
State of Wisconsin
Additional/Voluntary Filing # 2024-12
Dated March 4, 2024

This Additional/Voluntary Filing does not concern an event described in Securities and Exchange Act Rule 15c2-12, as amended. The State of Wisconsin provides this information as it may be material to the financial evaluation of one or more obligations of the State of Wisconsin.

Issuer: State of Wisconsin

Obligations: Transportation Revenue Bonds

CUSIP Numbers:

977123 2P2	977123 2Q0	977123 2R8
977123 2S6	977123 2T4	977123 2U1
977123 2V9	977123 2W7	977123 2X5
977123 2Y3	977123 2Z0	977123 U55
977123 U63	977123 U71	977123 X78
977123 X86	977123 X94	977123 Y28
977123 Y36	977123 Y44	977123 Y51
977123 Y69	977123 Y77	977123 Y85

Type of Information: Additional/Voluntary Disclosure
Other Event-Based Disclosures; Invitation to Tender Bonds

The State of Wisconsin is inviting holders of the above CUSIP numbers to tender bonds for purchase by the State pursuant to the terms and conditions set forth in the [attached invitation](#).

This filing is voluntary and NOT an event filing for a defeasance or bond call.

The State of Wisconsin is providing this Additional/Voluntary Filing with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system. This Additional/Voluntary Filing is also available on the State of Wisconsin Capital Finance Office website and State of Wisconsin investor relations website at:

doa.wi.gov/capitalfinance
wisconsinbonds.com

The undersigned represents that he is the Capital Finance Director, State of Wisconsin Capital Finance Office, which is the office of the State of Wisconsin responsible for providing additional/voluntary filings, annual reports, and Event Filings pursuant to the State's Master Agreement on Continuing Disclosure (Amended and Restated March 1, 2019) and is authorized to distribute this information publicly.

/s/ AARON M. HEINTZ

Aaron M. Heintz, Capital Finance Director
State of Wisconsin Capital Finance Office
Wisconsin Department of Administration
101 East Wilson Street, FLR 10
Madison, WI 53703

Phone: 608.267.1836

Email: DOACapitalFinanceOffice@wisconsin.gov

Websites: doa.wi.gov/capitalfinance
wisconsinbonds.com



STATE OF WISCONSIN

DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Kathy Blumenfeld, Secretary
Brian Pahnke, Administrator

March 4, 2024

Dear Bondholder:

The State of Wisconsin (the “State”), acting through the State of Wisconsin Building Commission, appreciates your investment in one or more of its Bonds as listed in [Appendix A](#) to this letter (collectively, the “Bonds”).

You are receiving this letter because the State is inviting an offer *to tender your Bonds for purchase by the State for cash* in connection with a potential refunding of a portion of its outstanding debt. This invitation is further described in the “Invitation to Tender Bonds” dated March 4, 2024 (the “Tender Offer”) and is subject solely to the terms and conditions in the Tender Offer. *Please see below for directions regarding how to access the Tender Offer and related documents via the web. Defined terms used herein, but not defined herein, shall have the meanings set forth in the Tender Offer.*

Background

The Tender Offer is part of a plan by the State to reduce its debt service requirements. As part of the plan, the State intends to refund a portion of its indebtedness, and purchase those Bonds tendered and accepted pursuant to the Tender Offer, using proceeds from the State’s Transportation Revenue Refunding Bonds, 2024 Series 2, as more fully described in the Preliminary Official Statement, dated the date hereof, which is part of the Tender Offer.

What Price is the Issuer Offering to Purchase my Bonds?

Each Bondholder is invited by the State to tender for sale, for payment in cash, all or part of its beneficial ownership interests in the Bonds as follows:

- ***Federally Taxable Bonds (as listed in Table 1 of Appendix A):*** The prices will be based on fixed spreads set forth in the Pricing Notice to be added to the yields on certain benchmark United States Treasury securities, plus accrued interest on the Taxable Bonds tendered and accepted for purchase to but not including the Settlement Date.
- ***Federally Tax-Exempt Bonds (as listed in Table 2 of Appendix A):*** The prices will be the purchase prices set forth in the Pricing Notice, plus accrued interest on the Tax-Exempt Bonds tendered and accepted for purchase to but not including the Settlement Date.

Please see Appendix A for the indicative fixed spread or the indicative purchase price that the State is offering for your Bond.

Please note that the fixed spreads and purchase prices listed in the Tender Offer are subject to change. On or about March 11, 2024, the State expects to publish the Pricing Notice, which will confirm or amend (i) the fixed spreads and benchmark securities to be used in determining the prices to be paid by the State for each CUSIP for the federally taxable Bonds, if any, purchased pursuant to the Tender Offer and (ii) the prices to be paid by the State for each CUSIP for the federally tax-exempt Bonds, if any, purchased pursuant to the Tender Offer.

In deciding whether, and if so, how to respond to the Tender Offer, you should contact your broker, account executive, financial advisor and/or other professional to discuss the offer to purchase your Bonds and the options available to you.

What Happens if I Choose Not to Participate?

Bondholders who do not tender their Bonds pursuant to the Tender Offer, as well as Bondholders who tender Bonds for purchase that the State chooses not to accept (“Untendered Bonds”), will continue to hold such Untendered Bonds in their account unchanged by virtue of the Tender Offer. In addition, the State reserves the right to, and may decide to, refund (on an advance or current basis) some or all of the Untendered Bonds.

The deadline to offer your Bonds for purchase is March 18, 2024, at 5:00 p.m. Eastern time unless extended or earlier terminated. Should you wish to participate, please contact your bank, broker or other financial advisor in advance of this date so that they may have sufficient time to relay your instructions to the State prior to expiration of the Tender Offer.

This brief letter does not provide all of the information that you need to consider the Tender Offer. The State’s invitation to tender Bonds is only being made pursuant to the Tender Offer. Bondholders are urged to carefully read the Tender Offer because it contains information, including the various terms of and conditions to the offer that Bondholders should consider before making any decision regarding tendering their Bonds.

The Tender Offer is available electronically on the website of the Information Agent at www.globic.com/wisconsin, as well as the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Bonds listed in Appendix A hereto. Upon expiration of the Tender Offer, the State will post notices regarding the results of the offer on these same weblinks.

Institutional investors with questions about the Tender Offer should contact the Dealer Managers at:

Wells Fargo Securities, LLC

Attn: Kevin Hoecker, Managing Director
Tel: (424) 350-6500 Email: kevin.hoecker@wellsfargo.com

Loop Capital Markets LLC

Attn: David J. Gellert II, Senior Vice President
Tel: (312) 913-2208 Email: david.gellert@loopcapital.com

Individual investors and their brokers, account executives, financial advisors and/or other appropriate professionals with questions about the Tender Offer should contact the Information Agent, Robert Stevens of Globic Advisors, at: (212) 227-9622 or by email: rstevens@globic.com.

Please note that the State retains the right to modify or withdraw the Tender Offer at any time through and including the Expiration Date (i.e., March 18, 2024, at 5:00 p.m. Eastern Time) (unless earlier terminated or extended) provided, that the State shall provide notice of any such extension or amendment no less than five (5) business days prior to the Expiration Date, as it may be extended, all as more fully described in the Tender Offer.

Thank you for taking the time to consider the Tender Offer.

STATE OF WISCONSIN

APPENDIX A

BONDS SUBJECT TO THE TENDER OFFER

TABLE 1 – TAXABLE BONDS

Series	CUSIP	Maturity Date	Interest Rate	Outstanding Principal Amount	Benchmark Treasury Security	Indicative Fixed Spreads†
2020 Series 1	977123X78	7/1/2025	0.774%	\$37,625,000	4.625% UST maturing 2/28/2026 CUSIP: 91282CKB6	+4 bps
2020 Series 1	977123X86	7/1/2026	1.007%	\$20,230,000	4.625% UST maturing 2/28/2026 CUSIP: 91282CKB6	-21 bps
2020 Series 1	977123X94	7/1/2027	1.107%	\$3,400,000	4.125% UST maturing 2/15/2027 CUSIP: 91282CKA8	-13 bps
2020 Series 1	977123Y28	7/1/2028	1.309%	\$3,590,000	4.250% UST maturing 2/28/2029 CUSIP: 91282CKD2	-7 bps
2020 Series 1	977123Y36	7/1/2029	1.409%	\$3,635,000	4.250% UST maturing 2/28/2029 CUSIP: 91282CKD2	-14 bps
2020 Series 1	977123Y44	7/1/2030	1.539%	\$3,685,000	4.250% UST maturing 2/28/2031 CUSIP: 91282CKC4	-15 bps
2020 Series 1	977123Y51	7/1/2031	1.589%	\$3,645,000	4.250% UST maturing 2/28/2031 CUSIP: 91282CKC4	-10 bps
2020 Series 1	977123Y69	7/1/2032	1.709%	\$42,885,000	4.000% UST maturing 2/15/2034 CUSIP: 91282CJZ5	-2 bps
2020 Series 1	977123Y77	7/1/2033	1.789%	\$52,100,000	4.000% UST maturing 2/15/2034 CUSIP: 91282CJZ5	+4 bps
2020 Series 1	977123Y85	7/1/2034	1.859%	\$37,145,000	4.000% UST maturing 2/15/2034 CUSIP: 91282CJZ5	+10 bps
2021 Series 1	9771232P2	7/1/2027	1.313%	\$2,635,000	4.125% UST maturing 2/15/2027 CUSIP: 91282CKA8	-13 bps
2021 Series 1	9771232Q0	7/1/2028	1.463%	\$2,675,000	4.250% UST maturing 2/28/2029 CUSIP: 91282CKD2	-7 bps
2021 Series 1	9771232R8	7/1/2029	1.617%	\$2,100,000	4.250% UST maturing 2/28/2029 CUSIP: 91282CKD2	-14 bps
2021 Series 1	9771232S6	7/1/2030	1.717%	\$2,135,000	4.250% UST maturing 2/28/2031 CUSIP: 91282CKC4	-15 bps
2021 Series 1	9771232T4	7/1/2031	1.767%	\$12,905,000	4.250% UST maturing 2/28/2031 CUSIP: 91282CKC4	-10 bps
2021 Series 1	9771232U1	7/1/2032*	1.867%	\$8,665,000	4.000% UST maturing 2/15/2034 CUSIP: 91282CJZ5	-2 bps
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2021 Series 1	9771232X5	7/1/2035*	2.167%	\$23,415,000	4.000% UST maturing 2/15/2034 CUSIP: 91282CJZ5	+17 bps
2021 Series 1	9771232Y3	7/1/2036*	2.217%	\$30,940,000	4.000% UST maturing 2/15/2034 CUSIP: 91282CJZ5	+23 bps
2021 Series 1	9771232Z0	7/1/2037*	2.317%	\$8,720,000	4.000% UST maturing 2/15/2034 CUSIP: 91282CJZ5	+29 bps

* Callable @ Par on or after 7/1/2031

† Indicative Fixed Spreads and Benchmark Treasury Securities are preliminary and subject to change. Actual Fixed Spreads and Benchmark Treasury Securities will appear in the Pricing Notice.

**BONDS SUBJECT TO THE TENDER OFFER
(CONTINUED)**

TABLE 2 – TAX-EXEMPT BONDS

Series	CUSIP	Maturity Date	Call Date	Interest Rate	Outstanding Principal Amount	Indicative Purchase Price as a Percentage of Par†
2017 Series 2	977123U55	7/1/2030	7/1/2027	5.000%	\$42,975,000	108.051
2017 Series 2	977123U63	7/1/2031	7/1/2027	5.000%	\$33,840,000	108.089
2017 Series 2	977123U71	7/1/2032	7/1/2027	5.000%	\$5,820,000	108.096

† The Indicative Purchase Prices shown herein are preliminary and subject to change. Actual Purchase Prices will appear in the Pricing Notice. The Purchase Price to be paid on the Settlement Date excludes Accrued Interest on the Bonds tendered for purchase, which interest will be paid up to but not including the Settlement Date in addition to the Purchase Price.

INVITATION TO TENDER BONDS
made by
STATE OF WISCONSIN
to the Holders described herein of all or any portion of the maturities listed on pages (i) and (ii) herein of the
STATE OF WISCONSIN

Transportation Revenue Refunding Bonds, 2017 Series 2
Transportation Revenue Refunding Bonds, 2020 Series 1 (Taxable)
Transportation Revenue Refunding Bonds, 2021 Series 1 (Taxable)

THIS INVITATION WILL EXPIRE AT 5:00 P.M., EASTERN TIME, ON MARCH 18, 2024,
UNLESS THE INVITATION IS EARLIER TERMINATED OR EXTENDED AS DESCRIBED HEREIN. See “TERMS OF THE TENDER OFFER” herein.

This Invitation to Tender Bonds, dated March 4, 2024 (as it may be amended or supplemented, this “*Tender Offer*”), describes an invitation by the State of Wisconsin, acting through the State of Wisconsin Building Commission (the “*State*”), with the assistance of Wells Fargo Securities, LLC and Loop Capital Markets, LLC, as joint dealer managers (the “*Dealer Managers*”), to the beneficial owners (the “*Holders*” or “*Bondholders*”) of the State’s outstanding bonds of the series and certain maturities listed on pages (i) and (ii) of this Tender Offer (collectively, the “*Bonds*”) to tender their Bonds for purchase at the offer prices to be set forth in the Pricing Notice, which is expected to be dated on or about March 11, 2024 (as it may be amended and supplemented, the “*Pricing Notice*” a form of which is attached hereto as APPENDIX B), that will either confirm or amend the “*Indicative Purchase Prices*” listed on pages (i) and (ii) of this Tender Offer, plus, accrued interest (“*Accrued Interest*”) on the Bonds tendered and accepted for purchase to but not including the Settlement Date (as hereinafter defined) based on the following:

- with respect to the *federally taxable Bonds* listed in Table 1 on page (i) of this Tender Offer (the “*Taxable Bonds*”), the offer prices will be based on a fixed spread set forth in the Pricing Notice to be added to the yields on certain benchmark United States Treasury Securities, plus accrued interest on the Taxable Bonds tendered and accepted for purchase to but not including the Settlement Date; and
- with respect to the *federally tax-exempt Bonds* listed in Table 2 on page (ii) of this Tender Offer (the “*Tax-Exempt Bonds*”), the offer prices will be the purchase prices set forth in the Pricing Notice, plus accrued interest on the Tax-Exempt Bonds tendered and accepted for purchase to but not including the Settlement Date.

Subject to the terms and conditions of this Tender Offer, the State may agree to purchase Bonds tendered for purchase on April 9, 2024, unless extended by the State (such date being the “*Settlement Date*”), assuming all conditions to this Tender Offer have then been satisfied or waived by the State; provided that such Bonds have been validly tendered for purchase by the Expiration Date set forth below. Bondholders whose Bonds are tendered and accepted for purchase will receive the Purchase Price and Accrued Interest on such Bonds on the Settlement Date. The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the State’s Transportation Revenue Refunding Bonds, 2024 Series 2 (the “*2024 Series 2 Bonds*”) and other available funds of the State. If issued, the 2024 Series 2 Bonds will be dated the Settlement Date and be issued in the manner, on the terms and with the security therefor described in the Preliminary Official Statement dated March 4, 2024 attached hereto as APPENDIX A (the “*Preliminary Official Statement*”). The purchase of any Bonds tendered and accepted for purchase pursuant to this Tender Offer is contingent on the issuance of the 2024 Series 2 Bonds, and is also subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein). See “INTRODUCTION – General” and “TERMS OF THE TENDER OFFER – Conditions to Purchase” herein.

HOLDERS OF BONDS WHO DO NOT TENDER THEIR BONDS, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE THAT THE STATE IN ITS DISCRETION DOES NOT ACCEPT FOR PURCHASE (UNDER THE CONDITIONS FURTHER DESCRIBED HEREIN), WILL CONTINUE TO HOLD SUCH BONDS (THE “UNTENDERED BONDS”) AND SUCH UNTENDERED BONDS WILL REMAIN OUTSTANDING. THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE UNTENDERED BONDS THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE. See “INTRODUCTION – Bonds Not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” herein.

To make an informed decision as to whether, and how, to tender Bonds for purchase pursuant to this Tender Offer, Bondholders must read this Tender Offer, including the Preliminary Official Statement attached hereto, carefully, and consult with their broker, account executive, financial advisor, attorney and/or other professionals. For more information about risks concerning this Tender Offer, please see “ADDITIONAL CONSIDERATIONS” herein.

Any Bondholder wishing to tender its Bonds should follow the procedures more specifically described herein. Bondholders and their brokers and account executives with questions about this Tender Offer should contact the Dealer Managers or the Information Agent.

Key Dates and Times

All of these dates and times are subject to change. All times are Eastern time.
Notices of changes will be sent in the manner provided for in this Tender Offer.

Launch Date and Post Preliminary Official Statement	March 4, 2024
Pricing Notice	On or about March 11, 2024
Expiration Date	5:00 p.m. on March 18, 2024
Determination of Taxable Bonds Purchase Price	10:00 a.m. on March 19, 2024
Notice of Taxable Bonds Purchase Price	March 19, 2024
Acceptance Date	March 19, 2024
Settlement Date	April 9, 2024

The Dealer Managers
for this Tender Offer are:

The Information Agent and Tender Agent
for this Tender Offer is:

Wells Fargo Securities, LLC and Loop Capital Markets, LLC

Globic Advisors Inc.

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* Callable @ Par on or after 7/1/2031

† Indicative Fixed Spreads and Benchmark Treasury Securities are preliminary and subject to change. Actual Fixed Spreads and Benchmark Treasury Securities will appear in the Pricing Notice.

**BONDS SUBJECT TO THE TENDER OFFER
(CONTINUED)**

TABLE 2 – TAX-EXEMPT BONDS

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† The Indicative Purchase Prices shown herein are preliminary and subject to change. Actual Purchase Prices will appear in the Pricing Notice. The Purchase Price to be paid on the Settlement Date excludes Accrued Interest on the Bonds tendered for purchase, which interest will be paid up to but not including the Settlement Date in addition to the Purchase Price.

PROVISIONS APPLICABLE TO THE TENDER OFFER

On or about March 11, 2024, the Pricing Notice will be made available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org> (the “EMMA Website”), using the CUSIP numbers for the Bonds listed in the “Bonds Subject to Tender Offer” tables above; (ii) to The Depository Trust Company (“DTC”) and to the DTC participants holding the Bonds (as shown in a securities position report obtained by the Information Agent and Tender Agent); and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

On or about March 19, 2024, the Notice of Taxable Bonds Purchase Price will be made available: (i) at the EMMA Website, using the CUSIP numbers for the Bonds listed in the “Bonds Subject to Tender Offer” tables above; (ii) to DTC and to the DTC participants holding the Bonds (as shown in a securities position report obtained by the Information Agent and Tender Agent); and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

The Preliminary Official Statement (attached hereto as APPENDIX A) is or will be made available, as an attachment to this Tender Offer: (i) at the EMMA Website, using the CUSIP numbers for the Bonds listed in the “Bonds Subject to Tender Offer” tables in this Tender Offer; (ii) to DTC and to the DTC participants holding the Bonds (as shown in a securities position report obtained by the Information Agent and Tender Agent); and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

The consummation of this Tender Offer is also subject to certain conditions, including, without limitation, the Financing Conditions. See “INTRODUCTION – General” and “TERMS OF THE TENDER OFFER – Conditions to Purchase” herein.

IMPORTANT INFORMATION

This Tender Offer and other information with respect to this Tender Offer is and will be available from Wells Fargo Securities, LLC and Loop Capital Markets, LLC (the “Dealer Managers”) and Globic Advisors (the “Information Agent”) at <http://emma.msrb.org> and www.globic.com/wisconsin. Bondholders wishing to tender their Bonds for purchase pursuant to this Tender Offer should follow the procedures described in this Tender Offer. Pursuant to this Tender Offer, the State may accept offers to tender Bonds in accordance with the procedures set forth in this Tender Offer. The State reserves the right to cancel or modify this Tender Offer at any time on or prior to the Expiration Date, and reserves the right to make a future tender offer at prices different than the prices described herein and in the Pricing Notice, in its sole discretion. The State will have no obligation to accept tendered Bonds for purchase or to purchase Bonds tendered and accepted for purchase if cancellation or modification occurs, the State is unable to issue the 2024 Series 2 Bonds or any other conditions set forth herein are not satisfied. The State further reserves the right to accept nonconforming tenders or waive irregularities in any tender. The State also reserves the right in the future to refund (on an advance or current basis) any remaining portion of outstanding Bonds through the issuance of publicly offered or privately placed bonds. The consummation of this Tender Offer is subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein) that are anticipated to occur after the Expiration Date but prior to the Settlement Date.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS TENDER OFFER OR PASSED UPON THE FAIRNESS OR MERITS OF THIS TENDER OFFER OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS TENDER OFFER. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

In any jurisdictions where the securities, “blue sky” or other laws require this Tender Offer to be distributed through a licensed or registered broker or dealer, this Tender Offer shall be deemed to be distributed on behalf of the State through the Dealer Managers or one or more registered brokers or dealers licensed under the laws of that jurisdiction.

References to website addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not a part of, this Tender Offer.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Tender Offer, including APPENDIX A, and, if given or made, such information or representation may not be relied upon as having been authorized by the State.

The delivery of this Tender Offer shall not under any circumstances create any implication that any information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or materials delivered herewith or in the affairs of the State since the date hereof. The information contained in this Tender Offer is as of the date of this Tender Offer only and is subject to change, completion, or amendment without notice.

Certain statements included or incorporated by reference into this Tender Offer constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “forecast,” “plan,” “expect,” “estimate,” “budget” or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The State does not plan to issue any updates or revisions to those forward-looking statements if or when changes to its expectations, or events, conditions or circumstances on which such statements are based, occur.

This Tender Offer, including APPENDIX A, contains important information which should be read in its entirety before any decision is made with respect to this Tender Offer.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
General	1
Consideration for the Tender Offer	2
Sources of Funds to Pay Purchase Price and Accrued Interest on Bonds Purchased	3
Brokerage Commissions and Solicitation Fees	3
Bonds Not Tendered for Purchase	3
Dealer Managers, Information Agent and Tender Agent	3
TERMS OF THE TENDER OFFER	4
Expiration Date	4
Offers Only Through the State’s ATOP Accounts	4
Information to Bondholders	4
Minimum Denominations and Consideration	5
Accrued Interest	5
Provisions Applicable to All Tenders	5
Representations by Tendering Bondholders to the State	6
Tender of Bonds by Financial Institutions; State’s ATOP Accounts	7
Determinations as to Form and Validity of Tender Offer; Right of Waiver and Rejection	7
Amendment or Withdrawals of Tenders Prior to an Expiration Date	8
Acceptance of Tenders for Purchase	8
Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results	9
Settlement Date	9
Purchase and Accrued Interest Funds	9
Conditions to Purchase	10
Extension, Termination and Amendment of the Tender Offer; Changes to Terms	10
AVAILABLE INFORMATION	11
ADDITIONAL CONSIDERATIONS	11
The State May Later Acquire Bonds at More Favorable Prices with More Favorable Terms Than Those Offered Pursuant to this Tender Offer	12
Timeliness of Offers	12
Acceptance Date	12
Priority of Allocations of 2024 Series 2 Bonds	12
SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES	12
DEALER MANAGERS	14
INFORMATION AGENT AND TENDER AGENT	14
APPROVAL OF LEGAL PROCEEDINGS	14
MISCELLANEOUS	15
APPENDIX A: Preliminary Official Statement	
APPENDIX B: Form of Pricing Notice	

INVITATION TO TENDER BONDS
made by
STATE OF WISCONSIN
to the Holders described herein of all or any portion of the maturities listed on pages (i) and (ii) herein of the
STATE OF WISCONSIN

Transportation Revenue Refunding Bonds, 2017 Series 2
Transportation Revenue Refunding Bonds, 2020 Series 1 (Taxable)
Transportation Revenue Refunding Bonds, 2021 Series 1 (Taxable)

INTRODUCTION

General

This Invitation to Tender Bonds, dated March 4, 2024 (as it may be amended or supplemented, including the cover page and Appendices hereto, this “**Tender Offer**”), describes an invitation by the State of Wisconsin, acting through the State of Wisconsin Building Commission (the “**State**”), with the assistance of Wells Fargo Securities, LLC and Loop Capital Markets, LLC, as joint dealer managers (the “**Dealer Managers**”), to the beneficial owners (the “**Holders**” or “**Bondholders**”) of the State’s outstanding bonds of the series and certain maturities listed on pages (i) and (ii) of this Tender Offer (collectively, the “**Bonds**”) to tender their Bonds for purchase at the purchase prices as follows:

- (i) with respect to the *federally taxable Bonds* listed in Table 1 on page (i) of this Tender Offer (the “**Taxable Bonds**”), the offer prices will be based on a fixed spread to be set forth in the Pricing Notice to be added to the yields on certain benchmark United States Treasury securities, and
- (ii) with respect to the *federally tax-exempt Bonds* listed in Table 2 on page (ii) of this Tender Offer (the “**Tax-Exempt Bonds**”), the offer prices will be the purchase prices published by the State in the Pricing Notice,

all as set forth in the Pricing Notice, which is expected to be dated on or about March 11, 2024 (as it may be amended and supplemented, the “**Pricing Notice**” a form of which is attached hereto as APPENDIX B), *plus* accrued interest on the Bonds tendered and accepted for purchase to but not including the Settlement Date (“**Accrued Interest**”).

The Bonds were issued by the State pursuant to Subchapter II of Chapter 18 and Section 84.59 of the Wisconsin Statutes as now in force; the resolution of the State of Wisconsin Building Commission (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” (the “**General Resolution**”), as amended and supplemented by certain resolutions of the Commission adopted March 19, 1998, August 9, 2000, and October 15, 2003 (collectively, the “**Amending Resolutions**”); and resolutions of the Commission adopted on October 18, 2017, February 27, 2020, May 20, 2020 and May 26, 2021, and the determinations of the Capital Finance Director made in connection therewith in the respective reports to the Commission (collectively, the “**Series Resolutions**”) (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 Resolutions shall be referred to collectively as the “**Resolutions**”). For certain information concerning the State and the Transportation Revenue Refunding Bonds, 2024 Series 2 (the “**2024 Series 2 Bonds**”), see the Preliminary Official Statement dated March 4, 2024 attached hereto as APPENDIX A (the “**Preliminary Official Statement**”).

The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the 2024 Series 2 Bonds and other available funds of the State. The 2024 Series 2 Bonds are being issued to provide funds to purchase Bonds pursuant to this Tender Offer, and thereby refinance a portion of the State’s currently outstanding transportation revenue bonds. If issued, the 2024 Series 2 Bonds will be dated the Settlement Date and be issued in the manner, on the terms and with the security therefor all as set forth in the Preliminary Official Statement. See “Sources of Funds to Pay Purchase Price and Accrued Interest on Bonds Purchased” herein.

Notwithstanding any other provision of this Tender Offer, the State has no obligation to accept for purchase any tendered Bonds, and its obligation to pay for Bonds validly tendered (and not validly withdrawn) and accepted pursuant to this Tender Offer is subject to the satisfaction of or waiver of the following conditions on or prior to the Settlement Date: (a) the successful completion by the State of a debt financing transaction (the “*Proposed Financing*”), including the issuance of the 2024 Series 2 Bonds, the proceeds of which will be sufficient, together with other legally available funds, to (x) fund the purchase of all Bonds validly tendered and accepted for purchase pursuant to this Tender Offer and (y) pay all fees and expenses associated with the issuance of the 2024 Series 2 Bonds and this Tender Offer; (b) the State obtaining satisfactory and sufficient economic benefit as a result of the consummation of this Tender Offer when taken together with the Proposed Financing (collectively, the “*Financing Conditions*”), all on terms and conditions that are in the State’s best interest in its sole discretion; and (c) the other conditions set forth in “TERMS OF THE TENDER OFFER – Conditions to Purchase” herein. The State reserves the right, subject to applicable law, to amend or waive any of the conditions to this Tender Offer, in whole or in part, at any time prior to the Expiration Date (as defined herein) or from time to time, in its sole discretion. This Tender Offer may be withdrawn by the State at any time prior to the Expiration Date.

TO MAKE AN INFORMED DECISION AS TO WHETHER, AND HOW, TO TENDER THEIR BONDS FOR PURCHASE, BONDHOLDERS MUST READ THIS TENDER OFFER AND ALL APPENDICES TO THIS TENDER OFFER.

None of the State, the Dealer Managers or the Information Agent and Tender Agent (as defined herein) makes any recommendation that any Bondholder tender or refrain from tendering all or any portion of such Bondholder’s Bonds for purchase. Bondholders must make their own decisions and should read this Tender Offer carefully and consult with their broker account executive, financial advisor, attorney and/or other appropriate professional in making these decisions.

Subject to the terms and conditions of this Tender Offer, the State may purchase Bonds tendered for purchase, provided that such Bonds have been validly tendered by 5:00 p.m., Eastern time, on March 18, 2024 (as extended from time to time in accordance with this Tender Offer, the “*Expiration Date*”) and accepted by the State on or before 5:00 p.m., Eastern time, on March 19, 2024 (as extended from time to time in accordance with this Tender Offer, the “*Acceptance Date*”), assuming all conditions to this Tender Offer have then been satisfied or waived by the State on or prior to April 9, 2024 (such date being the “*Settlement Date*”). Subject to the conditions set forth herein, Bondholders whose Bonds are tendered for purchase in accordance with the provisions of this Tender Offer and are accepted by the State will receive payment of the Purchase Price (as defined herein) of, plus Accrued Interest on, such Bonds on the Settlement Date.

In the event tendered Bonds are not accepted for purchase by the State, or all conditions to this Tender Offer are not satisfied or waived by the State on or prior to the Settlement Date, any Bonds tendered pursuant to this Tender Offer shall be returned to the Holder and remain Outstanding.

HOLDERS OF BONDS WHO DO NOT TENDER THEIR BONDS, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE THAT THE STATE IN ITS DISCRETION DOES NOT ACCEPT, IN WHOLE OR PART, FOR PURCHASE, WILL CONTINUE TO HOLD SUCH BONDS (THE “UNTENDERED BONDS”) AND SUCH UNTENDERED BONDS WILL REMAIN OUTSTANDING. THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE UNTENDERED BONDS THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE. See “INTRODUCTION – Bonds Not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” herein.

Consideration for the Tender Offer

On or about March 11, 2024, the State will publish the Pricing Notice in the form attached hereto as APPENDIX B, which Pricing Notice will set forth (i) either a confirmation of the indicative purchase prices shown on page (ii) of this Tender Offer, or amendment to the prices to be paid by the State for each CUSIP for the Tax-Exempt Bonds tendered and accepted for purchase pursuant to this Tender Offer, and (ii) either a confirmation of the indicative

fixed spreads shown on page (i) of this Tender Offer or amendment to the fixed spreads (the “**Fixed Spreads**”) for each CUSIP for the Taxable Bonds tendered and accepted for purchase pursuant to this Tender Offer.

The Fixed Spreads will represent the yield, expressed as an interest rate percentage above the yield on the indicated benchmark U.S. Treasury Securities (set forth on page (i) of this Tender Offer) (“**Benchmark Treasury Securities**”) to be used in establishing the Purchase Price for the Taxable Bonds. The Fixed Spreads will be added to the yield on a Benchmark Treasury Security for each CUSIP. The yields on the Benchmark Treasury Securities (the “**Treasury Security Yields**”) will be based on the bid-side price of the U.S. Benchmark Treasury as quoted on the Bloomberg Bond Trader FIT1 series of pages at 10:00 a.m. on March 19, 2024. The Fixed Spreads will be added to the Treasury Security Yield to arrive at a yield (the “**Purchase Yield**”).

The Purchase Yield will be used to calculate the Taxable Bond Purchase Price (hereinafter defined). The Taxable Bond Purchase Price will be calculated using the market standard bond pricing formula as of the Settlement Date using the Purchase Yield and the maturity date of the Taxable Bond. In the event the Taxable Bond Purchase Price as a percentage of par is greater than 100 percent, then the State will not purchase such Bonds pursuant to this Tender Offer.

The State will publish a Notice of Taxable Bonds Purchase Price on or about March 19, 2024.

The Notice of Taxable Bonds Purchase Price and the Pricing Notice will be made available: (i) by posting at EMMA Website, using the CUSIP numbers for the Bonds listed in the tables under “**BONDS SUBJECT TO THE TENDER OFFER**”; (ii) to DTC and to the DTC participants holding the Bonds; and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

Sources of Funds to Pay Purchase Price and Accrued Interest on Bonds Purchased

The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the 2024 Series 2 Bonds and other available funds of the State. **THE PURCHASE OF ANY BONDS TENDERED AND ACCEPTED FOR PURCHASE PURSUANT TO THIS TENDER OFFER IS CONTINGENT ON THE ISSUANCE BY THE STATE OF THE 2024 Series 2 BONDS.** The 2024 Series 2 Bonds are described in the Preliminary Official Statement, attached hereto as APPENDIX A.

Brokerage Commissions and Solicitation Fees

Bondholders will not be obligated to pay any brokerage commissions or solicitation fees to the State, the Dealer Managers, or the Information Agent and the Tender Agent in connection with this Tender Offer. However, Bondholders should check with their broker, bank, account executive or other financial institution which maintains the account in which their Bonds are held (their “**Financial Representative**”) to determine whether it will charge any commissions or fees.

Bonds Not Tendered for Purchase

Any Bonds that are not tendered for purchase, or that are tendered and are not accepted by the State, in response to this Tender Offer will continue to be outstanding, and payable and secured, pursuant to the terms of the respective Resolutions. **THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE BONDS NOT TENDERED FOR PURCHASE OR WHOSE TENDER HAS NOT BEEN ACCEPTED BY THE STATE PURSUANT TO THIS TENDER OFFER THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE.** See “**ADDITIONAL CONSIDERATIONS**” herein.

Dealer Managers, Information Agent and Tender Agent

Wells Fargo Securities, LLC and Loop Capital Markets, LLC are the Dealer Managers for this Tender Offer. Investors with questions about this Tender Offer should contact the Dealer Managers or Globic Advisors, which serves as Information Agent and Tender Agent (the “**Information Agent**” or the “**Tender Agent**”) for this Tender Offer, at the

addresses and telephone numbers set forth on the page preceding the Appendices appended to this Tender Offer. See “DEALER MANAGERS” and “INFORMATION AGENT AND TENDER AGENT” herein.

TERMS OF THE TENDER OFFER

Expiration Date

This Tender Offer will expire on the Expiration Date, unless earlier terminated or extended, as described in this Tender Offer. In the sole discretion of the State, Bonds tendered after 5:00 p.m., Eastern time, on the Expiration Date and prior to the acceptance of tenders by the State as described below under the heading “– Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results” may be accepted by the State (in its sole discretion) for purchase. See “TERMS OF THE TENDER OFFER – Extension, Termination and Amendment of the Tender Offer; Changes to Terms” below for a discussion of the State’s ability to extend the Expiration Date and to terminate or amend this Tender Offer.

Offers Only Through the State’s ATOP Accounts

The Bonds are held in book-entry-only form through the facilities of The Depository Trust Company (“DTC”). The State, through the Information Agent and Tender Agent, will establish Automated Tender Offer Program (“ATOP”) accounts at DTC for the Bonds to which this Tender Offer relates promptly after the date of this Tender Offer. Bondholders who wish to tender Bonds pursuant to this Tender Offer may do so through the applicable ATOP account.

ALL TENDERS FOR PURCHASE MUST BE MADE THROUGH THE STATE’S ATOP ACCOUNTS. THE STATE WILL NOT ACCEPT ANY TENDERS FOR PURCHASE THAT ARE NOT MADE THROUGH ITS ATOP ACCOUNTS. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THIS TENDER OFFER.

Any financial institution that is a participant in DTC may make a book-entry tender of the Bonds by causing DTC to transfer such Bonds into the State’s ATOP account relating to this Tender Offer and the applicable series, maturity and CUSIP number in accordance with DTC’s procedures for such transfer. Bondholders who are not DTC participants can only tender Bonds pursuant to this Tender Offer by making arrangements with and instructing their Financial Representative to tender the Bondholder’s Bonds through the applicable State ATOP account. To ensure a Bondholder’s Bonds are tendered to the applicable State ATOP account by 5:00 p.m., Eastern time, on the Expiration Date, the Bondholder must provide instructions to the Bondholder’s Financial Representative in sufficient time for the Financial Representative to tender the Bonds to the applicable State ATOP account by this deadline. A Bondholder should contact its Financial Representative for information as to when the Financial Representative needs the Bondholder’s instructions in order to tender the Bondholder’s Bonds to the applicable State ATOP account by 5:00 p.m., Eastern time, on the Expiration Date. See “– Tender of Bonds by Financial Institutions; State’s ATOP Accounts.”

THE STATE, THE DEALER MANAGERS, AND THE INFORMATION AGENT AND TENDER AGENT ARE NOT RESPONSIBLE FOR THE TRANSFER OF ANY TENDERED BONDS TO THE APPLICABLE STATE ATOP ACCOUNT OR FOR ANY MISTAKES, ERRORS OR OMISSIONS IN THE TRANSFER OF ANY TENDERED BONDS.

Information to Bondholders

The State may give information about this Tender Offer to the market and Bondholders by posting on the EMMA Website. Additionally, the State may give information about this Tender Offer to the Information Agent (collectively referred to herein, together with the EMMA Website, as the “*Information Services*.”). The Information Agent will deliver information provided to it by the State through its website, www.globic.com/wisconsin. Posting by the State of information on the EMMA Website will be deemed to constitute delivery of this information to each Bondholder.

The State, the Dealer Managers, and the Information Agent and Tender Agent have no obligation to ensure that a Bondholder actually receives any information given to the Information Services.

Bondholders who would like to receive information transmitted by or on behalf of the State to the Information Services may receive such information from the Dealer Managers or the Information Agent and Tender Agent by contacting them using the contact information on the page preceding the Appendices appended to this Tender Offer.

Any updates to this Tender Offer, including, without limitation any supplements to the Preliminary Official Statement, will be distributed through the EMMA Website and will additionally be made available to the Information Agent. The final Official Statement with respect to the 2024 Series 2 Bonds (which will set forth the maturities, principal amounts and interest rates on the 2024 Series 2 Bonds) will be posted to the EMMA Website subsequent to the Acceptance Date and prior to the Settlement Date.

Minimum Denominations and Consideration

A Bondholder may tender Bonds for purchase of a particular CUSIP number that it owns in an amount of its choosing, but only in a principal amount equal to the minimum denomination of \$5,000 (the “*Minimum Authorized Denomination*”) or any multiple of \$5,000 in excess thereof.

The Pricing Notice will be made available by the State on or about March 11, 2024: (i) at the EMMA Website, using the CUSIP numbers for the Bonds listed on pages (i) and (ii) in this Tender Offer; (ii) to DTC and to the DTC participants holding the Bonds (as shown in a securities position report obtained by the Information Agent and Tender Agent); and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

Tender Consideration. The indicative purchase price for Tax-Exempt Bonds with each particular CUSIP tendered pursuant to this Tender Offer is set forth on pages (i) and (ii) of this Tender Offer (to be confirmed or amended in the Pricing Notice) (each a “*Tax-Exempt Bond Purchase Price*”) and the purchase price for the Taxable Bonds with each particular CUSIP tendered pursuant to this Tender Offer will be calculated using the market standard bond pricing formula as of the Settlement Date based on the Taxable Bond Purchase Yield and the maturity date of the Taxable Bond. (the “*Taxable Bond Purchase Price*” and together with the Tax-Exempt Bond Purchase Price, each a “*Purchase Price*” and collectively, the “*Purchase Prices*”). In the event the Taxable Bond Purchase Price as a percentage of par is greater than 100%, then the State will not purchase such Bonds pursuant to this Tender Offer.

The proceeds of the 2024 Series 2 Bonds, together with other legally available funds, will be used to pay the Purchase Price of, and Accrued Interest on, Bonds tendered by any Bondholder and purchased by the State. The 2024 Series 2 Bonds are described in the Preliminary Official Statement, attached hereto as APPENDIX A.

Accrued Interest

The Purchase Price of the Bonds tendered and accepted for purchase will not include Accrued Interest. In addition to the Purchase Prices of the Bonds accepted for purchase by the State, Accrued Interest on such Bonds will be paid by, or on behalf of, the State to the tendering Bondholders on, but not including, the Settlement Date.

Provisions Applicable to All Tenders

Need for Advice. A Bondholder should ask its Financial Representative or financial advisor for help in determining: (a) whether to tender Bonds of a particular CUSIP number for purchase, and (b) the principal amount of Bonds of such CUSIP number to be tendered. A Bondholder also should inquire as to whether its Financial Representative or financial advisor will charge a fee for submitting tenders if the State purchases the Bondholder’s tendered Bonds. The State, the Dealer Managers, and the Information Agent and Tender Agent will not charge any Bondholder for tendering Bonds.

Need for Specificity of Tender. A tender cannot exceed the par amount of Bonds owned by the Bondholder and must include the following information: (1) the CUSIP number(s) of the Bond(s) being tendered, and (2) the principal amount of each CUSIP number being tendered (such principal amount must be stated in integral multiples of \$5,000 and if not so stated, for tenders of less than all of the holder’s position in the Bonds, such principal amount will be reduced to the greatest integral multiple of \$5,000). Any Bondholder located outside of the United States should

check with their broker to determine if there are any additional minimal increments, alternative settlement timing or other limitations.

“All or none” offers are not permitted. A Bondholder also cannot condition its offer for any single CUSIP on the acceptance of its offer for a separate CUSIP.

Bonds may be tendered for payment only in principal amounts equal to the Minimum Authorized Denomination and multiples of \$5,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted.

ALL TENDERS FOR PURCHASE MUST BE MADE THROUGH THE APPLICABLE STATE ATOP ACCOUNT. THE STATE WILL NOT ACCEPT ANY TENDERS FOR PURCHASE THAT ARE NOT MADE THROUGH ITS ATOP ACCOUNTS. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THIS TENDER OFFER. See “– Tender of Bonds by Financial Institutions; State’s ATOP Accounts” herein.

General. A Bondholder may only tender Bonds it owns or controls. By tendering Bonds pursuant to this Tender Offer, a Bondholder will be deemed to have represented and agreed with the State as set forth below under “– Representations by Tendering Bondholders to the State.” All tenders shall survive the death or incapacity of the tendering Bondholder.

Bondholders who would like to receive information furnished by the State to the Information Services can review the EMMA Website or otherwise must make appropriate arrangements with their Financial Representatives, or the Information Agent and Tender Agent.

Representations by Tendering Bondholders to the State

By tendering Bonds for purchase, each tendering Bondholder will be deemed to have represented to and agreed with the State that:

(a) the Bondholder has received this Tender Offer, including the Preliminary Official Statement, and has had the opportunity to review this Tender Offer, including the Preliminary Official Statement, in its entirety, prior to making its decision to tender Bonds, and agrees if the purchase of any tendered Bonds is consummated, the purchase of such Bonds shall be on the terms and conditions set forth in this Tender Offer;

(b) the Bondholder has full power and authority to tender, sell, assign and transfer the tendered Bonds; and on the Settlement Date, the State will acquire good, marketable and unencumbered title thereto, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, upon payment to the Bondholder of the applicable Purchase Price(s) plus, Accrued Interest;

(c) the Bondholder has made its own independent decision to tender its Bonds for purchase pursuant to this Tender Offer, and as to the terms thereof, and such decision is based upon the Bondholder’s own judgment and upon advice from such advisors with whom the Bondholder has determined to consult;

(d) the Bondholder is not relying on any communication from the State, the Dealer Managers or the Information Agent and Tender Agent as investment advice or as a recommendation to tender the Bondholder’s Bonds at the applicable Purchase Price, it being understood that the information from the State, the Dealer Managers and the Information Agent and Tender Agent related to the terms and conditions of this Tender Offer shall not be considered investment advice or a recommendation to tender Bonds; and

(e) the Bondholder is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand, agree and accept, the terms and conditions of this Tender Offer.

Tender of Bonds by Financial Institutions; State's ATOP Accounts

The State, through the Information Agent and Tender Agent, will establish the State's ATOP accounts at DTC for the CUSIP numbers to which this Tender Offer relates promptly after the date of this Tender Offer. Tenders of Bonds pursuant to this Tender Offer may only be made by transfer to the respective State ATOP accounts as an offer to sell Bonds for cash. Any financial institution that is a participant in DTC may make a book-entry tender of the Bonds by causing DTC to transfer such Bonds into the State's ATOP account corresponding to the CUSIP number in accordance with DTC's procedures.

Concurrently with the delivery of Bonds through book-entry transfer into the applicable State ATOP account, an Agent's Message (as described below) in connection with such book-entry transfer must be transmitted to and received at the related State ATOP account by not later than 5:00 p.m., Eastern time, on the Expiration Date; provided, however, a tender of Bonds related to an Agent's Message transmitted to the applicable State ATOP account after such time may be accepted by the State for purchase if the State, in its sole discretion, waives the defect in the timing of the delivery of such message. The confirmation of a book-entry transfer to the State's ATOP account as described above is referred to herein as a "**Book-Entry Confirmation.**" The term "**Agent's Message**" means a message transmitted by DTC to, and received by, the Information Agent and Tender Agent and forming a part of a Book-Entry Confirmation which states that DTC has received an express acknowledgment from the DTC participant tendering Bonds that are the subject of such Book-Entry Confirmation, stating the CUSIP number(s) and the principal amount(s) of the Bonds that have been tendered by such DTC participant pursuant to this Tender Offer, and to the effect that such participant agrees to be bound by the terms of this Tender Offer. By causing DTC to transfer Bonds into the applicable State ATOP account, a financial institution warrants to the State that it has full authority, and has received from the Bondholder(s) of such Bonds all direction necessary, to tender and sell such Bonds as set forth in this Tender Offer.

ALL TENDERS FOR PURCHASE MUST BE MADE THROUGH THE APPLICABLE STATE ATOP ACCOUNT. THE STATE WILL NOT ACCEPT ANY TENDERS FOR PURCHASE THAT ARE NOT MADE THROUGH ITS ATOP ACCOUNTS. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THIS TENDER OFFER.

Bondholders who are not DTC participants can only tender Bonds pursuant to this Tender Offer by making arrangements with and instructing their Financial Representative to tender the Bondholder's Bonds through the applicable State ATOP account. To ensure a Bondholder's Bonds are tendered to the applicable State ATOP account by 5:00 p.m., Eastern time, on the Expiration Date, a Bondholder must provide instructions to its Financial Representative in sufficient time for the Financial Representative to tender the Bondholder's Bonds to the applicable State ATOP account by this deadline. A Bondholder should contact its Financial Representative for information as to when the Financial Representative needs the Bondholder's instructions in order to tender the Bondholder's Bonds to the applicable State ATOP account by 5:00 p.m., Eastern time, on the Expiration Date.

THE STATE, THE DEALER MANAGERS, AND THE INFORMATION AGENT AND TENDER AGENT ARE NOT RESPONSIBLE FOR THE TRANSFER OF ANY TENDERED BONDS TO THE APPLICABLE STATE ATOP ACCOUNT OR FOR ANY MISTAKES, ERRORS OR OMISSIONS IN THE TRANSFER OF ANY TENDERED BONDS.

Determinations as to Form and Validity of Tender Offer; Right of Waiver and Rejection

All questions as to the validity (including the time of receipt at the applicable State ATOP account), form, eligibility and acceptance of any Bonds tendered for purchase pursuant to this Tender Offer will be determined by the State in its sole discretion and such determinations will be final, conclusive and binding.

The State reserves the right to waive any irregularities or defects in any tender. The State, the Dealer Managers, and the Information Agent and Tender Agent are not obligated to give notice of any defects or irregularities in tenders and they will have no liability for failing to give such notice.

The State reserves the absolute right to reject any and all offers, whether or not they comply with the terms of this Tender Offer.

Amendment or Withdrawals of Tenders Prior to an Expiration Date

A Bondholder may amend its offer to tender for purchase in respect of the amount being tendered by causing an amended offer to be received at the applicable State ATOP account at or before 5:00 p.m. on the Expiration Date.

An offer to tender for purchase may be withdrawn by a Bondholder by causing a withdrawal notice to be received at the applicable State ATOP Account at or before 5:00 p.m. on the Expiration Date.

An amended offer or a notice of withdrawal must be submitted in substantially the same manner as an offer.

Bondholders who have tendered for purchase their Bonds will not receive any information from the State, the Dealer Managers or the Information Agent and Tender Agent concerning offers by other Bondholders. Offering Bondholders will not be afforded an opportunity to amend their offers after 5:00 p.m. on the Expiration Date. An amended or withdrawn offer must specify the applicable CUSIP number, and with respect to amended offers, the principal amount previously offered and the new amount being offered. All questions as to the validity (including the time of receipt) of an amendment or withdrawal will be determined by the State in its sole discretion and will be final, conclusive and binding.

ALL TENDERS OF BONDS SHALL BE IRREVOCABLE AT 5:00 P.M., EASTERN TIME, ON THE EXPIRATION DATE.

Acceptance of Tenders for Purchase

The State shall be under no obligation to accept any Bonds tendered for purchase pursuant to this Tender Offer. Among Bonds tendered for purchase, the State in its sole discretion will select the aggregate amount of tendered Bonds to purchase for each CUSIP, based on its determination of the economic benefit from such purchase. The State may, but is not obligated to, purchase such principal amount of tendered bonds as identified for each CUSIP in Table 1 and Table 2 of this Tender Offer. The State may, but is not obligated to, defease some or all of the Bonds not tendered and accepted for purchase, up to the maximum par amount intended to be defeased or purchased if tendered, to their maturity or an earlier call date.

Should the State choose to purchase some but not all of the Bonds of a particular CUSIP, the State will accept those tendered Bonds on a pro rata basis reflecting the ratio of (a) the principal amount, if any, the State determines to purchase, to (b) the aggregate principal amount of valid offers to sell received. In such event, should the principal amount of any individual tender offer, when adjusted by the pro rata acceptance, result in an amount that is not a multiple of \$5,000, the principal amount of such offer will be rounded down to the nearest multiple of \$5,000. If as a result of such adjustment, the amount of a holder's unaccepted Bonds is less than the minimum authorized denomination of \$5,000, the State will reject such holder's tender instruction in whole.

As of the Acceptance Date, upon the terms and subject to the conditions of this Tender Offer, the State may elect to accept for purchase outstanding Bonds validly tendered pursuant to this Tender Offer (or defectively tendered, if such defect has been waived by the State), with acceptance subject to the satisfaction or waiver by the State of the conditions to the purchase of tendered Bonds. See “– Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results” and “– Conditions to Purchase.”

The State will have no obligation to accept tendered Bonds for purchase. The State will determine in its sole discretion which tendered Bonds, if any, it will purchase, and therefore has the right to purchase none, some or all of the Bonds offered, notwithstanding any other statements herein about the State's current intentions for the amount of Bonds to be purchased. Bonds that will be purchased will be indicated by CUSIP. The State reserves the right to, and may decide to, refund (on an advance or current basis), some or all of the Untendered Bonds or the Bonds not purchased pursuant to this Tender Offer through the issuance of publicly-offered or privately-placed taxable or tax-exempt obligations of the State. See also “ – Bonds not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” for certain potential impacts on any Untendered Bonds.

Notwithstanding any other provision of this Tender Offer, the consummation of this Tender Offer and the State's obligation to pay for Bonds validly tendered (and not validly withdrawn) and accepted for purchase pursuant to this Tender Offer is subject to the satisfaction of or waiver of the Financing Conditions (see "INTRODUCTION – General" herein) and the other conditions set forth in "Conditions to Purchase" herein. The State reserves the right, subject to applicable law, to amend or waive any of the conditions to this Tender Offer, in whole or in part, at any time prior to the Expiration Date or from time to time, in its sole discretion. This Tender Offer may be withdrawn by the State at any time prior to the Expiration Date.

Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results

Acceptance by the State of Bonds tendered for purchase will constitute an irrevocable agreement between the tendering Bondholder and the State to sell and purchase such Bonds, subject to the satisfaction of certain conditions to the State's obligation to purchase tendered Bonds and the other terms of this Tender Offer. See "Minimum Denominations and Consideration" herein and "– Conditions to Purchase" herein.

The acceptance of Bonds tendered for purchase is expected to be made by notification to the Information Services no later than 5:00 p.m., Eastern time, on the Acceptance Date. This notification will state the principal amount of the Bonds of each CUSIP number that the State has agreed to accept for tender for purchase in accordance with this Tender Offer, which may be zero for a particular CUSIP number.

Settlement Date

Subject to satisfaction of all conditions to the State's obligation to purchase Bonds tendered and accepted for purchase, as described herein, including, without limitation, the Financing Conditions, the Settlement Date is the day on which such Bonds will be purchased at the applicable Purchase Price(s), together with Accrued Interest thereon. The Settlement Date will occur following the Acceptance Date, subject to all conditions to this Tender Offer having been satisfied or waived by the State. The expected Settlement Date is April 9, 2024, unless extended by the State, assuming all conditions to this Tender Offer have been satisfied or waived by the State. Bondholders whose Bonds are purchased on the Settlement Date will receive Accrued Interest up to but not including the Settlement Date.

The State may, in its sole discretion, change the Settlement Date by giving notice to the Information Services prior to the change. See "– Conditions to Purchase."

Subject to satisfaction of all conditions to the State's obligation to purchase Bonds tendered and accepted for purchase pursuant to this Tender Offer, as described herein, payment by the State, or on the State's behalf, will be made in immediately available funds on the Settlement Date by deposit with DTC of the aggregate Purchase Price and Accrued Interest on the Bonds accepted for purchase. The State expects that, in accordance with DTC's standard procedures, DTC will transmit the aggregate Purchase Price (plus Accrued Interest) in immediately available funds to each of its participant financial institutions holding the Bonds accepted for purchase on behalf of Bondholders for delivery to the Bondholders. **The State, the Dealer Managers, and the Information Agent and Tender Agent have no responsibility or liability for the distribution of the Purchase Prices plus Accrued Interest by DTC to the Bondholders.**

Purchase and Accrued Interest Funds

The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the 2024 Series 2 Bonds and other available funds of the State. The purchase of any Bonds tendered pursuant to this Tender Offer is contingent on the issuance by the State of the 2024 Series 2 Bonds, as well as certain other conditions which must be satisfied or waived on or prior to the Settlement Date. See "INTRODUCTION – General" and "– Conditions to Purchase" herein for more information on the conditions precedent to this Tender Offer.

Conditions to Purchase

In addition to the Financing Conditions (see “INTRODUCTION – General” herein), if after the Acceptance Date, but prior to payment for the Bonds accepted by the State on the Settlement Date, any of the following events should occur, the State will have the absolute right to cancel its obligations to purchase Bonds without any liability to any Bondholder:

- Litigation or another proceeding is pending or threatened which the State reasonably believes may, directly or indirectly, have an adverse impact on this Tender Offer or the expected benefits of this Tender Offer to the State or the Bondholders;
- A war, national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the State reasonably believes this fact makes it inadvisable to proceed with the purchase of Bonds;
- A material change in the affairs of the State has occurred which the State reasonably believes makes it inadvisable to proceed with the purchase of Bonds;
- A material change in the net economics of the transaction has occurred due to a material change in market conditions which the State reasonably believes makes it inadvisable to proceed with the purchase of Bonds; or
- For any reason, the 2024 Series 2 Bonds are not issued.

These conditions (together with the Financing Conditions, the “*Conditions to Purchase*”) are for the sole benefit of the State and may be asserted by the State, prior to the time of payment of the Bonds it has agreed to purchase, regardless of the circumstances giving rise to any of these conditions or may be waived by the State in whole or in part at any time and from time to time in its discretion, and may be exercised independently for each CUSIP. The failure by the State at any time to exercise any of these rights will not be deemed a waiver of any of these rights, and the waiver of these rights with respect to particular facts and other circumstances will not be deemed a waiver of these rights with respect to any other facts and circumstances. Each of these rights will be deemed an ongoing right of the State which may be asserted at any time and from time to time prior to the time of payment of the Bonds it has agreed to purchase. Any determination by the State concerning the events described in this section will be final and binding upon all parties.

HOLDERS OF BONDS WHO DO NOT TENDER THEIR BONDS, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE THAT THE STATE IN ITS DISCRETION DOES NOT ACCEPT, IN WHOLE OR PART, FOR PURCHASE, WILL CONTINUE TO HOLD SUCH BONDS AND SUCH UNTENDERED BONDS WILL REMAIN OUTSTANDING. THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE UNTENDERED BONDS THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE. See “INTRODUCTION – Bonds Not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” herein.

Extension, Termination and Amendment of the Tender Offer; Changes to Terms

Through and including the Expiration Date, the State has the right to extend this Tender Offer, as to any or all of the Bonds, to any date in its sole discretion, provided that a notice of any extension of the Expiration Date is given to the Information Services, including by posting such notice to the EMMA Website on or about 9:00 a.m., Eastern time, on the first business day after the Expiration Date.

The State also has the right, prior to acceptance of Bonds tendered for purchase as described above under the heading “– Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results,” to terminate this Tender Offer at any time by giving notice to the Information Services. The termination will be effective at the time specified in such notice.

The State also has the right, prior to acceptance of Bonds tendered for purchase as described above under the heading “– Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results,” to amend or waive the terms of this Tender Offer in any respect and at any time by giving notice to the Information Services. This amendment or waiver will be effective at the time specified in such notice.

If the State extends this Tender Offer, or amends the terms of this Tender Offer (including a waiver of any term) in any material respect, including, without limitation, a change in any Purchase Price of the Bonds pursuant to this Tender Offer, the State shall provide notice thereof at such time (notice of which shall not be less than five (5) business days prior to the Expiration Date, as it may be extended) and in such manner to allow reasonable time for dissemination to Bondholders and for Bondholders to respond. **In such event, any offers submitted with respect to the affected Bonds prior to such change in the Purchase Price for such Bonds pursuant to this Tender Offer will remain in full force and effect and any Bondholder of such affected Bonds wishing to revoke their offer to tender such Bonds must affirmatively withdraw such offer prior to the Expiration Date.**

No extension, termination or amendment of this Tender Offer (or waiver of any terms of this Tender Offer) will change the State’s right to decline to purchase any Bonds without liability. See “– Conditions to Purchase.”

The State, the Dealer Managers and the Information Agent and Tender Agent have no obligation to ensure that a Bondholder actually receives any information given to the Information Services.

AVAILABLE INFORMATION

Certain information relating to the Bonds and the State may be obtained by contacting the Dealer Managers or Information Agent and Tender Agent at the contact information set forth on the page preceding the Appendices appended to this Tender Offer. Such information is limited to (i) this Tender Offer, including the information set forth in the Preliminary Official Statement which is attached hereto as APPENDIX A, and (ii) information about the State available through the EMMA Website.

References to website addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not a part of, this Tender Offer.

ADDITIONAL CONSIDERATIONS

None of the State, the Dealer Managers or the Information Agent and Tender Agent make any recommendation that any Bondholder tender or refrain from tendering all or any portion of the Bonds. Each Bondholder must make its decision and should read this Tender Offer and the Preliminary Official Statement and consult with its broker, account executive, financial advisor and/or other financial professional in making such decision.

In deciding whether to participate in this Tender Offer, each Bondholder should consider carefully, in addition to the other information contained in this Tender Offer, the following:

- In the event that the 2024 Series 2 Bonds are not issued and sold, tendered Bonds accepted for purchase are not required to be purchased by the State and in such event, Bondholders will continue to hold their respective tendered Bonds.
- The State may, but is not obligated, to defease certain of the Bonds, which are identified in the tables on pages (i) and (ii), to their maturity dates (in the cases of Tax-Exempt Bonds not subject to redemption prior to maturity and Taxable Bonds) or to their first par call dates (in the case of Tax-Exempt Bonds subject to redemption prior to maturity), to the extent it does not purchase such Bonds pursuant to this Tender Offer. Any such defeasance will be effected by purchasing an escrow consisting of direct obligations of or obligations guaranteed by the United States of America or other obligations, the payment of which is provided for by an irrevocable escrow deposit invested in direct obligations of the United States of America to provide for payment of principal of and interest on the applicable Bonds. The defeased Bonds will continue to be legal obligations of the State. Any such defeasance may result in certain ratings on the defeased Bonds being

upgraded. There can be no assurance as to whether a particular Bondholder's Bonds will be among the Bonds defeased.

- Even if the State does not purchase any tendered Bonds, the State shall have the right now or in the future to refund all or any portion of the tendered Bonds (other than any Bonds defeased as described above) or may in the future invite Bondholders to tender such tendered Bonds for purchase by the State.
- The purchase or redemption by the State of Bonds of any CUSIP number may have certain potential adverse effects on holders of Bonds with such CUSIP not purchased pursuant to this Tender Offer, including, but not limited to, the principal amount of the Bonds of such CUSIP number available to trade publicly may be reduced, which could adversely affect the liquidity and market value of any Untendered Bonds of that CUSIP number that remain outstanding.

The State May Later Acquire Bonds at More Favorable Prices with More Favorable Terms Than Those Offered Pursuant to this Tender Offer

The State reserves the right to, and may in the future decide to, acquire some or all of the Bonds not purchased pursuant to this Tender Offer through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers or otherwise, upon such terms and at such prices as it may determine, which may be more or less than the consideration set forth in this Tender Offer and the Pricing Notice, and which could be cash or other consideration. Any future acquisition of Bonds may be on the same terms or on terms that are more or less favorable to Bondholders than the terms described in this Tender Offer and the Pricing Notice. The decision to make future purchases or exchanges by the State and the terms of such future transactions will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the State will ultimately choose to pursue in the future.

Timeliness of Offers

This Tender Offer will expire at 5:00 p.m., Eastern time, on the Expiration Date (currently scheduled for March 18, 2024), unless extended or terminated. Bonds tendered for purchase as described in this Tender Offer after 5:00 p.m., Eastern time, on the Expiration Date will not be accepted for tender, except in the State's sole discretion.

Acceptance Date

The State will accept tenders of Bonds, if at all, on or before 5:00 p.m., Eastern time, on March 19, 2024, unless extended as set forth in this Tender Offer (the "**Acceptance Date**"). Notification of acceptance of Bonds tendered pursuant to this Tender Offer will be given on or before 5:00 p.m., Eastern time on the Acceptance Date, unless an Expiration Date is extended or a Tender Offer is terminated. See "TERMS OF THE TENDER OFFER – Acceptance of Tenders for Purchase" herein.

Priority of Allocations of 2024 Series 2 Bonds

The State has advised Wells Fargo Securities (as defined herein), as representative to the underwriters (the "**Representative**") for the 2024 Series 2 Bonds, that any holder of the Bonds who tenders Bonds pursuant to this Tender Offer and who submits an order to purchase any 2024 Series 2 Bonds may, subject to certain limitations, have a preference of allocation of the 2024 Series 2 Bonds up to the principal amount of the Bonds that such bondholder is tendering. The Representative has the discretion to accept orders outside of the State's advised priorities if it determines that it is in the best interests of the underwriters of the 2024 Series 2 Bonds, as provided in the rules of the Municipal Securities Rulemaking Board. The State also has the discretion to alter its instructions.

SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following is a general summary of the U.S. federal income tax consequences for Bondholders that respond to this Tender Offer and have their offer to tender their Bonds accepted by the State. The discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), the Treasury Regulations promulgated thereunder, and

relevant rulings and decisions now in effect, all of which are subject to change or differing interpretations. No assurances can be given that future changes in U.S. federal income tax laws will not alter the conclusions reached herein. The discussion below does not purport to deal with U.S. federal income tax consequences applicable to all categories of Bondholders. Further, this summary does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular Bondholder of the Bonds in light of the Bondholder's particular circumstances or to certain types of Bondholders subject to special treatment under U.S. federal income tax laws (including individuals who are neither citizens nor residents of the United States; foreign corporations, trusts and estates, in each case, as defined for U.S. federal income tax purposes; insurance companies; tax-exempt organizations; financial institutions; brokers-dealers; partnerships and other entities classified as partnerships for U.S. federal income tax purposes; and persons who have hedged the risk of owning the Bonds). Tendering Bondholders should note that no rulings have been or will be sought from the Internal Revenue Service (the "**IRS**"), and no assurance can be given that the IRS will not take contrary positions with respect to any of the U.S. federal income tax consequences discussed below. This U.S. federal income tax discussion is included for general information only and should not be construed as a tax opinion nor tax advice by the State or any of its advisors or agents or the Dealer Managers to the Bondholders, and Bondholders therefore should not rely upon such discussion.

The discussion does not deal with special classes of beneficial owners of the Bonds, such as dealers or traders in securities, investors that elect mark-to-market accounting, banks, financial institutions, insurance companies, retirement plans or other tax-deferred or tax advantaged accounts, tax-exempt organizations, partnerships or other pass-through entities (or entities treated as such for U.S. federal income tax purposes), U.S. expatriates, persons holding their Bonds as a part of a hedging, integration, conversion or constructive sale transaction or a straddle, Bondholders that are "United States persons," as defined in section 7701(a)(30) of the Code ("**U.S. Holders**") and are subject to the alternative minimum tax, U.S. Holders that have a functional currency other than the U.S. Dollar, and persons who are not U.S. Holders (all of such holders of the Bonds should consult their tax advisors).

If a partnership or other flow-through entity holds the Bonds, the tax treatment of a partner in the partnership or beneficial owner of the flow-through entity generally will depend upon the status of the partner or beneficial owner and the activities of the partnership or flow-through entity. A partner of a partnership or a beneficial owner of a flow-through entity holding Bonds should consult its own tax advisor regarding the U.S. federal income tax consequences of this Tender Offer.

Non-tendering Bondholders will not be subject to any U.S. federal income tax consequences in connection with this Tender Offer.

BONDHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE U.S. FEDERAL, STATE, LOCAL, FOREIGN AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THE PURCHASE OF THEIR BONDS PURSUANT TO THIS TENDER OFFER.

The tender of a Bond for cash will be a taxable event for U.S. federal income tax purposes. A Bondholder who sells Bonds tendered pursuant to this Tender Offer generally will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the (i) the amount of cash received (except to the extent attributable to accrued but unpaid interest on the Bonds, which will be taxed as ordinary interest income in the case of Taxable Bonds) and (ii) the Bondholder's adjusted U.S. federal income tax basis in the Bonds (generally, the purchase price paid by the Bondholder for the Bonds, decreased by any amortized premium, and increased by the amount of any original issue discount previously included in income by such Bondholder with respect to such Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate Bondholder, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such Bondholder's holding period for the Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Bondholders that are U.S. Holders will be subject to "backup withholding" of federal income tax in the event they fail to furnish a taxpayer identification number or there are other, related compliance failures.

DEALER MANAGERS

Pursuant to the terms of that certain Dealer Manager Agreement between the State and the Dealer Managers, the State has retained Wells Fargo Securities, LLC (“*Wells Fargo Securities*”) and Loop Capital Markets, LLC (“*Loop*”) to act on its behalf as Dealer Managers for this Tender Offer. The State has agreed to pay the Dealer Managers customary fees for their services and to reimburse the Dealer Managers for their reasonable out-of-pocket costs and expenses relating to this Tender Offer, all from legally available funds of the State. References in this Tender Offer to the Dealer Managers are to Wells Fargo Securities and Loop only in their capacity as the Dealer Managers. The compensation of the Dealer Managers is based upon the amount of Bonds tendered to and accepted by the State.

As of the date of this Tender Offer, Wells Fargo Securities does not own or hold any Bonds. One or more affiliates of Wells Fargo Securities may have holdings of Bonds that they are unable to disclose for legal and regulatory reasons.

The Dealer Managers may contact Bondholders regarding this Tender Offer and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Tender Offer to beneficial owners of the Bonds.

The Dealer Managers and their respective affiliates together comprise full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Dealer Managers and their respective affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the State for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealer Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities and financial instruments which may include bank loans and/or credit default swaps) for their own account and for the accounts of their respective customers and may at any time hold long and short positions in such securities and instruments. Such investment securities activities may involve securities and instruments of the State, including the Bonds.

In addition to their roles as Dealer Managers for the Bonds, Wells Fargo Securities is also serving as Representative to the underwriters for the 2024 Series 2 Bonds, and Loop is a member of the underwriting group, as described in the Preliminary Official Statement.

Neither of the Dealer Managers is acting as a financial or municipal advisor to the State in connection with this Tender Offer.

INFORMATION AGENT AND TENDER AGENT

The State has retained Globic Advisors Inc. to serve as Information Agent and Tender Agent for this Tender Offer. The State has agreed to pay the Information Agent and Tender Agent customary fees for its services and to reimburse the Information Agent and Tender Agent for its reasonable out-of-pocket costs and expenses relating to this Tender Offer.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters and the issuance of the 2024 Series 2 Bonds will be passed upon by Quarles & Brady LLP, as Bond Counsel to the State. A copy of the form of opinion of Bond Counsel which will be delivered with the 2024 Series 2 Bonds is set forth in APPENDIX C of the Preliminary Official Statement attached hereto as APPENDIX A. Certain legal matters with respect to the 2024 Series 2 Bonds will be passed on for the State by Joshua L. Kaul, Attorney General of the State, and for the underwriters of the 2024 Series 2 Bonds and Dealer Managers, by their counsel, Barnes & Thornburg LLP.

MISCELLANEOUS

No one has been authorized by the State, the Dealer Managers or the Information Agent and Tender Agent to recommend to any Bondholder whether to tender Bonds pursuant to this Tender Offer or the amount of Bonds to tender. No one has been authorized to give any information or to make any representation in connection with this Tender Offer other than those contained in this Tender Offer. Any recommendations, information and representations given or made cannot be relied upon as having been authorized by the State, the Dealer Managers or the Information Agent and Tender Agent.

None of the State, the Dealer Managers, or the Information Agent and the Tender Agent make any recommendation that any Bondholder tender or refrain from tendering or exchanging all or any portion of the principal amount of such Bondholder's Bonds. Bondholders must make their own decisions and should read this Tender Offer carefully and consult with their broker, account executive, financial advisor, attorney and/or other professional in making these decisions.

Investors with questions about this Tender Offer should contact the Dealer Managers or the Information Agent and Tender Agent. The contact information for the Dealer Managers and the Information Agent and Tender Agent is as follows:

The Dealer Managers for this Tender Offer are:

Wells Fargo Securities, LLC
10 S. Wacker Drive, 20th Floor
Chicago, Illinois 60606
Tel: (612) 667-2601
Attn: Kevin Hoecker, Managing Director
Email: kevin.hoecker@wellsfargo.com

Loop Capital Markets, LLC
425 S. Financial Place, Suite 2700
Chicago, Illinois 60605
Tel: (312) 913-2208
Attn: David J. Gellert II, Senior Vice President
Email: david.gellert@loopcapital.com

The Information Agent and Tender Agent for this Tender Offer is:

Globic Advisors Inc.
485 Madison Avenue, 7th Floor
New York, New York 10022
Tel: (212) 227-9622
Attn: Robert Stevens
Email: rstevens@globic.com
Document Website: www.globic.com/wisconsin

APPENDIX A

Preliminary Official Statement

New Issue

This Official Statement provides information about the 2024 Series 2 Bonds. Some of the information appears on this cover page for ready reference. A prospective investor should read the entire Official Statement to make an informed investment decision.

\$175,000,000*

STATE OF WISCONSIN

TRANSPORTATION REVENUE REFUNDING BONDS, 2024 SERIES 2

Dated: Date of Delivery

Due: As shown on the inside front cover

Ratings Fitch Ratings
Kroll Bond Rating Agency, LLC
S&P Global Ratings

Tax Matters Interest on the 2024 Series 2 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the 2024 Series 2 Bonds is taken into account in determining “adjusted financial statement income” for purposes of computing the federal alternative minimum tax imposed on certain corporations—*See page 15.*

Interest on the 2024 Series 2 Bonds is not exempt from current State of Wisconsin income or franchise taxes—*See page 16.*

Redemption* The 2024 Series 2 Bonds maturing on or after July 1, are subject to optional redemption at par on July 1, or any date thereafter—*See page 4.*

The 2024 Series 2 Bonds maturing on July 1, are subject to mandatory sinking fund redemption at par—*See page 4.*

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—*See page 6.*

Priority The 2024 Series 2 Bonds are issued on a parity with the Prior Bonds, which are outstanding as of February 15, 2024 in the amount of \$1,544,825,000, and any additional parity Bonds issued by the State pursuant to the General Resolution.

Purpose Proceeds of the 2024 Series 2 Bonds will be used to current refund (including by purchasing Tendered Bonds pursuant to the Invitation) certain Outstanding Bonds and to pay costs of issuance—*See page 2.*

Interest Payment Dates January 1 and July 1, commencing July 1, 2024.

Closing/Settlement On or about , 2024.

Denominations Multiples of \$5,000.

Book-Entry-Only Form The Depository Trust Company—*See page 5.*

Trustee/Registrar/Paying Agent The Bank of New York Mellon Trust Company, N.A.

Bond Counsel Quarles & Brady LLP—*See page 14.*

Issuer Contact Wisconsin Capital Finance Office; (608) 267-1836;
DOACapitalFinanceOffice@wisconsin.gov

2023 Annual Report This Official Statement incorporates by reference, and makes updates and additions to, **Parts I, II, and V** of the State of Wisconsin Continuing Disclosure Annual Report, dated December 22, 2023.

The prices and yields listed on the inside front cover were determined on , 2024 at negotiated sale.

Wells Fargo Securities
Academy Securities

Goldman Sachs & Co. LLC

Loop Capital Markets
RBC Capital Markets

, 2024

*Preliminary; subject to change.

THIS PRELIMINARY OFFICIAL STATEMENT, which is in a form “deemed final” by the State as of this date except for the omission of information described in Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934, IS SUBJECT TO REVISION, AMENDMENT, AND COMPLETION IN A FINAL OFFICIAL STATEMENT. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

\$175,000,000*

STATE OF WISCONSIN

TRANSPORTATION REVENUE REFUNDING BONDS, 2024 SERIES 2

CUSIP	Due (July 1)*	Principal Amount*	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date*	Call Price*
	2025						
	2026						
	2027						
	2028						
	2029						
	2030						
	2031						
	2032						
	2033						
	2034						
	2035						
	2036						
	2037						

* Preliminary; subject to change.

This document is the State’s official statement about the offering of the 2024 Series 2 Bonds; that is, it is the only document the State has authorized for providing information about the 2024 Series 2 Bonds. This document is not an offer or solicitation for the 2024 Series 2 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 2024 Series 2 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, but the Underwriters do not guarantee the accuracy or completeness of such information.

This Official Statement should be considered in its entirety. No one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports or other documents are referred to in this Official Statement, reference should be made to those documents for more complete information regarding their subject matter.

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.

In connection with the offering of the 2024 Series 2 Bonds, the Underwriters may over-allot or effect transactions which stabilize or maintain the market prices of the 2024 Series 2 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

No dealer, broker, sales representative, or other person has been authorized to give any information or to make any representations about the 2024 Series 2 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 2024 Series 2 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.

The 2024 Series 2 Bonds will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity shall have passed upon the accuracy or adequacy of this Official Statement.

TABLE OF CONTENTS

	Page		Page
STATE OFFICIALS PARTICIPATING IN ISSUANCE AND SALE OF THE 2024 SERIES 2 BONDS	ii	Revenue Obligations	10
SUMMARY DESCRIPTION OF 2024 SERIES 2 BONDS	iii	Parity Debt	10
INTRODUCTION	1	Impact of General Economic Factors	10
THE DEPARTMENT OF TRANSPORTATION	1	Industry Demand Factors	11
THE STATE	2	Registration Fee Collection Procedures	11
PLAN OF FINANCE	2	Potential Future Reduction of Registration Fees and Other Registration-Related Fees	11
General	2	Future Changes in Law	11
Invitation to Tender Bonds	2	Tax Matters	11
Current Refunding	3	BORROWING PROGRAM	11
Sources and Applications	3	UNDERWRITING	12
THE 2024 SERIES 2 BONDS	3	Priority of Allocations of 2024 Series 2 Bonds	13
General	3	CUSIP NUMBERS, REOFFERING YIELDS, PRICES, AND OTHER INFORMATION	14
Optional Redemption at Par	4	LEGALITY FOR INVESTMENT	14
Mandatory Sinking Fund Redemption	4	PENDING LITIGATION	14
Selection of 2024 Series 2 Bonds for Redemption	4	LEGALITY	14
Notice of Redemption	4	TAX MATTERS	15
Ratings	5	Tax Exemption	15
Book-Entry-Only Form	5	State Tax Considerations	16
Provisions Upon Discontinuance of Book-Entry-Only System	6	MUNICIPAL ADVISOR	17
SECURITY FOR THE BONDS	6	CONTINUING DISCLOSURE	17
General	6	APPENDIX A - INFORMATION ABOUT THE TRANSPORTATION REVENUE BOND PROGRAM	A-1
Prior Bonds	6	APPENDIX B - CERTAIN INFORMATION ABOUT THE STATE	B-1
Security	7	APPENDIX C - FORM OF BOND COUNSEL OPINION	C-1
Reserve Fund	9	APPENDIX D - OUTSTANDING BONDS REFUNDED BY THE 2024 SERIES 2 BONDS	D-1
Additional Bonds	9		
SUMMARY OF THE GENERAL RESOLUTION	9		
RISK FACTORS	10		

**STATE OFFICIALS PARTICIPATING IN
ISSUANCE AND SALE OF THE 2024 SERIES 2 BONDS
BUILDING COMMISSION MEMBERS***

Voting Members	Term of Office Expires
Governor Tony Evers, Chairperson	January 4, 2027
Representative Rob Swearingen, Vice Chairperson	January 6, 2025
Senator Andre Jacque	January 6, 2025
Senator Joan Ballweg	January 6, 2025
Senator Brad Pfaff	January 6, 2025
Representative Jill Billings	January 6, 2025
Representative Robert Wittke	January 6, 2025
Ms. Barb Worcester, Citizen Member	At the pleasure of the Governor
 Nonvoting, Advisory Member	
Mr. Kevin Trinastic, State Ranking Architect Department of Administration	—
 Building Commission Secretary	
Ms. Naomi De Mers, Administrator Division of Facilities Development Department of Administration	At the pleasure of the Building Commission and the Secretary of Administration

OTHER PARTICIPANTS

Mr. Joshua L. Kaul State Attorney General	January 4, 2027
Ms. Kathy K. Blumenfeld, Secretary Department of Administration	At the pleasure of the Governor
Mr. Craig Thompson, Secretary Department of Transportation	At the pleasure of the Governor

DEBT MANAGEMENT AND DISCLOSURE

Department of Administration
Capital Finance Office
101 E. Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864

DOACapitalFinanceOffice@wisconsin.gov

Mr. Aaron Heintz
Capital Finance Director
(608) 267-1836

Ms. Katherine Miller
Deputy Capital Finance Director
(608) 266-2305

Ms. Andrea Ceron
Capital Finance Officer
(608) 267-0374

Ms. Amy Johnson
Capital Finance Officer
(608) 267-0739

Ms. Jessica Fandrich
Capital Finance Officer
(608) 267-2734

Ms. Rachel Liegel
Capital Finance Officer
(608) 267-7399

* The Building Commission is composed of eight voting members. The Governor serves as the Chairperson. Each house of the Wisconsin State Legislature appoints three members. State law provides for the two major political parties to be represented in the membership from each house. One citizen member is appointed by the Governor and serves at the Governor's pleasure.

SUMMARY DESCRIPTION OF 2024 SERIES 2 BONDS

Selected information is presented on this page for the convenience of the 2024 Series 2 Bonds. To make an informed decision regarding the 2024 Series 2 Bonds, a prospective investor should read this entire Official Statement.

Principal Amount and Description:	\$175,000,000* State of Wisconsin Transportation Revenue Refunding Bonds, 2024 Series 2
Denominations:	Multiples of \$5,000.
Date of Issue:	On or about , 2024.
Interest Payment:	January 1 and July 1, commencing July 1, 2024.
Maturities:	July 1, 2025-2037*— <i>See inside front cover.</i>
Record Date:	December 15 or June 15.
Redemption*:	<i>Optional At Par</i> —The 2024 Series 2 Bonds maturing on or after July 1, are subject to optional redemption at par (100%) on any date on or after July 1, — <i>See page 4.</i> <i>Sinking Fund</i> —The 2024 Series 2 Bonds maturing on July 1, are subject to mandatory sinking fund redemption at par— <i>See page 4.</i>
Form:	Book-entry-only— <i>See page 5.</i>
Paying Agent:	All payments of principal and interest on the 2024 Series 2 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 2024 Series 2 Bonds are issued under Chapter 18 and Section 84.59 of the Wisconsin Statutes.
Purpose:	Proceeds of the 2024 Series 2 Bonds will be used to current refund (including by purchasing Tendered Bonds pursuant to the Invitation) certain Outstanding Bonds, and to pay costs of issuance.
Security:	The Bonds are revenue obligations having a first claim on vehicle registration fees (which are a substantial portion of pledged Program Income) and on 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— <i>See page 6.</i>
Priority and Additional Bonds:	The 2024 Series 2 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 February 15, 2024, \$1,544,825,000 of 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 2024 Series 2 Bonds— <i>See page 6.</i>
Legality of Investment:	State law provides that the 2024 Series 2 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 State investment board and all public officers, municipal corporations, political subdivisions, and public bodies.
Tax Matters:	Interest on the 2024 Series 2 Bonds is, for federal income tax purposes, excludable from gross income and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is taken into account in determining “adjusted financial statement income” for purposes of computing the federal alternative minimum tax imposed on certain corporations— <i>See page 13-15.</i> Interest on the 2024 Series 2 Bonds is not exempt from State of Wisconsin income or franchise taxes— <i>See page 16.</i>
Legal Opinion:	Validity and tax opinion on the 2024 Series 2 Bonds to be provided by Quarles & Brady LLP— <i>See APPENDIX C.</i>

2023 Annual Report: This Official Statement incorporates by reference, and makes updates and additions to, **Parts I, II, and V** of the State of Wisconsin Continuing Disclosure Annual Report, dated December 22, 2023.

* Preliminary; subject to change.

OFFICIAL STATEMENT
\$175,000,000*
STATE OF WISCONSIN
TRANSPORTATION REVENUE REFUNDING BONDS, 2024 SERIES 2

INTRODUCTION

This Official Statement sets forth information concerning the \$175,000,000* State of Wisconsin Transportation Revenue Refunding Bonds, 2024 Series 2 (**2024 Series 2 Bonds**), issued by the State of Wisconsin (**State**). This Official Statement includes by reference, and makes updates and additions to, Parts I, II, and V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 22, 2023 (**2023 Annual Report**).

The 2024 Series 2 Bonds are revenue obligations issued for the State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations Program (**Program**), 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 3, 2023 (**Series Resolution**) (collectively, with the General Resolution, the **Resolutions**).

The 2024 Series 2 Bonds, the Prior Bonds, and any additional parity Bonds (as such terms are defined herein) issued by the State pursuant to the General Resolution, are secured by a first lien pledge of Program Income. Program Income (as defined herein) includes vehicle registration fees authorized under Section 341.25 of the Wisconsin Statutes and certain other vehicle registration-related fees. See **“SECURITY FOR THE 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 2024 Series 2 Bonds, the Commission has authorized the preparation of this Official Statement. This Official Statement describes the terms of and security for the 2024 Series 2 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. Certain documents are expressly incorporated into this Official Statement by reference, however, all other web sites listed in this Official Statement are provided for informational purposes only and are not incorporated by reference into this Official Statement.

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 2023 Annual Report. **APPENDIX A** also makes certain updates and additions to Part V of the 2023 Annual Report, including but not limited to updated Program Income projections for fiscal years 2023-24 through and including 2032-33.

* Preliminary; subject to change.

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 25th 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 includes by reference Part II of the 2023 Annual Report. **APPENDIX B** also makes updates and additions to Part II of the 2023 Annual Report, including but not limited to:

- Estimated General Fund condition statement for the 2023-25 biennium and estimated General Fund tax collections for the 2023-24, and 2024-25 fiscal years, as included in a report provided by the Legislative Fiscal Bureau (**LFB**) on January 24, 2024 (**January 2024 LFB Report**).
- General Fund information for the 2023-24 fiscal year through January 31, 2024, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the remainder of the 2023-24 fiscal year, which is presented on a cash basis.

Requests for additional public information about the State, the Department, or the Program 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) 267-1836

E-mail: DOACapitalFinanceOffice@wisconsin.gov

Websites: doa.wi.gov/capitalfinance
wisconsinbonds.com

PLAN OF FINANCE

General

The Legislature has authorized the issuance of revenue obligations to finance the costs of State transportation facilities and highway projects (**Projects**) and to refund Outstanding Bonds previously issued for that purpose. The 2024 Series 2 Bonds are being issued to current refund (i), by purchasing Tendered Bonds (defined herein), certain Outstanding Bonds, or portions thereof (**Purchased Bonds**), previously issued to finance Projects, and (ii), by optionally redeeming on July 1, 2024, certain Outstanding Bonds that are not Purchased Bonds (**Current Refunded Bonds**) (collectively, the Purchased Bonds and the Current Refunded Bonds are called the **Refunded Bonds**), previously issued to finance Projects, and to pay for costs of issuance.

APPENDIX D identifies and provides information about the Refunded Bonds.

Invitation to Tender Bonds

On March 4, 2024, the State released an Invitation to Offers to Tender Bonds (**Invitation**), inviting holders of certain Outstanding Bonds (**Invited Bonds**) to tender Invited Bonds for purchase by the State on the terms and conditions set forth in the Invitation. The purpose of the Invitation is to give the State the opportunity to retire the Invited Bonds on the date of issuance of the 2024 Series 2 Bonds (**Settlement Date**).

Pursuant to the Invitation, the owners of the Invited Bonds may tender their Invited Bonds (**Tendered Bonds**) for cash and, subject to the conditions set forth in the Invitation, the State expects to purchase some or all of the Tendered Bonds at the purchase prices and on the other terms set forth in the Invitation, as supplemented or amended via pricing notice or otherwise. Any Purchased Bonds will be canceled on the Settlement Date and will no longer be deemed outstanding. Funds to pay the purchase price of the Purchased Bonds, and to pay the costs

of the Invitation, are expected to be provided from the proceeds of the 2024 Series 2 Bonds, and from other funds of the State.

This discussion is not intended to summarize the terms of the Invitation, or to solicit offers to tender Invited Bonds, and reference is made to the Invitation for a discussion of the terms of the Invitation and the conditions for settlement of the Invited Bonds validly tendered and accepted for purchase. The State has filed the Invitation with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system, and a copy is available from the State as provided on page **B-2**.

APPENDIX D identifies and provides information about the Purchased Bonds, which are included in the Refunded Bonds.

Current Refunding

Upon delivery of the 2024 Series 2 Bonds, proceeds of the 2024 Series 2 Bonds will be deposited into the debt service accounts held with the Trustee. The proceeds of the 2024 Series 2 Bonds will be used to pay (i) the purchase price of the Purchased Bonds on the Settlement Date and (ii) the redemption price of the Current Refunded Bonds on July 1, 2024. In addition, funds in the debt service accounts held by the Trustee will be used to pay (i) the accrued interest on the Purchased Bond to the Settlement Date and (ii) the interest due on the Current Refunded Bonds on July 1, 2024. The funds in the debt service accounts currently held by the Trustee are sufficient to pay the accrued interest on the Purchased Bonds to the Settlement Date and as part of the Redemption Fund Deposit Day beginning April 1, 2024, it is expected that there will be sufficient funds in the debt service accounts held by the Trustee to pay interest due on the Current Refunded Bonds on July 1, 2024.

Sources and Applications

It is expected that the proceeds of the 2024 Series 2 Bonds will be applied as follows:

Sources	
Principal Amount	\$
Original Issue Premium/Discount	
Funds on Deposit with Trustee	
TOTAL SOURCES	<u>\$</u>
Uses	
Deposit to Debt Service Account	\$
Deposit to Program Account to Pay Costs of Issuance	
Underwriters' Discount	
TOTAL USES	<u>\$</u>

THE 2024 SERIES 2 BONDS

General

The 2024 Series 2 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 2024 Series 2 Bonds.

The 2024 Series 2 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 2024 Series 2 Bonds, The Depository Trust Company, New York, New York (**DTC**). See **“THE 2024 SERIES 2 BONDS; Book-Entry-Only Form”**.

The 2024 Series 2 Bonds will be dated their date of delivery (expected to be _____, 2024) and will bear interest from that date payable on January 1 and July 1 of each year, beginning on July 1, 2024.

Interest on the 2024 Series 2 Bonds will be computed on the basis of a 30-day month and a 360-day year. So long as such 2024 Series 2 Bonds are in book-entry-only form, payments of principal and interest for each 2024 Series 2 Bond will be paid to the securities depository.

The 2024 Series 2 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 2024 Series 2 Bonds (**Trustee**). In addition, the Trustee is the registrar (**Registrar**) and paying agent (**Paying Agent**) for the 2024 Series 2 Bonds.

Optional Redemption at Par*

The 2024 Series 2 Bonds maturing on or after July 1, are subject to optional redemption, at the option of the Commission, on July 1, or any date after that date, in whole or in part in integral multiples of \$5,000, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the date of redemption.

In the event of partial redemption, the Commission shall direct the amounts and maturity or maturities of the 2024 Series 2 Bonds to be redeemed.

Mandatory Sinking Fund Redemption*

The 2024 Series 2 Bonds maturing July 1, (**Term Bond**) are subject to redemption prior to maturity at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the date of redemption, from Sinking Fund Installments which are required to be made in amounts sufficient to redeem on July 1 of each year the amounts specified as follows:

Redemption Date (July 1)	Principal Amount
---	-----------------------------------

Upon any redemption of the Term Bond (other than redemption due to mandatory sinking fund redemption), or purchase in lieu thereof, the principal amount of the Term Bond so redeemed or purchased shall be credited against the Sinking Fund Installments established for the respective Term Bond so redeemed or purchased in such manner as the Commission shall direct.

Selection of 2024 Series 2 Bonds for Redemption

The 2024 Series 2 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. If the 2024 Series 2 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 2024 Series 2 Bonds affected thereby shall be made solely by DTC and the DTC Participants in accordance with their then prevailing rules. If the 2024 Series 2 Bonds are in certificated form and less than all of a particular maturity are to be redeemed, selection shall be by lot.

Notice of Redemption

So long as the 2024 Series 2 Bonds are in book-entry form, a notice of the redemption of any 2024 Series 2 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 2024 Series 2 Bond so called for prior redemption shall cease to accrue on the redemption date provided payment thereof has been duly made or provided for.

* Preliminary; subject to change.

Ratings

The following ratings have been assigned to the 2024 Series 2 Bonds:

<u>Rating</u>	<u>Rating Organization</u>
	Fitch Ratings
	Kroll Bond Rating Agency, LLC
	S&P Global Ratings

Any explanation of what a rating means may only be obtained from the rating organization giving the rating. A securities rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time. No one can offer any assurance that a rating will be maintained for any period of time. Any downgrade or withdrawal of a rating may adversely affect the market price of the 2024 Series 2 Bonds and the Outstanding Bonds. The State may elect not to continue requesting ratings on the 2024 Series 2 Bonds and the Outstanding Bonds from any particular rating organization or may elect to request ratings on the 2024 Series 2 Bonds and the Outstanding Bonds from a different rating organization.

Book-Entry-Only Form

The 2024 Series 2 Bonds are being initially issued in book-entry-only form. Purchasers of the 2024 Series 2 Bonds will not receive bond certificates but instead will have their ownership recorded in the book-entry system.

Bond certificates are to be issued and registered in the name of a nominee of DTC, which acts as securities depository for the 2024 Series 2 Bonds. Ownership of the 2024 Series 2 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 2024 Series 2 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 2024 Series 2 Bonds to DTC. Owners of the 2024 Series 2 Bonds will receive payments through the DTC Participants.

Notices and Voting Rights

The State and Trustee will provide notices and other communications about the 2024 Series 2 Bonds to DTC. Owners of the 2024 Series 2 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 2024 Series 2 Bonds of a given maturity or Sinking Fund Installment are being redeemed, DTC's practice is to determine by lottery the amount of the 2024 Series 2 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, 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 2024 Series 2 Bonds or to follow the procedures established by DTC for its book-entry system.

Provisions Upon Discontinuance of Book-Entry-Only System

In the event the 2024 Series 2 Bonds were not in book-entry-only form, how the 2024 Series 2 Bonds are paid, redeemed, and transferred would differ as described below.

Payment

Payment of principal would be made by check or draft issued upon presentation and surrender of the 2024 Series 2 Bonds at the office of the Paying Agent. Payment of interest due on the 2024 Series 2 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 15th day of the month (whether or not a business day) preceding the Interest Payment Date.

Redemption

If less than all of a particular maturity of the 2024 Series 2 Bonds is to be redeemed, selection for redemption would be by lot. Any notice of the redemption of any 2024 Series 2 Bonds would be mailed not less than 30 days prior to the date of redemption to the registered owners of any 2024 Series 2 Bonds to be redeemed. Interest on any 2024 Series 2 Bond called for redemption would cease to accrue on the redemption date so long as the 2024 Series 2 Bond was paid or money was on deposit with the Registrar or Paying Agent for its payment.

Transfer

Any 2024 Series 2 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 2024 Series 2 Bonds to the Registrar for cancellation, together with a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any 2024 Series 2 Bond is surrendered for transfer, the Registrar shall deliver 2024 Series 2 Bonds in like aggregate principal amount, interest rate, and maturity. The Registrar may require the 2024 Series 2 Bondholder requesting the transfer to pay any tax, fee 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 2024 Series 2 Bond. The Registrar shall not be obliged to make any transfer or exchange of such 2024 Series 2 Bonds:

- (1) after the 15th day of the month preceding an Interest Payment Date for such 2024 Series 2 Bond,
- (2) during the 15 days preceding the date of the mailing of a notice of redemption of such 2024 Series 2 Bonds selected for redemption, or
- (3) after such 2024 Series 2 Bond has been called for redemption.

SECURITY FOR THE BONDS

General

Information concerning the State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations Program (**Program**), security for the Bonds (as defined herein), 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, the Reserve Fund, additional Bonds, and the Department is included as **APPENDIX A**, which includes by reference Part V of the 2023 Annual Report. **APPENDIX A** also includes certain updates to Part V of the 2023 Annual Report.

Prior Bonds

The Legislature has authorized the issuance of \$4.326 billion of revenue obligations to finance the costs of Projects, excluding revenue obligations issued to refund Outstanding Bonds and Notes, and approximately \$67 million of legislative authority currently remains unissued.

The following is a summary of the Transportation Revenue Bonds which are currently Outstanding Bonds within the meaning of the General Resolution:

	<u>Dated Date</u>
Transportation Revenue Refunding Bonds, 2014 Series 2 (2014 Series 2 Bonds)	12/10/2014
Transportation Revenue Refunding Bonds, 2015 Series 1 (2015 Series 1 Bonds)	4/30/2015
Transportation Revenue Bonds, 2015 Series A (2015 Series A Bonds)	12/10/2015
Transportation Revenue Bonds, 2017 Series 1 (2017 Series 1 Bonds)	5/31/2017
Transportation Revenue Refunding Bonds, 2017 Series 2 (2017 Series 2 Bonds)	12/21/2017
Transportation Revenue Bonds, 2019 Series A (2019 Series A Bonds)	4/4/2019
Transportation Revenue Refunding Bonds, 2020 Series 1 (Taxable) (2020 Series 1 Bonds)	7/30/2020
Transportation Revenue Bonds, 2021 Series A (2021 Series A Bonds)	3/31/2021
Transportation Revenue Refunding Bonds, 2021 Series 1 (Taxable) (2021 Series 1 Bonds)	8/12/2021
Transportation Revenue Bonds, 2023 Series A (2023 Series A Bonds)	4/6/2023
Transportation Revenue Refunding Bonds, 2023 Series 1 (2023 Series 1 Bonds)	4/6/2023

These Outstanding Bonds (collectively, **Prior Bonds**), and the 2024 Series 2 Bonds, together with any future additional Bonds issued by the State pursuant to the General Resolution (which includes the 2024 Series 1 Bonds when, and if, issued as further described below), are referred to collectively as the **Bonds**. As of February 15, 2024, the amount of outstanding Prior Bonds was \$1,544,825,000.

On March 14, 2023, the State entered into a forward delivery bond purchase agreement that, upon meeting certain conditions, will result in the issuance on or about April 2, 2024 of the State’s Transportation Revenue Refunding Bonds, 2024 Series 1 (Forward Delivery) (**2024 Series 1 Bonds**) in the par amount of \$43,325,000. The proceeds of the 2024 Series 1 Bonds, when issued, are expected to be used to refund on July 1, 2024 the outstanding principal of certain transportation revenue bonds in the aggregate outstanding principal amount of \$46,535,000. The 2024 Series 1 Bonds are not included in amount of outstanding Prior Bonds in the previous paragraph. The 2024 Series 1 Bonds, when issued, will be on a parity with the Prior Bonds, the 2024 Series 2 Bonds and any future additional parity Bonds issued by the State pursuant to the General Resolution.

The 2024 Series 2 Bonds are issued on a parity with the Prior Bonds and any future additional parity Bonds issued by the State pursuant to the General Resolution. See “RISK FACTORS” below.

The State has previously issued various series of Transportation Revenue Commercial Paper Notes (collectively, **Notes**). As of February 15, 2024, there are no Outstanding Notes, but the State may issue additional Notes in the future. Such Notes would be issued pursuant to the General Resolution and pursuant to Series Resolutions that provide that the payment of the Notes by the State from Program Income is junior and subordinate to the Bonds. The Commission expects to authorize the issuance of additional Bonds to pay for the funding of any such Notes. If and when issued, the additional Bonds issued to fund any Notes may be on a parity with the Prior Bonds, the 2024 Series 2 Bonds, and any additional parity Bonds issued by the State pursuant to the provisions and conditions of the General Resolution.

Security

The Bonds are revenue obligations of the State payable solely from the Redemption Fund created by the General Resolution. The 2024 Series 2 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 below), and the funds created by the General Resolution pledged to the payment of interest, principal, and Redemption Price on the Bonds. The Bonds are not general obligations of the State.

The Bonds shall be revenue obligations of the State payable solely out of the Redemption Fund. The State is not generally liable on the Bonds, and the Bonds shall not be a debt of the State for any purpose whatsoever. See “RISK FACTORS” below.

Program Income consists mainly of vehicle registration fees authorized under Section 341.25 of the Wisconsin Statutes, including fees for hybrid-electric vehicles and electric vehicles (**Registration Fees**), and certain other vehicle registration-related fees (**Other Registration-Related Fees**). See APPENDIX A.

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.

Any Notes issued in the future, 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 and junior to the pledge of Program Income to the payment of principal and interest on the Bonds.

Flow of Funds

Program Income is collected by the Trustee, or the Department as agent of the Trustee, continuously throughout the entire fiscal year, and deposited as received outside the State Treasury in an account with the Trustee defined as the **Redemption Fund**. Program Income deposited into the Redemption Fund is not subject to legislative appropriation. Program Income is further 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 for the following purposes and in the following order of priority:

- (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, if any, 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 any Notes and any other obligations issued on a parity with the Notes.

Starting on the date a series of Bonds is issued and also on each Redemption Fund Deposit Day (the 1st day of January, April, July, and October), all Program Income is deposited into the Redemption Fund and then into the funds and accounts established under, and in the order of priority and amounts required by, the General Resolution. Program Income received by the Trustee in the Redemption Fund is used in the above order.

With respect to payment of debt service on the Bonds, 50% of interest due on each January 1 must be deposited into the respective debt service accounts starting on each of the preceding Redemption Fund Deposit Days of July 1 and October 1 until funded, 50% of interest due on each July 1 must be deposited into the respective debt service accounts starting on each of the preceding Redemption Fund Deposit Days of January 1 and April 1 until funded, and 25% of principal due on each July 1 must be deposited into the respective debt service accounts starting on each of the preceding Redemption Fund Deposit Days of July 1, October 1, January 1, and April 1 until funded. For Bonds that are issued between the Redemption Fund Deposit Days, Program Income is deposited into the debt service account for such Bonds to meet the above requirements starting on the date of issuance of such Bonds until funded at the required level.

Program Income in excess of the amount needed for such purposes is to be continuously 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.

State Pledge and Agreement

In the General Resolution, 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 for the Bonds; however, the required balance of the Reserve Fund is \$0.00.

The State pursuant to each Series Resolution specifies the Debt Service Reserve Requirement, if any, for each Series of Bonds. The individual Debt Service Reserve Requirement 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. 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 in connection with the issuance of the 2024 Series 2 Bonds. Accordingly, the Debt Service Reserve Requirement for the 2024 Series 2 Bonds is \$0.00. Furthermore, the State does not currently expect to specify a Debt Service Reserve Requirement for any future Series of additional Bonds; however, the State reserves the right to change its practice and no representation is made as to the amount of the Debt Service Reserve Requirement that the State may specify for any future Series of additional Bonds.

In the event that the Reserve Fund were to be funded in connection with a future Series of Bonds, the General Resolution provides that it shall be used to make up any 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.

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. The issuance of transportation revenue obligations to finance the costs of Projects beyond the remaining legislative authorized amount requires additional legislative authorization; over the past ten years such additional legislative authorization has been provided biennially as part of the State's biennial budget process. See **"SECURITY FOR THE BONDS; Prior Bonds"**.

In addition, except in the case of additional Bonds issued to refund Outstanding Bonds (such as the 2024 Series 2 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 Bond Year for all Outstanding Bonds. The General Resolution defines **Outstanding Bonds**, as of any particular date, as all Bonds previously delivered and expected to be delivered (such as the 2024 Series 1 Bonds and the 2024 Series 2 Bonds), 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 certain provisions of the General Resolution is included as **APPENDIX A**, which includes by reference Part V of the 2023 Annual Report.

RISK FACTORS

Revenue Obligations

The Bonds are limited obligations of the State, payable from and secured by a first lien pledge of Program Income, the Funds created by the General Resolution, and any other income of the Program. Any Notes are limited obligations of the State, payable from Program Income deposited into the Subordinated Debt Service Fund. The pledge of Program Income to the Subordinated Debt Service Fund for any Notes is junior and subordinate to the pledge of Program Income to the payment of the Bonds. See “**SECURITY FOR THE BONDS**”.

No representation or assurance can be made that Program Income will be realized in amounts sufficient to pay principal of, and interest on, the Bonds and Notes when due. The Program Income and the other amounts held by the Trustee under the General Resolution, and for any Notes under the Note Program Resolution, constitute the only property pledged to secure the payment of the Bonds and Notes. No physical collateral secures the payment of the Bonds or Notes. Moreover, in the event the amount of the Program Income is inadequate for payment of the Bonds and Notes, the Trustee cannot compel the State to impose taxes to address such inadequacy.

The amount of Program Income collected is expected to be sufficient to pay debt service on the Bonds and any Notes. However, no assurance can be given that such expected results will in fact be achieved, nor can there be any assurance that the sufficiency of historic Program Income collections indicates that future Program Income will similarly be sufficient.

Neither the full faith and credit nor the taxing power of the State or any political subdivision of the State will be pledged to the payment of the principal of, premium, if any, or interest on the Bonds or Notes.

Parity Debt

The 2024 Series 2 Bonds are issued pursuant to the General Resolution on parity with each other, the Prior Bonds and any other obligations to be issued on parity with the 2024 Series 2 Bonds.

Any Notes are issued pursuant to the General Resolution, as supplemented by the Note Program Resolution, on a parity with each other and any other obligations to be issued on a parity with the Notes. The pledge of Program Income granted to any Notes is junior and subordinate to the pledge granted to the Bonds.

On or around April 2, 2024, the State intends to issue its 2024 Series 1 Bonds which will be parity Bonds.

The State may issue additional Bonds on a parity with existing Bonds, and additional Notes on a parity with existing Notes, under the General Resolution, and with respect to any Notes, the Note Program Resolution, if certain conditions are met. See “**SECURITY FOR THE BONDS; Additional Bonds**”. Any such additional Bonds or Notes will be entitled to share ratably with the holders of the Bonds or Notes, respectively, in any moneys realized from the exercise of remedies under the General Resolution and, with respect to the Notes, the Note Program Resolution, in the event of a default.

Impact of General Economic Factors

The amount of Program Income available to be collected depends on economic activity related to the registration of motor vehicles and related fee-generating activities. A reduction in the number of motor vehicle registrations, title transactions and related fee-generating activities could lead to a reduction in the amount of Program Income collected. Various economic, climatic, political, or civil disruptions could affect the State’s economy and economic conditions, resulting in reduced Program Income. These include, without limitation, adverse changes in income levels, adverse changes in the availability of financing options for automobile and truck purchases, and fluctuations in the price of energy inputs.

Industry Demand Factors

The number of motor vehicle registrations, title transactions and related fee-generating activities depend in large part on demand for and use of automobiles, trucks and other motor vehicles in the State. In addition to adverse general economic factors, longer term trends in automobile, truck and other motor vehicle demand could be adversely affected by various factors, including increased reliance on alternative methods to trucking for business and industrial transport, increased reliance on public transportation, or other alternative transportation options, stagnation in or lack of acceptance of new motor vehicle product offerings, demographic changes in the driving age population.

Registration Fee Collection Procedures

All Program Income is collected by the Trustee, or the Department of Transportation as agent of the Trustee, and deposited outside the State Treasury in an account with the Trustee defined as the Redemption Fund. Disruptions with respect to the collection of Program Income could adversely affect the Bonds and Notes.

Potential Future Reduction of Registration Fees and Other Registration-Related Fees

Registration Fees and Other Registration-Related Fees may be reduced by Legislative decisions, which may be influenced by many factors. While under the General Resolution the State has pledged and agreed that the State will not limit or alter the ability of the State to fulfill the terms of its agreements with respect to the Bonds and Notes, or impair the rights and remedies of holders of the Bonds and Notes, and has covenanted that it will charge sufficient Program Income to pay principal and interest on the Bonds and Notes, no guarantee can be made that the Legislature will not reduce the Registration Fees or Other Registration-Related Fees pledged to the Bonds and Notes. While a failure to make payments of the principal of, and premium, if any, and interest on, any of the Bonds or Notes could hinder the State's subsequent access to the capital markets, it should not be assumed that the Legislature would regard that possible consequence to be a compelling reason to raise fees needed for those payments.

Future occurrences could adversely affect legislative support for the current level of the Registration Fee and Other Registration-Related Fees. Political factors may also come to bear on such fees.

Future Changes in Law

Future changes in applicable law by the Legislature could be adverse to holders of the Bonds and Notes. Legislative changes relating to the amount and timing of vehicle registration and related fees and collection procedures could lead to a reduction in or delay in receipt of Program Income. State law also allows for consideration of constitutional amendment referendum questions, such as the amendment preventing transfers out of the Transportation Fund passed by voters in November, 2014.

Tax Matters

There are or may be pending in the Congress of the United States legislative proposals relating to the federal tax treatment of interest on obligations of the nature of the Bonds and Notes. The State cannot predict whether and in what form any such proposal might be enacted or how such proposals, if enacted, would apply to the Bonds or Notes. A change in the federal tax status of Bonds or Notes issued on a tax-exempt basis may cause the value of such Bonds or Notes to fall. In addition, interest on such Bonds or Notes could become includible in gross income for federal income tax purposes as a result of future acts or omissions of the State.

BORROWING PROGRAM

The 2024 Series 2 Bonds will be the second series of transportation revenue obligations to be issued in calendar year 2024, assuming the 2024 Series 1 Bonds are issued as planned on, or about, April 2, 2024.

The amount and timing of any issuance and sale of additional transportation revenue obligations for the financing of Projects depend on the expenditures for such projects.

Assuming the issuance of the 2024 Series 2 Bonds, approximately \$125* million of authorization of the Commission will remain for additional transportation revenue refunding obligations to refund outstanding transportation revenue bonds. The Commission likely will be asked to authorize the issuance of additional transportation revenue refunding obligations. The amount and timing of any additional issuance of transportation revenue refunding bonds depend, among other factors, on market conditions.

Other Obligations

The State has issued one series of general obligation bonds for governmental purposes in the principal amount of \$248 million in calendar year 2024. The State has also sold one series of general obligation refunding bonds in the principal amount of \$401 million, for delivery on or about March 14, 2024. The State also sold one series of general obligation refunding bonds in calendar year 2024, in the principal amount of \$89 million, for delivery on or about April 4, 2025.

In addition, the Commission has authorized the issuance of the following general obligations:

- Up to \$10 million of additional general obligations for the refunding of general obligation bonds previously issued for general governmental purposes. The amount and timing of any sale and issuance of any additional general obligations for refunding purposes depend, among other factors, on market conditions.
- General obligations for the funding of the State's outstanding extendible municipal commercial paper notes (**EMCP Notes**) and variable rate demand obligation notes (**VRDO Notes**), which were outstanding in the amount of \$244 million as of February 15, 2024. The amount and timing of any issuance of general obligations for the funding of the State's EMCP Notes or VRDO Notes depend on a decision to fund such obligations with a different form of variable-rate obligations or with bonds bearing fixed interest rates.

The Commission likely will be asked to authorize the issuance of general obligations for general governmental purposes during calendar year 2024. The amount and timing of issuance in this calendar year of general obligations for these purposes depend on disbursements from the State Capital Improvement Fund for authorized purposes. The Commission likely will also be asked to authorize the issuance of general obligations for the refunding of general obligation bonds previously issued for general governmental purposes during calendar year 2024.

The State has not issued any general fund annual appropriation refunding bonds in calendar year 2024. The amount and timing of any issuance of any general fund annual appropriation refunding bonds depend, among other factors, on market conditions.

The State has not issued any master lease certificates of participation in calendar year 2024. The amount and timing of any issuance of master lease certificates of participation depend, among other factors, on originations in the State's master lease program and market conditions.

The State has issued one series of environmental improvement fund revenue bonds in the principal amount of \$150 million in calendar year 2024. The sale and issuance of any additional environmental improvement fund revenue bonds depend, among other factors, on disbursement of funds from the State's Environmental Improvement Fund and market conditions.

The State does not currently intend to issue operating notes for the 2023-24 fiscal year.

UNDERWRITING

The 2024 Series 2 Bonds are being purchased by the **Underwriters**, for which Wells Fargo Securities, LLC (**Wells Fargo Securities**) is acting as the **Representative**. The Underwriters have agreed, subject to certain conditions, to purchase the 2024 Series 2 Bonds from the State at an aggregate purchase price, not including

*Preliminary; subject to change

accrued interest, of \$, reflecting an original issue premium/discount of \$ and less an underwriters' discount of \$.

The Purchased Bonds are being tendered under the terms of the Invitation through Wells Fargo Securities and Loop Capital Markets, as Dealer Managers (**Dealer Managers**). For their services as Dealer Managers, the Dealer Managers will be compensated (**Dealer Manager Fee**) in an amount equal to a percentage of the aggregate principal amount of the Purchased Bonds. The Dealer Manager Fee is expected to be paid from proceeds of the 2024 Series 2 Bonds.

Wells Fargo Securities does not own or hold any of the Invited Bonds. Other Wells Fargo Securities lines of business and affiliates of Wells Fargo Securities may hold or own the Invited Bonds for its own account or the account of its customers. Wells Fargo Securities has not engaged any other line of business or affiliate of Wells Fargo Securities in any manner related to the Invited Bonds. To the extent any other Wells Fargo Securities line of business or affiliate of Wells Fargo Bank, National Association owns or holds any of the Invited Bonds, they would be engaged like any other investor or holder of the Invited Bonds.

The Underwriters have agreed to reoffer the 2024 Series 2 Bonds at the public offering prices or yields set forth on the inside front cover. The 2024 Series 2 Bonds may be offered and sold to certain dealers (including dealers depositing such 2024 Series 2 Bonds into investment trusts) at prices lower than such public offering prices, and such prices may be changed, from time to time, by the Underwriters. The Underwriters' obligations are subject to certain conditions, and they will be obligated to purchase all the 2024 Series 2 Bonds if any 2024 Series 2 Bonds are purchased.

Certain of the Underwriters may have entered into retail distribution agreements with third party broker-dealers, under which the Underwriters may distribute municipal securities to retail investors through the respective financial advisors or electronic trading platforms of such third party broker-dealers. As part of these arrangements, the Underwriters may share a portion of their underwriting compensation with such third party broker-dealers.

The Underwriters and their affiliates include full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the course of their various business activities, the Underwriters and their affiliates, officers, directors, and employees may purchase, sell, or hold investments and other financial instruments for their own accounts and for the accounts of their customers. Such investment and trading activities may involve assets, securities, or other instruments of the State (directly, as collateral securing other obligations, or otherwise) or of others that have relationships with the State. The Underwriters and their affiliates may also communicate independent investment recommendations, market color, or trading ideas and may publish or express independent research views in respect of any such assets, securities, or instruments and may at any time hold, or recommend to clients that they should acquire, long or short positions in such assets, securities, or instruments.

If an Underwriter or its affiliate is an owner of Refunded Bonds, that Underwriter or affiliate would receive a portion of the proceeds from the issuance of the 2024 Series 2 Bonds in connection with the purchase or redemption of those Refunded Bonds.

Certain legal matters will be passed upon for the Underwriters by their counsel, Barnes & Thornburg LLP.

Priority of Allocations of 2024 Series 2 Bonds

The State has advised the Underwriters that any holder of the Invited Bonds who tenders any Invited Bonds in the Tender Offer and who submits an order to purchase 2024 Series 2 Bonds, subject to the following sentence, has a preference of allocation of the 2024 Series 2 Bonds up to the principal amount of the Invited Bonds that such holder is tendering. The Representative has the discretion to accept orders outside of the State's advised

priorities if it determines that it is in the best interests of the Underwriters of the 2024 Series 2 Bonds, as provided in the rules of the MSRB. The State also has the discretion to alter its instructions.

CUSIP NUMBERS, REOFFERING YIELDS, PRICES, AND OTHER INFORMATION

Information about the 2024 Series 2 Bonds is provided for reference in the [table on the inside front cover](#) of this Official Statement. CUSIP numbers have been assigned to these issues by CUSIP Global Services. The CUSIP number for each maturity has been obtained from a source the State believes to be reliable, but the CUSIP numbers are subject to change after issuance of the 2024 Series 2 Bonds, and neither the State nor the Underwriters are responsible for the correctness of the CUSIP numbers. The Underwriters have provided the reoffering yields and prices for the 2024 Series 2 Bonds. For each of the 2024 Series 2 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.

LEGALITY FOR INVESTMENT

State law provides that the 2024 Series 2 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 State 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 2024 Series 2 Bonds.

As required by law, the office of the Attorney General will examine a certified copy of all proceedings leading to issuance of the 2024 Series 2 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 2024 Series 2 Bonds, and 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 2024 Series 2 Bonds, (2) the validity of the 2024 Series 2 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 2024 Series 2 Bonds, the existence of the Department or its power to charge and collect Registration Fees and Other Registration-Related Fees and pledge them for the payment of the 2024 Series 2 Bonds.

In the event certificated 2024 Series 2 Bonds are issued, the certificate of the Attorney General will be printed on the reverse side of each 2024 Series 2 Bond.

LEGALITY

All legal matters incident to the authorization, issuance, and delivery of the 2024 Series 2 Bonds are subject to the opinion of Quarles & Brady LLP (**Bond Counsel**), whose approving opinion, substantially in the form shown in [APPENDIX C](#), will be delivered on the date of issue of the 2024 Series 2 Bonds. In the event certificated 2024 Series 2 Bonds are issued, the related opinion will be printed on the reverse side of each 2024 Series 2 Bond.

Quarles & Brady LLP has also been retained by the State to serve as Disclosure Counsel to the State with respect to the 2024 Series 2 Bonds. Although, as counsel to the State, Quarles & Brady LLP has assisted the State with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the 2024 Series 2 Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the 2024 Series 2 Bonds for any investor.

TAX MATTERS

The following is a summary of certain United States federal income tax consequences resulting from the beneficial ownership of 2024 Series 2 Bonds by certain persons. This summary does not consider all the possible federal income tax consequences of the purchase, ownership, or disposition of the 2024 Series 2 Bonds and is not intended to reflect the individual tax position of any beneficial owner.

Tax Exemption

Bond Counsel will deliver a legal opinion with respect to the exclusion from gross income for federal income tax purposes applicable to the interest on the 2024 Series 2 Bonds under existing law substantially in the form as set forth in [APPENDIX C](#).

Prospective purchasers of the 2024 Series 2 Bonds should be aware that ownership of the 2024 Series 2 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 2024 Series 2 Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time, legislation is proposed and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the 2024 Series 2 Bonds. It cannot be predicted whether or in what form any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the 2024 Series 2 Bonds may be enacted. Prospective purchasers of the 2024 Series 2 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Original Issue Discount

To the extent that the initial public offering price of certain of the 2024 Series 2 Bonds is less than the principal amount payable at maturity, such 2024 Series 2 Bonds (**Discounted Bonds**) will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (**issue price**). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of

the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Internal Revenue Code of 1986, as amended (**Code**) contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

Original Issue Premium

To the extent that the initial offering price of certain of the 2024 Series 2 Bonds are more than the principal amount payable at maturity, such 2024 Series 2 Bonds (**Premium 2024 Series 2 Bonds**) will be considered to have bond premium.

Any Premium 2024 Series 2 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 2024 Series 2 Bond is calculated on a daily basis from the issue date of such Premium 2024 Series 2 Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium 2024 Series 2 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 2024 Series 2 Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium 2024 Series 2 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 2024 Series 2 Bond. The adjusted tax basis in a Premium 2024 Series 2 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 2024 Series 2 Bond.

Owners of Premium 2024 Series 2 Bonds who did not purchase such Premium 2024 Series 2 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 2024 Series 2 Bonds. Owners of Premium 2024 Series 2 Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium 2024 Series 2 Bonds.

State Tax Considerations

The interest on the 2024 Series 2 Bonds is not exempt from current Wisconsin income or franchise taxes.

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC (**Municipal Advisor**) has been retained by the State to perform professional services in the capacity of municipal advisor in connection with certain aspects of the issuance and sale of the 2024 Series 2 Bonds. The Municipal Advisor is a registered municipal advisor with the Securities Exchange Commission and the MSRB and is a controlled subsidiary of Baker Tilly US, LLP. The Municipal Advisor has provided financial advisor services and advice on the structure of the 2024 Series 2 Bonds. The Municipal Advisor also reviewed certain legal and disclosure documents, including this Official Statement, for financial matters, but the Municipal Advisor makes no representation, warranty, or guarantee regarding the accuracy or completeness of the information in this Official Statement. The Municipal Advisor also has reviewed the pricing of the 2024 Series 2 Bonds by the Underwriters. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the 2024 Series 2 Bonds and its fees are expected to be paid from proceeds of the 2024 Series 2 Bonds.

The Municipal Advisor's duties, responsibilities, and fees arise solely as Municipal Advisor to the State, and it has no secondary obligations or other responsibility. The Municipal Advisor is providing certain specific municipal advisory services to the State but is neither a placement agent to the State nor a broker/dealer. Finally, there are other affiliates of Baker Tilly US, LLP that may provide other services to the State.

CONTINUING DISCLOSURE

The State has made an undertaking to enable brokers, dealers, and municipal securities dealers, in connection with their participation in the offerings of the 2024 Series 2 Bonds, to comply with Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934 (**Rule 15c2-12**). In the undertaking, the State has agreed for the benefit of the beneficial owners of the 2024 Series 2 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 MSRB through its EMMA. The State will also provide to the MSRB through its EMMA system notices of the occurrence of certain events specified in the undertaking.

[Part I of the 2023 Annual Report](#), which contains information on the undertaking including the State's Master Agreement on Continuing Disclosure (Amended and Restated March 1, 2019) and the Addendum Describing Annual Report for Transportation Revenue Bonds, is included by reference as part of this Official Statement.

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

Department of Administration
Capital Finance Office
Attn: Capital Finance Director
101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 267-1836
DOACapitalFinanceOffice@wisconsin.gov
doa.wi.gov/capitalfinance
Wisconsinbonds.com

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: _____, 2024

STATE OF WISCONSIN

Governor Tony Evers, Chairperson
State of Wisconsin Building Commission

Naomi De Mers, Secretary
State of Wisconsin Building Commission

Craig Thompson, 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 22, 2023 \(2023 Annual Report\)](#), which can be obtained as described below. This Appendix also makes certain updates and additions to the information presented in Part V of the 2023 Annual Report, including but not limited to updated Program Income projections for fiscal years 2023-24 through and including 2032-33.

[Part V of the 2023 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 **WisDOT**), and a summary of the General Resolution. Part V of the 2023 Annual Report also includes the independent auditor's reports and audited statements of cash receipts and disbursements for the years ended June 30, 2023 and June 30, 2022 for the Transportation Revenue Obligation Program.

The 2023 Annual Report has been filed with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system 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 website and the State's investor relations website is located at the following addresses:

doa.wi.gov/capitalfinance
wisconsinbonds.com

Copies of the 2023 Annual Report may also be obtained from:

State of Wisconsin Department of Administration
Capital Finance Office
Attn: Capital Finance Director
101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 267-1836
DOACapitalFinanceOffice@wisconsin.gov

After publication and filing of the 2023 Annual Report, certain changes or events have occurred that affect items discussed in the 2023 Annual Report. Certain of these changes or events are described in the body of this Official Statement. Listed below by reference to particular sections of Part V of the 2023 Annual Report, are other changes or additions to the discussion contained in those particular sections. When such changes occur, the State may or may not file notices 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.

This Official Statement may include changes or additions that were released after the date of the Preliminary Official Statement (March 4, 2024). Any such change or addition is identified accordingly.

Registration Fees—Table V-3; Debt Service of Outstanding Transportation Revenue Bonds and Estimated Revenue Coverage (Page 153). Replace with the following updated table:

The table on the following page shows the forecasted coverage of annual debt service due on the Outstanding Bonds following the issuance of the 2024 Series 2 Bonds, based on the Department's estimate of total Program

Income for fiscal years 2023-24 through and including 2032-33. There can be no assurance that the estimated vehicle registration and other vehicle registration-related fees will be realized in the amounts shown.

**ESTIMATED DEBT SERVICE ON THE 2024 SERIES 2 BONDS
AND ESTIMATED REVENUE COVERAGE FOR OUTSTANDING BONDS^{(a)(b)(c)*}**

Maturity (July 1)	Estimated Program Income ^{(a)(b)}			2024 Series 2 Bonds*			Total Outstanding Bonds ^{(a)(b)(c)}			Coverage Ratio
	Estimated Registration Fees (Millions)	Estimated Other Registration- Related Fees (Millions)	Total Program Income (Millions)	Principal	Interest	Debt Service	Total Principal	Total Interest	Total Debt Service	
2024	\$699.42	\$224.48	\$923.90				\$136,125,000	\$63,904,335	\$200,029,335	4.62x
2025	702.05	238.49	940.54				131,090,000	58,483,105	189,573,105	4.96
2026	708.53	235.64	944.17				118,705,000	53,632,137	172,337,137	5.48
2027	709.77	231.27	941.04				133,265,000	48,742,971	182,007,971	5.17
2028	726.68	232.85	959.53				121,795,000	42,309,236	164,104,236	5.85
2029	729.29	232.05	961.34				126,965,000	36,446,607	163,411,607	5.88
2030	746.05	228.14	974.19				119,810,000	30,299,933	150,109,933	6.49
2031	754.38	225.97	980.35				112,025,000	24,507,063	136,532,063	7.18
2032	763.33	225.71	989.04				102,450,000	19,447,363	121,897,363	8.11
2033	765.18	226.82	992.00				91,795,000	16,007,682	107,802,682	9.20
2034							78,695,000	13,357,464	92,052,464	
2035							53,110,000	10,852,235	63,962,235	
2036							57,355,000	8,860,082	66,215,082	
2037							36,640,000	6,946,092	43,586,092	
2038							28,935,000	5,444,500	34,379,500	
2039							30,280,000	4,098,050	34,378,050	
2040							20,255,000	2,688,350	22,943,350	
2041							21,055,000	1,892,500	22,947,500	
2042							10,375,000	1,063,250	11,438,250	
2043							10,890,000	544,500	11,434,500	
							<u>\$1,541,615,000</u>	<u>\$449,527,455</u>	<u>\$1,991,142,455</u>	

(a) The estimated Program Income for fiscal years 2023-24 through 2032-33 fiscal years reflect revenue projections completed by WisDOT in Fall 2023. Revenue projections for fiscal years 2023-24 through 2032-33 utilized forecast indices that were formulated with data available in August 2023. Due to a continued, high degree of economic uncertainty in recent years, the estimated Program Income for fiscal years 2025-26 through 2032-33 will be re-evaluated periodically. See "REGISTRATION FEES; Estimated Future Registration Fees" and "OTHER REGISTRATION-RELATED FEES; Actual and Estimated Other Registration-Related Fees" in the 2023 Annual Report for discussion of updates. Electric vehicle fees, hybrid-electric fees, and all fee increases and changes included as part of 2019 Wisconsin Act 9 and 2023 Wisconsin Act 19, are included in the revenue projections. Excludes interest earnings.

(b) 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 the 2032-33 fiscal year are not currently available.

(c) Reflects the assumed issuance of the 2024 Series 1 Bonds on or about April 2, 2024, but does not reflect issuance of the 2024 Series 2 Bonds.

*Preliminary; subject to change.

Source: Department of Transportation

Registration Fees—Table V-7; Actual Year-to-Date Registration and Other Registration-Related Fees
(Page 156). Update with the following information.

ACTUAL YEAR-TO-DATE REGISTRATION AND OTHER REGISTRATION-RELATED FEES^(a)
Months of July-January
(Amounts in Millions)

Fiscal Year	Non-IRP Fees	Pledged IRP Fees	Estimated Certain Other Reg Related Fees Other Fees^(b)	Total	% Change
2017	\$278.90	\$41.50	\$61.70	\$382.10	
2018	287.20	42.70	62.70	392.60	2.8%
2019	290.80	46.70	62.70	400.20	1.9
2020 ^(c)	314.20	65.40	97.80	477.40	19.3
2021 ^(c)	325.80	52.20	133.20	511.20	7.1
2022 ^(c)	329.20	58.50	126.10	513.80	0.5
2023 ^(c)	334.00	51.70	120.40	506.10	(1.5)
2024 ^{(c)(d)}	336.40	48.50	126.60	511.50	1.1

^(a) Includes Registration Fees (Non-IRP Fees and Pledged IRP Fees) and certain Other Registration-Related Fees for the first five months of the current and previous seven fiscal years. Fiscal year totals of such fees are included in Tables V-6 and V-9, respectively, of the 2023 Annual Report.

^(b) Includes Title Transaction Fees, Customer Service Fees, and Personalized License Plates Fees.

^(c) 2019 Wisconsin Act 9 increased various Registration Fees and certain Other Registration-Related Fees effective October 1, 2019.

^(d) 2023 Wisconsin Act 19 increased the surcharge on electric vehicles from \$100 to \$175, effective October 1, 2023.

Source: Department of Transportation

Registration Fees—Table V-8; Projected Registration Fee Revenues (Page 158). Update with the following information.

PROJECTED REGISTRATION FEE REVENUES^(a)
(Amounts in Millions)

Fiscal Year (June 30)	Revenues^(b)	% Change
2024	\$699.42	
2025	702.05	0.38%
2026	708.53	0.92
2027	709.77	0.18
2028	726.68	2.38
2029	729.29	0.36
2030	746.05	2.30
2031	754.38	1.12
2032	763.33	1.19
2033	765.18	0.24

^(a) 2019 Wisconsin Act 9 increased various vehicle Registration Fees, effective October 1, 2019. Authorized increases include \$10 increase in the automobile fee and increase in light truck fees ranging from \$16 to \$25. 2019 Wisconsin Act 9 also clarified the definition for hybrid-electric vehicles. 2023 Wisconsin Act 19 increased the surcharge on electric vehicles from \$100 to \$175, effective October 1, 2023. The estimated Program Income for fiscal years 2023-24 through 2032-33 fiscal years reflect revenue projections completed by WisDOT in Fall 2023. Revenue projections for fiscal years 2023-24 through 2032-33 utilized forecast indices that were formulated with data available in August 2023. Due to a continued, high degree of economic uncertainty in recent years, the Projected Registration Fee Revenues for fiscal years 2025-26 through 2032-33 will be re-evaluated periodically.

^(b) 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 Table V-9 of the 2023 Annual Report.

Source: Department of Transportation

Registration Fees—Table V-9; Actual and Projected Other Registration-Related Fees (Page 163). Update with the following information.

ACTUAL AND PROJECTED OTHER REGISTRATION-RELATED FEES^(a)

Fiscal Year (June 30)	Title Transaction Fees	Counter Service and Personalized Plates	Subtotal	Other Pledged Revenue	Total Registration Related Fees
2014	\$92,478,346	\$7,838,488	\$100,316,834	\$8,051,914	\$108,368,748
2015	97,129,227	7,678,806	104,808,033	8,295,274	113,103,308
2016	99,096,834	8,131,116	107,227,950	8,330,235	115,558,185
2017	102,057,631	8,094,194	110,151,825	9,621,958	119,773,783
2018	101,808,955	8,428,165	110,237,121	9,667,885	119,905,006
2019	101,267,018	8,011,573	109,278,591	9,760,223	119,038,814
2020	172,985,152	6,919,501	179,904,653	9,405,375	189,310,028
2021	236,123,710	3,895,897	240,019,607	10,072,255	250,091,862
2022	213,105,194	6,366,711	219,471,905	9,567,295	229,039,200
2023	206,109,959	6,756,471	212,866,430	9,289,874	222,156,305
2024	208,676,100	6,609,300	215,285,400	9,198,800	224,484,200
2025	223,176,800	6,234,400	229,411,200	9,079,300	238,490,500
2026	220,693,600	5,967,400	226,661,000	8,975,200	235,636,200
2027	216,436,800	5,928,000	222,364,800	8,901,500	231,266,300
2028	218,129,400	5,889,200	224,018,600	8,828,900	232,847,500
2029	217,438,100	5,851,000	223,289,100	8,757,400	232,046,500
2030	213,636,500	5,813,300	219,449,800	8,687,000	228,136,800
2031	211,578,500	5,776,200	217,354,700	8,617,600	225,972,300
2032	211,424,500	5,739,600	217,164,100	8,549,300	225,713,400
2033	212,634,800	5,703,500	218,338,300	8,482,000	226,820,300

^(a) The projected Other Registration-Related Fees for fiscal years 2023-24 and 2024-25 reflect revenue projections completed by DOT and LFB in Spring 2023, and the 2025-26 through 2032-33 fiscal years reflect revenue projections completed by DOT in Spring 2023. See "OTHER REGISTRATION-RELATED FEES; Actual and Estimated Other Registration-Related Fees" in the 2023 Annual Report for discussion of updates. Excludes interest earnings. Fiscal years 2023-24 through 2032-33 fiscal years reflect revenue projections completed by WisDOT in Fall 2023. Revenue projections for fiscal years 2023-24 through 2032-33 utilized forecast indices that were formulated with data available in August 2023. Due to a continued, high degree of economic uncertainty in recent years, the estimated Projected Other Registration-Related Fees for fiscal years 2025-26 through 2032-33 will be re-evaluated periodically.

^(b) 2019 Wisconsin Act 9 increased various vehicle registration fees, effective October 1, 2019. Authorized increases include a \$95 increase in the standard title fee to \$164.50 from \$69.50.

Source: Department of Transportation

APPENDIX B

CERTAIN INFORMATION ABOUT THE STATE

This Appendix includes by reference information concerning the State of Wisconsin (**State**), contained in [Part II of the State of Wisconsin Continuing Disclosure Annual Report, dated December 22, 2023 \(2023 Annual Report\)](#), which can be obtained as described below. This Appendix also makes updates and additions to the information presented in Part II of the 2023 Annual Report, including but not limited to:

- Estimated General Fund condition statement for the 2023-25 biennium and estimated General Fund tax collections for the 2023-24, and 2024-25 fiscal years, as included in a report provided by the Legislative Fiscal Bureau (**LFB**) on January 24, 2024 (**January 2024 LFB Report**).
- General Fund information for the 2023-24 fiscal year through January 31, 2024, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the remainder of the 2023-24 fiscal year, which is presented on a cash basis.

[Part II of the 2023 Annual Report](#) contains general information about the State. More specifically, that part presents information about the following matters:

- Environmental, social, and governance factors
- State's revenue and expenditures
- State's operations, financial procedures, accounting, and financial reporting
- Organization of, and services provided by, the State
- Budget process and fiscal controls
- State budget (including results of 2022-23 fiscal year and summary of 2023-25 biennial budget)
- Potential effects of litigation
- State obligations
- Employee pension funds and other post-employment benefits
- State Investment Board
- Statistical information about the State's population, income, and employment

The State's audited General Purpose External Financial Statements and independent auditor's report provided by the State Auditor for the fiscal year ended June 30, 2023, prepared in conformity with generally accepted accounting principles (**GAAP**) for governments as prescribed by the Governmental Accounting Standards Board, are included as [APPENDIX A](#) to Part II of the 2023 Annual Report.

The 2023 Annual Report and the Annual Comprehensive Annual Financial Report (**ACFR**) for the fiscal year ended June 30, 2023 were both filed with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system. The 2023 Annual Report and the ACFR are also available from the part of the Capital Finance Office website called "Official Disclosure for Bonds, Notes, and Other Securities Issued by the State of Wisconsin" and the State investor relations website.

The Capital Finance Office website and the State investor relations website are located at the following addresses:

doa.wi.gov/capitalfinance
wisconsinbonds.com

Copies of the 2023 Annual Report may also be obtained from:

State of Wisconsin Department of Administration
Capital Finance Office
101 E. Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 267-1836
DOACapitalFinanceOffice@wisconsin.gov

The State has independently provided periodic reports on General Fund financial information. These reports are not required by any of the State's undertakings to provide information concerning the State's securities. These reports are available on the State's Capital Finance Office web site that is listed above and were also filed as additional voluntary information with the MSRB through its EMMA system; however, the reports are not incorporated by reference into this Official Statement or Part II of the 2023 Annual Report. The State is not obligated to provide such reports at any time in the future.

After publication and filing of the 2023 Annual Report, certain changes or events have occurred that affect items discussed in the 2023 Annual Report. Listed below, by reference to particular sections of Part II of the 2023 Annual Report, are changes or additions to the information contained in those particular sections. When such changes occur, the State may or may not file notices 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.

This Official Statement may include changes or additions that were released after the date of the Preliminary Official Statement (March 4, 2024). Any such change or addition is identified accordingly.

State Budget; Budget for 2023-25 Biennium (Part II, Pages 35-37). Update with the following information.

January 2024 LFB Report – General Fund Condition Statement

The January 2024 LFB Report includes an updated estimated General Fund condition statement for each fiscal year of the 2023-25 biennium. The net General Fund balance for the end of the biennium (June 30, 2025) is projected to be \$3.2 billion. This is \$810.8 million lower than the balance that was projected at the time of the enactment of the 2023-25 biennial budget (**2023 Wisconsin Act 19**), as modified to incorporate the fiscal year 2022-23 ending balance as shown in the State's Annual Fiscal Report for fiscal year 2022-23.

The following table provides the updated estimated General Fund condition statement for each fiscal year of the 2023-25 biennium. The table also includes, for comparison, the estimated General Fund condition statement for each fiscal year of the 2023-25 biennium, as included in 2023 Wisconsin Act 19.

A complete copy of the January 2024 LFB Report, which includes a national economic forecast and its application to the State's General Fund tax revenue estimates, is included at the end of this Appendix B. In addition, the State has filed the January 2024 LFB Report with the MSRB through its EMMA system, and a copy is available from the State as provided on page **B-2**.

ESTIMATED GENERAL FUND CONDITION STATEMENT
2023-24 and 2024-25 FISCAL YEARS
(in Millions)

	2023-24 Fiscal Year		2024-25 Fiscal Year	
	2023 Wisconsin Act 19 ^(a)	January 2024 LFB Report	2023 Wisconsin Act 19 ^(a)	January 2024 LFB Report
Revenues				
Opening Balance	\$6,877.0	\$7,073.2	\$4,346.5	\$3,808.2
Taxes	21,250.7	21,055.5	22,013.6	21,772.2
Departmental Revenues				
Tribal Gaming	-0.0-	-0.0-	8.9	-0.0-
Other	832.6	781,892.0	726.5	674.0
Total Available	\$28,960.2	\$28,910.6	\$27,095.6	\$26,254.4
Appropriations				
Gross Appropriations	\$22,651.2	\$22,710.6	\$21,040.9	\$21,053.0
Sum Sufficient Reestimates	-0.0-	10.4	-0.0-	41.7
Transfers				
Capital Improvement Fund	1,234.1	1,657.4	-0.0-	-0.0-
PFAS Trust Fund	110.0	110.0	-0.0-	-0.0-
Local Government Fund	-0.0-	-0.0-	1,563.4	1,563.4
Innovation Fund	-0.0-	-0.0-	303.0	303.0
Transportation Fund	642.9		106.8	
EV Sales Tax		39.3		55.1
0.25% Transfer		48.1		51.7
Other		555.5		-0.0-
Compensation Reserves	311.2	311.2	397.9	397.9
Less: Lapses	(335.6)	(340.1)	(384.2)	(468.3)
Net Appropriations	\$24,613.7	\$25,102.4	\$23,027.8	\$22,997.5
Balances				
Gross Balance	\$4,346.5	\$3,808.2	\$4,067.8	\$3,257.0
Less: Req. Statutory Balance	(100.0)	(100.0)	(105.0)	(105.0)
Net Balance, June 30	\$4,246.5	\$3,708.2	\$3,962.8	\$3,152.0

^(a) Adjusted to reflect the fiscal year 2022-23 ending balance as shown in the Annual Fiscal Report for fiscal year 2022-23.

State Budget; Estimated General Fund Tax Collections for 2023-25 Biennium (Part II, Pages 37-38).
Update with the following information.

January 2024 LFB Report – General Fund Tax Collections

The January 2024 LFB Report also includes updated estimated General Fund tax collections for each fiscal year of the 2023-25 biennium. The estimated General Fund tax collections are \$21.056 billion for the 2023-24 fiscal year and \$21.772 billion for the 2024-25 fiscal year. These amounts are \$195.2 million and \$241.4 million, respectively, lower than the estimated General Fund tax collections as included in 2023 Wisconsin Act 19.

The following table provides the estimated General Fund tax collections for each fiscal year of the 2023-25 biennium. The table also includes, for comparison, the estimated General Fund tax collections for each year of

the 2023-25 biennium, as included in a report provided by LFB dated May 15, 2023 (**May 2023 LFB Report**) and in 2023 Wisconsin Act 19.

A complete copy of the January 2024 LFB Report, which includes a national economic forecast and its application to the State’s General Fund tax revenue estimates, is included at the end of this Appendix B. In addition, the State has filed the January 2024 LFB Report with the MSRB through its EMMA system, and a copy is available from the State as provided on page **B-2**.

ESTIMATED GENERAL FUND TAX REVENUE COLLECTIONS
2023-24 and 2024-25 FISCAL YEARS
(in Millions)

	2023-24 Fiscal Year			2024-25 Fiscal Year		
	May 2023 LFB Report	2023 Wisconsin Act 19	January 2024 LFB Report	May 2023 LFB Report	2023 Wisconsin Act 19	January 2024 LFB Report
Individual Income	\$9,710.0	\$9,623.2	\$9,540.0	\$10,160.0	\$10,075.8	\$9,910.0
Sales and Use	7,655.0	7,639.5	7,605.0	7,835.0	7,816.9	7,810.0
Corp. Income & Franchise	2,720.0	2,680.6	2,590.0	2,840.0	2,808.2	2,715.0
Public Utility	374.0	374.0	405.0	370.0	370.0	408.0
Excise						
Cigarettes	420.0	418.6	413.0	407.0	405.2	397.0
Tobacco Products	91.0	91.0	89.0	93.0	93.0	90.0
Vapor Products	7.7	7.7	8.0	8.5	8.5	8.8
Liquor & Wine	69.0	69.0	71.0	71.0	71.0	74.0
Beer	8.1	8.1	7.5	8.0	8.0	7.4
Insurance Company	236.0	236.0	224.0	246.0	246.0	232.0
Miscellaneous Taxes	103.0	103.0	103.0	111.0	111.0	120.0
TOTAL	\$21,393.8	\$21,250.7	\$21,055.5	\$22,149.5	\$22,013.6	\$21,772.2

General Fund Information; General Fund Cash Flow (Part II; Pages 45-57). The following tables provide updates and additions to various tables containing General Fund information for the 2023-24 fiscal year. Actual General Fund information for the 2023-24 fiscal year through January 31, 2024, and projections for the remainder of the 2023-24 fiscal year, are presented primarily on a cash basis.

The projections and estimates for the 2023-24 fiscal year reflect 2023 Wisconsin Act 19 and the May 2023 LFB Report, but do not reflect the January 2024 LFB Report. 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 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 9% of the general-purpose revenue appropriations then in effect and may also temporarily reallocate for a period of up to 30 days an additional amount up to 3% of the general-purpose revenue appropriations then in effect.

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.

Table II-11; General Fund Cash Flow (Part II; Page 48). Replace with the following updated table.

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2023 TO JANUARY 31, 2024
PROJECTED GENERAL FUND CASH FLOW; FEBRUARY 1, 2024 TO JUNE 30, 2024^(a)
(Amounts in Thousands)

	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024
BALANCES^{(a)(b)}												
Beginning Balance	\$8,441,688	\$8,389,368	\$8,634,796	\$8,930,571	\$9,455,780	\$8,509,015	\$7,804,442	\$8,792,220	\$8,290,725	\$6,390,687	\$6,986,626	\$7,084,952
Ending Balance ^(c)	8,389,368	8,634,796	8,930,571	9,455,780	8,509,015	7,804,442	8,792,220	8,290,725	6,390,687	6,986,626	7,084,952	5,577,599
Lowest Daily Balance ^(c)	7,201,322	7,506,076	7,911,966	8,662,429	8,426,429	6,698,668	6,965,240	7,866,082	6,140,314	5,782,402	6,204,383	4,996,019
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$871,685	\$712,899	\$798,932	\$1,176,992	\$730,364	\$665,574	\$1,559,761	\$773,198	\$702,605	\$1,970,611	\$931,151	\$848,786
Sales & Use	752,650	723,039	727,920	736,650	687,633	653,475	789,293	582,748	550,532	685,798	653,091	733,248
Corporate Income	82,589	39,512	533,816	85,351	54,848	487,917	157,349	63,084	364,188	428,278	69,678	438,199
Public Utility	17	62	2,882	25,197	199,221	893	25	38	15	5,232	200,554	2,344
Excise	57,510	55,098	52,727	51,193	53,146	48,851	43,044	46,484	39,900	52,222	45,744	54,061
Insurance	387	4,565	45,602	291	1,509	47,252	2,052	25,252	26,769	52,372	3,441	49,073
Subtotal Tax Receipts	\$1,764,838	\$1,535,175	\$2,161,879	\$2,075,674	\$1,726,721	\$1,903,962	\$2,551,524	\$1,490,804	\$1,684,009	\$3,194,513	\$1,903,659	\$2,125,711
NON-TAX RECEIPTS												
Federal	\$1,373,896	\$1,337,511	\$1,294,000	\$1,083,071	\$1,164,127	\$1,128,772	\$1,164,624	\$1,481,807	\$1,412,279	\$1,237,070	\$1,498,958	\$1,612,863
Other & Transfers	523,789	369,264	969,561	845,678	119,967	913,140	779,694	881,262	776,368	541,668	478,384	909,997
Note Proceeds	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Subtotal Non-Tax Receipts	\$1,897,685	\$1,706,775	\$2,263,561	\$1,928,749	\$1,284,094	\$2,041,912	\$1,944,318	\$2,363,069	\$2,188,647	\$1,778,738	\$1,977,342	\$2,522,860
TOTAL RECEIPTS	\$3,662,523	\$3,241,950	\$4,425,440	\$4,004,423	\$3,010,815	\$3,945,874	\$4,495,842	\$3,853,873	\$3,872,656	\$4,973,251	\$3,881,001	\$4,648,571
DISBURSEMENTS												
Local Aids	\$1,630,110	\$318,576	\$1,216,910	\$236,835	\$1,120,388	\$1,679,665	\$326,306	\$846,925	\$2,129,786	\$184,616	\$347,240	\$2,315,627
Income Maintenance	989,427	1,072,190	974,615	995,020	988,920	1,320,682	974,392	1,178,400	1,239,654	1,200,264	1,244,375	1,209,389
Payroll and Related	501,697	526,920	441,286	456,032	697,624	504,617	651,802	534,594	534,355	533,205	720,426	481,971
Tax Refunds	79,868	188,860	143,321	163,274	203,365	248,195	132,145	610,491	756,454	727,760	265,363	186,936
Debt Service	302,546	-0-	86	251,775	2,997	-0-	-0-	625	-0-	352,080	38,832	-0-
Miscellaneous	211,195	889,976	1,353,447	1,376,278	944,286	897,288	1,423,419	1,184,333	1,112,445	1,379,387	1,166,439	1,962,001
TOTAL DISBURSEMENTS	\$3,714,843	\$2,996,522	\$4,129,665	\$3,479,214	\$3,957,580	\$4,650,447	\$3,508,064	\$4,355,368	\$5,772,694	\$4,377,312	\$3,782,675	\$6,155,924

- (a) The projections and estimates in this table reflect 2023 Wisconsin Act 19 and the May 2023 LFB Report. Projections and estimates do not reflect any specific disbursement, but rather generalized assumptions for disbursement, of remaining ARPA federal funds. Projections and estimates also do not reflect the January 2024 LFB Report. Temporary reallocations of cash are not included.
- (b) The General Fund cash balances presented in this schedule are not based on 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. These designated funds are anticipated to range from \$895 million to \$1.6 billion for the 2023-24 fiscal year. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These deposits have averaged and are expected to continue to average approximately \$25 million during each fiscal year.
- (c) The Wisconsin Statutes provide certain administrative remedies to deal with periods when the General Fund may be 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 9% of the general-purpose revenue appropriations then in effect, with an additional amount up to 3% for a period of up to 30 days. The resulting amounts available for temporary reallocation for the 2023-24 fiscal year (based on 2023 Wisconsin Act 19), are approximately \$2.039 billion and \$680 million, respectively. 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: Department of Administration

Table II-12; Historical General Fund Cash Flow (Part II; Page 49). Replace with the following updated table.

**HISTORICAL GENERAL FUND CASH FLOW
ACTUAL FISCAL YEARS 2019-20 TO 2022-23^(a)
ACTUAL AND PROJECTED FISCAL YEAR 2023-24^(b)
(Amounts in Thousands)**

	Actual 2019-20 Fiscal Year	Actual 2020-21 Fiscal Year	Actual 2021-22 Fiscal Year	Actual 2022-23 Fiscal Year	2023-24 Fiscal Year YTD Actual thru Jan-24; Estimated Feb-24 thru Jun-24
RECEIPTS					
Tax Receipts					
Individual Income	\$10,138,020	\$12,322,447	\$12,254,052	\$11,750,439	\$11,742,558
Sales	6,253,771	6,825,242	7,600,527	7,956,224	8,276,077
Corporate Income	1,551,402	2,753,782	2,936,462	2,749,861	2,804,809
Public Utility	409,513	409,860	425,920	445,929	436,480
Excise	667,055	683,307	663,646	627,036	599,980
Insurance	242,228	230,169	248,367	254,035	258,565
Total Tax Receipts	\$ 19,261,989	\$ 23,224,807	\$24,128,974	\$23,783,524	\$24,118,469
Non-Tax Receipts					
Federal	\$12,725,759	\$13,868,008	\$16,491,256	\$15,187,860	\$15,788,978
Other and Transfers	5,887,398	6,572,553	7,105,946	7,651,149	8,108,772
Total Non-Tax Receipts	\$18,613,157	\$20,440,561	\$23,597,202	\$22,839,009	\$23,897,750
TOTAL RECEIPTS	\$37,875,146	\$43,665,368	\$47,726,176	\$46,622,533	\$48,016,219
DISBURSEMENTS					
Local Aids	\$9,917,134	\$10,460,416	\$11,147,436	\$11,265,373	\$12,352,984
Income Maintenance	10,126,849	11,040,922	12,596,315	13,025,890	13,387,328
Payroll & Related	5,633,397	5,689,539	6,014,346	6,350,183	6,669,590
Tax Refunds	2,992,617	3,533,245	4,195,231	3,446,260	3,706,032
Debt Service	875,340	973,718	961,923	953,479	948,941
Miscellaneous	6,811,025	9,486,768	11,871,707	10,587,954	13,815,433
TOTAL DISBURSEMENTS	\$36,356,362	\$41,184,608	\$46,786,958	\$45,629,139	\$50,880,308
NET CASH FLOW	\$1,518,784	\$2,480,760	\$939,218	\$993,394	(\$2,864,089)

^(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.

Source: Department of Administration

Table II-13; General Fund Cash Receipts and Disbursements Year-to-Date Compared to Estimates and Previous Fiscal Year (Part II; Page 51). Replace with the following updated table.

**GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR^(a)
(Cash Basis)
As of January 31, 2024
(Amounts in Thousands)**

	2022-23 Fiscal Year through January 31, 2023 Actual	2023-24 Fiscal Year through January 31, 2024				Difference 2023-24 Fiscal Year Actual to 2022-23 Fiscal Year Actual
		Actual	Estimate ^(b)	Variance	Adjusted Variance ^(c)	
RECEIPTS						
Tax Receipts						
Individual Income	\$6,580,885	\$6,516,207	\$6,632,225	(\$116,018)	(\$116,018)	(\$64,678)
Sales	4,787,725	5,070,660	4,936,949	\$133,711	\$133,711	\$282,935
Corporate Income	1,462,771	1,441,382	1,391,498	\$49,884	\$49,884	(\$21,389)
Public Utility	211,575	228,297	218,358	\$9,939	\$9,939	\$16,722
Excise	384,651	361,569	373,928	(\$12,359)	(\$12,359)	(\$23,082)
Insurance	102,627	101,658	107,200	(\$5,542)	(\$5,542)	(\$969)
Total Tax Receipts	\$13,530,234	\$13,719,773	\$13,660,158	\$59,615	\$59,615	\$189,539
Non-Tax Receipts						
Federal	\$8,623,365	\$8,546,001	\$9,377,670	(\$831,669)	(\$831,669)	(\$77,364)
Other and Transfers	4,540,512	4,521,093	4,756,218	(\$235,125)	(\$235,125)	(\$19,419)
Total Non-Tax Receipts	\$13,163,877	\$13,067,094	\$14,133,888	(\$1,066,794)	(\$1,066,794)	(\$96,783)
TOTAL RECEIPTS	\$26,694,111	\$26,786,867	\$27,794,046	(\$1,007,179)	(\$1,007,179)	\$92,756
DISBURSEMENTS						
Local Aids	\$5,770,643	\$6,528,790	\$6,100,917	\$427,873	\$427,873	\$758,147
Income Maintenance	7,373,859	7,315,246	8,371,095	(\$1,055,849)	(\$1,055,849)	(\$58,613)
Payroll & Related	3,662,209	3,865,039	3,799,639	\$65,400	\$65,400	\$202,830
Tax Refunds	1,261,000	1,159,028	1,125,710	\$33,318	\$33,318	(\$101,972)
Debt Service	558,470	557,404	580,870	(\$23,466)	(\$23,466)	(\$1,066)
Miscellaneous	6,140,523	7,010,828	9,070,315	(\$2,059,487)	(\$2,059,487)	\$870,305
TOTAL DISBURSEMENTS	\$24,766,704	\$26,436,335	\$29,048,546	(\$2,612,211)	(\$2,612,211)	\$1,669,631
2023-24 FISCAL YEAR VARIANCE YEAR-TO-DATE				\$1,605,032	\$1,605,032	

(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) The projections and estimates for the 2023-24 fiscal year reflect 2023 Wisconsin Act 19 and the May 2023 LFB Report. The projections and estimates do not reflect any specific disbursement of remaining ARPA federal funds. The projections and estimates also do not reflect the January 2024 LFB Report.

(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, if any, to more accurately reflect the variance between the estimated and actual amounts.

Source: Department of Administration

Table II-14; General Fund Monthly Cash Position (Part II; Page 52). Replace with the following updated table.

GENERAL FUND MONTHLY CASH POSITION^(a)
July 1, 2021 through January 31, 2024 – Actual
February 1, 2024 through June 30, 2024 – Estimated^(b)
(Amounts in Thousands)

Starting Date	Starting Balance	Receipts	Disbursements
2021 July	\$6,509,076	\$3,479,185	\$4,895,076
August	5,093,185	3,422,769	2,312,286
September	6,203,668	3,667,999	4,206,441
October	5,665,226	3,652,864	2,606,399
November	6,711,691	3,575,707	3,125,687
December	7,161,711	3,970,348	4,478,086
2022 January	6,653,973	4,135,853	2,790,391
February	7,999,435	3,342,386	3,965,194
March	7,376,627	3,995,960	5,192,203
April	6,180,384	4,604,906	4,287,085
May	6,498,205	5,022,704	2,919,450
June	8,601,459	4,855,495	6,008,660
July	7,448,294	3,716,755	4,683,283
August	6,481,766	3,156,046	2,263,375
September	7,374,437	4,870,036	3,970,812
October	8,273,661	3,590,601	2,878,465
November	8,985,797	3,272,780	3,425,346
December	8,833,231	3,805,222	4,727,500
2023 January	7,910,953	4,282,671	2,817,923
February	9,375,701	3,578,565	3,642,827
March	9,311,439	3,428,482	5,351,144
April	7,388,777	4,505,885	3,270,549
May	8,624,113	3,801,447	3,048,589
June	9,376,971	4,614,043	5,549,326
July	8,441,688	3,662,523	3,714,843
August	8,389,368	3,241,950	2,996,522
September	8,634,796	4,425,440	4,129,665
October	8,930,571	4,004,423	3,479,214
November	9,455,780	3,010,815	3,957,580
December	8,509,015	3,945,874	4,650,447
2024 January	7,804,442	4,495,842	3,508,064
February	8,792,220	3,853,873	4,355,368
March	8,290,725	3,872,656	5,772,694
April	6,390,687	4,973,251	4,377,312
May	6,986,626	3,881,001	3,782,675
June	7,084,952	4,648,571	6,155,924

(a) The General Fund balances presented in this table are not based on GAAP.

(b) The projections and estimates for the 2023-24 fiscal year (cash basis) reflect 2023 Wisconsin Act 19 and the May 2023 LFB Report, but do not reflect the January 2024 LFB Report.

Source: Department of Administration

Table II-15; Cash Balances in Funds Available for Temporary Reallocation (Part II; Page 53). Replace with the following updated table.

**CASH BALANCES IN FUNDS AVAILABLE FOR
TEMPORARY REALLOCATION^{(a)(b)}
July 31, 2021 to January 31, 2024 — Actual
February 29, 2024 to June 30, 2024 — Projected^(c)
(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 \$3.412 billion during November 2019 to a high of \$7.108 billion during January 2024. The Secretary of Administration may not exercise the authority to use temporary reallocation if doing so would jeopardize the cash flow of any fund or account from which a temporary reallocation would be made.

<u>Available Balances; Does Not Include Balances in the LGIP</u>				
Month (Last Day)	2021	2022	2023	2024
January		\$2,273	\$2,958	\$1,685
February		2,428	3,024	3,024
March		2,282	3,124	1,815
April		2,211	3,159	1,716
May		2,285	3,225	1,670
June		2,812	3,420	1,806
July	\$2,243	2,711	2,534	
August	2,067	2,443	2,732	
September	2,148	2,671	2,889	
October	2,011	2,408	2,908	
November	2,085	2,678	3,134	
December	2,209	3,008	3,352	

<u>Available Balances; Includes Balances in the LGIP</u>				
Month (Last Day)	2021	2022	2023	2024
January		\$7,971	\$8,574	\$8,792
February		8,200	9,110	9,110
March		8,664	9,708	6,970
April		8,085	9,212	6,990
May		7,783	8,814	6,469
June		8,845	9,194	6,524
July	\$8,383	9,343	9,135	
August	7,160	7,786	8,321	
September	6,915	7,507	8,386	
October	6,410	6,986	8,247	
November	6,342	7,121	8,350	
December	7,238	7,846	9,520	

- (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) 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.
- (c) The projections and estimates for 2023-24 fiscal year (cash basis) reflect 2023 Wisconsin Act 19, the May 2023 LFB Report, and generalized assumptions for disbursement of remaining ARPA federal funds. The projections and estimates do not reflect the January 2024 LFB Report.

Source: Department of Administration

Table II-16; General Fund Recorded Revenues (Part II; Page 55). Replace with the following updated table.

GENERAL FUND RECORDED REVENUES^(a)

(Agency-Recorded Basis)

July 1, 2023 to January 31, 2024 compared with previous year

	Annual Fiscal Report Revenues 2022-23 Fiscal Year^(b)	Projected Revenues 2023-24 Fiscal Year^(c)	Recorded Revenues July 1, 2022 to January 31, 2023^(d)	Recorded Revenues July 1, 2023 to January 31, 2024^(e)
Individual Income Tax	\$9,414,700,000	\$9,623,200,000	\$5,499,955,493	\$5,531,681,872
General Sales and Use Tax	7,456,100,000	7,639,500,000	3,844,762,886	3,911,792,790
Corporate Franchise and Income Tax	2,748,500,000	2,680,600,000	1,263,321,209	1,209,482,535
Public Utility Taxes	401,200,000	374,000,000	189,122,236	208,416,675
Excise Taxes	617,800,000	594,400,000	323,963,012	304,446,509
Inheritance Taxes	-0-	-0-	-0-	-0-
Insurance Company Taxes	223,100,000	236,000,000	102,450,924	101,327,043
Miscellaneous Taxes	112,600,000	103,000,000	149,917,644	145,280,679
SUBTOTAL	\$20,974,000,000	\$21,250,700,000	\$11,373,493,404	\$11,412,428,103
Federal and Other Inter-Governmental Revenues ^(f)	17,216,415,000	12,833,045,700	9,608,488,776	9,123,758,610
Dedicated and Other Revenues ^(g)	9,003,260,000	10,016,718,100	5,363,755,138	5,361,817,787
TOTAL	\$47,193,675,000	\$44,100,463,800	\$26,345,737,318	\$25,898,004,500

- (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 2022-23 fiscal year dated October 16, 2023.
- (c) The estimates in this table for the 2023-24 fiscal year (cash basis) reflect 2023 Wisconsin Act 19, but do not reflect the January 2024 LFB Report.
- (d) The amounts shown are the 2022-23 fiscal year general purpose revenues and program revenue taxes as recorded by State agencies. There may be differences between the tax revenues shown in this table and those that may be reported by the State of Wisconsin Department of Revenue (**DOR**) from time to time in its monthly general purpose revenue collections report; the DOR report (i) only includes general purpose revenues or taxes that are actually collected by DOR (and not by other State agencies), and (ii) may include accruals or other adjustments that may not be recorded by State agencies until a subsequent month.
- (e) The amounts shown are the 2023-24 fiscal year general purpose revenues and program revenue taxes as recorded by State agencies. There may be differences between the tax revenues shown in this table and those that may be reported by DOR from time to time in its monthly general purpose revenue collections report; the DOR report (i) only includes general purpose revenues or taxes that are actually collected by DOR (and not by other State agencies), and (ii) may include accruals or other adjustments that may not be recorded by State agencies until a subsequent month.
- (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: Department of Administration

Table II-17; General Fund Recorded Expenditures by Function (Part II; Page 57). Replace with the following updated table.

**GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(a)
(Agency-Recorded Basis)
July 1, 2023 to January 31, 2024 compared with previous year^(b)**

	Annual Fiscal Report Expenditures 2022-23 Fiscal Year^(b)	Estimated Appropriations 2023-24 Fiscal Year^(c)	Expenditures July 1, 2022 to January 31, 2023^(d)	Expenditures July 1, 2023 to January 31, 2024^(e)
Commerce	\$481,364,000	\$478,506,500	\$383,264,064	\$415,480,106
Education	16,545,575,000	16,180,769,900	8,105,496,742	8,983,738,175
Environmental Resources	321,890,000	216,980,400	116,294,237	373,663,506
Human Relations & Resources	21,814,811,000	20,361,638,800	12,916,082,410	12,781,752,424
General Executive	2,453,087,000	1,782,876,800	1,297,022,469	1,595,291,057
Judicial	159,857,000	166,706,000	103,800,346	97,501,282
Legislative	81,909,000	92,156,300	40,013,403	46,574,958
General Appropriations	2,814,516,000	3,430,384,600	2,848,278,779	3,718,643,706
TOTAL	\$44,673,009,000	\$42,710,019,300	\$25,810,252,450	\$28,012,645,214

- (a) The expenditures in this table are presented on an agency-recorded basis and not a budgetary basis. None of the data presented in this table 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 2022-23 fiscal year, dated October 16, 2023.
- (c) The appropriations included in this table reflect 2023 Wisconsin Act 19, but do not reflect the January 2024 LFB Report.
- (d) The amounts shown are 2022-23 fiscal year expenditures as recorded by all State agencies.
- (e) The amounts shown are 2023-24 fiscal year expenditures as recorded by all State agencies.

Source: Department of Administration

Table II-39; Unemployment Rate Comparison (Part II; Page 93). Replace with the following updated table.

Table II-39
UNEMPLOYMENT RATE COMPARISON^{(a)(b)}
2019 to 2024

	2024		2023		2022		2021		2020		2019	
	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.
January		4.1	2.7	3.9	3.2	4.4	4.7	6.8	3.3	4.0	3.3	4.4
February			2.8	3.9	3.3	4.1	5.1	6.6	3.3	3.8	3.5	4.1
March			2.5	3.6	3.1	3.8	4.8	6.2	3.8	4.5	3.5	3.9
April			2.3	3.1	2.8	3.3	4.3	5.7	14.1	14.4	3.0	3.3
May			2.7	3.4	2.8	3.4	4.1	5.5	10.5	13.0	3.1	3.4
June			3.4	3.8	3.5	3.8	4.5	6.1	8.7	11.2	3.7	3.8
July			3.2	3.8	3.1	3.8	3.9	5.7	8.0	10.5	3.5	4.0
August			3.7	3.9	3.2	3.8	3.7	5.3	6.1	8.5	3.3	3.8
September			3.2	3.6	2.8	3.3	3.1	4.6	5.5	7.7	3.0	3.3
October			3.0	3.6	2.6	3.4	2.7	4.3	4.5	6.6	2.8	3.3
November			2.7	3.5	2.5	3.4	2.5	3.9	4.4	6.4	2.8	3.3
December			2.7	3.5	2.2	3.3	2.4	3.7	4.5	6.5	2.8	3.4
Annual Average			2.9	3.6	2.9	3.6	3.8	5.3	6.4	8.1	3.2	3.7

^(a) Figures show the percentage of labor force that is unemployed and are *not seasonally adjusted*.

^(b) Historical information has been adjusted due to benchmarking through the Local Area Unemployment Statistics (LAUS).

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

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January 24, 2024

Representative Mark Born, Assembly Chair
Senator Howard Marklein, Senate Chair
Joint Committee on Finance
State Capital
Madison, WI 53702

Dear Representative Born and Senator Marklein:

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 the even-numbered years, this analysis includes an examination of economic forecasts and tax collection and expenditure data of the current fiscal year, and projections for each year of the current biennium. We have now completed that review.

Based upon our analysis, we project the closing, net general fund balance at the end of this biennium (June 30, 2025) to be \$3,152.0 million. This is \$439.1 million below the net balance that was projected at the time of enactment of the 2023-25 biennial budget, as modified to: (1) incorporate the 2022-23 ending balance (2023-24 opening balance) as shown in the Annual Fiscal Report; (2) include the fiscal effect of all legislation enacted to date in the current legislative session (2023 Acts 1 to 86); and (3) incorporate the effect of the negotiated agreement between the leadership of the majority party of the Legislature and the UW System, as approved by the UW Board of Regents.

The \$439.1 million is the net result of: (1) a decrease of \$422.3 million in estimated tax collections; (2) a decrease of \$53.2 million in departmental revenues (non-tax receipts deposited into the general fund); (3) a \$52.1 million increase in sum sufficient appropriations; and (4) an increase of \$88.5 million in the amounts that are estimated to lapse (revert) to the general fund.

The biennial GPR appropriation for the Medical Assistance program is currently projected to end the biennium with a surplus of \$56.5 million, according to the most recent quarterly report on the status of the program's budget prepared by the Department of Health Services. Some utilization and enrollment factors are both slightly below budget estimates, and some are slightly above, but on balance the Department anticipates a surplus. This amount is relatively small in

relation to the total GPR budget for the program (less than 0.7%), and could change as actual enrollment and program costs vary from current estimates. Nevertheless the general fund condition estimate presented in this memorandum includes the Department's surplus estimate in the total of projected appropriation lapses.

The following table reflects the 2023-25 general fund condition statement, which incorporates our revenue and expenditure projections.

TABLE 1

2023-25 General Fund Condition Statement

	<u>2023-24</u>	<u>2024-25</u>
Revenues		
Opening Balance, July 1	\$7,073,240,000	\$3,808,230,500
Taxes	21,055,500,000	21,772,200,000
Departmental Revenues		
Tribal Gaming Revenues	0	0
Other	<u>781,892,000</u>	<u>674,013,700</u>
Total Available	\$28,910,632,000	\$26,254,444,200
Appropriations, Transfers, and Reserves		
Gross Appropriations	\$22,710,632,700	\$21,052,961,400
Sum Sufficient Reestimates	10,399,300	41,663,300
Transfers to:		
Building Program	1,657,354,900	0
PFAS Trust Fund	110,000,000	0
Local Government Fund	0	1,563,380,000
Innovation Fund	0	303,000,000
Transportation Fund:		
EV Sales Tax	39,300,000	55,100,000
0.25% Transfer	48,112,000	51,700,000
Other	555,523,900	0
Compensation Reserves	311,180,900	397,930,000
Less Lapses	<u>-340,102,200</u>	<u>-468,283,100</u>
Net Appropriations	\$25,102,401,500	\$22,997,451,600
Balances		
Gross Balance	\$3,808,230,500	\$3,256,992,600
Less Required Statutory Balance	<u>-100,000,000</u>	<u>-105,000,000</u>
Net Balance, June 30	\$3,708,230,500	\$3,151,992,600

Table 1 incorporates the fiscal effects of all bills enacted to date in the current legislative session (through 2023 Act 86), and the negotiated agreement between the majority party of the Legislature and the UW System, as approved by the UW Board of Regents. The table does not include the impact of any enrolled bills or bills that are pending before the Legislature.

Review of the National Economy in 2023

This office prepared revenue estimates for the 2023-25 biennium in January, 2023, based on the January, 2023, S&P Global Market Intelligence (S&P Global) forecast for the U.S. economy. The forecast predicted that a mild recession, beginning in the first quarter of 2023, would result in a peak-to-trough decline in real gross domestic product (GDP) of 0.6%. Assuming recovery would begin in the third quarter of 2023, S&P Global projected minimal real GDP growth of 0.5% in 2023, followed by growth of 1.8% in 2024 and 2.0% in 2025. The forecast anticipated that the Federal Reserve's tightening of financial conditions would ease both the tight labor market and high inflation.

The January, 2023, S&P Global forecast was based on the following assumptions. First, the forecast assumed the Public Health Emergency (PHE) would be extended through mid-June, 2023, and anticipated that the transition of COVID-19 from pandemic to endemic would continue. Second, the forecast incorporated all legislation enacted prior to December 29, 2022, and assumed real discretionary funding would be extended at federal fiscal year 2022 levels. That forecast did not include the economic effects of the Consolidated Appropriations Act of 2023 (CAA23). Third, strong revenues and federal financial support provided by federal pandemic relief monies and the Infrastructure Investment and Jobs Act (IIJA) would prevent state and local governments from experiencing a fiscal contraction. Fourth, the Federal Reserve was expected to raise its policy rate to a range of 4.75% to 5.00% by March, 2023, and allow its balance sheet to decline by about one-third by 2024. Fifth, the forecast assumed that the existing tariffs between the U.S. and China would remain in effect. Sixth, growth in real, trade-weighted foreign GDP was expected to slow from 3.3% in 2022 to 1.4% in 2023, and foreign measures of inflation were expected to recede from 5.9% in 2022 to 2.3% by 2025. S&P Global assumed that foreign sovereign bond yields would increase from 0.3% in 2020 to 2.7% in 2023, as central banks tightened monetary policy to combat inflation. Seventh, it was estimated that the price of Brent crude oil would ease to \$87 by 2024, down from \$101 in 2022. Finally, S&P Global assumed that farm prices, which were elevated in 2022, would ease in 2023.

S&P Global's January, 2023, forecast also included an optimistic and pessimistic scenario. The optimistic forecast scenario was that a more robust consumer and business response to the IIJA and a quicker resolution to the Russia-Ukraine conflict would result in stronger productivity and consumer spending growth, lower energy prices, and increased business fixed investment. In the optimistic scenario, real GDP growth would remain positive throughout 2023. The downside risk to the forecast was that the U.S. would experience a deeper recession in 2023 with weaker consumer spending than assumed in the baseline forecast.

In May, this office reviewed additional tax collection data and S&P Global's May economic forecast. The estimates were revised downward, primarily based on weaker than expected collections for the corporate income/franchise tax, the individual income tax, and the cigarette tax through April, 2023. The May revisions also incorporated S&P Global's May, 2023, forecast for the U.S. economy,

which generally reflected expectations of stronger economic growth in 2023, paired with slower growth in 2024 and 2025, relative to January, 2023. The forecast no longer anticipated a 2023 recession. The forecast for real GDP growth was increased accordingly, from 0.5% to 1.2% in 2023, relative to the January, 2023, estimate. However, growth expectations decreased slightly over the remainder of the forecast period, from 1.8% to 0.9% in 2024 and from 2.0% to 1.6% in 2025. Sales of new and existing homes and housing starts in 2023 were revised up significantly, from -26.5% to -15.5% and from -23.4% to -13.9%, respectively. Forecasted 2023 growth was also revised up in May to reflect changes to the following indicators: (a) consumer prices, which were up 0.3 percentage points; (b) personal income (up 1.2 percentage points); (c) nonfarm payrolls (up 1.3 percentage points); (d) economic profits (up 5.3 percentage points); and (e) nominal consumer spending (up 0.6 percentage points). In addition, the unemployment rate was adjusted down from 4.6% to 3.6% in 2023 and from 4.8% to 4.3% in 2024, and adjusted up slightly in 2025.

Several key assumptions in the May forecast differed from those of the January forecast. In May, the PHE was expected to end on May 11, one month earlier than anticipated in the January forecast. The May forecast incorporated the economic impact of the CAA23 (not included in the January forecast) and assumed student loan forbearance would expire on July 1. The new forecast expected the Federal Reserve to raise its policy rate to a range of 5.00% to 5.25% (25 basis points higher than assumed in January). The May forecast anticipated growth of real, trade-weighted foreign GDP and foreign measures of inflation to be higher than assumed in January. Finally, the price of Brent crude oil was expected to decline from \$101 per barrel in 2022 to \$84 per barrel in 2024 (slightly lower than anticipated in January).

As mentioned, the May forecast no longer anticipated a 2023 recession and assumed positive GDP growth throughout the year. S&P Global now estimates real GDP grew by 2.4% in 2023, exceeding its May expectations by 1.2 percentage points.

The Federal Reserve remained dedicated to returning the inflation rate to 2.0%. In pursuit of this objective, it increased the federal funds rate four more times in 2023 (11 times since March, 2022), to a range of 5.25% to 5.50% by December, 2023. This range is higher than the January, 2023, forecast by 50 basis points. In total, the federal funds rate was increased by 100 basis points over the year. As predicted, the Federal Reserve maintained its plan to reduce its balance sheet by one-third through 2024, by allowing up to \$35 billion worth of agency debt and mortgage-backed securities and \$60 billion worth of Treasuries it holds to mature each month without reinvesting the proceeds back into the marketplace.

As the federal funds rate increased, the value of existing Treasuries held by banks decreased. Tightening monetary policy contributed to a brief banking crisis that began in March of 2023, when Silicon Valley Bank began selling investments, such as Treasuries, at a loss to fulfill increasing customer withdrawals of cash. This action raised concern among the bank's customers, leading to a bank run and the subsequent failure of Silicon Valley Bank. Signature Bank and First Republic Bank faced similar circumstances and both failed by the end of April. Following these failures, the Federal Reserve and the U.S. Treasury took a number of actions to restore confidence in the banking system, including: (a) providing emergency loans to banks in distress; (b) promising all customers of the failed banks that they would receive all of their deposits back; and (c) hinting at a pause from the federal funds rate increases.

The 30-year, conventional, fixed mortgage rate continued to rise with the federal funds rate in 2023. In contrast to historically low mortgage rates in 2020 and 2021 (2.68% in December, 2020), the average monthly rate peaked at 7.62% in October, 2023, the highest rate since November, 2000, and ended the year at 6.82%. High mortgage rates and persistently high house prices, particularly for existing homes, significantly impacted demand for existing houses. Additionally, supply of existing houses was also impacted, as many owners who had previously locked in much lower interest rates on their home loans were reluctant to sell. S&P Global estimates that sales of existing houses declined 19.6% in 2023, generally consistent with the previous forecast.

In response to the tightening of monetary policy and the easing of supply chain issues, the consumer price index (CPI) declined from 5.8% growth in quarter one of 2023 to 3.2% in the fourth quarter. Over the year, the CPI averaged 4.1%, just slightly lower than predicted in May. Growth in food prices eased in 2023, but remained elevated (5.8%). Energy prices declined 4.8% in 2023, as U.S. oil production increased to a record high of 13.2 million barrels per day. Likewise, the price of Brent crude oil eased from \$101 in 2022 to \$83 in 2023, slightly lower than predicted in May. Core CPI (which excludes food and energy prices) increased 4.8% over 2023, driven (as predicted) by a 6.2% increase in prices for nonenergy services.

The U.S. and Wisconsin labor markets remained strong through 2023, although they loosened slightly as the year progressed. Wisconsin's unemployment rate fell to a record low of 2.4% in April and May of 2023, then rose to 3.3% by December. By comparison, the national unemployment rate declined to 3.4% in January and April, and ended the year at 3.7%. As predicted in May, the national unemployment rate averaged 3.6% for the year. U.S. nonfarm payrolls increased 2.3% for the year, just slightly above the May, 2023, forecast. Personal income increased 5.2%, while wage and salary disbursements increased 6.2%, both growing 0.3 percentage points slower than previously forecasted.

Nominal consumer spending growth eased as inflation began to moderate, but still increased 6.0% in 2023 (1.9 percentage points higher than CPI growth). As such, consumer spending was the primary driver of the economy, contributing 1.5 percentage points to real GDP growth. Despite strikes at General Motors, Ford, and Stellantis, as well as rising interest rates, light vehicle sales increased 12.0% in 2023, exceeding the May forecast for growth by 4.2 percentage points. This increase in light vehicle sales is attributable to improved global supply chains, compared to issues caused by the shortage of computer chips and other manufacturing disruptions seen in the preceding year.

President Biden's federal loan forgiveness plan, which would have provided student loan forgiveness of up to \$10,000 (\$20,000 for Pell Grant recipients) for qualifying individuals, faced a number of lawsuits and was halted by an injunction issued by a federal court in November, 2022. The Biden Administration requested a ruling from the U.S. Supreme Court, which resulted in the plan being struck down in June, 2023. The Court ruled that the President did not have the authority to instruct the Secretary of Education to cancel such a large amount of consumer debt without authorization from Congress. On June 7, 2023, Congress enacted a law ending and preventing further extensions of the student loan payment pause and interest deferral (which began in March, 2020). Consequently, student loan interest resumed on September 1, 2023, with the first payments coming due in October (three months later than assumed in the previous forecast).

Although it is too soon to tell whether the Federal Reserve's actions have successfully reduced inflation without causing a recession, it can be concluded that the U.S. avoided a recession in 2023. As inflation eased, consumer spending remained steady and unemployment rates remained low. The stock market recovered strongly, with the S&P 500 and Dow Jones Industrial Average increasing 24.2% and 13.7%, respectively, over the year. In contrast with declines predicted in prior forecasts, real household net worth stayed flat in 2023, up just 0.1% compared to 2022. The University of Michigan Consumer Sentiment index recovered from its record low of 50.0 in June, 2022, but remained low relative to levels seen prior to 2022. In December, 2023, the Consumer Sentiment index averaged 69.7.

The conflict between Russia and Ukraine continued in 2023, with significant casualties on both sides. According to the United States Department of State, as of December 27, 2023, the U.S. had provided approximately \$44.2 billion in military assistance to Ukraine since the full-scale invasion on February 24, 2022. In the Middle East, another conflict arose on October 7, 2023, when Hamas, an Islamist militant movement in the Palestinian territory, launched a coordinated land, sea, and air assault against Israel. Both conflicts are ongoing as of this writing.

United States lawmakers had difficulty agreeing on decisions related to debt and spending in 2023, resulting in various bills that delayed such decisions until a later date. The U.S. reached its debt ceiling of \$31.4 trillion in January, 2023, and extraordinary measures were taken to borrow funds without breaching the debt ceiling. To address this issue, the Fiscal Responsibility Act of 2023 (FRA23), enacted on June 3, 2023, suspended the debt limit through January 1, 2025. Further, to avoid a government shutdown, Congress passed a series of temporary funding bills to fund the government beginning on October 1, 2023. At present, temporary funding is provided to U.S. government agencies through March 8, 2024 (March 1 for certain agencies).

National Economic Forecast

Under the January, 2024, forecast, S&P Global predicts modest GDP growth, supported by an easing of financial conditions. Real GDP growth is forecast to slow relative to 2023, but to continue growing 1.7% in 2024 and 1.5% in 2025. S&P Global believes that a period of below-trend growth is necessary to lower inflation to 2%. While labor markets are projected to remain tight into 2024, the forecast assumes that economic conditions will achieve sustained 2% inflation by late 2025.

The 2024 forecast is based on the following key assumptions. First, the forecast assumes that the debt ceiling, which was suspended through 2024 by the FRA23, is raised before the end of 2024, and legislation is passed in time to avoid a government shutdown. FRA23 established statutory caps governing discretionary budget authority through fiscal year 2025, which are assumed to grow at the rate of inflation after 2025. Second, it assumes that state and local budgets have returned to deficit, after having been supported by stimulus relief measures in 2021 and 2022. However, unspent pandemic-era and IIJA funds are expected to mitigate pressures to reduce state and local spending. Third, S&P Global anticipates that the Federal Reserve will: (a) cut its policy rate four times in 2024, beginning in March, to a range of 4.25% to 4.50% by December of 2024, and to a range of 2.50% to 2.75% by early 2026; and (b) continue shrinking its balance sheet by about one third, from a high of \$8.97 trillion in April, 2022. Fourth, the forecast assumes that tariffs enacted by the U.S. and China since 2017 will remain in effect. Fifth, it assumes that growth in real, trade-weighted foreign GDP

will slow from 2.0% in 2023 to 1.8% in 2024, then rebound to 2.5% by 2026. Foreign CPI inflation is expected to fall to 2.4% by 2026 (from 5.9% in 2022), and foreign sovereign bond yields are expected to grow to 2.8% in 2024 as central banks around the world tighten monetary policy. Finally, it is estimated that the price of Brent crude oil will decline from \$101 per barrel in 2022 to \$76 per barrel in 2025, increase to \$87 by 2027, then rise at roughly the rate of inflation.

The forecast is summarized in Table 2, which reflects S&P Global's January, 2024, baseline outlook. Selected baseline projections are presented in more detail below, with alternative optimistic and pessimistic scenarios discussed thereafter.

TABLE 2
Summary of National Economic Indicators
S&P Global Baseline Forecast, January, 2024
(\$ in Billions)

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Nominal Gross Domestic Product	\$25,744.1	\$27,316.6	\$28,335.0	\$29,385.1
Percent Change	9.1%	6.1%	3.7%	3.7%
Real Gross Domestic Product	\$21,822.0	\$22,341.4	\$22,721.9	\$23,063.8
Percent Change	1.9%	2.4%	1.7%	1.5%
Consumer Prices (Percent Change)	8.0%	4.1%	2.7%	2.0%
Personal Income	\$21,840.8	\$22,965.7	\$24,050.8	\$25,243.9
Percent Change	2.0%	5.2%	4.7%	5.0%
Nominal Personal Consumption Expenditures	\$17,511.7	\$18,556.8	\$19,276.9	\$19,898.1
Percent Change	9.2%	6.0%	3.9%	3.2%
Economic Profits	\$3,208.7	\$3,209.3	\$3,234.9	\$3,259.2
Percent Change	9.8%	0.0%	0.8%	0.7%
Unemployment Rate	3.6%	3.6%	4.0%	4.1%
Total Nonfarm Payrolls (Millions)	152.6	156.2	157.4	157.8
Percent Change	4.3%	2.3%	0.8%	0.2%
Light Vehicle Sales (Millions of Units)	13.75	15.41	15.79	16.52
Percent Change	-8.0%	12.0%	2.5%	4.6%
Sales of New and Existing Homes (Millions of Units)	5.718	4.750	4.806	5.433
Percent Change	-17.1%	-16.9%	1.2%	13.0%
Housing Starts (Millions of Units)	1.551	1.406	1.391	1.366
Percent Change	-3.4%	-9.3%	-1.1%	-1.8%

Consumer Prices. CPI slowed to 4.1% in 2023, down from 8.0% in 2022. As predicted, core CPI, which excludes food and energy prices, exceeded overall CPI, growing 4.8% in 2023. S&P Global expects average annual CPI growth to slow to 2.7% in 2024, and return to the Federal Reserve's long-term inflation target of 2.0% by 2025. Core CPI growth is expected to ease more slowly, growing at a rate of 3.0% in 2024 and 2.4% in 2025. The forecast predicts that core CPI growth will again be driven by increases in the price of services, as prices of commodities (goods such as clothing and vehicles) are expected to decline slightly in 2024 and 2025. The average price of new vehicles peaked in 2023 at \$45,400, despite the easing of supply chain issues. S&P Global projects that the average new vehicle price will ease to \$43,300 in 2024 and \$41,100 in 2025.

Personal Consumption. Nominal PCE grew 6.0% in 2023, with growth in spending on services (7.4%) exceeding spending on goods (3.2%). Spending on services made up 66.7% of all consumer spending, still short of its pre-pandemic level (68.6% in 2019). S&P Global projects that the shift from spending on goods to spending on services will continue, with services making up 67.6% of all expenditures in 2024 and 68.3% in 2025.

S&P Global anticipates that nominal PCE growth will ease to 3.9% in 2024 and 3.2% in 2025, as inflation continues to slow. Sales of light vehicles increased 12% in 2023, and are projected to continue growing 2.5% in 2024 and 4.6% in 2025. Supported by modest growth in real disposable income, real (inflation-adjusted) PCE is projected to grow 1.8% in 2024 and 1.2% in 2025.

Employment. The national unemployment rate averaged 3.6% over 2023, consistent with the May, 2023, projections, but improved by 1.0 percentage point compared to the January, 2023, projections. S&P Global now expects the labor market to remain tight until late 2024, at which point conditions will begin to ease. The unemployment rate is projected to increase to 4.0% in 2024, 4.1% in 2025, and peak in 2027 at 4.4% (equal to S&P Global's estimate of the full-employment rate). Overall, average annual nonfarm payrolls are expected to remain relatively flat through 2025, growing just 0.8% in 2024 and 0.2% in 2025. S&P Global estimates that the U.S. labor force participation rate increased slightly to 62.6% in 2023, and will peak at 62.7% in 2024 before beginning a gradual decline through the rest of the forecast period.

Personal Income. Personal income grew 5.2% in 2023, slightly less than previously expected (5.5% in the May forecast), stemming from slower growth in wages and salary disbursements of 6.2% (compared to 6.5% forecast in May). Going forward, personal income is expected to continue growing, increasing 4.7% in 2024 and 5.0% in 2025. S&P Global projects that wage and salary disbursements will grow at a slightly slower pace of 4.5% in 2024 and 3.8% in 2025.

Real disposable income growth turned positive in 2023 (4.2%), after declining 6.0% in 2022, and is expected to continue increasing 2.7% and 2.9% in 2024 and 2025, respectively. Real household net worth remained flat (0.1%) in 2023 and is projected to grow 4.0% in 2024, supported by a 12.0% increase in household holdings of equities (such as stocks and bonds). Real net worth is projected to decline 0.3% in 2025, as inflation slightly outpaces growth in household financial assets.

Housing. Housing starts declined 9.3% in 2023, improved from the 13.9% decline estimated in May, 2023. The average price of existing homes remained flat in 2023 (higher than the previous forecast of an 8.4% decline), whereas the average price of new homes declined 4.8% (lower than the

May, 2023, estimate of -1.9%). Overall, sales of new and existing homes declined 16.9% in 2023, driven largely by the decline in existing home sales.

Going forward, S&P Global estimates a continued decline in housing starts in 2024 (-1.1%) and 2025 (-1.8%). Sales of new and existing homes are expected to remain relatively flat in 2024, increasing just 1.2%, and experience a stronger recovery of 13.0% in 2025. S&P Global anticipates that as mortgage rates decrease, the inventory of existing homes offered for sale will increase. The average price of existing homes is projected to grow 4.7% in 2024 and 7.9% in 2025.

Monetary Policy. As mentioned, the Federal Reserve increased the federal funds rate four times in 2023, with the last increase (25 basis points) occurring in July. The Federal Reserve continued to monitor the inflation rate and economic activity through the rest of the year and determined further rate increases were not necessary in 2023, remaining cognizant of lags with which monetary policy affects such indicators. In addition, the Federal Reserve reduced its balance sheet of agency debt, mortgage-backed securities, and Treasuries by \$838 billion in 2023, to approximately \$7.7 trillion.

It is anticipated that the Federal Reserve will not increase the federal funds rate in 2024. S&P Global now expects that the Federal Reserve will begin lowering the federal funds rate (by 25 basis points) in March, with three more reductions to follow in 2024. It is estimated that the rate will be lowered to a range of 4.25% to 4.50% by December, 2024.

Business Investment. S&P Global estimates that growth in nominal nonresidential fixed investment grew 8.2% in 2023, higher than the May, 2023, estimate of 6.5% growth. Growth in 2023 was led by investment in structures (19.1%), particularly in manufacturing (73.2%), followed by investment in intellectual property products (6.3%), and equipment (4.4%). The forecast anticipates that growth in nominal nonresidential fixed investment will slow to 3.2% in 2024 and 2.8% in 2025.

Inventories increased by an estimated \$37.3 billion (1.3%) in 2023 (from quarter four of 2022 to quarter four of 2023), up significantly from the \$8.2 billion decline estimated in May, 2023. Going forward, S&P Global anticipates that inventories will continue to increase another \$25.2 billion in 2024 and \$62.8 billion in 2025.

International Trade. Net exports contributed 0.51 percentage points to real GDP growth in 2023, as the slight increase in nominal exports (0.9%) and the decline in nominal imports (3.5%) improved the U.S. balance of trade. The volume of both imports and exports was lower than anticipated in the previous forecast.

S&P Global predicts that growth in imports (4.0%) will exceed growth in exports (3.8%) in 2024, resulting in a trade deficit of \$847.0 billion in 2024 (\$40.3 billion more than in 2023). This deficit is expected to lessen to \$774.3 billion in 2025, with exports increasing 6.2% compared to a 3.0% increase for imports. As such, net exports are expected to detract 0.06 percentage points from real GDP growth in 2024, before contributing 0.15 percentage points to growth in 2025.

Corporate Profits. Corporate before-tax book profits decreased by an estimated 0.2% in 2023, and are forecast to grow 3.4% in 2024 and 2.0% in 2025. Economic profits, which are adjusted for inventory valuation and capital consumption at current cost (and are not affected by federal tax laws),

were unchanged in 2023 (3.4 percentage points less than forecasted in May). S&P Global forecasts that economic profits will increase 0.8% in 2024 and 0.7% in 2025. The current forecast assumes that the effective federal corporate tax rate for all industries was 13.7% in 2023, and will decline slightly to 13.6% in 2024 and 13.4% in 2025.

Under current law, the temporary 100% bonus depreciation provision enacted by the Tax Cuts and Jobs Act of 2017 will continue to phase out, with the bonus depreciation percentage declining to 80% in 2023, 60% in 2024, 40% in 2025, 20% for 2026, and 0% for property placed in service after 2026. S&P Global predicts that this phase-out will increase the after-tax cost of capital, reducing investment spending in the coming years under the forecast. However, Congress is currently considering legislation to extend this bonus depreciation provision.

Fiscal Policy. The federal budget deficit is expected to decrease from \$423.8 billion in federal fiscal year 2023 to \$378.6 billion in 2024, then increase to \$410.1 billion in 2025. S&P Global estimates that spending by the federal government contributed 0.25 percentage points to real GDP growth in 2023, but will contribute just 0.06 and 0.03 percentage points in 2024 and 2025, respectively. State and local government spending contributed 0.41 percentage points to GDP growth in 2023, and is projected to contribute another 0.19 percentage points in 2024 and 0.02 percentage points in 2025.

Alternative Scenarios. S&P Global's January, 2024, forecast also includes an optimistic scenario and a pessimistic scenario. Under the optimistic scenario, S&P Global assigns a 15% probability that productivity and consumer spending will be stronger than assumed in the baseline. It assumes that the banking sector continues to support the economy through credit growth. An easing in the Russia-Ukraine conflict and in the conflict in the Middle East will allow for lower energy prices, with the price of Brent crude oil falling \$2 lower than the baseline in 2024. Real GDP grows 2.4% in 2024 and 2.0% in 2025, 0.7 percentage points and 0.5 percentage points above the baseline, respectively, in part due to reduced uncertainty over a government shutdown in 2024. Consumer spending increases 2.6% in 2024 and 1.8% in 2025, compared to 1.8% and 1.2%, respectively, in the baseline forecast, partly due to lower energy prices and strong credit expansion. Under the optimistic scenario, strong demand and elevated cash flows allow business fixed investment to increase 1.9 percentage points more than the baseline in both 2024 and 2025.

Under the pessimistic scenario, to which S&P Global assigns a 30% probability, a shallow recession occurs as tightening lending standards, due to balance sheet issues in the banking sector, restrain spending and production. It assumes that higher energy prices result from a worsening in the conflicts in Ukraine and the Middle East, affecting businesses and households. Real consumer spending grows only 0.6% in 2024 (including a decline during the first half of the year) and 0.9% in 2025, compared to 1.8% and 1.2%, respectively, under the baseline. Real GDP grows 0.9 percentage points and 0.3 percentage points slower than the baseline in 2024 and 2025, respectively. Under the pessimistic scenario, business fixed investment declines each year (-0.2% in 2024 and -0.8% in 2025) compared to growth under the baseline. The unemployment rate rises to 6.2% by mid-2025, and the price of Brent crude oil averages \$103 in 2024 and \$92 in 2025, \$20 and \$16 higher than the baseline, respectively. In response, the Federal Reserve lowers the federal funds rate more quickly than in the baseline, reaching a range of 0.50% to 0.75% by mid-2026.

General Fund Taxes

Table 3 shows general fund tax revenue estimates for 2023-24 and 2024-25. The previous estimates are the general fund tax estimates included in Act 19, adjusted to reflect subsequent law changes.

TABLE 3
Projected General Fund Tax Collections
(\$ in Millions)

	2022-23 <u>Actual</u>	<u>Previous Estimates</u>		<u>Revised Estimates</u> January, 2024	
		<u>2023-24</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2024-25</u>
Individual Income	\$9,414.7	\$9,613.9	\$10,073.7	\$9,540.0	\$9,910.0
General Sales and Use	7,456.1	7,639.5	7,816.9	7,605.0	7,810.0
Corporate Income/Franchise	2,748.5	2,679.4	2,807.2	2,590.0	2,715.0
Public Utility	401.2	374.0	370.0	405.0	408.0
Excise					
Cigarette	444.7	418.6	405.2	413.0	397.0
Tobacco Products	88.3	91.0	93.0	89.0	90.0
Vapor Products	7.1	7.7	8.5	8.0	8.8
Liquor and Wine	69.4	68.9	70.2	71.0	74.0
Beer	8.3	8.1	8.2	7.5	7.4
Insurance Company	223.1	236.0	246.0	224.0	232.0
Miscellaneous Taxes	<u>112.6</u>	<u>103.0</u>	<u>111.0</u>	<u>103.0</u>	<u>120.0</u>
Total	\$20,974.0	\$21,240.1	\$22,009.9	\$21,055.5	\$21,772.2
Change from Prior Year		\$266.1	\$769.8	\$81.5	\$716.7
Percent Change		1.3%	3.6%	0.4%	3.4%

In total, these amounts are \$422.3 million lower than the previous estimates. The percentage difference is 1.0% lower. The majority of the reduction (99.3%) is attributed to lower projections for individual income taxes, which are \$237.6 million lower than the previous forecast, and corporate income/franchise taxes, which are \$181.6 million lower. The remaining \$3.1 million reduction is comprised of reduced estimates for sales and use taxes, insurance premiums taxes, and excise taxes on cigarettes, tobacco products, and beer, offset by increased estimates for utility taxes, miscellaneous taxes, and excise taxes on vapor products and liquor.

Individual Income Tax. Total individual income tax collections were \$9,414.7 million in 2022-23, an increase of 2.2% over the prior year. Actual revenues in 2022-23 were 0.4% (\$35.3 million) lower than this office's previous estimates. Based on preliminary collections information through December, 2023, total year-to-date income tax collections are higher by 2.3% (\$99.0 million) than such receipts during the same time period one year ago.

Over the remainder of 2023-24, individual income tax revenues are projected to increase by 0.6% relative to the same time period in the prior year. A significant factor impacting this

deceleration is the income tax rate reductions enacted under 2023 Act 19, the 2023-25 biennial budget act, which lowered the marginal rates for the two bottom brackets from 3.54% and 4.65% to 3.50% and 4.40%, respectively, beginning in tax year 2023. In addition, the individual income tax withholding tables were last updated on January 1, 2022, since which time significant inflation has occurred. While the taxable income amounts applicable to each bracket are adjusted each year for inflation (8.3% adjustment for tax year 2023), no such indexing has occurred in the withholding tables since 2022. As a result, wages that have merely grown with inflation in the interim would inaccurately suggest, for withholding purposes, that a comparatively greater amount of tax is owed. All else equal, these two factors are expected to create higher refunds when taxpayers file their tax year 2023 individual income tax returns in 2023-24.

An additional factor projected to increase 2023-24 refunds is the resumption of student loan payments (first due in October, 2023). Under federal and state law, student loan interest is deductible from gross income. Student loan repayments, and the accrual of interest on those loans, had been paused for eligible loans since March, 2020. The resumption of student loan payments in October of 2023 is expected to increase deductions taken for the interest on those loans when affected borrowers file their state income tax returns in 2023-24 and 2024-25.

Preliminary data on estimated payments made in January, 2024, suggest that such collections will be lower than those in January, 2023. Historically, January is a significant month for estimated payments, so these lower preliminary collections to date reduce the overall individual income tax estimate in 2023-24. On an annual basis, individual income tax revenues are projected to increase by 1.3% to \$9,540.0 million in 2023-24, which represents a decline of 0.8% relative to the prior estimate.

In 2024-25, total income tax collections are estimated to increase by 3.9% to \$9,910.0 million, which is 1.6% lower than the previous estimate. This decline relative to the prior estimate is primarily attributable to altered assumptions for capital gains realizations throughout 2024, which are now expected to be weaker than previously forecast.

General Sales and Use Tax. State sales and use tax revenues totaled \$7,456.1 million in 2022-23, which was an increase of 6.8% over the prior year. Sales tax revenues are estimated at \$7,605.0 million in 2023-24 and \$7,810.0 in 2024-25, constituting annual growth of 2.0% in 2023-24 and 2.7% in 2024-25. These estimates represent revenue decreases of \$34.5 million in 2023-24 and \$6.9 million in 2024-25, relative to the prior estimates. The decreased estimates are based on lower than previously anticipated 2022-23 collections (\$23.9 million less than the previous forecast) and lower sales tax collections year-to-date. Sales tax collections through December, 2023, are just 1.7% higher than the same period in the prior year, below the 2.5% growth for 2023-24 previously estimated and lagging behind S&P Global's estimates of taxable consumer spending. As such, the revised estimates have been lowered in each year.

Corporate Income/Franchise Tax. Corporate income/franchise taxes were \$2,748.5 million in 2022-23, which was 7.1% less than collections in the previous year. Corporate tax revenues are projected to continue to decline to \$2,590.0 million in 2023-24 (a decrease of 5.8%), and then increase to \$2,715.0 million in 2024-25 (an increase of 4.8%). Compared to previous estimates, this is a downward revision of \$89.4 million and \$92.2 million in 2023-24 and 2024-25, respectively.

The estimate for 2023-24 primarily reflects year-to-date corporate estimated payments, which declined notably (5.8%) compared to the same period through December of last year, as well as a sharp decline in year-to-date pass-through entity tax payments made by partnerships (down 39%). Overall, corporate tax collections are 8.3% lower through December, 2023, relative to the previous year. The estimate also reflects the fiscal effects of law changes enacted to date (including provisions of federal tax law), such as changes made to state and federal law impacting awards for the state supplement to the federal historic rehabilitation credit. Based on anticipated growth in before-tax book profits, and adjusting for law changes, collections are forecast to increase by 4.8% in 2024-25.

Public Utility Taxes. Revenues from public utility taxes totaled \$401.2 million in 2022-23, \$10.2 million higher than previously estimated, and are estimated at \$405.0 million in 2023-24 and \$408.0 million in 2024-25. Year-over-year, these amounts represent an increase of 0.9% in 2023-24 and 0.7% in 2024-25. Relative to the previous estimates, these estimates reflect an increase of \$31.0 million in 2023-24 and \$38.0 million in 2024-25.

The higher overall utility tax estimates are primarily attributable to increased estimates for taxes on private light, heat, and power (PLHP) companies and telecommunications companies. PLHP company tax collections in 2022-23 exceeded the prior estimate by \$11.1 million, partly resulting from the actual 2023 tax assessment exceeding estimates by \$18.7 million. A higher 2023 tax assessment impacts collections for both 2022-23 and 2023-24. In addition, estimates of growth in sales of electricity and natural gas by Wisconsin PLHP companies in 2023 have improved since the previous forecast, further increasing estimates for both 2023-24 and 2024-25.

Since enactment of 2019 Act 128, which provided an exemption from the telecommunications utility tax for certain property providing broadband internet service in rural areas beginning with property installed in 2020, the value of remaining taxable personal property has declined each year. However, the 2023 tax assessment for telecommunications companies exceeded previous estimates by \$11.8 million, driven by an unexpected increase in the value of taxable personal property. This information has led us to revise up our estimates of the future value of taxable personal property held by telecommunications companies, therefore increasing tax estimates over the biennium.

Finally, the Department of Revenue (DOR) has recently determined that, as a result of the personal property tax repeal under 2023 Act 12, the gross revenues utility tax collected from car line companies would be considered federally prohibited. In response, DOR plans to refund \$0.4 million of 2023 payments to all taxpayers in 2023-24 and no longer collect the car line company utility tax in 2024-25. This determination was not considered during deliberations of Act 12.

Excise Taxes. General fund excise taxes are imposed on cigarettes, liquor (including wine and hard cider), other tobacco products, vapor products, and beer. Total excise tax revenues in 2022-23 were \$617.8 million, of which \$444.7 million (72.0%) was from the excise tax on cigarettes. Total excise taxes declined 5.6% in 2022-23, driven by declines of 7.8% and 6.5% in cigarette and tobacco products tax revenues, respectively. Total excise tax revenues are estimated to decrease by 4.7% to \$588.5 million in 2023-24 and by 1.9% to \$577.2 million in 2024-25. Compared to the previous estimates, these amounts are lower by \$5.8 million in 2023-24 and \$7.9 million in 2024-25.

Cigarette tax revenues are estimated at \$413.0 million in 2023-24 and \$397.0 million in

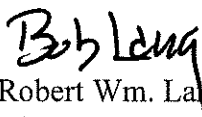
2024-25, constituting annual revenue declines of 7.1% and 3.9%, respectively. These estimates are lower than previously forecast by \$5.6 million in 2023-24 and \$8.2 million in 2024-25. These revisions are largely due to lower than anticipated year-to-date growth in sales of cigarette packs (-7.8%), and a persistent downward trend in annual revenues.

Insurance Premiums Taxes. Insurance premiums taxes were \$223.1 million in 2022-23, \$3.9 million lower than previously estimated. Revenues are projected to increase to \$224.0 million in 2023-24 and \$232.0 million in 2024-25 (growth rates of 0.4% and 3.6%, respectively). Compared to previous estimates, this revision is \$12.0 million lower in 2023-24 and \$14.0 million lower in 2024-25. The new estimates reflect: (a) that actual collections for 2022-23 were lower than had been originally forecast; (b) a decline in year-to-date collections (1.4%) compared to the previous year despite a forecasted increase in national spending on insurance premiums; and (c) trends in historic premiums tax collections.

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 \$112.6 million in 2022-23, of which 87.8% was generated from the RETF. Total miscellaneous tax collections in 2022-23 represented a decline of 17.0% from the prior fiscal year, largely due to rising mortgage rates, which limited both supply of, and demand for, houses. Miscellaneous tax revenues are estimated at \$103.0 million in 2023-24 and \$120.0 million in 2024-25, which is higher than the previous estimate by \$9.0 million in 2024-25. The revised estimate in 2024-25 reflects improved housing market indicators, as compared to the May, 2023, forecast. A combination of a larger volume of existing homes offered for sale and higher existing home prices than previously projected is expected to increase the total RETF collected in 2024-25.

This office will continue to monitor state revenues and expenditures and new economic forecasts, and notify you and your colleagues of any further adjustments that may be necessary.

Sincerely,


Robert Wm. Laug
Director

RWL/lb

cc: Members, Wisconsin Legislature

APPENDIX C
FORM OF BOND COUNSEL OPINION

Upon delivery of the 2024 Series 2 Bonds, Quarles & Brady, LLP, Milwaukee, Wisconsin expects to deliver to the State a legal opinion in substantially the following respective form:

[Letterhead of Quarles & Brady LLP]

, 2024

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

RE: \$175,000,000* State of Wisconsin (**State**)
Transportation Revenue Refunding Bonds, 2024 Series 2
dated , 2024 (**2024 Series 2 Bonds**)

We have acted as bond counsel to the State in connection with the issuance of the 2024 Series 2 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 (the **Commission**) preliminary to and in connection with the issuance of the 2024 Series 2 Bonds.

The 2024 Series 2 Bonds have been authorized and issued pursuant to Subchapter II of Chapter 18 (**Revenue Obligations Act**) and Section 84.59 (the **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" (the "General Resolution"), as amended and supplemented by certain resolutions of the Commission adopted March 19, 1998, August 9, 2000, and October 15, 2003 (collectively, the "Amending Resolutions"); and a resolution of the Commission adopted May 3, 2023, and the determinations of the Capital Finance Director made thereunder in the report to the Commission, dated , 2024 (collectively, the "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 2024 Series 2 Bonds are issued on a parity with certain outstanding transportation revenue bonds (the "Prior Bonds"). The 2024 Series 2 Bonds are issued to pay the costs of refunding certain outstanding Prior Bonds.

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 2024 Series 2 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 2024 Series 2 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 2024 Series 2 Bonds.

*Preliminary; subject to change.

- (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 2024 Series 2 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 2024 Series 2 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 2024 Series 2 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 2024 Series 2 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 2024 Series 2 Bonds.
- (6) The interest on the 2024 Series 2 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 2024 Series 2 Bonds. The interest on the 2024 Series 2 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 (the "Code") on individuals; however, interest on the 2024 Series 2 Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the 2024 Series 2 Bonds in order for interest on the 2024 Series 2 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 2024 Series 2 Bonds to be included in gross income retroactively to the date of issuance of the 2024 Series 2 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 2024 Series 2 Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the 2024 Series 2 Bonds. Further, we express no opinion regarding tax consequences arising with respect to the 2024 Series 2 Bonds other than as expressly set forth herein.

Except as expressly set forth in (3) above regarding the priority of the 2024 Series 2 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 2024 Series 2 Bonds and the enforceability of the 2024 Series 2 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

OUTSTANDING BONDS REFUNDED BY THE 2024 SERIES 2 BONDS*

Series	Dated Date	Principal Amount	Interest Rate	Maturity	CUSIP^(a)	Settlement or Redemption Date	Purchase or Redemption Price
<i>Purchased Bonds</i>							

Current Refunded Bonds

^(a) CUSIP numbers have been obtained from sources the State believes to be reliable, but the CUSIP numbers are subject to change after issuance of the Refunded Bonds, and the State takes no responsibility for the correctness of the CUSIP numbers.
*Preliminary; subject to change.



APPENDIX B

FORM OF PRICING NOTICE

**RELATING TO THE
INVITATION TO TENDER BONDS DATED MARCH 4, 2024
made by
STATE OF WISCONSIN**

to the Holders described herein of all or any portion of the maturities of the

STATE OF WISCONSIN

**Transportation Revenue Refunding Bonds, 2017 Series 2
Transportation Revenue Refunding Bonds, 2020 Series 1 (Taxable)
Transportation Revenue Refunding Bonds, 2021 Series 1 (Taxable)**

The purpose of this Pricing Notice, dated [_____], 2024 (the "Pricing Notice") is to either confirm or amend the Purchase Prices for the Tax-Exempt Bonds subject to the Tender Offer and the Fixed Spreads for the Taxable Bonds. [Except as provided below with respect to the Benchmark Treasury Securities, all] [All] other terms relating to the Tender Offer (hereinafter defined) remain unchanged.

Pursuant to the Invitation to Tender Bonds dated March 4, 2024 (as it may be amended or supplemented, the "**Tender Offer**"), the State of Wisconsin, acting through the State of Wisconsin Building Commission (the "**State**"), invited offers to tender Bonds for cash, (a) with respect to the Taxable Bonds, at the applicable purchase prices based on a fixed spread to be added to the yields on certain benchmark United States Treasury Securities set forth in this Pricing Notice, and (b) with respect to the Tax-Exempt Bonds, at the applicable purchase prices set forth in this Pricing Notice, plus, in each case, Accrued Interest on the Bonds tendered for purchase to but not including the Settlement Date. All terms used herein and not otherwise defined are used as defined in the Tender Offer.

As set forth in the Tender Offer, the State retains the right to extend the Tender Offer, or amend the terms of the Tender Offer (including a waiver of any term) in any material respect, provided, that the State shall provide notice of any such extension or amendment no less than five (5) business days prior to the Expiration Date, as it may be extended. In such event, any offers submitted with respect to the affected Bonds prior to such change in the Purchase Price or Fixed Spreads for such Bonds pursuant to the Tender Offer will remain in full force and effect and any Bondholder of such affected Bonds as applicable, wishing to revoke their offer to tender such Bonds for purchase must affirmatively withdraw such offer prior to the Expiration Date, as extended.

[Bondholders should note that, as indicated herein, the Benchmark Security Treasuries used to determine the Fixed Spreads have changed from those referenced in the Tender Offer.]

The Tender Offer, including the Preliminary Official Statement relating to the State of Wisconsin Transportation Revenue Refunding Bonds, 2024 Series 2 is available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Bonds, and (ii) on the website of the Information Agent at www.globic.com/wisconsin.

Any questions are to be directed to the Information Agent at (212) 227-9622.

TENDER OFFER – PURCHASE PRICES (TAX-EXEMPT BONDS)

Pursuant to the Tender Offer, the Purchase Prices for the Tax-Exempt Bonds are listed below. The Purchase Price to be paid on the Settlement Date excludes Accrued Interest on the Tax-Exempt Bonds tendered for purchase, which interest will be paid to but not including the Settlement Date in addition to the Purchase Price.

[INSERT TABLE]

TENDER OFFER – YIELD SPREADS (TAXABLE BONDS)

Pursuant to the Tender Offer, the Fixed Spreads for the Taxable Bonds are listed below. The Purchase Price to be paid on the Settlement Date excludes Accrued Interest on the Taxable Bonds tendered for purchase, which interest will be paid to but not including the Settlement Date in addition to the Purchase Price.

[INSERT TABLE]

The yields on the Benchmark Treasury Securities will be determined at [10:00 AM] on [____], [____], 2024.

Example based on the following closing yields for the Benchmark Treasury Securities as of [____], 2024 and the Fixed Spreads: The tables below provide an example of the Purchase Price realized by a Bondholder that submits an offer based on the following yields for the Benchmark Treasury Securities as of [____], 2024 and the Fixed Spreads. This example is being provided for convenience only and is not to be relied upon by a Bondholder as an indication of the Purchase Yield or Purchase Price that may be paid by the State.

Based on these Benchmark Treasury Security yields, the following Purchase Prices would be derived:

[INSERT TABLE]

As a measure of the sensitivity of the Purchase Yield to changes in the yield on the Benchmark Treasury Security, the following table shows the impact on the Purchase Yield of a 0.10% (10 basis point) movement in the yield on the Benchmark Treasury Security

[INSERT TABLE]