OFFICIAL STATEMENT

New Issue

This Official Statement provides information about the 2010 Bonds. 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 Official Statement.

$200,000,000
STATE OF WISCONSIN

$76,075,000 TRANSPORTATION REVENUE BONDS, 2010 SERIES A
$123,925,000 TRANSPORTATION REVENUE BONDS, 2010 SERIES B (TAXABLE)

Dated: Date of Delivery **Due: July 1, as shown on inside front cover**

Ratings	AA+ Fitch Ratings Aa2 Moody's Investors Service, Inc. AA+ Standard & Poor's Ratings Services
Tax Matters	Interest on the 2010 Series A Bonds is, for federal income tax purposes, excludable from gross income and is not an item of tax preference. For purposes of Section 265(b)(7) of the Code, the 2010 Series A Bonds are obligations issued in 2010 that are not refunding bonds—*Pages 11-13*. Interest on the 2010 Series B Bonds is included in gross income for federal income tax purposes—*Page 13*. Interest on the 2010 Bonds is not exempt from present State of Wisconsin income or franchise taxes—*Page 13*.
Redemption	The 2010 Series A Bonds maturing on July 1, 2021 and all 2010 Series B Bonds are subject to optional redemption at par (100%) on July 1, 2020 or any date thereafter—*Page 3*.
Security	The Bonds have a first claim on vehicle registration fees (which are a substantial portion of pledged Program Income) and other vehicle registration-related fees including, but not limited to, vehicle title transaction fees, registration and title counter service fees, and personalized license plate issuance and renewal fees—*Pages 5-8.*
Priority	The 2010 Bonds are issued on a parity with the Prior Bonds, which are outstanding as of November 1, 2010 in the amount of $1,519,545,000, and any additional parity Bonds issued by the State pursuant to the General Resolution.
Purpose	Proceeds will be used to finance certain State transportation facilities and highway projects and to pay costs of issuance—*Page 4*.
Interest Payment Dates	January 1 and July 1
First Interest Payment Date	July 1, 2011
Closing/Settlement	On or about December 9, 2010
Denominations	Multiples of $5,000
Book-Entry-Only Form	The Depository Trust Company—*Pages 4-5.*
Trustee/Registrar/Paying Agent	The Bank of New York Mellon Trust Company, N.A.
Bond Counsel	Quarles & Brady LLP
Issuer Contact	Wisconsin Capital Finance Office; (608) 266-2305; DOACapitalFinanceOffice@wisconsin.gov
2009 Annual Report	This Official Statement incorporates by reference Parts II and V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2009.

The 2010 Bonds were sold at competitive sales on November 22, 2010. The interest rates payable by the State, which are shown on the inside front cover, resulted from the award of the 2010 Bonds.

November 22, 2010

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, AND OTHER INFORMATION

$200,000,000
STATE OF WISCONSIN

$76,075,000 TRANSPORTATION REVENUE BONDS, 2010 SERIES A

CUSIP	Year (July 1)	Principal Amount	Interest Rate	First Optional Call Date (July 1)	Call Price
977123 YS1	2012	$ 6,050,000	5.00%	Not Callable	-
977123 YT9	2013	6,350,000	5.00	Not Callable	-
977123 YU6	2014	6,670,000	5.00	Not Callable	-
977123 YV4	2015	7,000,000	5.00	Not Callable	-
977123 YW2	2016	7,350,000	5.00	Not Callable	-
977123 YX0	2017	7,720,000	5.00	Not Callable	-
977123 YY8	2018	8,105,000	5.00	Not Callable	-
977123 YZ5	2019	8,510,000	5.00	Not Callable	-
977123 ZA9	2020	8,935,000	5.00	Not Callable	-
977123 ZB7	2021	9,385,000	5.00	2020	100%

Purchase Price: $86,855,042.00

$123,925,000 TRANSPORTATION REVENUE BONDS, 2010 SERIES B (TAXABLE)

CUSIP	Year (July 1)	Principal Amount	Interest Rate	First Optional Call Date (July 1)	Call Price
977123 ZC5	2022	$ 9,850,000	4.70%	2020	100%
977123 ZD3	2023	10,345,000	4.90	2020	100
977123 ZE1	2024	10,865,000	5.10	2020	100
977123 ZF8	2025	11,405,000	5.30	2020	100
977123 ZG6	2026	11,975,000	5.50	2020	100
977123 ZH4	2027	12,575,000	5.60	2020	100
977123 ZJ0	2028	13,205,000	5.70	2020	100
977123 ZK7	2029	13,865,000	5.80	2020	100
977123 ZL5	2030	14,555,000	5.85	2020	100
977123 ZM3	2031	15,285,000	6.00	2020	100

Purchase Price: $122,066,125.00

This document is the State's *official* statement about the offering of the 2010 Bonds; that is, it is the only document the State has authorized for providing information about the 2010 Bonds. This document is not an offer or solicitation for the 2010 Bonds, and no unlawful offer, solicitation, or sale may occur through the use of this document or otherwise. 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 2010 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 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 2010 Bonds 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 2010 Bonds 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 ISSUANCE AND SALE OF THE 2010 BONDS

BUILDING COMMISSION MEMBERS

Voting Members	**Term of Office Expires**
Governor Jim Doyle, Chairperson	January 2, 2011
Senator Jeffrey Plale, Vice-Chairperson	January 2, 2011
Senator Ted Kanavas	January 6, 2013
Senator Pat Kreitlow	January 2, 2011
Representative Spencer Black	January 2, 2011
Representative Gordon Hintz	January 2, 2011
Representative Dean Kaufert	January 2, 2011
Mr. Terry McGuire, Citizen Member	At the pleasure of the Governor
Nonvoting, Advisory Members	
Mr. Gil Funk, State Chief Engineer Department of Administration	——
State Chief Architect (Vacant) Department of Administration	——
Building Commission Secretary	
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. Daniel J. Schooff, Secretary Department of Administration	At the pleasure of the Governor
Mr. Frank J. Busalacchi, Secretary Department of Transportation	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
DOACapitalFinanceOffice@wisconsin.gov

Mr. Frank R. Hoadley
Capital Finance Director
(608) 266-2305
frank.hoadley@wisconsin.gov

Mr. David R. Erdman
Assistant Capital Finance Director
(608) 267-0374
david.erdman@wisconsin.gov

SUMMARY DESCRIPTION OF THE 2010 BONDS

Selected information is presented on this page for the convenience of the reader. To make an informed decision regarding the 2010 Bonds, a prospective investor should read the entire Official Statement.

Principal Amount and Description:	\$76,075,000 State of Wisconsin Transportation Revenue Bonds, 2010 Series A \$123,925,000 State of Wisconsin Transportation Revenue Bonds, 2010 Series B (Taxable)
Denominations:	Multiples of \$5,000
Date of Issue:	Date of Delivery (expected to be December 9, 2010)
Interest Payment:	January 1 and July 1, commencing July 1, 2011
Maturities:	*2010 Series A Bonds:* July 1, 2012-2021 *2010 Series B Bonds:* July 1, 2022-2031—*Inside Front Cover*
Record Date:	December 15 or June 15
Redemption:	*Optional*—The 2010 Series A Bonds maturing on July 1, 2021 and all 2010 Series B Bonds are subject to optional redemption at par (100%) on July 1, 2020 or any date thereafter—*Page 3*
Form:	Book-entry-only—*Pages 4-5*
Paying Agent:	All payments of principal and interest on the 2010 Bonds will be made by The Bank of New York Mellon Trust Company, N.A., or its successor. All payments will be made to The Depository Trust Company, which will distribute payments as described herein.
Authority for Issuance:	The 2010 Bonds are authorized by Chapter 18 and Section 84.59 of the Wisconsin Statutes.
Purpose:	The 2010 Bond proceeds will be used to finance certain State transportation facilities and highway projects and to pay costs of issuance.
Security:	The 2010 Bonds are revenue obligations having a first claim on vehicle registration fees (which are a substantial portion of pledged Program Income) and other vehicle registration-related fees including, but not limited to, vehicle title transaction fees, registration and title counter service fees, and personalized license plate issuance and renewal fees—*Pages 5-8*
Priority and Additional Bonds:	The 2010 Bonds are issued on a parity with the Prior Bonds and any additional parity Bonds issued by the State pursuant to the General Resolution. As of November 1, 2010, \$1,519,545,000 of Prior Bonds were Outstanding and \$146,953,000 of Notes subordinate to the Prior Bonds were Outstanding. The State may, if certain conditions are met, issue additional transportation revenue obligations on parity with the Prior Bonds and the 2010 Bonds—*Pages 6-9*
Legality of Investment:	State law provides that the 2010 Bonds are legal investments for all banks and bankers, trust companies, savings banks and institutions, savings and loan associations, credit unions, investment companies, insurance companies, insurance associations, and other persons carrying on a banking or insurance business; for all personal representatives, guardians, trustees, and other fiduciaries; and for the State, the investment board, and all public officers, municipal corporations, political subdivisions, and public bodies.
Tax Exemption:	Interest on the 2010 Series A Bonds is, for federal income tax purposes, excludable from gross income, not an item of tax preference, and not included in adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. For purposes of Section 265(b)(7) of the Code, the 2010 Series A Bonds are obligations issued in 2010 that are not refunding bonds—*Pages 11-13* Interest on the 2010 Series B Bonds is included in gross income for federal income tax purposes—*Page 13* Interest on the 2010 Bonds is not exempt from present State of Wisconsin income or franchise taxes—*Page 13*.
Legal Opinion:	Validity opinion on all 2010 Bonds and tax opinion on the 2010 Series A Bonds to be provided by Quarles & Brady LLP—*Page C-1*

OFFICIAL STATEMENT

$200,000,000

STATE OF WISCONSIN

$76,075,000 TRANSPORTATION REVENUE BONDS, 2010 SERIES A
$123,925,000 TRANSPORTATION REVENUE BONDS, 2010 SERIES B (TAXABLE)

INTRODUCTION

This Official Statement sets forth information concerning the $76,075,000 State of Wisconsin Transportation Revenue Bonds, 2010 Series A (**2010 Series A Bonds**) and $123,925,000 State of Wisconsin Transportation Revenue Bonds, 2010 Series B (**2010 Series B Bonds)** (collectively, the 2010 Series A Bonds and the 2010 Series B Bonds are called the **2010 Bonds**). The 2010 Bonds are being issued by the State of Wisconsin (**State**). This Official Statement includes by reference Parts II and V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2009 **(2009 Annual Report)**.

The 2010 Bonds are revenue obligations authorized by Subchapter II of Chapter 18 of the Wisconsin Statutes, as amended (**Revenue Obligations Act**) and Section 84.59 of the Wisconsin Statutes (**Act**), and issued pursuant to a General Resolution adopted by the State of Wisconsin Building Commission (**Commission**) on June 26, 1986, as supplemented on March 19, 1998, August 9, 2000, and October 15, 2003 (**General Resolution**), and a Series Resolution adopted by the Commission on May 19, 2010 (collectively, with the General Resolution, **Resolutions**).

The State will elect to treat the 2010 Series B Bonds as " build America bonds" pursuant to Section 54AA of the Internal Revenue Code of 1986, as amended **(Code)** that are "qualified bonds" (within the meaning of Section 54AA(g)(2) of the Code). This will entitle the State to receive from the United States Treasury on each payment date a direct payment in the amount of 35% of the interest payable by the State on such date for the 2010 Series B Bonds. See "SECURITY FOR THE 2010 BONDS; Security; *Build America Bonds*". Owners of the 2010 Series B Bonds will not receive any tax credits or other tax benefits with respect to their ownership of 2010 Series B Bonds.

The Commission, an agency of the State, is empowered by law to authorize, issue, and sell transportation revenue obligations of the State. The Commission is assisted and staffed by the State of Wisconsin Department of Administration.

In connection with the issuance and sale of the 2010 Bonds, the Commission has authorized the preparation of this Official Statement. This Official Statement describes the terms of and security for the 2010 Bonds. Copies of the Resolutions, the Revenue Obligations Act and the Act are available from the Commission. All capitalized terms used in this Official Statement and not otherwise defined shall have the meanings assigned in the Resolutions.

THE DEPARTMENT OF TRANSPORTATION

The State of Wisconsin Department of Transportation (**Department** or **WisDOT**) is the State agency that is involved with all forms of transportation in the State, including the construction and reconstruction of State highways and related transportation facilities and the registration of all motor vehicles. The Department is also the State agency responsible for the collection of vehicle registration fees and other vehicle registration-related fees, which are pledged as security for the revenue obligations issued by the State pursuant to the General Resolution.

Information concerning the Department is included as APPENDIX A to this Official Statement, which includes by reference Part V of the 2009 Annual Report. APPENDIX A also includes updated information and makes changes or additions to Part V of the 2009 Annual Report, including but not limited to, decreased projections of vehicle registration fees, decreased projections of other registration-related fees, and incorporation by reference of the independent auditor's reports and audited statements of cash receipts and disbursements for the years ended June 30, 2010 and June 30, 2009, which have been filed with, and are currently available from, the Municipal Securities Rulemaking Board **(MSRB)** through its Electronic Municipal Market Access **(EMMA)** system at www.emma.msrb.org.

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 concerning the State and its financial condition is included as APPENDIX B, which incorporates by reference Part II of the 2009 Annual Report. APPENDIX B also includes updated information and makes changes or additions to Part II of the 2009 Annual Report, including but not limited to, information from the State's Annual Fiscal Report (budgetary basis) for the fiscal year ended June 30, 2010 and estimated General Fund tax revenue collections for the 2010-11 fiscal year and 2011-13 biennium, as provided by the State of Wisconsin Department of Revenue (**DOR**) on November 19, 2010.

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

Contact:	State of Wisconsin Capital Finance Office Department of Administration Attn: Capital Finance Director
Mail:	101 East Wilson Street, FLR 10 P.O. Box 7864 Madison, WI 53707-7864
Phone:	(608) 266-2305
E-mail:	DOACapitalFinanceOffice@wisconsin.gov
Web site:	www.doa.wi.gov/capitalfinance

THE 2010 BONDS

General

The 2010 Bonds are issued under the General Resolution. The inside front cover of this Official Statement sets forth the maturity dates, principal amounts, interest rates, and other information for the 2010 Bonds. The Legislature has authorized the issuance of $3.010 billion of revenue obligations to finance the costs of State transportation facilities and highway projects **(Projects),** excluding revenue bonds issued to refund Outstanding Bonds. To date (and including the 2010 Bonds), $2.857 billion of such obligations have been issued.

The 2010 Bonds are being issued in book-entry-only form, so the registered owner will be a securities depository or its nominee. The Commission has appointed, as the securities depository for the 2010 Bonds, The Depository Trust Company, New York, New York **(DTC)**. See "THE 2010 BONDS; Book-Entry-Only Form".

The 2010 Bonds will be dated their date of delivery (expected to be December 9 , 2010) and will bear interest from that date payable on January 1 and July 1 of each year, beginning on July 1, 2011.

Interest on the 2010 Bonds will be computed on the basis of a 30-day month and a 360-day year. So long as the 2010 Bonds are in book-entry-only form, payments of principal and interest for each 2010 Bond will be paid to the securities depository.

The 2010 Bonds are issued as fully-registered bonds without coupons in the principal denominations of $5,000 or any multiples thereof.

The Bank of New York Mellon Trust Company, N.A., or its successor, is the trustee for the 2010 Bonds (**Trustee**). In addition, the Trustee is the registrar (**Registrar**) and paying agent (**Paying Agent**) for the 2010 Bonds.

Optional Redemption

The 2010 Series A Bonds maturing July 1, 2012 to 2020 are not subject to optional redemption prior to maturity. The 2010 Series A Bonds maturing on July 1, 2021 are subject to optional redemption on July 1, 2020 or any date thereafter, in whole or in part in multiples of $5,000, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the redemption date. The Commission may decide whether to redeem 2010 Series A Bonds, and the Capital Finance Director shall direct the amount of the 2010 Series A Bonds to be redeemed.

All 2010 Series B Bonds are subject to optional redemption on July 1, 2020 or any date thereafter, in whole or in part in multiples of $5,000, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the redemption date. The Commission may decide whether to redeem 2010 Series B Bonds, and the Capital Finance Director shall direct the amounts and maturities of the 2010 Series B Bonds to be redeemed.

Selection of 2010 Bonds

The 2010 Bonds shall be called for redemption in multiples of $5,000 and bonds of denominations of more than $5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by $5,000, and such bonds may be selected for redemption in part. So long as the 2010 Bonds are in book-entry form and less than all of a particular maturity are to be redeemed, selection of the ownership interests of the 2010 Bonds affected thereby shall be made solely by DTC and the DTC Participants in accordance with their then prevailing rules.

Notice of Redemption

So long as the 2010 Bonds are in book-entry form, a notice of the redemption of any 2010 Bonds shall be sent to the securities depository not less than 30 days or more than 60 days prior to the date of redemption.

Interest on any 2010 Bond so called for prior redemption shall cease to accrue on the redemption date provided payment thereof has been duly made or provided for.

Ratings

At the State's request, several rating agencies have assigned a rating to the 2010 Bonds:

Rating	Rating Agency
AA+	Fitch Ratings[a]
Aa2	Moody's Investors Service, Inc.[b]
AA+	Standard and Poor's Ratings Services

[a] On April 5, 2010, Fitch Ratings changed its rating on the State's transportation revenue bonds from "AA" to "AA+", reflecting a recalibration by Fitch Ratings of certain U.S. public finance credit ratings. According to Fitch Ratings, the recalibration should not be interpreted as an improvement in the credit quality of the State's transportation revenue bonds; rather, the intent of the recalibration is to ensure a greater degree of comparability across Fitch Ratings' global portfolio of credit ratings.

[b] On April 16, 2010, Moody's Investors Service changed its rating on the State's transportation revenue bonds from "Aa3" to "Aa2", reflecting a recalibration by Moody's Investors Service of its long-term U.S. municipal ratings to its global rating scale. According to Moody's Investors Service, the recalibration does not reflect an improvement in credit quality or a change in credit opinion; instead, the recalibration will align municipal ratings with its global scale equivalent.

Any explanation of what a rating means may only be obtained from the rating agency giving the rating. No one can offer any assurance that a rating given to the 2010 Bonds and the Outstanding 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 2010 Bonds and the Outstanding Bonds.

Sources and Applications

It is expected that the proceeds of the 2010 Bonds will be applied as follows. Investment earnings on unspent 2010 Bond proceeds deposited into the Program Account are not included with the amounts below but will be applied to costs of Projects.

Sources	
Principal Amount of the 2010 Series A Bonds	$ 76,075,000.00
Original Issue Premium-2010 Series A Bonds	10,999,845.95
Principal Amount of the 2010 Series B Bonds	123,925,000.00
Total Sources	$ 210,999,845.95
Applications	
Deposit to the Program Account to Pay	
Costs of Projects	$ 208,741,167.00
Costs of Issuance	180,000.00
Underwriters' Discount-2010 Series A Bonds	219,803.95
Underwriters' Discount-2010 Series B Bonds	1,858,875.00
Total Applications	$ 210,999,845.95

Book-Entry-Only Form

The 2010 Bonds will initially be issued in book-entry-only form. Purchasers of the 2010 Bonds will not receive bond certificates but instead will have their ownership in the 2010 Bonds recorded in the book-entry system.

2010 Bond certificates are to be issued and registered in the name of a nominee of DTC, which acts as securities depository for the 2010 Bonds. Ownership of the 2010 Bonds 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 2010 Bonds must be made, directly or indirectly, through DTC Participants.

Payment

The Trustee will make all payments of principal of, interest on, and any redemption premium on the 2010 Bonds to DTC. Owners of the 2010 Bonds will receive payments through the DTC Participants.

Notices and Voting Rights

The State and Trustee will provide notices and other communications about the 2010 Bonds to DTC. Owners of the 2010 Bonds will receive any notices or communications through the DTC Participants. In any situation involving voting rights, DTC will not vote but rather will give a proxy through the DTC Participants.

Redemption

If less than all of the 2010 Bonds of a given maturity are being redeemed, DTC's practice is to determine by lottery the amount of the 2010 Bonds to be redeemed from each DTC Participant.

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, 2010 Bond 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. The State and Trustee are not responsible for any information available on DTC's web site. That information may be subject to change without notice.

The State and Trustee are not responsible for a failure by DTC or any DTC Participant to transfer payments or notices to the owners of the 2010 Bonds or to follow the procedures established by DTC for its book-entry system.

Possible Discontinuance of Book-Entry-Only System

In the event the 2010 Bonds were not in book-entry-only form, how the 2010 Bonds are paid, redeemed, and transferred would differ.

Payment

Payment of principal would be made by check or draft issued upon presentation and surrender of the 2010 Bonds at the office of the Paying Agent. Payment of interest due on the 2010 Bonds would be made by check or draft mailed to the registered owner shown in the registration books on the Record Date, which is the 15^{th} day of the month (whether or not a business day) of the month preceding the Interest Payment Date.

Redemption

If less than all of a particular maturity of the 2010 Bonds is to be redeemed, selection for redemption would be by lot. Any notice of the redemption of any 2010 Bonds would be mailed not less than 30 days prior to the date of redemption to the registered owners of any 2010 Bonds to be redeemed. Interest on any Bond called for redemption would cease to accrue on the redemption date so long as the 2010 Bond was paid or money was on deposit with the Registrar or Paying Agent for its payment.

Transfer

Any 2010 Bond would be transferred by the person in whose name it is registered, in person or by his duly authorized legal representative, upon surrender of the 2010 Bond to the Registrar for cancellation, together with a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any 2010 Bond is surrendered for transfer, the Registrar shall deliver 2010 Bonds, in like aggregate principal amount, interest rate, and maturity. The Registrar may require the Bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer and may charge a sum sufficient to pay the cost of preparing such 2010 Bond. The Registrar shall not be obliged to make any transfer or exchange of 2010 Bonds:

(1) after the 15th day of the month preceding an Interest Payment Date for the 2010 Bond,

(2) during the 15 days preceding the date of the mailing of a notice of redemption of 2010 Bonds selected for redemption, or

(3) after such 2010 Bond has been called for redemption.

SECURITY FOR THE 2010 BONDS

General

Information concerning the State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations Program (**Program**), security for the Bonds, sources of payment, vehicles subject to registration, past and projected vehicle registration fees, past and projected other vehicle registration-related fees, registration fee collection procedures, Reserve Fund, additional Bonds, and the Department is included as APPENDIX A to this Official Statement, which includes by reference Part V of the 2009 Annual Report. APPENDIX A also includes updates to Part V of the 2009 Annual Report, including but not limited to, decreased projections of vehicle registration fees, decreased projections of other registration-related fees, and incorporation by reference of the independent auditor's reports and audited statements of cash receipts and disbursements for the years ended June 30, 2010 and June 30, 2009, which have been filed with, and are currently available from, the MSRB through its EMMA system at www.emma.msrb.org.

Prior Bonds

The State has previously issued many series of Transportation Revenue Bonds, of which the following are currently Outstanding Bonds within the meaning of the General Resolution:

Bond Issue	Dated Date
Transportation Revenue Bonds, 1993 Series A (**1993 Bonds**)	September 1, 1993
Transportation Revenue Bonds, 1998 Series A (**1998 Bonds**)	August 15, 1998
Transportation Revenue Bonds, 2001 Series A (**2001 Bonds**)	November 15, 2001
Transportation Revenue Refunding Bonds, 2002 Series 1 **(2002 Series 1 Bonds)**	April 15, 2002
Transportation Revenue Refunding Bonds, 2002 Series 2 **(2002 Series 2 Bonds)**	April 15, 2002
Transportation Revenue Bonds, 2002 Series A **(2002 Series A Bonds)**	October 15, 2002
Transportation Revenue Bonds, 2003 Series A **(2003 Bonds)**	November 1, 2003
Transportation Revenue Refunding Bonds, 2004 Series 1 **(2004 Bonds)**	September 30, 2004
Transportation Revenue Bonds, 2005 Series A **(2005 Series A Bonds)**	March 10, 2005
Transportation Revenue Bonds, 2005 Series B **(2005 Series B Bonds)**	September 29, 2005
Transportation Revenue Bonds, 2007 Series A **(2007 Series A Bonds)**	March 8, 2007
Transportation Revenue Refunding Bonds, 2007 Series 1 **(2007 Series 1 Bonds)**	March 8, 2007
Transportation Revenue Bonds, 2008 Series A **(2008 Bonds)**	August 27, 2008
Transportation Revenue Bonds, 2009 Series A **(2009 Series A Bonds)**	October 1, 2009
Transportation Revenue Bonds, 2009 Series B (Taxable) **(2009 Series B Bonds)**	October 1, 2009

These Outstanding Bonds (collectively, **Prior Bonds**) and the 2010 Bonds, together with any additional Bonds issued by the State pursuant to the General Resolution, are referred to collectively as the **Bonds**. As of November 1, 2010, the amount of outstanding Prior Bonds was $1,519,545,000.

The 2010 Bonds are issued on a parity with the Prior Bonds and any additional parity Bonds issued by the State pursuant to the General Resolution.

The State has also issued Transportation Revenue Commercial Paper Notes of 1997, Series A and Transportation Revenue Commercial Paper Notes of 2006, Series A (collectively, **Notes**). As of November 1, 2010, the amount of outstanding Notes was $146,593,000. The Notes were issued pursuant to the General Resolution and pursuant to Series Resolutions that provide that the Notes are junior and subordinate to the Bonds. The Commission has authorized the issuance of additional Bonds to pay for the funding of the Notes. If and when issued, the funding Bonds will be on a parity with the Prior Bonds, the 2010 Bonds, and any additional parity Bonds issued by the State pursuant to the provisions and conditions of the General Resolution.

Security

The 2010 Bonds are revenue obligations of the State payable solely from the Redemption Fund created by the General Resolution. The 2010 Bonds, the Prior Bonds, and any additional parity Bonds issued by the State pursuant to the General Resolution, are secured by a first lien pledge of Program Income (as defined herein), and the funds created by the General Resolution pledged to the payment of interest, principal, and Redemption Price on the Bonds. The 2010 Bonds are not general obligations of the State.

Program Income includes vehicle registration fees authorized under Section 341.25 of the Wisconsin Statutes **(Registration Fees)** and certain other vehicle registration-related fees added pursuant to 2003 Wisconsin Act 33 and a supplement to the General Resolution dated October 15, 2003 **(Other Registration-Related Fees)**. Other Registration-Related Fees include many types of fees that are enumerated in the Wisconsin Statutes, however, many of the Other Registration-Related Fees result in insignificant or sporadic annual revenues. Given this insignificant and sporadic nature, the State is currently providing continuing disclosure on some, but not all, Other Registration-Related Fees. These specific Other Registration-Related Fees include vehicle title transaction fees, registration and title counter service fees, and personalized license plate issuance and renewal fees. SEE APPENDIX A. ***The 2010 Bonds shall be revenue obligations of the State payable solely out of the Redemption Fund. The State is not generally liable on the 2010 Bonds, and the 2010 Bonds shall not be a debt of the State for any purpose whatsoever.***

The Notes, and any other obligations to be issued on parity with the Notes, are also revenue obligations of the State payable from Program Income deposited into the Subordinated Debt Service Fund authorized by the General Resolution and created pursuant to the Series Resolutions for the Notes. The pledge of Program Income to the Subordinated Debt Service Fund is subordinate to the pledge of Program Income to the Redemption Fund.

Flow of Funds

All Program Income shall be collected by the Trustee, or the Department as agent of the Trustee, and deposited outside the State Treasury in an account with the Trustee defined as the **Redemption Fund**. Program Income is defined to include all the interest earned or gain realized from the investment of the Redemption Fund.

Program Income received by the Trustee in the Redemption Fund is to be used:

(1) to pay interest on all Outstanding Bonds,

(2) to pay the principal or Redemption Price of all Outstanding Bonds,

(3) to maintain the Debt Service Reserve Requirement in the Reserve Fund,

(4) to pay, from the Program Expense Fund, direct administrative expenses (**Program Expenses**) of the State's program of financing Projects, and

(5) to pay, from the Subordinated Debt Service Fund, principal of and interest on the Notes and any other obligations issued on a parity with the Notes.

Program Income in excess of the amount needed for such purposes is to be transferred to the Transportation Fund held by the Department free of the lien of the pledge of the General Resolution and will be used by the Department for any of its authorized purposes.

Build America Bonds

The direct payment the State expects to receive from the United States Treasury on each interest payment date in the amount of 35% of the interest payable by the State on such date for the 2010 Series B Bonds, and for any other "build America bonds" that the State has previously issued, is not Program Income. As such, it is not pledged to the payment of interest, principal, or Redemption Price on the Bonds.

Other

The State pledges and agrees with the Bondholders that the State will not limit or alter its powers to fulfill the terms of any agreements (made in the General Resolution or in the Bonds) with the Bondholders, or in any way impair the rights and remedies of the Bondholders until the Bonds, together with interest, including interest on any unpaid installments of interest thereon, and Redemption Price thereof, and all costs and expenses in connection with any action or proceeding by or on behalf of the Bondholders, are fully met and discharged.

Reserve Fund

The General Resolution creates a Reserve Fund and provides that it shall be used in the event there is a deficiency in the Redemption Fund for the payment of principal of and interest on all of the then Outstanding Bonds. If there is a deficiency in the Reserve Fund, the Trustee shall, after setting aside in the Principal and Interest Account the applicable amount required to be deposited therein, deposit Program Income into the Reserve Fund in an amount sufficient to remedy such deficiency. The Reserve

Fund is currently funded in an amount equal to $26,501,400 (consisting of an amount available under an irrevocable surety bond of $16,341,600 and other cash and investments of $10,159,800), which exceeds the current aggregate Debt Service Reserve Requirement of $16,341,600.

The State pursuant to each Series Resolution specifies the Debt Service Reserve Requirement, if any, for each Series of Bonds. Since 2003, the State has not specified a Debt Service Reserve Requirement for any Series of Bonds that have been issued. The State will continue this practice with the issuance of the 2010 Bonds. Accordingly, the Debt Service Reserve Requirement for the 2010 Bonds is $0.00. Furthermore, the State does not currently expect to specify a Debt Service Reserve Requirement for any Series of additional Bonds; however, this determination (and any resulting change in the amount of Reserve Fund) will be made on a case-by-case basis. No representation is made as to the Debt Service Reserve Requirement that the State may specify for any Series of additional Bonds.

The individual Debt Service Reserve Requirements for each Series of the Outstanding Bonds are combined to determine the aggregate Debt Service Reserve Requirement for the Reserve Fund. If all of the Bonds of a Series cease to be Outstanding, then the aggregate Debt Service Reserve Requirement is reduced by the Debt Service Reserve Requirement attributable to that Series of Bonds. The aggregate Debt Service Reserve Requirement of all Outstanding Bonds is currently $16,341,600. It is currently expected that the aggregate Debt Service Reserve Requirement will decline as Bonds cease to be Outstanding. However, this depends on future decisions the State makes regarding the Debt Service Reserve Requirement to be specified for any Series of additional Bonds.

The State may, pursuant to the General Resolution, transfer cash and investments on deposit in the Reserve Fund that are in excess of the aggregate Debt Service Reserve Requirement to the Interest and Principal Account at the end of any fiscal year. While it has not been the State's practice to reduce the funds available in the Reserve Fund by making such transfers of cash and investments in conjunction with a reduction in the aggregate Debt Service Reserve Requirement, there is no assurance that the amount available in the Reserve Fund will be maintained at any amount in excess of the-then aggregate Debt Service Reserve Requirement calculated as of any particular date of computation.

The General Resolution provides that, with respect to any Series of Bonds, in lieu of a deposit to the Reserve Fund of an amount equal to the Debt Service Reserve Requirement, the State may provide for a letter of credit, municipal bond insurance policy, surety bond, or other type of agreement or arrangement with an entity having, at the time of entering into such agreement or arrangement, a credit rating equal to or greater than the rating on the Bonds which provides for the availability, at the times required pursuant to the provisions of any Series Resolution, of an amount at least equal to such Debt Service Reserve Requirement for such Series of Bonds. Since 1993, the State has funded the Reserve Fund, in part, with an irrevocable surety bond **(Surety Bond)** issued by Ambac Assurance Corporation **(Ambac Assurance)**, which is an asset of the Reserve Fund and noncancelable by the provider until it expires on the earlier of July 1, 2023, or when all Bonds are paid in full. Pursuant to the terms of the Surety Bond, the amount available thereunder is the lesser of $51,258,600 or the aggregate Debt Service Reserve Requirement, currently $16,341,600.

No information is provided in this Official Statement about any credit rating assigned to the obligations of Ambac Assurance. See APPENDIX A.

Additional Bonds

The General Resolution authorizes the issuance of additional Bonds for the purpose of paying the costs of Projects, funding reserves, paying costs of issuance, and refunding Outstanding Bonds. Except in the case of additional Bonds issued to refund Outstanding Bonds, additional Bonds may be issued only if Program Income for any 12 consecutive calendar months of the preceding 18 calendar months was at least equal to 2.25 times the maximum aggregate Principal and Interest Requirement in any Fiscal Year for all Outstanding Bonds, including the Bonds to be issued. The General Resolution defines **Outstanding Bonds**, as of any particular date, as all Bonds previously delivered and expected to be delivered, except

(1) any Bond canceled by the Trustee, or proven to the satisfaction of the Trustee to have been canceled by the Registrar, (2) any Bond deemed to have been defeased pursuant to the General Resolution, and (3) any Bond in lieu of or in substitution for which another Bond shall have been delivered pursuant to the requirements of the General Resolution or any Series Resolution.

SUMMARY OF THE GENERAL RESOLUTION

A summary of the General Resolution is included as APPENDIX A to this Official Statement, which includes by reference Part V of the 2009 Annual Report.

BORROWING PROGRAM

The 2010 Bonds are the first issuance of transportation revenue bonds in calendar year 2010. The Commission's authorization of up to $153 million of additional transportation revenue bonds to fund highway projects and transportation facilities is valid until May, 2011; however, no other transportation revenue bonds are expected to be issued during the remainder of calendar year 2010.

The Commission has authorized up to $250 million of transportation revenue refunding bonds. The amount and timing of any issuance of any transportation revenue refunding bonds depend on market conditions.

The Commission has previously authorized the issuance of additional Bonds for the funding of the outstanding Notes. If and when issued, these funding Bonds will be on parity with the Prior Bonds, the 2010 Bonds, and any additional parity Bonds issued by the State pursuant to the provisions and conditions of the General Resolution.

UNDERWRITING

The Bonds were purchased through competitive bidding on November 22, 2010 by the following accounts (collectively, **Underwriters)**:

2010 Series A Bonds—J.P. Morgan Securities LLC (book-running manager) and Estrada, Hinojosa & Company, Inc.

2010 Series B Bonds—Robert W. Baird & Co. Incorporated (book-running manager), Morgan Keegan & Co., Inc., Fidelity Capital Markets, Coastal Securities, Inc., C.L. King & Associates, Duncan-Williams, Inc., Kildare Capital, Edward D. Jones & Co., Loop Capital Markets, SAMCO Capital Markets, Crews & Associates, Inc., Bank of New York Mellon Capital Markets, NW Capital Markets Inc, William Blair & Company, L.L.C., Vining-Sparks IBG, Limited Partnership, Southwest Securities, Inc., and PNC Capital Markets, with Davenport & Co., L.L.C., Cronin & Co., Inc., and Jackson Securities, LLC.

The true-interest-cost rate to the State for the 2010 Series A Bonds is 2.569477%, and the true-interest-cost rate to the State for the 2010 Series B Bonds is 3.731825% (adjusted to take into account the direct payment the State will receive from the United States Treasury on each interest payment date in the amount of 35% of the interest payable by the State on the 2010 Series B Bonds on such date).

CUSIP NUMBERS, REOFFERING YIELDS, PRICES, AND OTHER INFORMATION

Both the tables appearing below and on the inside front cover include information about the 2010 Bonds and are provided for reference. The CUSIP number for each maturity has been obtained from sources believed to be reliable, but the State is not responsible for the correctness of the CUSIP numbers. The Underwriters have provided the reoffering yields and prices. For each of the 2010 Bonds subject to optional redemption, the yield at issuance shown is the lower of the yield to the first optional call date or the yield to the nominal maturity date.

$76,075,000
State of Wisconsin
Transportation Revenue Bonds, 2010 Series A

Dated Date: Date of Delivery
First Interest Date: July 1, 2011
Delivery/Settlement Date: On or about December 9, 2010

CUSIP	Year (July 1)	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date (July 1)	Call Price
977123 YS1	2012	$ 6,050,000	5.00%	0.73%	106.615%	Not Callable	-
977123 YT9	2013	6,350,000	5.00	0.98	110.142	Not Callable	-
977123 YU6	2014	6,670,000	5.00	1.31	112.796	Not Callable	-
977123 YV4	2015	7,000,000	5.00	1.57	115.039	Not Callable	-
977123 YW2	2016	7,350,000	5.00	1.85	116.572	Not Callable	-
977123 YX0	2017	7,720,000	5.00	2.16	117.285	Not Callable	-
977123 YY8	2018	8,105,000	5.00	2.53	116.899	Not Callable	-
977123 YZ5	2019	8,510,000	5.00	2.81	116.559	Not Callable	-
977123 ZA9	2020	8,935,000	5.00	3.07	115.884	Not Callable	-
977123 ZB7	2021	9,385,000	5.00	3.30	113.840 [a]	2020	100%

[a] These 2010 Series A Bonds are priced to the July 1, 2020 first optional call date.

$123,925,000
State of Wisconsin
Transportation Revenue Bonds, 2010 Series B (Taxable)

Dated Date: Date of Delivery
First Interest Date: July 1, 2011
Delivery/Settlement Date: On or about December 9, 2010

CUSIP	Year (July 1)	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date (July 1)	Call Price
977123 ZC5	2022	$ 9,850,000	4.70%	4.70%	100%	2020	100%
977123 ZD3	2023	10,345,000	4.90	4.90	100	2020	100
977123 ZE1	2024	10,865,000	5.10	5.10	100	2020	100
977123 ZF8	2025	11,405,000	5.30	5.30	100	2020	100
977123 ZG6	2026	11,975,000	5.50	5.50	100	2020	100
977123 ZH4	2027	12,575,000	5.60	5.60	100	2020	100
977123 ZJ0	2028	13,205,000	5.70	5.70	100	2020	100
977123 ZK7	2029	13,865,000	5.80	5.80	100	2020	100
977123 ZL5	2030	14,555,000	5.85	5.85	100	2020	100
977123 ZM3	2031	15,285,000	6.00	6.00	100	2020	100

LEGALITY FOR INVESTMENT

State law provides that the 2010 Bonds are legal investments for the following:

- Banks and bankers, trust companies, savings banks and institutions, savings and loan associations, credit unions, investment companies, insurance companies, insurance associations, and other persons carrying on a banking or insurance business.
- Personal representatives, guardians, trustees, and other fiduciaries.
- The State, the investment board, and all public officers, municipal corporations, political subdivisions, and public bodies.

PENDING LITIGATION

The State and its officers and employees are defendants in numerous lawsuits. It is not expected that the pending litigation will be finally determined so as to result individually or in the aggregate in a final judgment against the State which would materially affect the payment of interest on, principal of, or Redemption Price of the 2010 Bonds.

As required by law, the office of the Attorney General will examine a certified copy of all proceedings leading to issuance of the 2010 Bonds. The Attorney General will deliver an opinion on the regularity and validity of the proceedings. The Attorney General's opinion will also state that there is no action, suit, or proceeding, either pending or threatened in writing, known to the Attorney General, restraining or enjoining the issuance, sale, execution, or delivery of the 2010 Bonds, and that there also is no action, suit, or proceeding, either pending or threatened in writing, known to the Attorney General, in any way contesting or affecting (1) the titles to their respective offices of any of the State officers involved in the issuance of the 2010 Bonds, (2) the validity of the 2010 Bonds or any proceedings or authority by which the same have been issued, sold, executed and delivered or (3) the pledge or application of any moneys or security provided for the payment of the 2010 Bonds, or the existence of the Department or its power to charge and collect Registration Fees and Other Registration-Related Fees and to pledge them for the payment of the 2010 Bonds.

In the event certificated 2010 Bonds are issued, the certificate of the Attorney General will be printed on the reverse side of each 2010 Bond.

LEGALITY

All legal matters incident to the authorization, issuance, and delivery of the 2010 Bonds are subject to the opinion of Quarles & Brady LLP, Milwaukee, Wisconsin (**Bond Counsel**).

TAX MATTERS

Tax Exemption – 2010 Series A Bonds

Bond Counsel will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the 2010 Series A Bonds under existing law substantially in the following form, as also set forth in APPENDIX C.

> "The interest on the 2010 Series A Bonds (including any original issue discount properly allocable to the owners thereof) is excludable for federal income tax purposes from the gross income of the owners of the 2010 Series A Bonds. The interest on the 2010 Series A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended **(Code)** on corporations (as that term is defined for federal income tax purposes) and individuals and is not included in adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. The Code contains requirements that must be satisfied subsequent to the issuance of the 2010 Series A Bonds in order for interest on the 2010 Series A Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the 2010 Series A Bonds to be included in gross income retroactively to the date of issuance of the 2010 Series A Bonds. The State has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the State comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the 2010 Series A Bonds."

Prospective purchasers of the 2010 Series A Bonds should be aware that ownership of the 2010 Series A Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the 2010 Series A Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time, legislation is proposed which, if enacted, could alter one or more of the federal tax matters referred to above or would adversely affect the market value of the 2010 Series A Bonds. It cannot be predicted whether or in what form any of such proposals may be enacted and whether, if enacted, such proposals will apply to obligations (such as the 2010 Series A Bonds) issued prior to enactment.

De Minimis Safe Harbor Exception for Tax-Exempt Interest Expense of Financial Institutions

In the case of a financial institution, the Code generally disallows that portion of a taxpayer's interest expense that is allocable to tax-exempt interest. The amount of interest that is disallowed is an amount which bears the same ratio to such interest expense as the taxpayer's average adjusted bases of tax-exempt obligations acquired after August 7, 1986 bears to the average adjusted bases of all assets of the taxpayer. The general rule of section 265(b) of the Code denying financial institutions' interest expense deductions allocable to tax-exempt obligations does not apply to "qualified tax-exempt obligations". The 2010 Series A Bonds are not "qualified tax-exempt obligations" for this purpose.

The American Recovery and Reinvestment Act of 2009 amends section 265(b) of the Code to provide that tax-exempt obligations issued during 2009 and 2010 and held by a financial institution, in an amount not to exceed two percent of the adjusted basis of the financial institution's assets, are not taken into account for the purpose of determining the portion of the financial institution's interest expense subject to the pro rata interest disallowance rule of section 265(b). For the purposes of this rule, a refunding bond (whether a current or advance refunding) is treated as issued on the date of issuance of the refunded bond (or, in a case of a series of refundings, the original bond).

The American Recovery and Reinvestment Act of 2009 also amends section 291(e) of the Code to provide that tax-exempt obligations issued during 2009 and 2010, and not taken into account for purposes of calculation of a financial institution's interest expense subject to the pro rata interest disallowance rule, are treated as having been acquired on August 7, 1986. As a result, such obligations are financial institution preference items, and the amount allowable as a deduction by a financial institution with respect to interest incurred to carry such obligations is reduced by 20 percent.

For purposes of Section 265(b)(7) of the Code, the 2010 Series A Bonds are obligations issued in 2010 that are not refunding bonds.

Original Issue Premium

To the extent that the initial offering prices of certain of the 2010 Series A Bonds are more than the principal amount payable at maturity, such 2010 Series A Bonds **(Premium 2010 Series A Bonds)** will be considered to have bond premium.

Any Premium 2010 Series A Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium 2010 Series A Bond is calculated on a daily basis from the issue date of such Premium 2010 Series A Bond until its stated maturity date (or call date, if any) on the basis of a constant instant rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium 2010 Series A Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium 2010 Series A Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium 2010 Series A Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the owner held such Premium 2010 Series A Bond. The adjusted tax basis in a Premium 2010 Series A Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium 2010 Series A Bond.

Owners of Premium 2010 Series A Bonds who did not purchase such Premium 2010 Series A 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 2010 Series A Bonds.

Tax Status – 2010 Series B Bonds

Interest on the 2010 Series B Bonds is included in gross income for present federal income tax purposes.

In order to comply with Treasury Circular 230, the opinion of Bond Counsel will state that unless specifically stated to the contrary in writing, any advice contained in the opinion of Bond Counsel concerning tax issues or submissions related to the 2010 Series B Bonds is not intended to be used, and cannot be used, by the taxpayer for the purpose of avoiding any tax penalties that may be imposed upon the taxpayer by any governmental taxing authority or agency.

State Taxes

The interest on the 2010 Bonds is not exempt from present Wisconsin income or franchise taxes. Owners of the 2010 Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the 2010 Bonds.

CONTINUING DISCLOSURE

The State is making an undertaking, for the benefit of the beneficial owners of the 2010 Bonds, to provide an annual report presenting certain financial information and operating data about the State **(Annual Reports)**. By December 27 of each year, the State will send the report to the Municipal Securities Rulemaking Board **(MSRB)**. The State will also provide to the MSRB notices of the occurrence of certain events specified in the undertaking.

The proposed undertaking of the State is shown in APPENDIX D. Copies of the Annual Reports and notices may be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
Attn: Capital Finance Director
101 East Wilson Street, FLR 10, P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
DOACapitalFinanceOffice@wisconsin.gov
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 MSRB. In the last five years, the State has not failed to comply in any material respect with this or any similar undertaking.

Dated: November 22, 2010

STATE OF WISCONSIN

By: /S/ JIM DOYLE
Governor Jim Doyle, Chairperson
State of Wisconsin Building Commission

By: /S/ DAVID W. HELBACH
David W. Helbach, Secretary
State of Wisconsin Building Commission

By: /S/ FRANK J. BUSALACCHI
Frank J. Busalacchi, Secretary
State of Wisconsin Department of Transportation

APPENDIX A

INFORMATION ABOUT THE TRANSPORTATION REVENUE BOND PROGRAM

This Appendix includes by reference information concerning the State of Wisconsin Transportation Revenue Bond Program, contained in Part V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2009 (**2009 Annual Report**), which can be obtained as described below.

This Appendix also includes changes or additions to the information presented in Part V of the 2009 Annual Report, including but not limited to, decreased projections of vehicle registration fees and decreased projections of other registration-related fees. This Appendix also includes by reference the independent auditor's reports and audited statements of cash receipts and disbursements for the years ended June 30, 2010 and June 30, 2009, which have been filed with, and are currently available from, the Municipal Securities Rulemaking Board **(MSRB)** through its Electronic Municipal Market Access **(EMMA)** system at www.emma.msrb.org.

Part V of the 2009 Annual Report contains information concerning the Transportation Revenue Bond Program, security for the Bonds, sources of payment, vehicle registration fees, other vehicle registration-related fees, registration fee collection procedures, the Reserve Fund, additional Bonds, the Wisconsin Department of Transportation **(Department** or **DOT)**, and a summary of the General Resolution.

The 2009 Annual Report has been filed with the MSRB 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

Copies of the 2009 Annual Report may also be obtained from:

State of Wisconsin Department of Administration
Capital Finance Office
101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
DOACapitalFinanceOffice@wisconsin.gov

After publication and filing of the 2009 Annual Report, certain changes or events have occurred that affect items discussed in the 2009 Annual Report. Listed below, by reference to particular sections of Part V of the 2009 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 or the MSRB. However, the State has filed with the NRMSIRs or the MSRB and expects to continue to file certain informational notices with the MSRB, some of which may describe occurrences other than listed material events under the State's undertakings.

Security; Reserve Fund; Ambac Assurance (Part V; Pages 151-152). On November 9, 2010, the State of Wisconsin requested updated disclosure information from Ambac Assurance Corporation (**Ambac Assurance**); however, Ambac Assurance informed the State that since Ambac Assurance's parent company filed for bankruptcy on November 8, 2010, Ambac Assurance is not currently providing any disclosure language.

Table V-2; Debt Service of Outstanding Transportation Revenue Bonds and Estimated Revenue Coverage (Pages 153-154). Replace with the following updated table:

The table on the following page shows the forecasted coverage of annual debt service on the Outstanding Bonds following the issuance of the 2010 Bonds, based on the Department's estimated Program Income for 2011-2020. There can be no assurance that the estimated vehicle registration and other vehicle registration-related fees will be realized in the amounts shown.

Table V-5; Actual Number of Motor Vehicle Registrations (Page 156). Replace with the following updated table:

ACTUAL NUMBER OF MOTOR VEHICLE REGISTRATIONS[(a)]
(Millions of Vehicles)

Fiscal Year (June 30)	Automobiles[(b)]	Trucks[(c)]	Other Vehicles [(d)]	Total	% Change
2001	3.17	1.00	.69	4.86	—
2002	3.22	1.03	.70	4.95	1.9
2003	3.29	1.05	.75	5.09	2.8
2004	3.32	1.08	.77	5.17	1.6
2005	3.36	1.11	.85	5.32	2.9
2006	3.41	1.14	.89	5.44	2.3
2007	3.47	1.14	.97	5.58	2.5
2008	3.52	1.14	.98	5.64	1.0
2009	3.51	1.13	1.07	5.71	1.2
2010	3.52	1.11	1.07	5.70	(0.2)

(a) In fiscal year 2005, the methodology for reporting vehicle registrations was changed from vehicle frame-based to vehicle registration-type. All of the information in this table reflects the use of the new vehicle registration-type methodology.

(b) "Automobiles" include autos, minivans, and sport utility vehicles.

(c) "Trucks" includes trucks and other vehicles that pay Registration Fees based on the vehicle's gross weight.

(d) "Other Vehicles" include mobile homes, motorcycles, mopeds, buses, and several other vehicle types.

Source: Wisconsin Department of Transportation

Estimated Debt Service on the 2010 Bonds
and Estimated Coverage for Outstanding Bonds

	2010 Bonds Debt Service								
Maturity (July 1)	**Principal**	**Coupon**	**Interest**	**Debt Service on 2010 Bonds**	**Total Debt Service[(a)(b)]**	**Estimated Registration Fees (Millions)[(c)]**	**Estimated Certain Other Registration-Related Fees (Millions)[(c)]**	**Estimated Total Program Income (Millions)[(c)]**	**Estimated Coverage Ratio[(a)(d)]**
2011			5,959,243	5,959,243	$186,679,602	$507.73	$79.10	$586.83	3.14
2012	$ 6,050,000	5.00%	10,620,433	16,670,433	200,718,623	518.23	79.10	597.33	2.98
2013	6,350,000	5.00%	10,317,933	16,667,933	200,935,716	512.45	79.10	591.55	2.94
2014	6,670,000	5.00%	10,000,433	16,670,433	200,825,851	524.41	79.10	603.51	3.01
2015	7,000,000	5.00%	9,666,933	16,666,933	192,914,263	519.23	79.10	598.33	3.10
2016	7,350,000	5.00%	9,316,933	16,666,933	184,613,833	530.91	79.10	610.01	3.30
2017	7,720,000	5.00%	8,949,433	16,669,433	175,327,897	525.07	79.10	604.17	3.45
2018	8,105,000	5.00%	8,563,433	16,668,433	171,912,646	536.04	79.10	615.14	3.58
2019	8,510,000	5.00%	8,158,183	16,668,183	162,926,720	530.70	79.10	609.80	3.74
2020	8,935,000	5.00%	7,732,683	16,667,683	154,943,748	542.78	79.10	621.88	4.01
2021	9,385,000	5.00%	7,285,933	16,670,933	155,156,772				
2022	9,850,000	4.70%	6,816,683	16,666,683	139,053,693				
2023	10,345,000	4.90%	6,353,733	16,698,733	118,156,086				
2024	10,865,000	5.10%	5,846,828	16,711,828	102,265,329				
2025	11,405,000	5.30%	5,292,713	16,697,713	82,293,918				
2026	11,975,000	5.50%	4,688,248	16,663,248	64,563,317				
2027	12,575,000	5.60%	4,029,623	16,604,623	64,601,947				
2028	13,205,000	5.70%	3,325,423	16,530,423	45,414,470				
2029	13,865,000	5.80%	2,572,738	16,437,738	45,337,435				
2030	14,555,000	5.85%	1,768,568	16,323,568	30,384,013				
2031	15,285,000	6.00%	917,100	16,202,100	16,202,100				
	$200,000,000		$138,183,220	$338,183,220	$2,695,227,980				

(a) Includes estimated debt service for assumed aggregate $147 million in Bonds that could be issued to fund the two Outstanding issues of Notes. These assumed bond issues are amortized with level debt service payments until 2018 and 2017, respectively, using an assumed interest rate of 5.00% per annum.
(b) Does not reflect or include the direct payment the State is expected to receive from the United States Treasury on each interest payment date in the amount of 35% of the interest payable by the State on such date for the 2010 Series B Bonds or for any other "build America bonds" previously issued by the State.
(c) The estimated fees for 2011 through 2020 reflect revenue projections completed by the Department. Excludes interest earnings.
(d) Assumes that no additional Bonds will be issued and continuation of current Registration Fees and Other Registration-Related Fees. Estimates of Program Income and coverage beyond 2020 are not currently available.

Table V-6; Actual Registration Fee Revenues (Page 156). Replace with the following updated table:

ACTUAL REGISTRATION FEE REVENUES
SECTION 341.25, WISCONSIN STATUTES
(Amounts in Millions)

Fiscal Year (June 30)	Non-IRP Fees	Pledged IRP Fees[a]	Total	% Change
2000	$255.7	$55.1	$310.8	—
2001	258.4	55.5	313.9	1.0%
2002	267.9	55.8	323.7	3.1
2003	267.3	53.0	320.3	(1.1)
2004[a]	302.1	57.1[b]	359.2	12.1
2005	314.4	60.7[b]	375.1	4.4
2006	333.6	62.7[b]	396.3	5.7
2007	322.6	62.2	384.8	(2.9)
2008[c]	385.4	71.8	457.2	18.8
2009[c]	435.5	75.3	510.8	11.7
2010	444.4	75.3	519.7	1.7

[a] The increase in fiscal year 2004 reflects the $10 increase in registration fees for automobiles that went into effect on October 1, 2003.

[b] The Pledged IRP fees for fiscal years 2004, 2005, and 2006 have been revised and restated to reflect a correction in the recording of revenue obtained through the IRP program.

[c] The increase in fiscal years 2008 and 2009 reflects the $20 increase in registration fees for automobiles, along with other fee increases for other vehicle types, which went into effect on January 1, 2008.

Source: Wisconsin Department of Transportation

Table V-7; Projected Registration Fee Revenues (Page 158). Replace with the following updated table. These projections are lower than the projected Registration Fees that were prepared in April 2009 and included in prior disclosure.

PROJECTED REGISTRATION FEE REVENUES
SECTION 341.25, WISCONSIN STATUTES
(Amounts in Millions)

Fiscal Year (June30)	Revenues[a]	% Change
2011	$507.7	—
2012	518.2	2.1%
2013	512.5	(1.1)
2014	524.4	2.3
2015	519.2	(1.0)
2016	530.9	2.2
2017	525.1	(1.1)
2018	536.0	2.1
2019	530.7	(1.0)
2020	542.8	2.3

[a] Includes both IRP and non-IRP Registration Fees pursuant to Section 341.25, Wisconsin Statutes. Does not include Other Registration-Related Fees, which are addressed in Part V of the 2009 Annual Report and in the table that appears on the next page of this appendix to the Official Statement.

Source: Wisconsin Department of Transportation

Table V-8; Actual and Projected Other Registration-Related Fees (Page 162). Replace with the following updated table. These projections are lower than the projected Other Registration-Related Fees that were prepared in April 2009 and included in prior disclosure.

ACTUAL AND PROJECTED OTHER REGISTRATION-RELATED FEES

Fiscal Year (June 30)	Title Transaction Fees	Counter Service Fees and Personalized License Plates	Subtotal	Other Miscellaneous Vehicle Registration-Related Fees	Total Registration-Related Fees
2001	$ 24,115,343	$ 10,006,286	$ 34,121,629	$ 15,074,978	$ 49,196,607
2002	24,904,447	10,383,485	35,287,932	18,249,990	53,537,922
2003	25,088,025	10,315,603	35,403,628	15,736,973	51,140,601
2004[a]	35,178,866	10,394,684	45,573,550	19,833,030	65,406,580
2005	37,703,381	9,080,116	46,783,497	11,249,762	58,033,259
2006[a]	48,026,267	9,129,613	57,155,880	8,494,960	65,650,840
2007	50,470,381	8,487,460	58,957,841	8,457,789	67,415,630
2008[a]	63,825,116	8,504,542	72,329,658	8,690,501	81,020,159
2009[a]	73,326,881	8,065,590	81,392,471	8,300,302	89,692,773
2010	72,424,499	8,356,113	80,780,612	9,873,154	90,653,766
2011	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2012	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2013	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2014	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2015	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2016	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2017	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2018	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2019	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000
2020	70,592,100	8,508,700	79,100,800	9,835,200	88,936,000

[a] Reflects (i) effective date of October 1, 2003 for $10 increase in title transaction fees, (ii) effective date of October 1, 2005 for additional $10 increase in title transaction fees and $12 increase in duplicate title fee, and (iii) effective date of January 1, 2008 for additional $24.50 increase in title transaction fees.

Source: Wisconsin Department of Transportation.

Appendix A; Audited Financial Statements (Page 183). Update with the following information:

This Appendix to the Official Statement includes by reference the independent auditor's report and audited statements of cash receipts and disbursements for the years ended June 30, 2010 and June 30, 2009, and include (1) for the Transportation Revenue Bond Program, the Independent Auditors' Report, dated October 12, 2010, together with unaudited information pertaining to the Program Income, and (2) for the Transportation Revenue Commercial Paper Program, the Independent Auditors' Report, dated October 12, 2010, together with unaudited information pertaining to the Program Income, which have both been filed with, and are currently available from, the MSRB through its EMMA system at www.emma.msrb.org.

APPENDIX B

INFORMATION ABOUT THE STATE

This Appendix includes by reference information concerning the State of Wisconsin **(State)** and its general obligations, contained in Part II of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2009 **(2009 Annual Report)**, which can be obtained as described below. This Appendix also includes changes or additions to the information presented in Part II of the 2009 Annual Report, including, but not limited to, information from the State's Annual Fiscal Report (budgetary basis) for the fiscal year ended June 30, 2010 and the estimated General Fund tax revenue collections for the 2010-11 fiscal year and 2011-13 biennium, as provided on November 19, 2010 by the State of Wisconsin Department of Revenue (**DOR**).

Part II of the 2009 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 2008-09
- State budget for the 2009-11 biennium
- 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 2009 Annual Report are the audited general purpose external financial statements for the fiscal year ending June 30, 2009, 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.

The 2009 Annual Report was filed with the Municipal Securities Rulemaking Board **(MSRB)** and also is 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

Copies of the 2009 Annual Report may also be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
P.O. Box 7864
101 E. Wilson Street, FLR 10
Madison, WI 53707-7864
(608) 266-2305
DOACapitalFinanceOffice@wisconsin.gov

The State has independently provided, since July 2001, monthly reports on general fund financial information. These monthly reports are not required by any of the State's undertakings provided to permit compliance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. These monthly reports are available on the State's Capital Finance Office web site that is listed above and have been filed as informational notices with each nationally recognized municipal securities information repository or the MSRB; however, such reports are not incorporated by reference into this Official Statement or Part II of the 2009 Annual Report, and the State is not obligated to continue providing such monthly reports in the future.

After publication and filing of the 2009 Annual Report, certain changes or events have occurred that affect items discussed in the 2009 Annual Report. Listed below, by reference to particular sections of Part II of the 2009 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 MSRB. However, the State has filed, and expects to continue to file, informational notices with the MSRB, some of which may be notices that are not required to be filed under the State's undertakings.

State Budget; Budget for 2009-11 Biennium (Part II; Pages 29-32)**.** Update with the following information.

November 2010 Revenue Estimates and 2010-11 Fiscal Year Projected General Fund Condition Statement

On November 19, 2010, DOR provided estimates of general purpose tax revenues for the 2010-11 fiscal year. On the same date, the State of Wisconsin Department of Administration (**DOA**) provided a report that includes the DOR estimates of general purpose tax revenues and, among other information, an updated projection of the General Fund condition statement for the 2010-11 fiscal year. This DOA report is available from the Capital Finance Office at the addresses shown on page B-1 of this Official Statement, and the MSRB through its EMMA system at www.emma.msrb.org.

The updated estimates of general purpose tax revenues for the 2010-11 fiscal year are included in the following table. The updated estimates for the 2010-11 fiscal year show an increase of $515 million (or 4.2%) from collections in the 2009-10 fiscal year, and a decrease of $154 million from the Legislative Fiscal Bureau (**LFB**) projections of January 2010. Also included in the following table is a summary of the final GPR tax revenue collections for the 2009-10 fiscal year and, for comparison, projections of General Fund tax revenue collections for the 2009-10 and 2010-11 fiscal years as shown in the January 27, 2010 LFB memorandum and as used for the 2009-11 biennial budget (2009 Wisconsin Act 28).

Final and Estimated General Fund Tax Revenue Collections Compared to Previous Projections
2009-10 and 2010-11 Fiscal Years
(in Millions)

	2009-10 Fiscal Year			2010-11 Fiscal Year		
	2009 Act 28 June 2009	LFB Projection January 2010	Final - Annual Fiscal Report	2009 Act 28 June 2009	LFB Projection January 2010	DOR Estimate Nov. 2010
Individual Income	$ 6,231.0	$ 6,155.0	$ 6,089.2	$ 6,432.4	$ 6,505.0	$ 6,267.3
Sales and Use	4,089.2	4,015.0	3,944.2	4,320.7	4,235.0	4,155.8
Corp. Income & Franchise	717.2	700.0	834.5	808.3	800.0	942.6
Public Utility	318.2	322.2	319.4	327.4	327.2	346.7
Excise						
Cigarettes	687.6	650.0	644.2	684.7	630.0	636.0
Liquor & Wine	45.8	43.5	44.2	47.6	44.7	44.1
Tobacco Products	52.3	57.8	59.9	55.2	62.6	61.8
Beer	10.0	9.6	9.6	10.0	9.7	9.6
Insurance Company	148.0	127.0	130.7	148.0	135.0	133.9
Miscellaneous Taxes	47.0	52.0	54.9	48.0	52.0	49.1
TOTAL	$12,346.2	$12,132.1	$12,131.7	$12,882.3	$12,801.2	$12,646.9

The updated General Fund condition statement for the 2010-11 fiscal year is included in the following table. Also included in the following table is the final General Fund condition statement for the 2009-10 fiscal year and, for comparison, the estimated General Fund condition statement as included in the July 9, 2010 memorandum from the Legislative Fiscal Bureau (**LFB**) and as included in the 2009-11 biennial budget (2009 Wisconsin Act 28).

Final and Projected General Fund Condition Statements
2009-10 and 2010-11 Fiscal Years
(in Millions)

	2009-10 Fiscal Year			2010-11 Fiscal Year		
	2009 Act 28	July 9, 2010 LFB Memorandum	Final - Annual Fiscal Report	2009 Act 28	July 9, 2010 LFB Memorandum	Nov 19, 2010 DOA Report
Revenues						
Opening Balance	$ 70.4	$ 89.6	$ 89.6	$ 368.9	$ 335.8	$ 71.1
Prior Year Designation			10.6			
Taxes	12,346.2	12,131.6	12,131.7	12,882.3	12,786.7	12,646.9
Department Revenues						
Tribal Gaming	19.5	19.2	25.1	22.6	22.3	23.4
Other	811.8	799.4	716.6	790.4	781.0	812.0
Total Available	13,247.9	13,039.8	12,973.5	14,064.2	13,925.9	13,553.4
Appropriations						
Gross Appropriations	13,423.6	12,940.4	12,969.7	14,104.8	14,109.3	13,814.5
Biennial Appro. Spend-Ahead			242.7			
Compensation Reserves	47.3	47.3	44.6	96.0	96.0	96.0
Less: Lapses	(591.8)	(283.7)	(354.5)	(411.8)	(323.8)	(367.2)
Net Appropriations	12,879.0	12,704.0	12,902.5	13,789.0	13,881.4	13,543.3
Balances						
Gross Balance	368.9	335.8	71.1	275.1	44.5	10.1
Less: Req. Statutory Balance	(65.0)	(65.0)	n/a	(65.0)	(65.0)	(65.0)
Net Balance, June 30	$ 303.9	$ 270.8	$ 71.1	$ 210.1	$ (20.5)	$ (54.9)

Results of 2009-10 Fiscal Year

The State's Annual Fiscal Report (unaudited, budgetary basis) included the ending general fund balance for the 2009-10 fiscal year and was released on October 15, 2010. It reports the State ended the 2009-10 fiscal year on a statutory and unaudited basis with an undesignated balance of $71 million. This amount is $265 million less than the projected balance of $336 million from the budget for the 2009-11 biennium (2009 Wisconsin Act 28) and other legislation, as included in the July 9, 2010 memorandum from LFB. The State issued $800 million of operating notes during the 2009-10 fiscal year. These operating notes matured June 15, 2010.

The lower ending balance is due primarily to spending above amounts estimated in the biennial budget for the Medical Assistance (**MA**) program. The higher MA spending was addressed by the Secretary of Administration moving appropriation authority from the 2010-11 fiscal year to the 2009-10 fiscal year. MA is funded from a biennial appropriation which provides flexibility to meet higher than estimated costs in the first year of the biennium. The table at the top of this page shows the final General Fund condition statement for the 2009-10 fiscal year. This table also includes, for comparison, the estimated General Fund condition statement as included in the July 9, 2010 LFB memorandum and as included in the 2009-11 biennial budget (2009 Wisconsin Act 28).

The State's Annual Fiscal Report (unaudited, budgetary basis) also included final General Fund, or general purpose revenue (**GPR**), tax revenue collections for the 2009-10 fiscal year. These GPR tax revenue collections, on a budgetary basis, were about $12.132 billion, which is $19 million, or 0.1%, above collections in the 2008-09 fiscal year and nearly identical to the previous projections from LFB in

January, 2010. The table on page B-2 provides a summary of the final GPR tax revenue collections for the 2009-10 fiscal year, and for comparison, other previous projections.

The complete Annual Fiscal Report is available from the addresses shown on page B-1 of this Official Statement.

Medical Assistance Program Projections

The State expects to receive approximately $194 million of additional federal MA matching funds in the 2010-11 fiscal year as a result of the six-month extension to June 2011 of the Federal Medical Assistance Percentage (FMAP) for States. After taking into consideration these additional federal matching funds from FMAP, the movement of expenditure authority from the 2010-11 fiscal year to the 2009-10 fiscal year, and other balances available to, and actions taken by, the State, it is projected that the MA program will have a projected General Fund (or GPR) shortfall of approximately $84 million during the 2009-11 biennium. The shortfall (and higher MA spending in the 2009-10 fiscal year) is due to higher than anticipated enrollment in its MA programs due to the economic recession, but the amount also was partially offset by savings targeted for the MA program by the 2009-11 biennial budget.

Preliminary General Fund Tax Collections; 2009-10 Fiscal Year

On September 3, 2010, the State Department of Revenue (**DOR**) released preliminary GPR tax collections on a budgetary basis for the 2009-10 fiscal year. Final GPR (or General Fund) tax collections and other revenues, along with final GPR expenditures, are reported in the Annual Fiscal Report (budgetary basis) for the fiscal year ended June 30, 2010, which is discussed above.

July 2010 Projected General Fund Condition Statement—LFB

On July 9, 2010, LFB released a memorandum that included a projected General Fund condition statement for the 2009-11 biennium. The projected General Fund condition statement at that time for the 2009-11 biennium showed an ending balance (on a budgetary basis) on June 30, 2010 of $336 million and on June 30, 2011 of $45 million; these amounts were approximately $33 million less and $230 million less, respectively, than the balances shown in the budget for the 2009-11 biennium (2009 Wisconsin Act 28).

January 2010 Updated General Fund Tax Revenue Collections—LFB

On January 27, 2010, LFB released a memorandum that included both updated General Fund tax revenue collections for the 2009-11 biennium and an estimated General Fund condition statement.

For the 2009-10 fiscal year, the January 27, 2010 LFB memorandum projected a decrease in General Fund tax revenue collections of $214 million compared to the estimates included in the budget for the 2009-11 biennium (2009 Wisconsin Act 28), and for the 2010-11 fiscal year, a decrease of $81 million. For the 2009-11 biennium, the aggregate projected decrease is $295 million, which includes:

- A decrease of $3 million in estimated individual income tax collections, reflecting a revenue loss of $92 million due to the State of Minnesota's termination of the tax reciprocity agreement with the State.
- A decrease of $160 million in estimated general sale and use tax collections.
- A decrease of $26 million in estimated corporate income and franchise tax collections.
- A decrease of $85 million in excise tax collections.

Additional details can be found in the January 27, 2010 LFB memorandum, which appears on pages B-6 to B-19 of this Official Statement.

State Budget; Budget for 2011-13 Biennium. Add the following new information.

November 2010 Revenue Estimates

On November 19, 2010, DOR provided estimates of general purpose tax revenues for the 2010-11 fiscal year and the 2011-13 biennium. The estimates of general purpose tax revenues for the 2011-13 biennium are included in the following table. These estimates reflect annual growth of 4.2% and 3.4%, respectively.

Estimated General Fund Tax Revenue Collections
2011-12 and 2012-13 Fiscal Years
(in Millions)

	2011-12 Fiscal Year	2012-13 Fiscal Year
Individual Income	$ 6,513.2	$6,748.7
Sales and Use	4,307.7	4,450.9
Corp. Income & Franchise	965.7	993.7
Public Utility	365.2	374.9
Excise		
Cigarettes	634.3	631.5
Liquor & Wine	44.5	44.6
Tobacco Products	64.6	67.4
Beer	9.5	9.4
Estate[(a)]	84.1	112.1
Insurance Company	136.9	142.1
Miscellaneous Taxes	53.0	55.0
TOTAL	$13,178.7	$13,630.3

(a) Assumes current federal and state law, which, pending possible action by Congress, restores an estate tax beginning January 1, 2011.

State Budget; Potential Effect of Litigation; Litigation Regarding Transfer from Injured Patients and Family Compensation Fund (Part II; Page 33). Update with information from the following summary.

The 2007-09 biennial budget (2007 Wisconsin Act 20) provided for a $200 million transfer from the Injured Patients and Families Compensation Fund to the State's Medical Assistance Trust Fund. This transfer was completed in the amounts of $72 million and $128 million, respectively, during the 2007-08 and 2008-09 fiscal years.

On October 29, 2007, the Wisconsin Medical Society, Inc. filed a suit in Dane County Circuit Court challenging this transfer as unconstitutional. On December 19, 2008, the Dane County Circuit Court granted the State's motion for summary judgment, thus dismissing this case. On March 17, 2009, the Wisconsin Medical Society, Inc. filed an appeal of the dismissal with a Wisconsin court of appeals. On December 10, 2009, the court of appeals asked the Wisconsin Supreme Count to directly decide the appeal. The Wisconsin Supreme Court accepted the appeal and heard oral arguments on April 15, 2010.

On July 20, 2010, the Wisconsin Supreme Court released its decision on this matter and reversed the order of the circuit court and remanded the case with directions that the circuit court issue (1) an order requiring the Secretary of Administration to replace the money removed from the Fund, together with lost earnings and interest that has been charged to the Fund, and (2) a permanent injunction prohibiting the Secretary of Administration from transferring money out of the Fund pursuant to 2007 Wisconsin Act 20.

The impact of this decision, if any, on the General Fund budget for the 2010-11 fiscal year or General Fund budgets for future fiscal years cannot be determined until the circuit court order is issued.

Legislative Fiscal Bureau Robert Wm. Lang, Director

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State of Wisconsin

January 27, 2010

Representative Mark Pocan, Assembly Chair
Senator Mark Miller, Senate Chair
Joint Committee on Finance
State Capitol
Madison, WI 53702

Dear Representative Pocan and Senator Miller:

In January of each year, this office conducts a review of the status of the state's general fund and presents its findings to the Legislature. In even-numbered years, the analysis includes an examination of economic forecasts and tax collection and expenditure data for the first six months of the current fiscal year, and projections for each fiscal year of the current biennium. We have now completed our review.

Based on our analysis, we project the closing gross general fund balance at the end of this biennium to be $55.7 million. This is $219.5 million below the balance that was projected upon enactment of the 2009-11 biennial budget (2009 Act 28). The $219.5 million is the net result of: (1) an increase of $19.1 million in the opening balance; (2) a revenue loss of $91.8 million due to the termination of the Minnesota-Wisconsin income tax reciprocity agreement; (3) an additional $203.4 million decrease in estimated tax collections; (4) a $22.0 million decrease in departmental revenues; (5) a $15.4 million increase in sum certain appropriations due to enactment of the OWI legislation (2009 Act 100); (6) a $490.0 million decrease in sum sufficient appropriation expenditures; and (7) a $396.0 million decrease in estimated lapses to the general fund.

Although the gross balance is projected at $55.7 million, it should be noted that the required statutory balance is $65 million. Thus, the net balance at the end of the biennium (June 30, 2011) is projected to be -$9.3 million.

The following table reflects the estimated general fund condition statement, which incorporates our revenue and expenditure projections.

TABLE 1

2009-11 General Fund Condition Statement

	2009-10	2010-11
Revenues		
Opening Balance, July 1	$89,564,000	$305,783,700
Taxes	12,132,100,000	12,801,200,000
Departmental Revenues		
Tribal Gaming Revenues	19,476,600	22,580,300
Other	799,412,600	780,836,300
Total Available	$13,040,553,200	$13,910,400,300
Appropriations and Reserves		
Gross Appropriations	$13,423,591,800	$14,120,217,600
Compensation Reserves	47,279,100	95,962,700
Sum Sufficient Reestimates	-452,359,200	-37,591,700
Less Lapses	-283,742,200	-323,849,900
Net Appropriations	$12,734,769,500	$13,854,738,700
Balances		
Gross Balance	$305,783,700	$55,661,600
Less Required Statutory Balance	-65,000,000	-65,000,000
Net Balance, June 30	$240,783,700	-$9,338,400

Significant adjustments are made to the sum sufficient and lapse estimates. There are three primary reasons for this. First, under the income tax reciprocity agreements with Minnesota and Illinois, estimated sum sufficient expenditures have been reduced by $21.7 million in 2009-10 and by $37.0 million in 2010-11. This is due to a decline in income tax collections, which reduces Wisconsin's payments to the two states for tax years 2008 and 2009.

Second, on August 4, 2009, the Joint Committee on Finance approved a request to transfer $76.1 million in federal fiscal stabilization funds in the county and municipal aid program from 2010-11 to 2009-10 and make corresponding general fund appropriation adjustments.

Third, Act 28 deferred principal payments on commercial paper and general obligation bonds that otherwise would have been paid in the 2009-11 biennium. Because information on the specific appropriations that were affected was not available, these debt service reductions were accounted for by increasing lapses by $309 million in 2009-10 and $94 million in 2010-11. The

Capital Finance Office has recently prepared estimates by debt service appropriation of the payments that will be made in the 2009-11 biennium. Based on this information, sum sufficient debt service appropriations are reduced by an estimated $347.3 million in 2009-10 and $80.5 million in 2010-11, and lapses are reduced by an estimated $309.0 million in 2009-10 and $88.3 million in 2010-11. The net effect of these changes is to reduce estimated debt service by $38.3 million in 2009-10 and increase debt service by $7.8 million in 2010-11, for a net reduction in debt service of $30.5 million in the 2009-11 biennium.

The following additional points should be noted about the condition statement of Table 1. First, it incorporates the fiscal effects of all bills enacted to date (through Act 100). It does not, however, reflect the impact of bills that have not yet been signed into law.

Second, it does not reflect the estimated shortfall in the private bar appropriation of the Office of the Public Defender. It is estimated that this appropriation will incur a deficit of $9.6 million by the end of the 2009-11 biennium.

Third, due to higher than anticipated enrollment in BadgerCare Plus and the BadgerCare Plus Core Plan, it is currently estimated that an additional $120 million to $150 million GPR may be needed to support medical assistance (MA) program benefits for these populations in the 2009-11 biennium. The total potential shortfall in the MA program, including MA for elderly, blind, and disabled populations and Family Care enrollees, will depend on future enrollment and expenditure trends, as well as the Department of Health Services' management decisions regarding the program. The potential shortfall will also depend on the Department's success in realizing Act 28 savings targets.

The state could benefit by proposed federal legislation that would extend the period during which the state receives enhanced federal financial participation (FFP) for MA benefits costs under the American Recovery and Reinvestment Act (ARRA) of 2009. For example, the Jobs for Main Street Act passed by the U.S. House of Representatives (H.R. 2847) would extend from January 1, 2011, through June 30, 2011, the period during which the state receives the ARRA-enhanced FFP. While the exact amount of any additional FFP would depend on the state's MA benefit expenditures during the period and the state's unemployment rate, such an extension could increase federal MA matching funds to the state in 2010-11 by approximately $300 million. Additional one-time FFP would reduce the amount of state dollars otherwise needed to fund MA benefits in the current biennium. However, those federal funds would need to be replaced with other funding sources in the 2011-13 biennium. It should be noted that in her December 17, 2009, presentation to the Joint Committee on Finance, DHS Secretary Timberlake stated that she believed the Act 28 funding levels would be sufficient to support anticipated MA costs (higher caseloads notwithstanding), even if additional FFP is not received. In that event, the Secretary indicated that the current MA savings plan may need to be revised, and legislative action may be required, to realize additional savings in the MA program.

General Fund Taxes

The following section provides information on general fund tax revenues for the 2009-11 biennium, including a discussion of the national economic forecast and general fund tax revenue projections for fiscal years 2009-10 and 2010-11.

National Economic Forecast. This office first prepared revenue estimates for the 2009-11 biennium in January, 2009, based on IHS Global Insight, Inc.'s January, 2009, forecast for the U.S. economy. That forecast, released during what Global Insight described as the worst global recession of the postwar era, called for the economic contraction to continue in the first two quarters of 2009, followed by gradual stabilization and recovery. On balance, Global Insight's January, 2009, forecast predicted that real (inflation-adjusted) GDP would fall by 2.5% in 2009, before rebounding by 2.2% and 3.2% in 2010 and 2011, respectively. The primary risk to this "baseline" forecast was that the financial crisis would prove more severe than expected, triggering even higher rates of unemployment and weaker consumer and business spending.

In May, 2009, this office lowered its revenue estimates for 2008-09 and for the 2009-11 biennium. Those downward revisions were based on two considerations. First, tax collections through April, 2009, particularly individual income tax receipts, were lower than expected. Second, Global Insight's April, 2009, and May, 2009, forecasts, while slightly more optimistic than several of the preceding months' forecasts had been, still called for lower levels of economic activity than had been projected in January, 2009.

According to the U.S. Department of Commerce's Bureau of Economic Analysis, real GDP fell at annual rates of 6.4% and 0.7% in the first two quarters of 2009, respectively. Coming on the heels of worse-than-expected performance in late 2008, the first quarter's results signaled that the recession was deeper than Global Insight first thought.

The circumstances that gave rise to the recession of 2008-2009 were outlined in this office's January, 2009, revenue estimate letter. Briefly, beginning in 2007 and accelerating through 2008, banks and other financial companies realized large losses on their holdings of mortgage-backed securities and related assets as the underlying mortgage loans experienced high rates of delinquency and default. Those losses impaired financial company balance sheets, and reduced their ability and willingness to lend money. As credit markets froze, and large financial institutions failed or required government assistance, already-leveraged consumers felt the negative wealth effects caused by declining real estate values and falling equity markets. With similar developments also occurring in other parts of the world, exports, personal consumption, and industrial output all fell dramatically.

These events are reflected in economic data from the period. For instance, in the last quarter of 2008, industrial production fell at an annual rate of 13.0% and nominal (current dollar) consumer spending fell by more than 8.0%. Most measures of the economy's health continued to deteriorate in the first quarter of 2009, when industrial production fell at an annual rate of 19.0%. The recession's greatest impact, however, may have been on U.S. employment conditions. From

December, 2007, to December, 2009, the nation's seasonally adjusted unemployment rate increased from 5.0% to 10.0%, and the number of unemployed persons increased by 7.7 million. During that same period, the number of "involuntary part-time workers" (defined as individuals who were working part time because their hours had been cut back or because they were unable to find full-time employment) rose from 4.6 million to 9.2 million.

Beginning in late 2008, the federal government took a series of actions designed to address the crisis. In October, 2008, Congress passed the Emergency Economic Stabilization Act of 2008, which among other things established the troubled asset relief program (TARP). Under TARP, the U.S. Treasury initiated a "Capital Purchase Program" through which it made direct capital infusions totaling hundreds of billions of dollars into financial institutions in exchange for preferred shares and warrants. The program was intended to strengthen these companies' balance sheets, to restore confidence in the financial system following the September, 2008, collapse of Lehman Brothers, and to encourage lending activity. (By year-end 2009, many of the largest recipients of those infusions, including Bank of America, Goldman Sachs, JPMorgan Chase, Morgan Stanley, Wells Fargo and Citigroup, had repaid some or all of the investments.) TARP funds were also used to assist the domestic auto industry in the form of loans and direct equity investments, and to fund the Federal Reserve's "Term Asset-Backed Securities Loan Facility", which is intended to make credit available to consumers and businesses on more favorable terms by facilitating the issuance of asset-backed securities and improving the market conditions for asset-backed securities more generally. Other government actions during the crisis included placing Fannie Mae and Freddie Mac into conservatorship, and guaranteeing billions of dollars of financial company assets.

In February, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009. Global Insight estimates that through a combination of individual and corporate tax cuts, transfer payments to individuals, increased support for states, and spending on infrastructure, ARRA will inject $561 billion into the U.S. economy during its first two calendar years, and add approximately 0.8 percentage point to GDP in 2009 and 1.3 percentage points to GDP in 2010. In addition to TARP and ARRA, Congress also passed more targeted pieces of legislation (such as the "cash for clunkers" program and extensions of the home buyer tax credit) that were intended to promote activity in sectors of the economy particularly impacted by the recession.

As for monetary policy, the U.S. Federal Reserve maintained an extremely accommodative stance throughout 2009, leaving its target range for the federal funds rate and its target discount rate at all-time lows. In addition to keeping these short-term interest rates at or near 0%, the Federal Reserve used several other strategies to confront the financial crisis. Initially, those efforts focused primarily on providing short-term liquidity to the system through a series of "facilities" such as the Term Auction Facility, the Commercial Paper Facility, the Money Market Investor Funding Facility, and the Primary Dealer Credit Facility. Later, as concerns regarding the system's liquidity eased, the Federal Reserve shifted its strategy towards the purchase of long-term securities. Specifically, the Federal Reserve announced plans to purchase up to $1.75 trillion in a combination of U.S. Treasury securities, securities issued by government-sponsored entities (GSEs), and mortgage-backed securities. The purpose of these purchases was to support the functioning of credit markets, in particular the mortgage lending market. By the end of 2009, the Federal Reserve had completed its purchases of GSE and Treasury debt, and was scheduled to complete its mortgage-backed security purchases by the end of March, 2010.

In addition to the fiscal and monetary policies described above, Global Insight believed a turn in the inventory cycle would also contribute to a recovery in the second half of 2009. During the last two quarters of 2008, the "inventory to sales ratio" spiked as excess inventories accumulated in the face of declining final sales. Businesses reacted by reducing inventories. Global Insight estimates that this inventory de-accumulation process reduced real GDP by annual rates of 2.3 percentage points and 1.4 percentage points in the first two quarters of 2009, respectively. As that process eventually unwound, Global Insight believed the resulting turn in the inventory cycle would become the main near-term driver of economic recovery.

In the third quarter of 2009, real GDP grew at an estimated annual rate of 2.2%, the first such increase since the second quarter of 2008. The U.S. financial markets also showed signs of recovery, with credit spreads returning to their pre-crisis levels, and the U.S. stock market (like most equity markets around the world) rebounding substantially from its March, 2009, lows.

Global Insight's latest forecast (January, 2010) expresses the view that the U.S. economy finished 2009 on a strong note, with real GDP growing at an annual rate of 5.1% in the fourth quarter. That would be substantially better growth than what was anticipated in the May, 2009, forecast, which expected real GDP to rise by only 0.7% in the fourth quarter. Global Insight does not believe the fourth quarter's pace will be sustainable, however, given that more than 3% is attributable to the aforementioned swing in the inventory cycle. Rather, the January, 2010, forecast anticipates that a number of positive factors (such as modest recoveries in single-family housing activity and industrial production) will be moderated by a weak consumer, who continues to deal with high unemployment, tight credit, reduced net worth, and the prospect of higher federal income taxes beginning in 2011. Real GDP is now expected to grow by 2.6% in 2010. That is higher than the 1.5% increase Global Insight projected in May, 2009. For 2011, the updated forecast calls for real GDP to grow by 2.7%. This rate of growth is slightly less than the May, 2009, forecast expected (3.4%), but still envisions a higher level of economic activity than did the earlier forecast.

Global Insight identified the following key assumptions behind its January, 2010, forecast. First, it continues to believe that ARRA will inject $561 billion of fiscal stimulus into the U.S. economy in 2009 and 2010, and that the government will not allow the Act's emergency unemployment benefits program to expire in 2010. Second, top marginal income tax rates, including the top rates on capital gains and dividends, will increase in January, 2011, and the individual income tax cuts that were part of ARRA will expire at that time, or be replaced by other tax increases. Furthermore, taxes will gradually increase beyond 2011, and those increases will not be confined to the top brackets. Third, Global Insight assumes that a healthcare reform bill, largely along the lines of that already passed by the U.S. Senate, will be enacted in early 2010. While this is not expected to have a significant economic impact before 2014, it is assumed that the measure will eventually lead to an increase in federal taxes. Fourth, oil prices will average $68 a barrel in 2010 then rise to $77 a barrel in 2011 in response to stronger worldwide demand. Fifth, the Federal Reserve will not raise the federal funds rate (currently set in a range of 0.0% to 0.25%) until late in the third quarter of 2010. Sixth, the U.S. dollar will appreciate slightly relative to most other major currencies in 2010, but will depreciate by 2.9% against the Chinese renminbi. Seventh, real GDP in the United States' major-currency trading partners will grow by 1.6% in 2010, but real GDP will grow more rapidly (4.5%) among other important trading partners, led by China. Finally, real defense purchases will increase by 3.3% in 2010, followed by a 3.1% decline in 2011 as overseas contingency operations begin to wind down.

These assumptions are embedded in the following economic indicators taken from Global Insight's January, 2010, forecast.

GDP. Although growth appears to have resumed in the third quarter, real GDP is believed to have fallen by 2.5% in 2009, the largest annual decline since 1946. Going forward, real GDP is expected to increase by 2.6% in 2010 and by 2.7% in 2011. Nominal (current dollar) GDP is now forecast to grow by 3.7% and 4.3%, respectively, during those years. Overall, Global Insight's January, 2010, forecast calls for greater levels of U.S. economic activity in 2010 and 2011 than did the May, 2009, forecast.

Consumer Prices. Consumer prices, as measured by the consumer price index (CPI), are believed to have fallen by 0.3% in 2009. While this would be the CPI's first decline in over 50 years, it is less than the 1.2% decline Global Insight expected in its May, 2009, forecast (and significantly less than the 2.2% decline forecast in January, 2009). Oil prices, and by extension, gasoline prices, are one reason the CPI fell less than expected. In May, 2009, Global Insight estimated that oil prices would average $46 a barrel in 2009, and that the retail price of gasoline would average $2.06 a gallon. The actual prices averaged closer to $62 a barrel and $2.40 a gallon, respectively. By early January, 2010, oil prices had once again risen to over $80 a barrel. Global Insight's latest forecast expects oil prices to average $68 a barrel in 2010 and $77 a barrel in 2011.

The federal government's expansive fiscal and monetary policies have raised some concerns about re-inflated asset bubbles and a debasement of the U.S. dollar. Acknowledging those concerns, Global Insight nevertheless believes inflation will stay relatively low during the next several years. That forecast is based on the assumption that high unemployment will restrain consumer demand and keep wage inflation in check. Combined with high rates of excess productive capacity, those factors are expected to limit increases in the CPI to 1.7% and 2.0% in 2010 and 2011, respectively. Core inflation (which excludes the typically more volatile food and energy costs), is expected to rise by 1.5% and 1.7%, respectively, during that same two-year period. These estimates are comparable to the May, 2009, forecast, which expected the CPI to increase by 1.5% and 2.3% in 2010 and 2011, respectively, and core inflation to increase by 1.4% and 1.7%.

Personal Consumption Expenditures. High unemployment, reduced net worth, and higher rates of saving all contributed to weak consumer spending in 2009. In nominal (current dollar) terms, personal consumption expenditures are estimated to have fallen by 0.4% during the year. That was slightly better than the 0.7% decline Global Insight had expected in its May, 2009, forecast. Expenditures for consumer durables, which are typically subject to the state sales tax, fell by an estimated 5.6%. Sales of new cars and light trucks, though aided by the government's "cash for clunkers" program, registered a 12.2% decline. Conversely, consumer purchases in several major expenditure categories not subject to state sales tax (such as food for home consumption and services) increased in 2009.

Global Insight's latest forecast expects nominal consumer spending to increase by 3.6% in 2010 and by 4.0% in 2011. The May, 2009, forecast had called for increases of 2.9% and 4.0%. The most recent forecast also expects purchases of consumer durables to increase by approximately 3.9% in 2010 and 6.0% in 2011, with much of that increase coming in new motor vehicles (+14.4% and +23.6%, respectively). These updated estimates are higher than May's, which predicted that purchases of consumer durables would rise by just 0.5% in 2010 and by 5.2% in 2011.

Employment. During the first quarter of 2009, the U.S. economy shed jobs at the rate of 691,000 per month. By the fourth quarter, that rate had declined to an average of 69,000 jobs per month. Although Global Insight believes the jobs situation will gradually improve over the next two years, it expects that improvement to be slow and uneven. That was demonstrated in the Bureau of Labor Statistics December, 2009, jobs report, which revised the November figures to show a monthly increase of 4,000 jobs, while reporting that 85,000 jobs were lost in December. Global Insight's January, 2010, forecast expects the national unemployment rate to average 10.1% in 2010 and 9.5% in 2011. Those estimates are unchanged from the May, 2009, forecast.

Housing Starts and Housing Prices. The U.S. housing market suffered another difficult year in 2009, with housing starts down 38.2% (to a postwar low of 556,000 units). Against this negative backdrop, however, Global Insight sees positive signs beginning to emerge. Sales of existing homes, spurred by the $8,000 homebuyer tax credit and improved affordability, rose 5.6% in 2009. Global Insight believes existing home sales will decline by 1.1% in 2010, but increase by 4.9% in 2011. More importantly, housing starts are expected to total 792,000 units in 2010 and 1,243,000 units in 2011, which would represent year-over-year increases (albeit from very depressed levels) of 42.3% and 57.0%, respectively. The revised estimates for housing starts are slightly lower than Global Insight projected in its May, 2009, forecast, which predicted that housing starts would total 884,000 units in 2010 and 1,294,000 units in 2011. The anticipated recovery in residential housing activity is expected to contribute modestly to GDP growth in 2010, but more significantly in 2011 and 2012.

Personal Income. Rising unemployment contributed to an estimated 1.4% decline in personal income during 2009. This was worse than Global Insight expected in May, 2009, when its forecast called for a 0.2% fall. In 2010 and 2011, personal income is expected to increase by 3.8% and 3.9%, respectively, consistent with a modest economic recovery and a gradually improving employment outlook. The 3.8% increase projected for 2010 is better than the 1.8% increase predicted in the May, 2009, forecast (the estimated rate of increase for 2011 remains unchanged), but is relatively moderate compared to the 2004-2007 period, when personal income increased at annual rates between 5.5% and 7.5%.

Corporate Profits. Global Insight estimates that corporate pre-tax book profits fell by 2.9% in 2009, which is a significant improvement over the May, 2009, forecast, which expected a 19.0% decline. This better-than-anticipated result may stem from the strong productivity increases that occurred in 2009, the product of aggressive corporate cost-cutting. Global Insight believes these productivity gains, and a generally improving economy, will help drive strong increases in corporate profits in the upcoming quarters. Pre-tax book profits are now expected to increase by 13.1% in 2010 and by 10.6% in 2011. Similarly, economic profits, which are not affected by federal tax law changes, are expected to increase by 11.6% and 6.9%, respectively, in 2010 and 2011. The May, 2009, forecast anticipated that pre-tax book profits would rise by 16.5% in 2010 and by 17.2% in 2011, and that economic profits would climb by 8.7% and 14.4%, respectively.

Business Investment. Business investment spending is estimated to have fallen by more than 18.0% in 2009, with weakness in all of the major investment categories, including equipment and software (-16.6%) and nonresidential structures (-21.1%). These declines are in line with what Global Insight expected in its May, 2009, forecast.

The most recent forecast expects business investment to decline again in 2010 (-2.5%), mainly because very weak activity in the nonresidential structure sector (-21.4%), caused by tight credit and previous overbuilding, is anticipated to more than offset gains in equipment and software investment (+7.6%). Total business investment is expected to rebound in 2011 (+9.8%), driven by a modest gain in nonresidential structures (+1.0%) and continued gains in equipment and software (+13.2%). Even with the small percentage gain in 2011, investment in nonresidential structures will still be at a level that is 37.4% lower than it was in 2008. In addition to depressed levels of new investment in nonresidential structures, concerns also exist about financial conditions in the commercial real estate sector, where high debt levels, combined with high vacancy rates, declining values, and tight credit, are seen as potential threats to a sustained recovery in the financial industry.

The indicators described above, and summarized in Table 2, represent Global Insight's "baseline" forecast. Global Insight's January, 2010 forecast also includes alternative "pessimistic" and "optimistic" forecasts. In the pessimistic alternative, to which Global Insight assigns a 20% probability, credit constraints stemming from the financial crisis limit U.S. economic growth, and as the temporary lifts provided from the turn in the inventory cycle and fiscal stimulus fade, economic growth turns negative again in the second and third quarters of 2010. Consumer spending falls in the face of higher unemployment, as does capital spending as businesses pull back investment plans in the face of the weakening sales outlook. Under this pessimistic scenario, real GDP grows by 0.9% in 2010 (compared to 2.6% in the baseline forecast) and by 0.8% in 2011 (compared to 2.7% in the baseline forecast).

Under the optimistic scenario, to which Global Insight also assigns a 20% probability, the combined impact of aggressive fiscal and monetary policies around the globe, coupled with strong productivity gains and a return to normally functioning credit markets, leads to falling rates of unemployment, and real GDP increases of 4.3% in 2010 and 3.8% in 2011.

TABLE 2

Summary of National Economic Indicators
IHS Global Insight, Inc., Baseline Forecast, January, 2010
($ in Billions)

	2008	2009	2010	2011
Nominal Gross Domestic Product	$14,441.4	$14,253.2	$14,778.0	$15,417.1
Percent Change	2.6%	-1.3%	3.7%	4.3%
Real Gross Domestic Product	$13,312.2	$12,984.1	$13,323.5	$13,678.3
Percent Change	0.4%	-2.5%	2.6%	2.7%
Consumer Prices (Percent Change)	3.8%	-0.3%	1.7%	2.0%
Personal Income	$12,238.8	$12,070.4	$12,533.2	$13,018.2
Percent Change	2.9%	-1.4%	3.8%	3.9%
Personal Consumption Expenditures	$10,129.9	$10,089.8	$10,457.0	$10,877.4
Percent Change	3.1%	-0.4%	3.6%	4.0%
Economic Profits	$1,360.4	$1,298.5	$1,449.6	$1,549.1
Percent Change	-11.8%	-4.5%	11.6%	6.9%
Unemployment Rate	5.8%	9.3%	10.1%	9.5%
Light Vehicle Sales (Millions of Units)	13.2	10.3	11.5	13.8
Percent Change	-18.0%	-22.1%	11.9%	20.1%
Housing Starts (Millions of Units)	0.900	0.556	0.792	1.243
Percent Change	-32.9%	-38.2%	42.3%	57.0%
Exports	$1,831.1	$1,557.5	$1,749.1	$1,889.2
Percent Change	10.6%	-14.9%	12.3%	8.0%

General Fund Tax Projections. Table 3 shows our revised general fund tax revenue estimates for the 2009-11 biennium. The estimates are based on Global Insight's January, 2010, forecast of the U.S. economy, and incorporate all of the tax law changes enacted to date. The estimates also reflect the impact of the termination of the Minnesota-Wisconsin individual income tax reciprocity agreement as of January 1, 2010.

TABLE 3

Projected General Fund Tax Collections
($ Millions)

Source	2008-09 Actual	Budget Estimates (Act 28) 2009-10	Budget Estimates (Act 28) 2010-11	Revised Estimates January, 2010 2009-10	Revised Estimates January, 2010 2010-11
Individual Income	$6,222.7	$6,231.0	$6,432.4	$6,155.0	$6,505.0
General Sales and Use	4,084.0	4,089.2	4,320.7	4,015.0	4,235.0
Corporate Income and Franchise	629.5	717.2	808.3	700.0	800.0
Public Utility	320.1	318.2	327.4	322.2	327.2
Excise					
Cigarette	551.3	687.6	684.7	650.0	630.0
Liquor and Wine	44.1	45.8	47.6	43.5	44.7
Tobacco Products	42.2	52.3	55.2	57.8	62.6
Beer	9.9	10.0	10.0	9.6	9.7
Insurance Company	136.3	148.0	148.0	127.0	135.0
Estate	20.9	0.0	0.0	0.0	0.0
Miscellaneous	52.1	47.0	48.0	52.0	52.0
Total	$12,113.2	$12,346.2	$12,882.3	$12,132.1	$12,801.2
Change from Prior Year					
Amount		$233.1	$536.1	$18.9	$669.1
Percent Change		1.9%	4.3%	0.2%	5.5%

As shown in Table 3, general fund tax revenues are estimated to total $12,132.1 million in 2009-10 and $12,801.2 million in 2010-11. These amounts are lower than the Act 28 estimates by $214.1 million in the first year and $81.1 million in the second year, for a biennial decrease of $295.2 million. The estimates for most of the tax sources have been revised downward, with the most significant reductions in the general sales and use tax and the cigarette tax.

As described above, the current economic forecast is more positive than the May forecast, particularly in 2010 and 2011. However, to-date, revenues from the sales and use tax, cigarette tax, and insurance company taxes have been significantly below projections. The downward revisions to the revenue estimates primarily reflect the tax collection data, as well as revenue losses resulting from termination of the Minnesota-Wisconsin income tax reciprocity agreement.

Individual Income Tax. State individual income tax revenues were $6,222.7 million in 2008-09 and are currently estimated at $6,155.0 million in 2009-10 and $6,505.0 million in 2010-11. Relative to the Act 28 estimates, the current estimates are lower by $76.0 million in the first year and higher by $72.6 million in the second year. On a year-to-year basis, the current estimates reflect a reduction of 1.1% for 2009-10 and an increase of 5.7% for 2010-11. The revised estimates incorporate the effects of a number of law changes, including the Act 28 addition of a new tax bracket and decrease in the capital gains exclusion. In addition, the re-estimates reflect reductions estimated at $30.1 million in 2009-10 and $61.7 million in 2010-11 related to the termination of Wisconsin's tax reciprocity agreement with Minnesota, beginning in 2010.

Based on preliminary collection information through December, 2009, individual income tax revenues for the current fiscal year are about 5% lower than such revenues through the same period in 2008-09. These collection amounts are generally consistent with the Act 28 estimate for 2009-10. If the Act 28 estimate for 2009-10 is adjusted to exclude the estimated impact of law changes, the adjusted total would be 5.7% less than actual collections in 2008-09. The re-estimate for 2009-10 is lower than the Act 28 estimate due, in part, to the termination of income tax reciprocity with Minnesota. Also, the May forecast assumed a smaller reduction in personal income in 2009 (-0.2%) than the January forecast (-1.4%). However, for 2010 and 2011, the January forecast of personal income is approximately 1.9% higher than the May forecast. This explains the increase in estimated income tax collections in 2010-11, relative to the Act 28 estimate, even after the estimated reduction in collections due to the termination of the reciprocity agreement. The revised estimates also account for modifications to the withholding tables by the Department of Revenue, which took effect in October, 2009.

General Sales and Use Tax. In 2008-09, state sales and use tax collections were $4,084.0 million, which was 4.3% lower than the prior year. State sales and use tax revenues are currently estimated at $4,015.0 million in 2009-10 and $4,235.0 million in 2010-11, which represents reduced revenue of 1.7% in the first year and increased revenue of 5.5% in the second year. These estimates are $74.2 million lower in the first year and $85.7 million lower in the second year than the Act 28 estimates of $4,089.2 million in 2009-10 and $4,320.7 million in 2010-11. The reductions in the estimates are based, in part, on reduced year-to-date sales and use tax collections of 7.5% through December, 2009, and in part on the most recent forecast of growth in taxable personal consumption expenditures. These estimates include refund payments associated with the *Menasha Corporation* decision, which reduced sales and use tax collections by $10.2 million in 2008-09 and are estimated to reduce revenue by $42.0 million in 2009-10 and $14.0 million in 2010-11.

Corporate Income and Franchise Tax. Corporate income and franchise taxes were $629.5 million in 2008-09. Collections are projected to be $700.0 million in 2009-10 and $800.0 million in 2010-11. These amounts represent an annual increase of 11.2% in 2009-10 and 14.3% in 2010-11. The new estimates are lower than the Act 28 estimates (by $17.2 million in 2009-10 and $8.3 million in 2010-11).

The new estimates reflect year-to-date corporate income and franchise tax collections, which were 6.6% higher through December, 2009, than for the same period of 2008. In addition, corporate estimated tax payments were 18.5% higher for the period. Corporate profits are projected to increase in 2010 and 2011, as industrial production picks up, investment in equipment and software moves higher, and consumer spending responds to the gradually improving economic circumstances. Economic profits are forecast to increase 11.6% in 2010 and 6.9% in 2011.

The corporate income and franchise tax estimates have been adjusted to reflect the effect of certain law changes, including requiring unitary multi-state corporations to use combined reporting, repealing the domestic production activities deduction, requiring throwback sales to be included 100% in the apportionment formula, and providing the super research and development tax credit. In addition, the estimates have been adjusted to reflect enhanced tax law enforcement activities by the Department of Revenue.

Public Utility Taxes. Public utility tax revenues were $320.1 million in 2008-09, and are currently projected at $322.2 million in 2009-10 and $327.2 million in 2010-11. Relative to the Act 28 estimates, these figures are higher than the 2009-10 estimate by $4.0 million but lower than the 2010-11 estimate by $0.2 million. Utility tax collections are currently expected to increase by 0.7% in 2009-10 and 1.5% in 2010-11, as opposed to a 0.6% decrease in 2009-10 and an increase of 2.9% in 2010-11, as had been estimated under Act 28. The change to the Act 28 estimates is due primarily to higher than expected payments by pipeline companies, related to construction activity, offset by lower liabilities for private light, heat, and power companies, attributable to mild weather in 2009.

Excise Tax Revenues. General fund excise taxes are imposed on cigarettes, other tobacco products, liquor (including wine and hard cider), and beer. Total excise tax revenues were $647.5 million in 2008-09. Excise tax revenues are currently estimated at $760.9 million in 2009-10 and $747.0 million in 2010-11, which represents growth of 17.5% in 2009-10 and reduced revenue of 1.8% in 2009-10. These estimates are $34.8 million lower in the first year and $50.5 million lower in the second year than the Act 28 estimates, which were $795.7 million in 2009-10 and $797.5 million in 2010-11. Excise tax revenues have been reduced largely due to a reduction in estimated cigarette tax collections, which represent approximately 85% of total estimated excise tax revenue.

Cigarette tax revenues were $551.3 million in 2008-09, and are currently estimated at $650.0 million in 2009-10 and $630.0 million in 2010-11. These estimates represent growth of 17.9% in 2009-10 and reduced revenue of 3.1% in 2010-11. Anticipated growth in 2009-10 is largely a result of the Act 28 75¢ increase in the cigarette tax rate from $1.77 to $2.52 per pack, which became effective September 1, 2009. These estimates are lower than the Act 28 estimates by $37.6 million in the first year and $54.7 million in the second year and are based, in part, on lower than expected year-to-date collections, and in part on an anticipated reduction in cigarette tax revenue resulting from the statewide indoor smoking ban, which will become effective July 5, 2010, pursuant to 2009 Act 12.

Insurance Premiums Taxes. Insurance premiums taxes were $136.3 million in 2008-09. Premiums tax collections are projected to be $127.0 million in 2009-10 and $135.0 million in 2010-11. The projected decrease in 2009-10 is primarily based on year-to-date monthly premium tax collections, which are 9.2% lower through December, 2009, and on lower demand for insurance products due to the economic downturn. The projected increase in 2010-11 reflects an improvement in consumer demand during the forecast period.

Estate Tax. Estate taxes were $20.9 million in 2008-09. For deaths occurring on or after January 1, 2008, the estate tax is no longer being imposed, but there is still a small amount of collections and refunds each month related to prior years. On balance, it is estimated that estate tax revenue will be minimal in 2009-10 and 2010-11.

Miscellaneous Taxes. Miscellaneous taxes include the real estate transfer fee (RETF), municipal and circuit court-related fees, and a small amount from the occupational tax on coal. Miscellaneous tax revenues were $52.1 million in 2008-09, and are estimated at $52.0 million in 2009-10 and 2010-11. These estimates are higher than the Act 28 estimates by $5.0 million in the first year and $4.0 million in the second year. The increase in estimated revenue is due, in part, to higher than expected year-to-date RETF collections, and, in part, to the revised forecast for sales of new and existing homes as compared to the Act 28 estimates.

We will continue to monitor economic forecasts and data regarding tax collections and expenditures and inform you if any further revisions are necessary.

Sincerely,

Bob

Robert Wm. Lang
Director

RWL/sas
cc: Members, Wisconsin Legislature

Statistical Information; Table II-26 – State Assessment (Equalized Value) of Taxable Property (Part II; Page 73). Replace with the following updated table.

STATE ASSESSMENT (EQUALIZED VALUE)
OF TAXABLE PROPERTY

Calendar Year	Value of Taxable Property	Rate of Increase (Decrease)
2001	$ 312,483,706,600	—
2002	335,326,478,700	7.3%
2003	360,710,211,300	7.6
2004	391,187,814,700	8.4
2005	427,933,562,000	9.4
2006	468,983,199,800	9.6
2007	497,920,348,700	6.2
2008	514,393,963,700	3.3
2009	511,911,983,100	(0.5)
2010	495,904,192,300	(3.1)

Source: Department of Revenue

Statistical Information; Table II-39 – Unemployment Rate Comparison (Part II; Page 77). Replace with the following updated table.

UNEMPLOYMENT RATE COMPARISON[a]
By Month 2005 to 2010
By Quarter 2001 to 2004

	2010		2009		2008		2007		2006		2005	
	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.
January	9.6	10.6	7.7	8.5	5.0	5.4	5.5	5.0	5.1	5.1	5.5	5.7
February	9.7	10.4	8.8	8.9	5.2	5.2	5.8	4.9	5.7	5.1	6.0	5.8
March	9.8	10.2	9.4	9.0	5.0	5.2	5.5	4.5	5.5	4.8	5.6	5.4
April	8.2	9.5	8.8	8.6	4.2	4.8	5.1	4.3	4.8	4.5	4.9	4.9
May	7.7	9.3	8.7	9.1	4.2	5.2	4.5	4.3	4.4	4.4	4.6	4.9
June	8.1	9.6	9.1	9.7	4.7	5.7	5.0	4.7	4.9	4.8	4.9	5.2
July	7.8	9.7	8.8	9.7	4.6	6.0	4.7	4.9	4.7	5.0	4.7	5.2
August	7.7	9.5	8.6	9.6	4.7	6.1	4.5	4.6	4.4	4.6	4.3	4.9
September			8.0	9.5	4.3	6.0	4.2	4.5	4.1	4.4	4.2	4.8
October			7.9	9.5	4.5	6.1	3.9	4.4	3.9	4.1	4.0	4.6
November			8.0	9.4	5.2	6.5	4.1	4.5	4.3	4.3	4.5	4.8
December			8.3	9.7	5.9	7.1	4.3	4.8	4.5	4.3	4.5	4.6
Annual Average			8.5	9.3	4.8	5.8	4.8	4.6	4.7	4.6	4.8	5.1

2004 Quarters	Wis.	U.S.	2003 Quarters	Wis.	U.S.
I	6.1	6.1	I	6.5	6.3
II	5.1	5.5	II	5.9	6.1
III	4.6	5.4	III	5.3	6.0
IV	4.3	5.1	IV	4.8	5.5

2002 Quarters	Wis.	U.S.	2001 Quarters	Wis.	U.S.
I	6.2	6.2	I	4.6	4.6
II	5.4	5.7	II	4.3	4.3
III	4.8	5.7	III	4.1	4.8
IV	4.7	5.6	IV	4.5	5.2

[a] Figures show the percentage of labor force that is unemployed and are *not seasonally adjusted*.

Source: Department of Workforce Development and U.S. Bureau of Labor Standards

General Fund Information; General Fund Cash Flow (Part II; Pages 39-47).

The following tables provide updates and additions to various tables containing General Fund information for the 2009-10 and 2010-11 fiscal years, which are presented on either a cash basis or an agency-recorded basis. Unless otherwise noted, these tables contain information through September 30, 2010.

The results, projections, or estimates in the following tables for the 2009-10 fiscal year, unless otherwise noted, reflect 2009 Wisconsin Act 2, the budget for the 2009-11 biennium (2009 Wisconsin Act 28), certain federal economic stimulus money in the amount of $1.188 billion that the State received or expected to receive in the 2009-10 fiscal year in the General Fund ($792 million for medical assistance programs, $237 million for education aids, $76 million for shared revenues, and $83 million for other various purposes), $800 million of operating note receipts received on July 1, 2009 and the resulting impoundment payments due in February, March, April, and May 2010, and the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum.

The results, projections, or estimates in the following tables for the 2010-11 fiscal year, unless otherwise noted, reflect the budget for the 2009-11 biennium (2009 Wisconsin Act 28), subsequent actions by the Legislature and Legislature's Joint Committee on Finance, certain federal economic stimulus money in the amount of $762 million that the State expects to receive in the 2010-11 fiscal year in the General Fund ($511 million for medical assistance programs, $194 million for education aids, and $57 million for other various purposes), $800 million of operating note receipts received on July 1, 2010 and the resulting impoundment payments due in February, March, April, and May 2011, and the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum. The federal economic stimulus money discussed above is only a portion of such funds that the State has received or expects to receive in the General Fund.

The comparison of monthly General Fund information that is presented on a cash basis has many inherent problems. Unforeseen events or variations from underlying assumptions may cause a decrease or increase in receipts and disbursements from those projected for any specific month.

The following tables may show negative balances on a cash basis. The State can have a negative cash balance at the end of a fiscal year. The Wisconsin Statutes provide certain administrative remedies, such as temporary reallocation, to deal with periods when the balance, on a cash basis, is negative. If the amount of temporary reallocation available to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate and defer certain payments.

Table II-9; Actual and Projected General Fund Cash Flow (Page 42). Replace with the following tables.

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2009 TO JUNE 30, 2010[(a)]

(Amounts in Thousands)

	July 2009	August 2009	September 2009	October 2009	November 2009	December 2009	January 2010	February 2010	March 2010	April 2010	May 2010	June 2010
BALANCES[(a)(b)]												
Beginning Balance	$ (147,352)	$ (209,782)	$ 260,309	$ 497,287	$ 1,217,274	$ 1,231,002	$ 691,046	$ 1,477,143	$ 1,437,116	$ 327,778	$ 614,420	$ 816,616
Ending Balance	(209,782)	260,309	497,287	1,217,274	1,231,002	691,046	1,477,143	1,437,116	327,778	614,420	816,616	383,306
Lowest Daily Balance [(c)]	(360,039)	(231,168)	207,024	326,671	797,022	629	614,427	1,389,706	327,777	65,274	814,420	(8,164)
RECEIPTS												
TAX RECEIPTS												
Individual Income	$ 584,331	$ 510,851	$ 643,062	$ 510,233	$ 614,846	$ 599,354	$ 810,569	$ 463,814	$ 682,855	$ 1,049,144	$ 397,454	$ 815,511
Sales & Use	384,080	377,755	373,531	364,188	352,567	323,531	382,321	310,028	290,791	344,467	332,808	370,100
Corporate Income	33,814	25,608	140,812	54,329	65,449	176,170	48,401	35,595	190,142	51,078	35,405	167,902
Public Utility	18	13	77	6,378	170,474	1,214	97	282	66	1,422	142,322	1,701
Excise	62,971	58,649	54,576	81,812	67,087	59,501	66,683	61,144	50,625	65,466	60,969	66,063
Insurance	150	1,568	32,229	753	1,685	32,572	640	35	18,812	28,489	930	32,597
Inheritance	236	96	326	164	5,373	160	398	242	109	48	73	-
Subtotal Tax Receipts	$ 1,065,600	$ 974,540	$ 1,244,613	$ 1,017,857	$ 1,277,481	$ 1,192,502	$ 1,309,109	$ 871,140	$ 1,233,400	$ 1,540,114	$ 969,961	$ 1,453,874
NON-TAX RECEIPTS												
Federal	$ 808,446	$ 793,084	$ 680,650	$ 576,443	$ 738,467	$ 749,828	$ 726,946	$ 788,120	$ 783,046	$ 728,315	$ 789,356	$ 978,156
Other & Transfers	586,306	173,702	702,693	792,105	338,944	383,595	528,704	645,266	386,289	374,359	205,501	483,614
Note Proceeds[(d)]	807,585	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	$ 2,202,337	$ 966,786	$ 1,383,343	$ 1,368,548	$ 1,077,411	$ 1,133,423	$ 1,255,650	$ 1,433,386	$ 1,169,335	$ 1,102,674	$ 994,857	$ 1,461,770
TOTAL RECEIPTS	$ 3,267,937	$ 1,941,326	$ 2,627,956	$ 2,386,405	$ 2,354,892	$ 2,325,925	$ 2,564,759	$ 2,304,526	$ 2,402,735	$ 2,642,788	$ 1,964,818	$ 2,915,644
DISBURSEMENTS												
Local Aids	$ 1,231,927	$ 161,676	$ 876,945	$ 124,811	$ 1,018,143	$ 1,272,650	$ 213,872	$ 273,302	$ 1,356,950	$ 140,988	$ 201,047	$ 2,025,921
Income Maintenance	877,082	616,363	564,447	622,636	610,394	596,845	582,610	493,884	487,275	650,428	551,995	460,641
Payroll and Related	536,684	280,644	325,623	525,134	290,275	452,740	446,191	384,062	390,787	518,752	309,200	381,726
Tax Refunds	62,484	56,397	72,047	94,976	118,210	192,560	128,851	603,472	561,022	459,464	145,049	77,369
Debt Service	212,413	-	99,930	-	64	-	-	526	139,327	-	0	25.00
Miscellaneous	394,192	356,155	451,986	298,861	304,078	351,086	407,138	400,262	371,998	381,765	350,560	403,272
Note Repayment[(d)]	15,585	-	-	-	-	-	-	189,045	204,714	204,749	204,771	-
TOTAL DISBURSEMENTS	$ 3,330,367	$ 1,471,235	$ 2,390,978	$ 1,666,418	$ 2,341,164	$ 2,865,881	$ 1,778,662	$ 2,344,553	$ 3,512,073	$ 2,356,146	$ 1,762,622	$ 3,348,954

(a) Results in this table reflect 2009 Wisconsin Act 2, the budget for the 2009-11 biennium (2009 Wisconsin Act 28), actions of the Legislature's Joint Committee on Finance relating to the certain federal economic stimulus money the State received or expected to receive in the 2009-10 fiscal year, and decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum. With respect to federal economic stimulus money, this table reflects $1.188 billion of such money the State received in the 2009-10 fiscal year in the General Fund ($792 million for medical assistance programs, $237 million for education aids, $76 million for shared revenues, and $83 million for other various purposes). This table does not include any temporary reallocations of cash.

(b) The General Fund cash balances presented in this schedule are not based on generally accepted accounting principles (GAAP). The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the State's universities. Receipts and disbursements of such funds for the designated programs and the disbursement of such funds for other purposes are reflected in the cash flow. A use of the designated funds for purposes other than the proprietary programs is, in effect, a borrowing of such funds. Therefore, at any time that the balance in the General Fund is less than the balance of such designated funds, the State is obligated to replenish the designated funds to the extent of the shortfall. The designated funds were expected to range from $220 to $400 million during the 2009-10 fiscal year. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds were expected to average approximately $5 million during the 2009-10 fiscal year.

(c) The Wisconsin Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds to the General Fund in an amount up to 7% of the total general-purpose revenue appropriations then in effect with an additional 3% for a period of up to 30 days. The amounts available for temporary reallocation were approximately $940 million and $403 million, respectively, for the 2009-10 fiscal year. If the amount available for temporary reallocation to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate and defer certain payments.

(d) Includes proceeds from $800 million of operating notes issued on July 1, 2009 and impoundment payments made on February 26, 2010, March 31, 2010, April 30, 2010, and May 28, 2010. The February 26, 2010 impoundment payment reflected the premium received on July 1, 2009 and deposited into the Operating Note Redemption Fund.

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2010 TO SEPTEMBER 30, 2010
PROJECTED GENERAL FUND CASH FLOW; OCTOBER 1, 2010 TO JUNE 30, 2011(a)

	July 2010	August 2010	September 2010	October 2010	November 2010	December 2010	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011
BALANCES(a)(b)												
Beginning Balance	$ 383,306	$ (84,448)	$ 497,619	$ 919,992	$ 1,409,416	$ 1,282,564	$ 519,302	$ 1,416,207	$ 1,291,480	$ (198,805)	$ 36,397	$ 743,644
Ending Balance(c)	(84,448)	497,619	919,992	1,409,416	1,282,564	519,302	1,416,207	1,291,480	(198,805)	36,397	743,644	(29,835)
Lowest Daily Balance (c)	(122,974)	(90,410)	297,835	634,549	712,918	(185,761)	461,174	991,935	(203,554)	(636,748)	36,395	(581,013)
RECEIPTS												
TAX RECEIPTS												
Individual Income	$ 483,412	$ 627,258	$ 671,124	$ 476,815	$ 642,892	$ 625,658	$ 949,443	$ 526,967	$ 570,413	$ 1,039,144	$ 648,564	$ 745,701
Sales & Use	385,326	387,798	382,658	390,600	375,300	345,400	418,400	321,500	309,600	353,100	355,200	392,000
Corporate Income	43,130	25,350	173,894	34,300	28,800	165,100	29,100	20,600	217,600	34,800	22,600	159,700
Public Utility	-	63	62	3,400	163,400	500	800	100	100	1,900	170,500	500
Excise	70,623	68,097	67,433	81,700	77,600	68,900	51,200	59,900	49,700	50,800	53,900	59,200
Insurance	1,531	1,182	31,965	600	1,200	34,900	2,600	18,300	20,600	25,800	1,200	29,200
Subtotal Tax Receipts	$ 984,022	$ 1,109,748	$ 1,327,136	$ 987,415	$ 1,289,192	$ 1,240,458	$ 1,451,543	$ 947,367	$ 1,168,013	$ 1,505,544	$ 1,251,964	$ 1,386,301
NON-TAX RECEIPTS												
Federal	$ 809,284	$ 822,212	$ 926,039	$ 666,444	$ 701,223	$ 630,068	$ 785,244	$ 773,718	$ 769,182	$ 669,670	$ 851,355	$ 680,306
Other & Transfers	436,955	288,640	608,849	461,633	353,447	294,466	584,679	641,174	352,015	396,803	354,893	483,067
Note Proceeds(d)	803,408	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	$ 2,049,647	$ 1,110,852	$ 1,534,888	$ 1,128,077	$ 1,054,670	$ 924,534	$ 1,369,923	$ 1,414,892	$ 1,121,197	$ 1,066,473	$ 1,206,248	$ 1,163,373
TOTAL RECEIPTS	$ 3,033,669	$ 2,220,600	$ 2,862,024	$ 2,115,492	$ 2,343,862	$ 2,164,992	$ 2,821,466	$ 2,362,259	$ 2,289,210	$ 2,572,017	$ 2,458,212	$ 2,549,674
DISBURSEMENTS												
Local Aids	$ 1,429,366	$ 202,649	$ 860,448	$ 150,007	$ 1,015,558	$ 1,285,577	$ 216,393	$ 269,766	$ 1,300,662	$ 155,879	$ 164,904	$ 1,942,920
Income Maintenance	795,141	602,501	615,203	614,009	611,138	697,602	557,019	554,573	626,648	622,944	443,882	241,581
Payroll and Related	539,995	304,252	341,331	440,810	402,740	471,402	438,945	403,382	398,649	532,213	305,634	401,095
Tax Refunds	58,790	56,259	53,503	60,900	75,200	128,600	167,300	641,000	513,700	470,600	174,800	149,200
Debt Service	214,486	-	167,832	6,936	258	-	6,936	-	376,910	19,838	-	-
Miscellaneous	452,237	472,872	401,334	353,406	365,820	345,073	537,968	425,851	359,104	331,519	457,923	588,357
Note Repayment(d)	11,408	-	-	-	-	-	-	192,414	203,822	203,822	203,822	-
TOTAL DISBURSEMENTS	$ 3,501,423	$ 1,638,533	$ 2,439,651	$ 1,626,068	$ 2,470,714	$ 2,928,254	$ 1,924,561	$ 2,486,986	$ 3,779,495	$ 2,336,815	$ 1,750,965	$ 3,323,153

(a) Results, projections, or estimates in this table reflect the budget for the 2009-11 biennium (2009 Wisconsin Act 28), subsequent actions by the Legislature and the Legislature's Joint Committee on Finance, and the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum. With respect to federal economic stimulus money, this table reflects $762 million of such money the State expects to receive in the 2010-11 fiscal year in the General Fund ($511 million for medical assistance programs, $194 million for education aids, and $57 million for other various purposes). This table does not include any temporary reallocations of cash.

(b) The General Fund cash balances presented in this schedule are not based on generally accepted accounting principles (GAAP). The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the State's universities. Receipts and disbursements of such funds for the designated programs and the disbursement of such funds for other purposes are reflected in the cash flow. A use of the designated funds for purposes other than the proprietary programs is, in effect, a borrowing of such funds. Therefore, at any time that the balance in the General Fund is less than the balance of such designated funds, the State is obligated to replenish the designated funds to the extent of the shortfall. The designated funds are expected to range from $200 to $400 million during the 2010-11 fiscal year. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds are expected to average approximately $10 million during the 2010-11 fiscal year.

(c) The Wisconsin Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds to the General Fund in an amount up to 7% of the total general-purpose revenue appropriations then in effect with an additional 3% for a period of up to 30 days. The amounts available for temporary reallocation are approximately $986 million and $422 million, respectively, for the 2010-11 fiscal year. If the amount available for temporary reallocation to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate and defer certain payments.

(d) Includes proceeds of $800 million of operating notes issued on July 1, 2010 and impoundment payments due on February 28, 2011, March 31, 2011, April 29, 2011, and May 31, 2011. The February 28, 2011 impoundment payment reflects the premium received on July 1, 2010 and deposited into the Operating Note Redemption Fund.

Table II-10; General Fund Cash Receipts and Disbursements Year-to-Date; Compared to Estimates and Previous Fiscal Year. (Page 43). Replace with the following updated tables.

2009-10 FISCAL YEAR
GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR[(a)]
(Cash Basis)
As of June 30, 2010
(Amounts in Thousands)

	FY09 through June 2009	FY10 through June 2010				
	Actual	Actual [(b)]	Estimate[(b)]	Variance	Adjusted Variance[(c)]	Difference FY09 Actual to FY10 Actual
RECEIPTS						
Tax Receipts						
Individual Income	$ 7,854,660	$ 7,682,024	$ 7,773,400	$ (91,376)	$ (91,376)	$ (172,636)
Sales	4,380,376	4,206,167	4,223,200	(17,033)	(17,033)	(174,209)
Corporate Income	843,024	1,024,705	793,700	231,005	231,005	181,681
Public Utility	336,170	324,064	332,900	(8,836)	(8,836)	(12,106)
Excise	661,905	755,546	805,400	(49,854)	(49,854)	93,641
Insurance	175,730	150,460	163,700	(13,240)	(13,240)	(25,270)
Inheritance	37,069	7,225	-	7,225	7,225	(29,844)
Total Tax Receipts	$ 14,288,934	$ 14,150,191	$ 14,092,300	$ 57,891	$ 57,891	$ (138,743)
Non-Tax Receipts						
Federal	$ 8,418,824	$ 9,140,857	$ 8,830,644	$ 310,213	$ 310,213	$ 722,033
Other and Transfers	5,384,573	5,601,078	5,341,077	260,001	260,001	216,505
Note Proceeds	801,840	807,585	807,585	-	-	5,745
Total Non-Tax Receipts	$ 14,605,237	$ 15,549,520	$ 14,979,306	$ 570,214	$ 570,214	$ 944,283
TOTAL RECEIPTS	$ 28,894,171	$ 29,699,711	$ 29,071,606	$ 628,105	$ 628,105	$ 805,540
DISBURSEMENTS						
Local Aids	$ 9,116,705	$ 8,898,232	$ 9,164,854	$ 266,622	$ 266,622	$ (218,473)
Income Maintenance	6,591,766	7,116,933	6,602,590	(514,343)	(514,343)	525,167
Payroll & Related	4,833,492	4,841,818	4,963,343	121,525	121,525	8,326
Tax Refunds	2,519,960	2,571,901	2,623,800	51,899	51,899	51,941
Debt Service	633,217	452,285	547,286	95,001	95,001	(180,932)
Miscellaneous	4,548,875	4,469,020	4,623,578	154,558	154,558	(79,855)
Note Repayment	822,343	818,864	819,111	247	247	(3,479)
TOTAL DISBURSEMENTS	$ 29,066,358	$ 29,169,053	$ 29,344,562	$ 175,509	$ 175,509	$ 102,695
2009-10 FISCAL YEAR VARIANCE YEAR-TO-DATE				$ 803,614	$ 803,614	

(a) None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly General Fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.

(b) Results, projections, or estimates included in this table reflect 2009 Wisconsin Act 2, the budget for the 2009-11 biennium (2009 Wisconsin Act 28), certain federal economic stimulus money in the amount of $1.188 billion that the State received or expected to receive in the 2009-10 fiscal year in the General Fund ($792 million for medical assistance programs, $237 million for education aids, $76 million for shared revenues, and $83 million for other various purposes), $800 million of operating note proceeds received on July 1, 2009 and the resulting impoundment payments due in February, March, April, and May 2010, and the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum.

(c) Changes are sometimes made after the beginning of the fiscal year to the projected revenues and disbursements. Depending on when these changes occur, there are situations in which prior estimates cannot be changed, which may result in large variances. This column includes adjustments to the variances to more accurately reflect the variance between the estimated and actual amounts.

Source: Wisconsin Department of Administration

2010-11 FISCAL YEAR
GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR[a]
(Cash Basis)
As of September 30, 2010
(Amounts in Thousands)

	FY10 through September 2009	FY11 through September 2010				
	Actual	Actual [b]	Estimate[b]	Variance	Adjusted Variance[f]	Difference FY10 Actual to FY11 Actual
RECEIPTS						
Tax Receipts						
Individual Income	$ 1,738,244	$ 1,781,794	$ 1,785,703	$ (3,909)	(3,909)	$ 43,550
Sales	1,135,366	1,155,782	1,194,100	(38,318)	(38,318)	20,416
Corporate Income	200,234	242,374	210,300	32,074	32,074	42,140
Public Utility	108	125	500	(375)	(375)	17
Excise	176,196	206,153	214,000	(7,847)	(7,847)	29,957
Insurance	33,947	34,678	30,200	4,478	4,478	731
Inheritance	658	-	-	-	-	(658)
Total Tax Receipts	$ 3,284,753	$ 3,420,906	$ 3,434,803	$ (13,897)	$ (13,897)	$ 136,153
Non-Tax Receipts						
Federal[b]	$ 2,282,180	$ 2,557,535	$ 2,070,246	$ 487,289	$ 487,289	$ 275,355
Other and Transfers	1,462,701	1,334,444	1,422,459	(88,015)	(88,015)	(128,257)
Note Proceeds [e]	807,585	803,408	803,408	-	-	(4,177)
Total Non-Tax Receipts	$ 4,552,466	$ 4,695,387	$ 4,296,113	$ 399,274	$ 399,274	$ 142,921
TOTAL RECEIPTS	$ 7,837,219	$ 8,116,293	$ 7,730,916	$ 385,377	$ 385,377	$ 279,074
DISBURSEMENTS						
Local Aids	$ 2,270,548	$ 2,492,463	$ 2,449,907	$ (42,556)	$ (42,556)	$ 221,915
Income Maintenance	2,060,225	2,012,845	1,983,301	(29,544)	(29,544)	(47,380)
Payroll & Related	1,142,951	1,185,578	1,159,271	(26,307)	(26,307)	42,627
Tax Refunds	190,928	168,552	175,100	6,548	6,548	(22,376)
Debt Service	312,343	382,318	377,101	(5,217)	(5,217)	69,975
Miscellaneous	1,200,000	1,326,443	1,113,930	(212,513)	(212,513)	126,443
Note Repayment [e]	15,585	11,408	11,408	-	-	(4,177)
TOTAL DISBURSEMENTS	$ 7,192,580	$ 7,579,607	$ 7,270,018	$ (309,589)	$ (309,589)	$ 387,027
FY11 VARIANCE YEAR-TO-DATE				$ 75,788	$ 75,788	

(a) None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly General Fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.

(b) Results, projections, or estimates included in this table reflect budget for the 2009-11 biennium (2009 Wisconsin Act 28), subsequent actions by the Legislature and Legislature's Joint Committee on Finance, certain federal economic stimulus money in the amount of $762 million that the State expects to receive in the 2010-11 fiscal year in the General Fund ($511 million for medical assistance programs, $194 million for education aids, and $57 million for other various purposes), $800 million of operating note receipts received on July 1, 2010 and the resulting impoundment payments due in February, March, April, and May 2011, and the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum.

(c) Changes are sometimes made after the beginning of the fiscal year to the projected revenues and disbursements. Depending on when these changes occur, there are situations in which prior estimates cannot be changed, which may result in large variances. This column includes adjustments to the variances to more accurately reflect the variance between the estimated and actual amounts.

Source: Wisconsin Department of Administration

Table II-11; General Fund Monthly Cash Position (Page 44). Replace with the following updated table.

GENERAL FUND MONTHLY CASH POSITION[a]
July 1, 2008 through September 30, 2010 – Actual
October 1, 2010 through June 30, 2011 – Estimated[b]
(Amounts in Thousands)

	Starting Date	Starting Balance		Receipts[c]	Disbursements[c]
2008	July..................	24,836		3,014,286	2,867,001
	August................	172,121	[d]	1,708,398	1,416,143
	September..........	464,376		2,500,671	2,069,238
	October..............	895,809		2,421,520	1,914,314
	November...........	1,403,015		1,833,481	2,108,957
	December...........	1,127,539	[d]	2,026,521	2,743,544
2009	January..............	410,516		2,523,271	1,840,909
	February............	1,092,878		2,189,572	2,475,831
	March................	806,619	[d]	2,228,792	3,530,714
	April..................	(495,303)	[d]	3,251,394	2,730,689
	May...................	25,402	[d]	2,008,161	1,987,460
	June...................	46,103	[d]	3,188,104	3,381,558
	July..................	(147,352)	[d]	3,267,937	3,330,367
	August................	(209,782)	[d]	1,941,326	1,471,235
	September..........	260,309		2,627,956	2,390,978
	October..............	497,287		2,386,405	1,666,418
	November...........	1,217,274		2,354,892	2,341,164
	December...........	1,231,002		2,325,925	2,865,881
2010	January..............	691,046		2,564,759	1,778,662
	February............	1,477,143		2,304,526	2,344,553
	March................	1,437,116	[d]	2,402,735	3,512,073
	April..................	327,778	[d]	2,642,788	2,356,146
	May...................	614,420		1,964,818	1,762,622
	June...................	816,616	[d]	2,915,644	3,348,954
	July..................	383,306	[d]	3,033,669	3,501,423
	August................	(84,448)	[d]	2,220,600	1,638,533
	September..........	497,619		2,862,024	2,439,651
	October..............	919,991		2,115,492	1,626,068
	November...........	1,409,415		2,343,862	2,470,714
	December...........	1,282,563	[d]	2,164,992	2,928,254
2011	January..............	519,301		2,821,466	1,924,561
	February............	1,416,206		2,362,259	2,486,986
	March................	1,291,479	[d]	2,289,210	3,779,495
	April..................	(198,806)	[d]	2,572,017	2,336,815
	May...................	36,396		2,458,212	1,750,965
	June...................	743,643	[d]	2,549,674	3,323,153

[a] The General Fund balances presented in this table are not based on generally accepted accounting principles (GAAP).

[b] The results in this table for the 2009-10 fiscal year reflect 2009 Wisconsin Act 2, the budget for the 2009-11 biennium (2009 Wisconsin Act 28), certain federal economic stimulus money in the amount of $1.188 billion that the State received in the 2009-10 fiscal year in the General Fund, and the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum. The results, projections, or estimates in this table for the 2010-11 fiscal year reflect the budget for the 2009-11 biennium (2009 Wisconsin Act 28), subsequent actions by the Legislature and the Legislature's Joint Committee on Finance, certain federal economic stimulus money in the amount of $762 million that the State expects to receive in the 2010-11 fiscal year in the General Fund, and the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum.

[c] Operating notes were issued for the 2008-09, 2009-10, and 2010-11 fiscal years.

[d] At some period during this month, the General Fund was in a negative cash position. The Wisconsin Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds to the General Fund up to 7% of the general purpose revenue appropriations then in effect (approximately $940 million for the 2009-10 fiscal year and $986 million for the 2010-11 fiscal year). In addition, the Secretary of Administration may also temporarily reallocate an additional amount of up to 3% of the general-purpose revenue appropriations then in effect (approximately $403 million for the 2009-10 fiscal year and $422 million for the 2010-11 fiscal year) for a period of up to 30 days. If the amount available for temporary reallocation to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate or defer certain payments.

Source: Wisconsin Department of Administration

Table II-12; Cash Balances in Funds Available for Temporary Reallocation (Page 45). Replace with the following updated table.

CASH BALANCES IN FUNDS AVAILABLE FOR TEMPORARY REALLOCATION[(a)]
July 31, 2008 to September 30, 2010 – Actual
October 31, 2010 to June 30, 2011 – Estimated
(Amounts in Millions)

The following two tables show, on a monthly basis, the cash balances available for temporary reallocation. The first table does not include balances in the Local Government Investment Pool **(LGIP)**, and the second table does include such balances. Though the LGIP is available for temporary reallocation, funds in the LGIP are deposited and withdrawn by local units of government and thus are outside the control of the State. The monthly average daily balances in the LGIP for the past five years have ranged from a low of $2.211 billion during November 2005 to a high of $4.347 billion in August 2008. The Secretary of Administration may not exercise the authority to make temporary reallocation if doing so would jeopardize the cash flow of any fund or account from which the temporary reallocation would be made.

Available Balances; Does Not Include Balances in the LGIP

Month (Last Day)	2008	2009	2010	2011
January		$ 1,045	$ 1,042	$ 1,042
February		1,180	955	955
March		1,124	935	935
April		1,020	1,209	1,209
May		1,191	1,289	1,289
June		1,167	1,427	1,427
July	$ 910	981	1,188	
August	944	1,064	1,246	
September	1,081	1,233	1,336	
October	906	1,035	1,035	
November	1,011	1,118	1,118	
December	1,072	1,073	1,073	

Available Balances; Includes Balances in the LGIP

Month (Last Day)	2008	2009	2010	2011
January		$ 5,372	$ 4,100	$ 4,100
February		5,543	4,133	4,133
March		5,440	4,130	4,130
April		4,852	4,089	4,089
May		4,632	3,842	3,842
June		4,474	4,035	4,035
July	$ 5,422	5,102	4,469	
August	4,589	4,189	3,883	
September	4,479	4,076	3,833	
October	3,900	3,438	3,438	
November	3,936	3,500	3,500	
December	4,461	3,666	3,666	

[(a)] The amounts shown reflect a reduction in the aggregate cash balances available to the extent any fund had a negative balance and temporary reallocations were made from such fund.

Source: Wisconsin Department of Administration

Table II-13; General Fund Recorded Revenues (Page 46). Replace with the following updated tables.

GENERAL FUND RECORDED REVENUES[(a)]
(Agency-Recorded Basis)
July 1, 2009 to June 30, 2010 Compared With Previous Year (Final)

	Annual Fiscal Report Revenues 2008-09 FY[(b)]	Projected Revenues 2009-10 FY[(c)]	Recorded Revenues July 1, 2008 to June 30, 2009[(d)]	Recorded Revenues July 1, 2009 to June 30, 2010[(e)]
Individual Income Tax	$ 6,222,735,000	$ 6,230,973,000	$ 6,230,723,064	$ 6,089,371,577
General Sales and Use Tax	4,083,959,000	4,089,220,000	4,087,332,217	3,944,260,371
Corporate Franchise and Income Tax	629,523,000	717,150,000	626,114,318	834,983,402
Public Utility Taxes	320,110,000	318,200,000	320,109,613	319,376,774
Excise Taxes	647,621,000	795,680,000	647,621,004	757,947,035
Inheritance Taxes	20,853,000	-	20,853,110	871,188
Insurance Company Taxes	136,291,000	148,000,000	136,291,544	130,718,048
Miscellaneous Taxes	52,059,000	47,000,000	77,726,403	79,311,536
SUBTOTAL............	12,113,151,000	12,346,223,000	12,146,771,273	12,156,839,930
Federal and Other Inter-Governmental Revenues[(f)]	8,411,740,000	8,451,323,200	8,411,952,270	10,144,346,382
Dedicated and Other Revenues[(g)]	4,553,355,000	5,082,068,100	4,786,075,067	5,111,677,664
TOTAL............	$ 25,078,246,000	$ 25,879,614,300	$ 25,344,798,610	$ 27,412,863,976

(a) The revenues in this table are presented on an agency-recorded basis and not a budgetary basis. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.

(b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2008-09 fiscal year, dated October 15, 2009.

(c) Projections included in this table reflected 2009 Wisconsin Act 2, the budget for the 2009-11 biennium (2009 Wisconsin Act 28), certain federal economic stimulus money in the amount of $1.002 billion that the State expected to receive in the 2009-10 fiscal year in the General Fund ($606 million for medical assistance programs, $237 million for education aids, $76 million for shared revenues, and $83 million for other various purposes), and the revised General Fund tax revenue estimates included in the May 11, 2009 LFB memorandum (as modified on May 14, 2009). Unlike projections in other tables that appear in this APPENDIX B, the projections in this table do not reflect the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum.

(d) The amounts shown are 2008-09 fiscal year revenues as recorded by all State agencies. There may be differences between the tax revenues shown in this table and those reported by the Department of Revenue from time to time in its monthly general purpose revenue collections report; the Department of Revenue report only includes general purpose revenues or taxes that are actually collected by the Department of Revenue.

(e) The amounts shown are 2009-10 fiscal year general purpose revenues and program revenue taxes collected across all State agencies. There may be differences between the tax revenues shown in this table and those reported by the Department of Revenue from time to time in its monthly general purpose revenue collections report; the Department of Revenue report only includes general purpose revenues or taxes that are actually collected by the Department of Revenue.

(f) This category includes intergovernmental transfers. The amount of these transfers may vary greatly between fiscal years, and therefore this category may not be comparable on a historical basis.

(g) Certain transfers between General Fund appropriations are 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.

Source: Wisconsin Department of Administration

GENERAL FUND RECORDED REVENUES[a]
(Agency-Recorded Basis)
July 1, 2010 to September 30, 2010 Compared With Previous Year

	Annual Fiscal Report Revenues 2009-10 FY[b]	Projected Revenues 2010-11 FY[c]	Recorded Revenues July 1, 2009 to September 30, 2009[d]	Recorded Revenues July 1, 2010 to September 30, 2010[e]
Individual Income Tax ....………	$ 6,089,170,000	$ 6,432,371,000	$ 1,344,800,064	$ 1,389,164,397
General Sales and Use Tax ……..	3,944,187,000	4,320,730,000	680,057,302	709,849,550
Corporate Franchise and Income Tax ....………	834,479,000	808,300,000	164,734,630	200,221,867
Public Utility Taxes ....………	319,377,000	327,400,000	(230,756)	(4,916,773)
Excise Taxes ....………	757,947,000	797,500,000	112,654,565	134,656,598
Inheritance Taxes ....…………	871,000	-	36,597	(159,314)
Insurance Company Taxes ……..	130,718,000	148,000,000	1,556,681	2,473,994
Miscellaneous Taxes ....…………	54,910,000	48,000,000	12,039,986	11,001,849
SUBTOTAL............…………	12,131,659,000	12,882,301,000	2,315,649,069	2,442,292,169
Federal and Other Inter-Governmental Revenues[f] ....…	10,144,453,000	7,650,453,600	2,291,858,204	2,694,778,599
Dedicated and Other Revenues[g] ....…….	4,641,967,000	5,423,391,300	1,298,834,137	1,405,643,342
TOTAL...................…………	$ 26,918,079,000	$ 25,956,145,900	$ 5,906,341,410	$ 6,542,714,110

(a) The revenues in this table are presented on an agency-recorded basis and not a budgetary basis. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.

(b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2009-10 fiscal year, dated October 15, 2010.

(c) Projections included in this table reflect the 2009-11 biennial budget (2009 Wisconsin Act 28), certain federal economic stimulus money in the amount of $364 million that the State expects to receive in the 2010-11 fiscal year in the General Fund, and the revised General Fund tax revenue estimates included in the May 11, 2009 LFB memorandum (as modified on May 14, 2009). Unlike projections in other tables that appear in this APPENDIX B, the projections in this table do not reflect the decreased projected General Fund tax revenues shown in the January 27, 2010 LFB memorandum.

(d) The amounts shown are 2009-10 fiscal year revenues as recorded by all State agencies. There may be differences between the tax revenues shown in this table and those reported by the Department of Revenue from time to time in its monthly general purpose revenue collections report; the Department of Revenue report only includes general purpose revenues or taxes that are actually collected by the Department of Revenue.

(e) The amounts shown are 2010-11 fiscal year general purpose revenues and program revenue taxes collected across all State agencies. There may be differences between the tax revenues shown in this table and those reported by the Department of Revenue from time to time in its monthly general purpose revenue collections report; the Department of Revenue report only includes general purpose revenues or taxes that are actually collected by the Department of Revenue.

(f) This category includes intergovernmental transfers. The amount of these transfers may vary greatly between fiscal years, and therefore this category may not be comparable on a historical basis.

(g) Certain transfers between General Fund appropriations are 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.

Table II-14; General Fund Recorded Expenditures by Function (Page 47). Replace with the following updated tables.

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION[(a)]
(Agency-Recorded Basis)
July 1, 2009 to June 30, 2010 Compared With Previous Year (Final)

	Annual Fiscal Report Expenditures 2008–09 FY[(b)]	Appropriations 2009–10 FY[(c)]	Recorded Expenditures July 1, 2008 to June 30, 2009[(d)]	Recorded Expenditures July 1, 2009 to June 30, 2010[(e)]
Commerce	$ 263,800,000	$ 307,224,700	$ 251,999,225	$ 303,822,382
Education	11,130,263,000	11,428,901,400	11,163,614,074	11,217,389,771
Environmental Resources	327,566,000	330,460,100	327,208,321	169,044,492
Human Relations & Resources	10,361,591,000	10,195,574,700	10,329,782,031	11,539,869,522
General Executive	844,724,000	1,306,939,400	850,544,774	1,030,802,601
Judicial	130,541,000	136,201,700	130,982,029	130,341,465
Legislative	65,289,000	73,817,900	65,288,990	65,929,776
General Appropriations	2,156,962,000	2,346,576,300	2,151,655,694	2,291,776,665
TOTAL	$ 25,280,736,000	$ 26,125,696,200	$ 25,271,075,138	$ 26,748,976,674

(a) None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.

(b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2008-09 fiscal year, dated October 15, 2009.

(c) The estimates in this table reflect the 2009 Wisconsin Act 2 and the budget for the 2009-11 biennium (2009 Wisconsin Act 28). The estimates in this table do not reflect the projections included in the January 27, 2010 LFB memorandum.

(d) The amounts shown are 2008-09 fiscal year expenditures as recorded by all State agencies.

(e) The amounts shown are 2009-10 fiscal year expenditures as recorded by all State agencies.

Source: Wisconsin Department of Administration

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION[a]
(Agency-Recorded Basis)
July 1, 2010 to September 30, 2010 Compared With Previous Year

	Annual Fiscal Report Expenditures 2009–10 FY[b]	Appropriations 2010–11 FY[c]	Recorded Expenditures July 1, 2009 to September 30, 2009[d]	Recorded Expenditures July 1, 2010 to September 30, 2010[e]
Commerce	$ 377,721,000	$ 292,866,000	$ 59,754,834	$ 83,269,604
Education	11,250,162,000	11,558,214,700	2,393,280,612	2,727,930,001
Environmental Resources	169,701,000	341,297,800	46,359,052	67,299,572
Human Relations & Resources	11,561,658,000	10,418,320,400	3,139,843,509	3,187,519,143
General Executive	1,090,559,000	1,118,318,600	394,809,503	439,726,187
Judicial	130,653,000	136,586,600	40,911,076	42,141,533
Legislative	65,930,000	73,917,600	11,891,864	12,700,691
General Appropriations	2,286,961,000	2,426,149,100	1,102,555,555	1,160,879,045
TOTAL	$ 26,933,345,000	$ 26,365,670,800	$ 7,189,406,006	$ 7,721,465,776

(a) None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.

(b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2009-10 fiscal year, dated October 15, 2010.

(c) The estimates in this table reflect the 2009-11 biennial budget (2009 Wisconsin Act 28). The estimates in this table do not reflect the projections included in the January 27, 2010 LFB memorandum.

(d) The amounts shown are 2009-10 fiscal year expenditures as recorded by all State agencies.

(e) The amounts shown are 2010-11 fiscal year expenditures as recorded by all State agencies.

Source: Wisconsin Department of Administration

APPENDIX C

FORM OF BOND COUNSEL OPINION

Upon delivery of the 2010 Bonds, Quarles & Brady, LLP, Milwaukee, Wisconsin expects to deliver to the State a legal opinion in substantially the following form:

[Letterhead of Quarles & Brady LLP]

State of Wisconsin Building Commission
101 East Wilson Street, 7th Floor
Madison, WI 53702

RE: $76,075,000 State of Wisconsin **(State)**
Transportation Revenue Bonds, 2010 Series A
dated December 9, 2010 **(2010 Series A Bonds)**

$123,925,000 State of Wisconsin **(State)**
Transportation Revenue Bonds, 2010 Series B
dated December 9, 2010 **(2010 Series B Bonds** and collectively with the 2010 Series A Bonds, **Bonds)**

We have acted as bond counsel to the State in connection with the issuance of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion, including a certified copy of the transcript of proceedings of record of the State of Wisconsin Building Commission **(Commission)** preliminary to and in connection with the issuance of the Bonds.

The Bonds have been authorized and issued pursuant to Subchapter II of Chapter 18 **(Revenue Obligations Act)** and Section 84.59 **(Act)** of the Wisconsin Statutes as now in force; the resolution of the Commission adopted June 26, 1986, entitled "1986 State of Wisconsin Building Commission Resolution 9, State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations General Resolution" **(General Resolution)**, as amended and supplemented by certain resolutions of the Commission adopted March 19, 1998, August 9, 2000, and October 15, 2003 (collectively, **Amending Resolutions)**; and the resolution of the Commission adopted May 19, 2010 and the determinations of the Capital Finance Director made thereunder in the report to the Commission, dated December 8, 2010 (collectively, **Series Resolution)** (hereafter, the General Resolution, as amended by the Amending Resolutions, shall be referred to as the **General Resolution** and the General Resolution and the Series Resolution shall be referred to collectively as the **Resolutions**).

The Bonds are issued on a parity with certain outstanding transportation revenue bonds **(Prior Bonds)**, and are issued on a basis senior to certain outstanding transportation revenue commercial paper notes. The Bonds are issued to pay the costs of financing transportation facilities and major highway projects.

Pursuant to the Revenue Obligations Act, the Act and the General Resolution, the State, acting through the Commission, is authorized to issue transportation revenue bonds in addition to, but on a parity with the Prior Bonds and the Bonds.

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

We have examined a sample of the Bonds and find the same to be in proper form.

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

(1) The State has valid right and lawful authority to finance transportation facilities and major highway projects by the adoption of the Resolutions, to perform its obligations under the terms and conditions of the Resolutions, and to issue the Bonds.

(2) The Resolutions have been duly and lawfully adopted by the Commission, are in full force and effect, and constitute valid and binding obligations of the State enforceable upon the State in accordance with their terms.

(3) The Bonds are valid and binding revenue bonds of the State secured by a pledge in the manner and to the extent set forth in the General Resolution and are entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Resolution on a parity with the Prior Bonds. The General Resolution creates the valid pledge which it purports to create of the Program Income (as defined in the General Resolution) and of monies and securities on deposit in any of the Funds (as defined in the General Resolution) established under the General Resolution, including the investments, if any, thereof, subject to the application thereof to the purposes and on the conditions permitted by the General Resolution.

(4) The Bonds have been lawfully authorized and issued in accordance with the Constitution and statutes of the State, including the Revenue Obligations Act and the Act and in accordance with the Resolutions.

(5) The Bonds do not constitute a debt or grant or loan of credit of the State, and the State shall not be generally liable thereon, nor shall the Bonds be payable out of any funds other than those provided therefor pursuant to the Resolutions and the Act. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal or the interest on the Bonds.

(6) The interest on the 2010 Series A Bonds (including any original issue discount properly allocable to the owners thereof) is excludable for federal income tax purposes from the gross income of the owners of the 2010 Series A Bonds. The interest on the 2010 Series A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended **(Code)** on corporations (as that term is defined for federal income tax purposes) and individuals and is not included in adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. The Code contains requirements that must be satisfied subsequent to the issuance of the 2010 Series A Bonds in order for interest on the 2010 Series A Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the 2010 Series A Bonds to be included in gross income retroactively to the date of issuance of the 2010 Series A Bonds. The State has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the State comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the 2010 Series A Bonds.

(7) The interest on the 2010 Series B Bonds is included in gross income of the owners of the 2010 Series B Bonds for federal income tax purposes. In order to comply with Treasury Circular 230, we are required to inform you that unless we have specifically stated to the contrary in writing, any advice contained in this opinion concerning tax issues or submissions related to the 2010 Series B Bonds is not intended to be used, and cannot be used, by the taxpayer for the purpose of avoiding any tax penalties that may be imposed upon the taxpayer by any governmental taxing authority or agency.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

Except as expressly set forth in (3) above regarding the priority of the Bonds with respect to other obligations of the State under the Act, we express no opinion regarding the perfection or priority of the lien on Program Income or other Funds established under the General Resolution.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Resolutions may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditor's rights and may be also subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

APPENDIX D

STATE'S CONTINUING DISCLOSURE UNDERTAKING

FORM OF
MASTER AGREEMENT ON CONTINUING DISCLOSURE
(AMENDED AND RESTATED DECEMBER 1, 2010)

This Master Agreement on Continuing Disclosure (**Disclosure Agreement**) is executed and delivered by the State of Wisconsin (**Issuer**), a municipal securities issuer and a sovereign government. The Issuer covenants and agrees as follows:

SECTION 1. Definitions. The following capitalized terms shall have the following meanings:

"**Addendum Describing Annual Report**" shall mean an addendum, substantially in the form of Exhibit A hereto, that describes the contents of an Annual Report for a particular type of obligation.

"**Annual Report**" shall mean any report provided by the Issuer pursuant to, and as described in, Sections 4 and 5 of this Disclosure Agreement.

"**Bonds**" shall mean any issue of the Issuer's securities to which this Disclosure Agreement applies.

"**Bondholders**" shall mean the beneficial owners from time to time of the Bonds.

"**Commission**" shall mean the U.S. Securities and Exchange Commission.

"**Disclosure Agreement**" shall mean this agreement.

"**EMMA**" shall mean the Electronic Municipal Market Access system for municipal securities disclosure, a Commission-approved electronic database established and operated by the MSRB to accommodate the collection and availability of required filings of secondary market disclosures under the Rule.

"**Event Notice**" shall mean a notice of an occurrence of a Listed Event provided under Section 6(b) hereof or a notice provided under Sections 4(c), 6(c), or 8.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"**Issuer**" shall mean the securities issuer described above, namely, the State of Wisconsin.

"**Listed Event**" shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

"**MSRB**" shall mean the Municipal Securities Rulemaking Board.

"**Participating Underwriter**" shall mean any broker, dealer, or municipal securities dealer that is required to comply with the Rule when acting as an underwriter in connection with a primary offering of an issue of Bonds.

"**Resolution**" shall mean the resolution or resolutions of the State of Wisconsin Building Commission or the trust indenture entered into by the Issuer, pursuant to which the Bonds are issued.

"**Rule**" shall mean Rule 15c2-12(b)(5) adopted by the Commission under the Exchange Act.

"**Supplemental Agreement**" shall mean an agreement, substantially in the form of Exhibit B hereto, that either (i) determines that the Disclosure Agreement and a specific Addendum Describing Annual Report shall apply to a specific issue of Bonds or (ii) determines that the Disclosure Agreement (other than Sections 4 or 5, which concern Annual Reports) shall apply to a specific issue of Bonds.

SECTION 2. Purpose of the Disclosure Agreement. The purpose of this Disclosure Agreement is to assist Participating Underwriters in complying with the Rule in connection with a primary offering of an issue of Bonds.

SECTION 3. Application of the Disclosure Agreement. This Disclosure Agreement shall apply to an issue of Bonds when the Issuer executes and delivers a Supplemental Agreement. This Disclosure Agreement may apply in whole or in part, as specified by the Supplemental Agreement. This Disclosure Agreement may apply to more than one issue of Bonds but shall be construed as a separate agreement for each issue of Bonds. The purpose of having this Disclosure Agreement apply to more than one issue of Bonds is to promote uniformity of the Issuer's obligations with respect to all issues of Bonds.

SECTION 4. Provision of Annual Reports.

(a) The Issuer shall, not later than 180 days following the close of the Issuer's fiscal year, provide to the MSRB an Annual Report that is consistent with the requirements of Section 5 of this Disclosure Agreement.

(b) If Issuer's audited financial statements are not publicly available at the time the Annual Report is submitted, the Issuer shall submit them to the MSRB within ten business days after the statements are publicly available.

(c) If the Issuer fails to provide an Annual Report to the MSRB by the date required in subsection (a), the Issuer shall send an Event Notice to the MSRB.

SECTION 5. Content and Submission of Annual Reports.

(a) The Annual Report shall be provided for each obligated person described in the Addendum Describing Annual Report, and it shall contain, or incorporate by reference, the financial statements and operating data, and use the accounting principles, described in the Addendum Describing Annual Report.

(b) The Annual Report shall be submitted to the MSRB in an electronic format, and accompanied by identifying information, as prescribed by the MSRB. As of the date of this Disclosure Agreement, the MSRB prescribes that all submissions of secondary disclosure be made through EMMA. The Annual Report may be provided as a single document or as a package comprising separate documents. All, or any of, the items constituting the Annual Report may be incorporated by reference from other documents available to the public on the MSRB's Internet Web site or filed with the Commission. The Issuer shall clearly identify each document so incorporated by reference.

(c) Each time the Issuer provides information to the MSRB in accordance with this Disclosure Agreement, it shall confirm, in the manner it deems appropriate, the MSRB's prescriptions concerning the electronic format and accompanying indentifying information. As of the date of this Disclosure Agreement, information on the MSRB's required electronic format and submission procedures through EMMA can be found on the MSRB's Internet Web site at www.emma.msrb.org.

(d) To allow for uniformity of the contents of Annual Reports with respect to obligations that are similar in character, the Issuer may from time to time describe the contents in an Addendum Describing Annual Report and shall incorporate a description by reference in a Supplemental Agreement.

SECTION 6. Reporting of Significant Events.

(a) This Section 6 shall govern the provision of notices of the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bondholders, if material.

8. Bond calls, if material, and tender offers.

9. Defeasances.

10. Release, substitution, or sale of property securing repayment of the Bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership, or similar event of an obligated person (for the purposes of this event, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all the assets or business of the obligated person).

13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Issuer shall provide a notice of such occurrence with the MSRB not in excess of ten business days after the occurrence of the event.

(c) Similarly, if the Issuer determines that it failed to give notice of an occurrence as required by this section, it shall promptly provide an Event Notice with respect to such occurrence to the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement with respect to an issue of Bonds shall terminate upon the legal defeasance, prior redemption, or payment in full of all Bonds of the issue or if the Rule shall be revoked or rescinded by the Commission or declared invalid by a final decision of a court of competent jurisdiction.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement if the following conditions are met:

(a) The amendment or waiver may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or an obligated person, or the type of business conducted; and

(b) This Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Bondholders, as determined by an opinion of nationally recognized bond counsel, a certificate from an indenture trustee for the

Bonds, or an approving vote of Bondholders pursuant to the terms of the Resolution at the time of the amendment.

In the event this Disclosure Agreement is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it provides after such event shall explain the reasons for the amendment or waiver and the impact, if any, of the change in the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, the Issuer agrees that it will provide an Event Notice and that the next Annual Report it provides after such event will present a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. The Issuer may from time to time choose to disseminate other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or include other information in any Annual Report or Event Notice, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or Event Notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Event Notice.

SECTION 10. Default. A default under this Disclosure Agreement shall not be deemed an event of default under the Resolution, and the sole remedy of a Bondholder under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action or lawsuit to compel performance. The Issuer reserves any defense it may have to any such action or lawsuit including that this Disclosure Agreement violates sovereign rights or that no funds have been appropriated for performance.

SECTION 11. Beneficiaries. The Issuer intends to be contractually bound by this Disclosure Agreement. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Participating Underwriters, and Bondholders and shall create no rights in any other person or entity.

SECTION 12. Responsible Officer. Pursuant to a resolution adopted by the State of Wisconsin Building Commission on August 9, 1995, the Capital Finance Director has been authorized to execute this Disclosure Agreement on behalf of the Issuer, and the Capital Finance Office has been designated as the office of the Issuer responsible for providing Annual Reports and giving notice of Listed Events, to the extent required hereunder. Any inquiries regarding this Disclosure Agreement should be directed to the Capital Finance Office, Department of Administration, Division of Executive Budget and Finance, 101 East Wilson Street, Madison, Wisconsin 53702, Phone: (608) 266-5355, Fax: (608) 266-7645, Email: DOACapitalFinanceOffice@wisconsin.gov, or such other address, telephone number, fax number, or email address as the Issuer may from time to time provide by an addendum hereto.

SECTION 13. Satisfaction of Conditions. This Disclosure Agreement amends and restates the Master Agreement on Continuing Disclosure (Amended and Restated July 1, 2009) (**Prior Agreement**), executed and delivered by the Issuer and dated July 1, 2009. The Issuer finds and determines that the conditions stated under Section 8 of the Prior Agreement for amendment of the Prior Agreement have been satisfied and, more particularly:

(a) The amendments are being made in connection with a change in circumstances that arises from a change in legal requirements or a change in law (namely, amendments to the Rule);

(b) This Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account the amendments to the Rule; and

(c) The amendments do not materially impair the interests of the Bondholders, as determined by an opinion of nationally recognized bond counsel.

IN WITNESS WHEREOF, the Issuer has caused this Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) to be executed by its duly authorized officer.

Date: December 1, 2010

STATE OF WISCONSIN
Issuer

By:____________________

Frank R. Hoadley,
Capital Finance Director

EXHIBIT A

FORM OF ADDENDUM DESCRIBING ANNUAL REPORT

ADDENDUM DESCRIBING ANNUAL REPORT
FOR [TYPE OF OBLIGATIONS]

This Addendum Describing Annual Report for [Type of Obligation] (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010)] (**Disclosure Agreement**), executed and delivered by the Issuer and dated December 1, 2010. This Addendum describes the content of an Annual Report prepared with respect to [type of obligation]. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person(s): [None] [Each of the entity named or described by objective criteria below is an obligated person: ____________________________________]

Content of Annual Report for Issuer. Accounting Principles. The following accounting principles shall be used for the financial statements: __________________________.

Financial Statements. The financial statements shall present the following information: _______.

Operating Data. In addition to the financial statements, operating data about the following matters shall be presented: ____ ________________________.

Content of Annual Report for Additional Obligated Person(s). Accounting Principles. The following accounting principles shall be used for the financial statements: __________________________.

Financial Statements. The financial statements shall present the following information: _______.

Operating Data. In addition to the financial statements, operating data about the following matters shall be presented: ____.

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: _________, 20___

STATE OF WISCONSIN
Issuer

By:____________________________
_

Name:__________________

Title:___________________

EXHIBIT B

FORM OF SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT

This Supplemental Agreement is executed and delivered by the State of Wisconsin (**Issuer**) to supplement the Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) (**Disclosure Agreement**), executed and delivered by the Issuer and dated December 1, 2010. Pursuant to the provisions of the Disclosure Agreement, the Issuer hereby [determines that the Disclosure Agreement and the Addendum Describing Annual Report for [Type of Obligation] shall apply to the following issue of obligations] [determines that the Disclosure Agreement (other than Sections 4 and 5, which concern Annual Reports) shall apply to the following issue of obligations]:

Name of Obligations:

____

____

Date of Issue: ____________, _____

CUSIPs ____________________________

IN WITNESS WHEREOF, the Issuer has caused this Supplemental Agreement to be executed by its duly authorized officer.

Date: _________, 20___

STATE OF WISCONSIN
Issuer

By:___________________________

Name:__________________

Title:___________________

Form OF
ADDENDUM DESCRIBING ANNUAL REPORT FOR TRANSPORTATION REVENUE BONDS

This Addendum Describing Annual Report for Transportation Revenue Bonds (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 (**Disclosure Agreement**). This Addendum describes the content of an Annual Report prepared with respect to transportation revenue bonds. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person(s): None

Content of Annual Report for Issuer.

Accounting Principles. The following accounting principles shall be used for the financial statements: generally accepted accounting principles or in accordance with another comprehensive basis of accounting.

Financial Statements. The financial statements shall present the following information: Audited financial statements of the transportation revenue bond program and supplemental information to the audited financial statement.

Operating Data. In addition to the financial statements, operating data about the following matters shall be presented:

(a) History of Section 341.25 registration fees for last 10 years.
(b) Estimated Section 341.25 registration fees for next 10 years.
(c) Historical and estimated amounts of other pledged revenues consisting of certain vehicle registration-related fees.
(d) Debt service on all outstanding transportation revenue bonds and estimated revenue coverage based on estimated pledged revenues for next 10 years.
(e) Demographic information for the State of Wisconsin relating to vehicle registrations

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: December 9, 2010

STATE OF WISCONSIN
Issuer

By:_____________________________

Name: Frank R. Hoadley
Title: Capital Finance Director

Form OF
SUPPLEMENTAL AGREEMENT

This Supplemental Agreement is executed and delivered by the State of Wisconsin **(Issuer)** to supplement the Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010), executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 **(Disclosure Agreement)**. Pursuant to the provisions of the Disclosure Agreement, the Issuer hereby determines that the Disclosure Agreement and the Addendum Describing Annual Report for Transportation Revenue Bonds shall apply to the following issue of obligations:

Name of Obligations: State of Wisconsin
$76,075,000
Transportation Revenue Bonds, 2010 Series A

$123,925,000
Transportation Revenue Bonds, 2010 Series B

Date of Issue: December 9, 2010

CUSIPs: 2010 *Series A Bonds*

977123 YS1	977123 YT9
977123 YU6	977123 YV4
977123 YW2	977123 YX0
977123 YY8	977123 YZ5
977123 ZA9	977123 ZB7

2010 Series B Bonds

977123 ZC5	977123 ZD3
977123 ZE1	977123 ZF8
977123 ZG6	977123 ZH4
977123 ZJ0	977123 ZK7
977123 ZL5	977123 ZM3

IN WITNESS WHEREOF, the Issuer has caused this Supplemental Agreement to be executed by its duly authorized officer.

Date: December 9, 2010

STATE OF WISCONSIN
Issuer

By:

Frank R. Hoadley
Capital Finance Director

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