial paper notes. The Authorizing Resolutions authorize the issuance of general obligation bonds or general obligation commercial paper notes for the purpose of funding the Notes. *Such general obligation bonds or commercial paper notes can only be issued at the discretion of the State; no*

*assurance is given whether or when the State will issue general obligation bonds or commercial paper notes to fund any Notes.*

- Any other money made available by the State and deposited into the Note Fund for this purpose. In the Program Resolution, the Commission expresses its expectation that the amounts borrowed for each borrowing purpose through an initial issuance of Notes will be amortized in accordance with fiscal policies of the State through management of the amount of outstanding Notes.

The State's General Fund stands behind the payment of debt service on all general obligations. Should the General Fund have insufficient resources to pay debt service on general obligations, there is a single irrevocable and unlimited appropriation from all revenues of the State for timely payment on all general obligations. Funds for the payment of principal of and interest on the Notes are placed in the State's Capital Improvement Fund. The State expects to periodically transfer these funds from the Capital Improvement Fund to the Note Fund held by the Issuing and Paying Agent to pay interest on the Notes. See "NOTE FUND".

*If payment of principal and interest does not occur on the Original Maturity Date, then the State has the option to extend the maturity date of a Note. The option to extend the maturity exists solely in case there is a disruption in market liquidity for the Notes and not for the purpose of gaining an interest rate advantage. See "THE NOTES; Extension of Maturity Date" for a description of the State's option to extend the maturity date.*

#### **Description of the Notes**

Each Note will be dated the date it is issued. The Notes will be issuable in the denomination of \$100,000 or increments of \$1,000 above \$100,000. Each Note will be issued through the book-entry system of the Depository. Interest on the Tax-Exempt Notes and Tax-Exempt AMT Notes is computed on the basis of a year having 365 or 366 days for the actual number of days elapsed (actual/actual basis). Payment of principal of and interest on each Note will be made to the Depository and then distributed by the Depository.

Each Note will mature on its **Original Maturity Date**, which may range from 1 to 180 days from its original issue date, unless the State exercises its option to extend the maturity date. In that case the Note will mature on the **Extended Maturity Date**, which will be the date that is 270 days after its original issue date (or if such day is not a Business Day, then the last Business Day occurring before such day).

Each Tax-Exempt Note and Tax-Exempt AMT Note will bear interest from its original issue date until the Original Maturity Date at the rate determined on the original issue date, payable on the Original Maturity Date, unless the maturity date is extended, in which case interest will be paid on the date described below. If the State exercises its option to extend the maturity date of a Note, the Note will bear interest after the Original Maturity Date at the Tax-Exempt Reset Rate and payable on the dates described below.

#### **Extension of Maturity Date**

The State is required to notify the Issuing and Paying Agent by 11:00 a.m. (New York time) on the Original Maturity Date if the maturity date of a Note is to be extended. The Issuing and Paying Agent is then required to notify DTC by 11:30 a.m. (New York time) on such date that the maturity date of the Note is being extended. It is the responsibility of DTC, and not the State, to provide notice to brokers and other organizations participating in the DTC book-entry system. In no event shall an extension of a maturity for a Note constitute a default or breach of any covenant under the Program Resolution.

If the maturity date of a Note is extended, any accrued but unpaid interest to the Original Maturity Date will not be paid on the Original Maturity Date but will be payable on the following date (or any earlier redemption date):

(1) if the Original Maturity Date is before the 15<sup>th</sup> day of the month, interest will next be payable on the first **Business Day** of the next month (a Business Day is a day on which banks located in Madison, Wisconsin and in each of the cities that the Principal Office of the Issuing and Paying Agent and Dealers are located are not required or authorized by law or executive order to close for business and a day the New York Stock Exchange is not closed), or

(2) if the Original Maturity Date is on or after the 15<sup>th</sup> day of the month, interest will next be payable on the first Business Day of the second succeeding month after the Original Maturity Date.

For example, if the Original Maturity Date is December 14<sup>th</sup>, the first interest payment will be the first Business Day of January, and if the Original Maturity Date is December 15<sup>th</sup>, the first interest payment will be the first Business Day of February.

Each Tax-Exempt Note and Tax-Exempt AMT Note will bear interest from the Original Maturity Date at the **Tax-Exempt Reset Rate**. Interest is computed on the basis of a year having 365 or 366 days for the actual number of days elapsed (actual/actual basis) and will be payable first on the date described above and thereafter on the first Business Day of each month and on any redemption date or the Extended Maturity Date.

The Tax-Exempt Reset Rate will be a rate of interest per annum determined by the following formula:

$$(1.35 \times \text{SIFMA}) + E$$

As used in the formula, the *SIFMA* variable will be the Securities Industry and Financial Markets Association Municipal Swap Index, or SIFMA Index (which had been called, and is still sometimes referred to as, The Bond Market Association Municipal Swap Index, or BMA Index). The SIFMA Index is currently calculated weekly and released each Wednesday afternoon, effective Thursday. The *E* variable will be a fixed percentage rate, expressed in basis points that is determined based on the ratings assigned to the Notes (**Prevailing Ratings**), as follows:

<u>Prevailing Ratings</u>			
<u>Fitch Ratings</u>	<u>Moody's Investors Service, Inc.</u>	<u>Standard &amp; Poor's Ratings Services</u>	<u>E Variable</u>
F1+	P-1	A-1+	100 basis points
F1	–	A-1	150
F2	P-2	A-2	200
F3	P-3	A-3	300
Lower than F3 (or rating discontinued)	Lower than P-3 (or rating discontinued)	Lower than A-3 (or rating discontinued)	400

Pursuant to the Program Resolution, if at the time of any determination a rating agency announces that a lower rating is under consideration for the Notes, then the Prevailing Rating from such rating agency will not be the rating then assigned to the Notes but instead shall be the next lower rating of such rating agency. If the Prevailing Ratings would indicate different *E* variables, the *E* variable shall be the arithmetic average of those indicated by the Prevailing Ratings.

The Tax-Exempt Reset Rate will be determined weekly by the Issuing and Paying Agent based on information available on its respective Original Maturity Date and each Thursday thereafter and will apply through the following Wednesday.

### **Redemption of Notes**

A Note is not subject to redemption before its Original Maturity Date.

In the event the State exercises its option to extend the maturity of a Note, a Note may be redeemed on any date after its Original Maturity Date, at the option of the State at a redemption price equal to par (100%), plus accrued and unpaid interest to the redemption date; provided the State must redeem all Notes that have Extended Maturity Dates.

To exercise its redemption option, the State shall provide not less than 5 nor more than 25 calendar days' notice to the Issuing and Paying Agent. The Issuing and Paying Agent will notify DTC of the Notes to be redeemed.

### **Rule 2a-7 Compliance**

Wilmer Cutler Pickering Hale and Dorr LLP has provided a memorandum to the State and Dealers that analyzes the structure of the Notes in light of the maturity requirements of Rule 2a-7 under the Investment Company Act of 1940. Based on the analysis in that memorandum, the maturity requirements of Rule 2a-7 would not preclude a money market fund from determining that the Notes are eligible securities under Rule 2a-7. Each investor must make its own determination that the Notes are eligible securities.

### **Ratings**

At the State's request, several rating agencies have rated the Tax-Exempt Notes and Tax-Exempt AMT Notes:

<u>Rating</u>	<u>Rating Agency</u>
F1+	Fitch Ratings
P-1	Moody's Investors Service, Inc.
A-1+	Standard & Poor's Ratings Services

The same rating agencies have also, at the State's prior request, rated the State's general obligation bonds:

<u>Rating</u>	<u>Rating Agency</u>
AA-	Fitch Ratings
Aa3	Moody's Investors Service, Inc.
AA-	Standard & Poor's Ratings Services

Generally, a rating addresses the likelihood of full and timely payment of principal and interest and does not address the remoteness of an extension of the maturity date. Any explanation of the significance of a rating on the Tax-Exempt Notes and Tax-Exempt AMT Notes may only be obtained from the rating service giving the rating. No one can offer any assurance that a rating will be maintained for any period of time; a rating agency may lower or withdraw the rating if in its judgment circumstances so warrant. Any downgrade or withdrawal of a rating may adversely affect the market price of the Tax-Exempt Notes and Tax-Exempt AMT Notes.

## **Book-Entry Form**

The Notes will initially be issued in book-entry-only form. The State and the Issuing and Paying Agent have entered into an agreement with DTC to make the Notes eligible for deposit with DTC. Purchasers of the Notes will not receive certificates but instead will have their ownership in the Notes recorded in the book-entry system. Ownership of the Notes by the purchasers is shown in the records of brokers and other organizations participating in the DTC book-entry system (**DTC Participants**). All transfers of ownership in the Notes must be made, directly or indirectly, through DTC Participants.

### *Payment*

The State will make all payments of principal of, and interest on, the Notes to the Issuing and Paying Agent, which will make payment to DTC. Owners of the Notes will receive payments through the DTC Participants.

### *Notices and Voting Rights*

The State and the Issuing and Paying Agent will provide notices and other communications about the Notes to DTC. Owners of the Notes will receive any notices or communications through the DTC Participants. In any situation involving voting rights, DTC will not vote but will rather give a proxy through the DTC Participants.

### *Discontinued Service*

In the event that participation in DTC's book-entry system were to be discontinued and a successor securities depository were not obtained, Note certificates would be executed and delivered to DTC Participants.

### *Further Information*

Further information concerning DTC and DTC's book-entry system is available at [www.dtcc.com](http://www.dtcc.com). Neither the State nor the Issuing and Paying Agent is responsible for any information available on DTC's web site. That information may be subject to change without notice.

Neither the State nor the Issuing and Paying Agent is responsible for a failure by DTC or any DTC Participant to transfer payments or notices to the owners of the Notes or to follow the procedures established by DTC for its book-entry system.

## **NOTE FUND**

The Program Resolution creates a **Note Fund** held by the Issuing and Paying Agent, with separate accounts for the Tax-Exempt Notes, Tax-Exempt AMT Notes, and Taxable Notes. The Note Fund shall be used solely for the payment of principal of and interest on the Notes. The State may transfer money at any time for deposit into the Note Fund, and proceeds from the sale of roll-over Notes will be deposited into the Note Fund.

Moneys held in the Note Fund may be invested in **Permitted Investments**, which include direct obligations of the United States government or a money market fund consisting solely of direct obligations of the United States government. Amounts deposited in the Note Fund will be spent within a thirteen-month period beginning on the date of deposit, and amounts received from investments of moneys held in the Note Fund will be spent within a one-year period beginning on the date of receipt.

## LEGAL OPINION

Legal matters incident to the authorization, issuance, and sale of Notes are subject to the approval of Foley & Lardner LLP (**Bond Counsel**). Bond Counsel delivered an approving opinion in connection with each initial issuance of the Prior Notes. It is expected that Bond Counsel will deliver an approving opinion in connection with the initial issuance of Notes that will fund the Prior Notes in substantially the form shown in **APPENDIX C** and will thereafter deliver an approving opinion in connection with each subsequent initial issuance of Notes.

As required by law, the Attorney General will examine a certified copy of all proceedings leading to an initial issuance of the Notes. It is expected that the Attorney General will deliver an opinion on the regularity and validity of the proceedings.

## TAX EXEMPTION

### Federal Income Tax

In connection with each initial issuance of the Prior Notes that will be funded by the Tax-Exempt Notes, Bond Counsel delivered an opinion that, under existing law as of the date of the opinion, interest on the those Prior Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. For purposes of the alternative minimum tax imposed on certain corporations, however, interest on those Prior Notes is taken into account in determining adjusted current earnings.

In connection with the initial issuance of the Prior Notes that will be funded by the Tax-Exempt AMT Notes, Bond Counsel delivered an opinion that, under existing law as of the date of the opinion, interest on those Prior Notes is excluded from gross income for federal income tax purposes but is an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers.

It is expected that Bond Counsel will deliver an opinion that, under existing law as of the date of the opinion, each Note issued to pay principal of a Prior Note at its maturity will become a part of the issue of which the Prior Note was a part.

For purposes of certain federal income tax requirements that apply to the exclusion from gross income for federal income tax purposes of interest on the issues of which the Prior Notes form a part, different Notes will be treated as a part of different issues that were originally issued on different dates. No Note will bear a designation of the “issue” of which it is a part for these federal income tax purposes.

As to questions of fact material to each opinion of Bond Counsel, Bond Counsel has relied upon certified proceedings and certifications of public officials and others without independently undertaking to verify them. Moreover, with respect to the Notes the State must comply with all requirements of the Internal Revenue Code (**Code**), that must be satisfied after the Notes are issued for interest on the Notes 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 Notes to be included in gross income for federal income tax purposes, perhaps even starting from the date Notes were issued. Bond Counsel expresses no opinion about other federal tax consequences regarding the Notes. The proceedings authorizing the Notes do not provide for an increase in interest rates or a redemption of the Notes in the event interest on the Notes ceases to be excluded from gross income.

Certain requirements and procedures contained or referred to in the Program Resolution and the Authorizing Resolution and other relevant documents may be changed, and certain actions may be taken or omitted, under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel does not express any opinion as to any Note or the interest thereon if

any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Foley & Lardner LLP.

Future legislation or clarifications or amendments to the Code or to state law, if enacted into law, may cause the interest on the Notes to be subject, directly or indirectly, to federal taxation, or otherwise prevent the owners of the Notes from realizing the full current benefit of the tax status of the interest on the Notes. Prospective purchasers of the Notes are encouraged to consult their own tax advisors regarding any pending federal legislation.

The opinion of Bond Counsel is based on legal authorities that are current as of their respective dates, cover certain matters not directly addressed by such authorities, and represent Bond Counsel's judgment regarding the proper treatment of the Notes for federal income tax purposes. They are not binding on the Internal Revenue Service (**IRS**) or the courts, and they are not guarantees of result.

The IRS has an active tax-exempt bond enforcement program. Bond Counsel is not obligated to defend the State regarding the tax-exempt status of the Notes in the event of an examination by the IRS. Under current IRS procedures, the owners of the Notes and other parties other than the State would have little, if any, right to participate in an IRS examination of the Notes. Moreover, because obtaining judicial review in connection with an IRS examination of tax-exempt bonds is difficult, obtaining independent review of IRS positions with which the State legitimately disagree may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for examination, or the course or result of such an examination, or an examination of obligations presenting similar tax issues may affect the market price, or the marketability of the Notes, and may cause the State or the owners of the Notes to incur significant expense.

Bond Counsel expresses no opinion about other federal tax consequences arising regarding the Notes. There may be other federal tax law provisions that could adversely affect the value of an investment in the Notes for particular owners of the Notes. Prospective investors should consult their own tax advisors about the tax consequences of owning a Note.

For purposes of certain federal income tax requirements that apply to the qualification of the Tax-Exempt Notes and Tax-Exempt AMT Notes as tax-exempt obligations, different Notes will be treated as a part of different issues that were originally issued on different dates. No Note will bear a designation of the "issue" of which it is a part for these federal income tax purposes.

#### **State of Wisconsin Income and Franchise Taxes**

Interest on the Notes is subject to current 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 Note.

### **CONTINUING DISCLOSURE**

The State has made an undertaking, for the benefit of the beneficial owners of the Notes, to provide an Annual Report presenting certain financial information and operating data about the State. By about 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**) for the State. 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. At this time, there is no SID for the State. Part I of the 2007 Annual Report, which contains information on the undertaking, is included by reference as part of this Offering Memorandum.

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  
[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)  
[www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

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: January 25, 2008

## STATE OF WISCONSIN

/s/ JIM DOYLE

Governor Jim Doyle, Chairperson  
State of Wisconsin Building Commission

/s/ MICHAEL L. MORGAN

Michael L. Morgan, Secretary  
State of Wisconsin Department of Administration

/s/ DAVID W. HELBACH

David W. Helbach, Secretary  
State of Wisconsin Building Commission

## APPENDIX A

### INFORMATION ABOUT THE STATE

This Appendix includes by reference information concerning the State of Wisconsin (**State**) and general obligations issued by the State, contained in Parts II and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 21, 2007 (**2007 Annual Report**). This Appendix also includes changes or additions to the information presented in Parts II and III of the 2007 Annual Report.

[Part II of the 2007 Annual Report](#) contains general information about the State. More specifically, that part presents information about 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 2006-07
- State budget
- Potential effects of litigation
- 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 2007 Annual Report](#) are the [audited general purpose external financial statements for the fiscal year ending June 30, 2007](#), prepared in conformity with generally accepted accounting principles (GAAP) for governments as prescribed by the Government Accounting Standards Board, and the independent auditor's report provided by the State Auditor.

[Part III of the 2007 Annual Report](#) contains information concerning general obligations issued by the State. That part discusses the security provisions for general obligations (including the flow of funds to pay debt service on general obligations) and presents data about the State's outstanding general obligations. This part also provides information on the portion of outstanding general obligations that is revenue supported, including information on the veterans housing loan program.

The 2007 Annual Report has been filed with each nationally recognized municipal securities information repository (NRMSIR) and is also available from the part of the Capital Finance Office web site called "Official Disclosure for Bonds, Notes, and Other Securities Issued by the State of Wisconsin". The Capital Finance Office web site is located at the following address:

[www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

Copies of the 2007 Annual Report 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  
[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)

After publication and filing of the 2007 Annual Report, certain changes or events have occurred that affect items discussed in the 2007 Annual Report. Listed below, by reference to particular sections of Parts II and III of the 2007 Annual Report, are changes or additions to the discussion contained in those particular sections. Many of the following changes or additions have not been filed with the NRMSIRs. However, the State has filed, and expects to continue to file, certain informational notices with the NRMSIRs, some of which may be notices that do not describe listed material events under the State's Master Agreement on Continuing Disclosure.

**Budget for 2007-08 and 2008-09 Fiscal Years** (Part II; Pages 26-27). Add the following new section:

*Preliminary Information Regarding General Fund Tax Revenue Estimates*

On January 24, 2008, the Legislative Fiscal Bureau (LFB) released a letter that provided preliminary information about General Fund tax revenue estimates for the remainder of the 2007-09 biennium. The letter states that year-to-date collections growth for three of the major General Fund taxes (individual income, sales, and corporate income) were below expectations, and that based on General Fund tax collections through December 2007 and the January 2008 economic forecast, the projected General Fund balance for the remainder of the 2007-09 biennium could be revised downward by \$300 million to \$400 million. The letter cautions, however, that a formal re-estimate of General Fund tax collections for the 2007-09 biennium will not be completed until LFB has reviewed the General Fund tax collections through January and the February economic forecast.

# APPENDIX B

## State of Wisconsin General Obligation Issuance Status Report (January 1, 2008)

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings<sup>(a)</sup></u>	<u>Total Authorized Unissued Debt</u>
University of Wisconsin; academic facilities.....	\$ 1,567,180,800	\$ 1,133,161,744	\$ 12,857,602	\$ 421,161,454
University of Wisconsin; self-amortizing facilities.....	1,615,268,200	1,017,051,661	2,548,994	595,667,545
Natural resources; Warren Knowles - Gaylord Nelson stewardship 2000 program.....	1,432,000,000	418,824,651	179,090	1,012,996,259
Natural resources; municipal clean drinking water grants.....	9,800,000	9,518,744	141,818	139,438
Clean water fund program.....	697,643,200	481,694,053		215,949,147
Safe drinking water loan program.....	38,400,000	31,971,520		6,428,480
Natural resources; nonpoint source grants.....	94,310,400	85,384,918	152,240	8,773,242
Natural resources; nonpoint source .....	11,000,000	3,350,000	3,034	7,646,966
Natural resources; environmental repair.....	54,000,000	42,919,054	180,912	10,900,034
Natural resources; urban nonpoint source cost-sharing.....	29,900,000	21,878,640	10,318	8,011,042
Natural resources; contaminated sediment removal.....	17,000,000			17,000,000
Natural resources; environmental segregated fund supported administrative facilities.....	10,339,800	6,192,686	143	4,146,971
Natural resources; segregated revenue supported dam safety projects.....	6,600,000	5,932,779	255	666,966
Natural resources; pollution abatement and sewage collection facilities, ORAP funding.....	145,060,325	145,010,325	50,000	
Natural resources; pollution abatement and sewage collection facilities.....	893,493,400	874,927,239	18,513,077	53,084
Natural resources; pollution abatement and sewage collection facilities; combined sewer overflow.....	200,600,000	194,312,599	6,287,401	
Natural resources; recreation projects.....	56,055,000	56,053,994	1,006	
Natural resources; local parks land acquisition and development.....	2,490,000	2,447,741	42,259	
Natural resources; recreation development.....	23,061,500	22,914,510	141,270	5,720
Natural resources; land acquisition.....	45,608,600	45,116,930	491,671	
Natural resources; Wisconsin natural areas heritage program.....	2,500,000	2,445,793	17,174	37,033

**General Obligation Issuance Status Report—Continued**  
**(January 1, 2008)**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings<sup>(a)</sup></u>	<u>Total Authorized Unissued Debt</u>
Natural resources; segregated revenue supported facilities.....	73,277,700	41,212,692	74,256	31,990,752
Natural resources; general fund supported administrative facilities.....	11,410,200	11,054,102	21,432	334,666
Natural resources; ice age trail.....	750,000	750,000		
Natural resources; dam safety projects.....	5,500,000	5,420,148	49,855	29,997
Natural resources; segregated revenue supported land acquisition.....	2,500,000	2,500,000		
Natural resources; Warren Knowles - Gaylord Nelson stewardship program.....	231,000,000	227,652,895	1,299,080	2,048,025
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...	82,000,000	1,992,921	3,781	80,003,298
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; major highway and rehabilitation projects.....	565,480,400	565,480,400		
Transportation; Marquette interchange and I 94 north-south corridor reconstruction projects.....	303,300,000	210,300,000	3,017,816	89,982,184
Transportation; state highway rehabilitation projects.....	250,000,000	248,817,000	1,182,896	104
Transportation; harbor improvements.....	53,400,000	35,726,500	232,619	17,440,881
Transportation; rail acquisitions and improvements.....	66,500,000	37,966,684	5,187	28,528,129
Transportation; local roads for job preservation, state funds.....	2,000,000	2,000,000		
Corrections; correctional facilities.....	812,235,900	779,300,337	11,467,380	21,468,183
Corrections; self-amortizing facilities and equipment.....	7,337,000	2,115,438	99	5,221,463
Corrections; juvenile correctional facilities.....	28,984,500	27,258,551	108,724	1,617,225
Health and family services; mental health and secure treatment facilities.....	172,817,700	121,845,268	895,124	50,077,308

**General Obligation Issuance Status Report—Continued**  
**(January 1, 2008)**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings<sup>(a)</sup></u>	<u>Total Authorized Unissued Debt</u>
Agriculture; soil and water.....	33,075,000	21,987,960	3,025	11,084,015
Agriculture; conservation reserve enhancement...	40,000,000	10,796,000		29,204,000
Administration; Black Point Estate.....	1,600,000	1,497,000	445	102,555
Administration; energy conservation projects; capital improvement fund.....	30,000,000			30,000,000
Building commission; previous lease rental authority.....	143,071,600	143,068,654		2,946
Building commission; refunding tax-supported general obligation debt.....	2,102,086,430	2,102,086,530		
Building commission; refunding self-amortizing general obligation debt.....	272,863,033	272,863,033		
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before June 30, 2005...	250,000,000	250,000,000		
Building commission; refunding tax-supported and self-amortizing general obligation debt.....	1,775,000,000	1,266,025,000		508,975,000
Building commission; housing state departments and agencies.....	554,279,900	419,688,306	2,346,388	132,245,206
Building commission; 1 West Wilson street parking ramp.....	15,100,000	14,805,521	294,479	
Building commission; project contingencies.....	47,961,200	44,064,610	64,761	3,831,829
Building commission; capital equipment acquisition.....	126,335,000	112,778,761	739,059	12,817,180
Building commission; discount sale of debt.....	90,000,000	67,493,598		22,506,402
Building commission; discount sale of debt (higher education bonds).....	100,000,000	99,988,833 <sup>(b)</sup>		11,167
Building commission; other public purposes.....	1,883,901,000	1,448,253,856	8,332,221	427,314,923
Medical College of Wisconsin, Inc.;				
basic science education and health information technology facilities....	10,000,000	10,000,000		
Bond Health Center.....	1,000,000			1,000,000
HR Academy, Inc.....	1,500,000	1,500,000		
Medical College of Wisconsin, Inc.;				
biomedical research and technology incubator.....	35,000,000	25,000,000		10,000,000
Marquette University; dental clinic and education facility...	15,000,000	14,999,182	818	
Civil War exhibit at the Kenosha Public Museums.....	500,000			500,000

**General Obligation Issuance Status Report—Continued  
(January 1, 2008)**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings<sup>(a)</sup></u>	<u>Total Authorized Unissued Debt</u>
Swiss cultural center.....	1,000,000			1,000,000
Racine County; Discovery Place museum.....	1,000,000			1,000,000
Hmong cultural centers.....	2,250,000			2,250,000
Milwaukee Police Athletic League; youth activities center.....	1,000,000	1,000,000		
Children's research institute.....	10,000,000	10,000,000		
Administration; school educational technology infrastructure financial assistance.....	71,911,300	71,480,216	431,066	18
Administration; public library educational technology infrastructure financial assistance.....	269,000	268,918	42	40
Educational communications board; educational communications facilities.....	23,981,500	21,537,389	38,503	2,405,608
Historical society; self-amortizing facilities.....	1,157,000	1,029,156	3,896	123,948
Historical society; historic records.....	18,650,000			18,650,000
Historical society; historic sites.....	3,107,800	2,918,756	251	188,793
Historical society; museum facility.....	4,384,400	4,362,469		21,931
Historical society; Wisconsin history center.....	30,000,000			30,000,000
Public instruction; state school, state center and library facilities.....	7,367,700	7,330,612	32,509	4,579
Military affairs; armories and military facilities.....	32,772,500	22,637,447	195,308	9,939,745
Veterans affairs; veterans facilities.....	10,090,100	9,405,485	50,593	634,022
Veterans affairs; self-amortizing mortgage loans.....	2,205,840,000	2,118,097,395		87,742,605
Veterans affairs; refunding bonds.....	1,015,000,000	741,739,245		273,260,755
Veterans affairs; self-amortizing facilities.....	38,051,600	13,477,450	1,561	24,572,589
State fair park board; board facilities.....	14,787,100	14,769,363		17,737
State fair park board; housing facilities.....	11,000,000	10,999,985	15	
State fair park board; self-amortizing facilities.....	52,987,100	51,789,300	22,401	1,175,399
Total.....	<u>\$21,012,425,088</u>	<u>\$16,658,851,824</u>	<u>\$72,567,798</u>	<u>\$4,281,005,568</u>

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

(b) Accrued interest on any obligation that is not paid during the fiscal year in which it accrues is treated as debt and taken into account for purposes of the statutory authority to issue debt.

Source: Wisconsin Department of Administration.

**APPENDIX C**  
**PROPOSED FORM OF OPINION OF BOND COUNSEL**

*In connection with the initial issuance of Notes that will fund the Prior Notes, it is expected that Foley & Lardner LLP will deliver a legal opinion in substantially the following form:*

(Letterhead of Foley & Lardner LLP)

State of Wisconsin  
General Obligation Extendible Municipal Commercial Paper

State of Wisconsin  
General Obligation Extendible Municipal Commercial Paper  
(Subject to Alternative Minimum Tax)

We have served as bond counsel in connection with the initial issuance by the State of Wisconsin (**State**) of its General Obligation Extendible Municipal Commercial Paper (**Tax-Exempt Notes**) in an amount not to exceed \$447,744,000 and its General Obligation Extendible Municipal Commercial Paper (Subject to Alternative Minimum Tax) (**Tax-Exempt AMT Notes**) in an amount not to exceed \$4,445,000. The Tax-Exempt Notes and the Tax-Exempt AMT Notes (collectively, **Notes**) are authorized to be issued and sold from time to time pursuant to the provisions of Article VIII of the Wisconsin Constitution, Chapters 18, 20, and 45 of the Wisconsin Statutes, and a resolution adopted by the State of Wisconsin Building Commission (**Commission**) on October 17, 2007 entitled “Program Resolution for State of Wisconsin General Obligation Extendible Municipal Commercial Paper” (**Program Resolution**), as supplemented by a resolution adopted by the Commission on October 17, 2007 entitled “Authorizing Resolution for Not to Exceed \$469,225,000 State of Wisconsin General Obligations” (**Supplemental Resolution**). The Notes are being issued for the purpose of funding outstanding general obligation extendible municipal commercial paper (**Prior Notes**).

In connection with each initial issuance of the Prior Notes that will be funded by the Tax-Exempt Notes, we delivered an opinion that, under existing law as of the date of the opinion, interest on Prior Notes of the issue is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. For purposes of the alternative minimum tax imposed on certain corporations, however, interest on Prior Notes of each issue is taken into account in determining adjusted current earnings.

In connection with the initial issuance of the Prior Notes that will be funded by the Tax-Exempt AMT Notes, we delivered an opinion that, under existing law as of the date of the opinion, interest on Prior Notes of the issue is excluded from gross income for federal income tax purposes but is an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers.

We examined the law, a certified copy of the proceedings relating to the issuance of the Notes, 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 the foregoing, we are of the opinion that, under existing law:

1. The Notes are valid and binding general obligations of the State.
2. The Program 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 Program Resolution.
3. The Supplemental 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 Supplemental Resolution.

4. 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 Notes as the Notes 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.
5. Each Note issued to pay principal of a Prior Note at its maturity will become a part of the issue of which the Prior Note was a part. The issuance of the Notes will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Prior Notes.
6. The offer and sale of the Notes are not subject to registration with the Securities and Exchange Commission under the Securities Act of 1933, as amended, and the Program Resolution is not required to be qualified under the Trust Indenture Act of 1939, as amended. We have not passed upon any matters pertaining to compliance with the Blue Sky laws of any state in connection with the offering and sale of the Notes.

It is to be understood that the rights of the owners of the Notes and the enforceability of the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance 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.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Offering Memorandum, dated January 25, 2008, or other offering material relating to the Notes (except to the extent, if any, stated in the Offering Memorandum), and we express no opinion relating thereto (except only the matters set forth as our opinion in the Offering Memorandum). However, in serving as bond counsel, nothing has come to our attention that would lead us to believe that the Offering Memorandum (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 Notes, 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; however, unless otherwise notified by us, you may continue to rely on this opinion to the extent that (i) there is no change in pertinent existing state or federal law, (ii) the Program Resolution and the Supplemental Resolution, in the respective forms in effect on the date hereof, remain in full force and effect, (iii) the representations, warranties and covenants of the parties contained in the Issuing and Paying Agent Agreement, the Dealer Agreement, and certain certificates dated the date hereof and delivered by authorized officers of the State remain true and accurate and are complied with in all material respects, and (iv) no litigation affecting the issuance or validity of the Notes is pending or threatened at the time of delivery of any such Notes.

Very truly yours,