

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 6, 2025

New Issue

This Official Statement provides information about the Bonds. Some of the information appears on this cover page for ready reference. To make an informed investment decision, a prospective investor should read the entire Official Statement, including all appendices attached hereto.

\$267,080,000*

STATE OF WISCONSIN GENERAL OBLIGATION BONDS OF 2025, SERIES B

Dated: Date of Delivery

Due: May 1, as shown below

Ratings

Kroll Bond Rating Agency, LLC
Moody's Investors Service, Inc.
S&P Global Ratings

Tax Exemption

Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (Code) and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations on which the federal alternative minimum tax is imposed under the Code—*See page 8.*

Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes—*See page 10.*

Redemption*

The Bonds maturing on or after May 1, 2035 are callable at par on November 1, 2034 or on any date thereafter—*See page 2.*

The Bonds maturing on May 1, are subject to mandatory sinking fund redemption at par—*See page 3.*

Security

General obligations of the State of Wisconsin—*See page 2.*

Purpose

Bond proceeds are being used for various general governmental purposes—*See page 4.*

Interest Payment Dates May 1 and November 1

First Interest Payment Date November 1, 2025

Denominations Multiples of \$5,000

Closing/Settlement On or about , 2025

Bond Counsel Foley & Lardner LLP

Registrar/Paying Agent Secretary of Administration

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

Book-Entry System The Depository Trust Company—*See page 4.*

2024 Annual Report This Official Statement incorporates by reference, and makes updates and additions to, Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 20, 2024—*See page 11 and APPENDIX A.*

The Bonds were sold at competitive sale on , 2025. The interest rates payable by the State, which are shown below, resulted from the award of the Bonds.

CUSIP (97705M)	Due (May 1)*	Principal Amount*	Interest Rate	First Optional Call Date (November 1)*	Call Price*
	2027	\$13,730,000		Not Callable	—
	2028	14,120,000		Not Callable	—
	2029	14,550,000		Not Callable	—
	2030	8,940,000		Not Callable	—
	2031	9,305,000		Not Callable	—
	2032	9,710,000		Not Callable	—
	2033	10,145,000		Not Callable	—
	2034	10,630,000		Not Callable	—
	2035	11,265,000		2034	100%
	2036	164,685,000		2034	100

Purchase Price: \$

, 2025

* Preliminary; subject to change. The Capital Finance Director will most likely, after selection of the winning bid, adjust the principal amounts of some or all maturities, or mandatory sinking fund payments, which could change the aggregate par amount of the Bonds. See "Adjustment of Principal Amounts and Purchase Price" in the Official Notice of Sale. In addition, each bid must specify whether the principal amount of Bonds payable on a particular date will be a payment at maturity of a serial bond or a mandatory sinking fund payment of a term bond.

**ELECTRONIC BIDS FOR THE BONDS WILL BE RECEIVED AT 9:45 AM (CENTRAL TIME)
ON AUGUST 12, 2025**

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.

This document is called an official statement because it is the only document the State has authorized for providing information about the Bonds. This document is not an offer or solicitation for the Bonds, and no unlawful offer, solicitation, or sale may occur through the use of this document or otherwise. Prospective investors should consult their advisors and legal counsel with questions about this document, the Bonds, and anything else related to the offering.

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

Certain statements in this document are forward-looking statements that are based on expectations, estimates, projections, or assumptions. Forward-looking statements contained in this document are made as of the date hereof, and the State undertakes no obligation to update such statements to reflect subsequent events or circumstances. Actual results could differ materially from the anticipated results.

Some of the people who prepared, compiled, or reviewed the information in this document had specific functions that covered some of its aspects but not others. For example, financial staff may have been asked to assist with quantitative financial information, and legal counsel, with specific documents or legal issues.

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

The 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 has passed upon the accuracy or adequacy of this Official Statement.

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STATE OFFICIALS PARTICIPATING IN ISSUANCE AND SALE OF BONDS

BUILDING COMMISSION MEMBERS*

Voting Members

Governor Tony Evers, Chairperson	Term of Office Expires January 4, 2027
Representative Rob Swearingen, Vice Chairperson	January 4, 2027
Senator André Jacque	January 4, 2027
Senator Mary Felzkowski	January 3, 2029
Senator Brad Pfaff	January 3, 2029
Representative Jill Billings	January 4, 2027
Representative Robert Wittke	January 4, 2027
Ms. Barb Worcester, Citizen Member	At the pleasure of the Governor

Nonvoting, Advisory Member

Mr. Kevin Trinastic, State Ranking Architect Department of Administration	—
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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
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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

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 BONDS

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

Description:	State of Wisconsin General Obligation Bonds of 2025, Series B
Principal Amount:	\$267,080,000*
Denominations:	Multiples of \$5,000
Date of Issue:	Date of delivery (on or about , 2025)
Record Date:	April 15 and October 15
Interest Payments:	May 1 and November 1, beginning November 1, 2025
Maturities:	May 1, 2027-36*— <i>See front cover.</i>
Redemption*:	<i>Optional</i> —The Bonds maturing on or after May 1, 2035 are callable at par on November 1, 2034 or on any date thereafter— <i>See page 2.</i> <i>Sinking Fund</i> —The Bonds maturing on May 1, are subject to mandatory sinking fund redemption at par— <i>See page 3.</i>
Form:	Book-entry-only— <i>See page 4.</i>
Paying Agent:	All payments of principal of, and interest on, the Bonds will be paid by the Secretary of Administration. All payments will be made to The Depository Trust Company, which will distribute payments to DTC Participants as described herein.
Security:	The Bonds are general obligations of the State of Wisconsin. As of July 1, 2025, general obligations of the State were outstanding in the principal amount of \$6,513,622,000.
Additional General Obligation Debt:	The State may issue additional general obligation debt— <i>See page 5.</i>
Authority for Issuance:	The Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes.
Purpose:	Acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, equipment, or facilities for public purposes.
Legality of Investment:	State law provides that the Bonds are legal investments for all banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, and other persons or entities carrying on a banking business; for all personal representatives, guardians, trustees, and other fiduciaries; and for the State and all public officers, municipal corporations, political subdivisions, and public bodies.
Tax Exemption:	Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals under the Code; however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations on which the federal alternative minimum tax is imposed under the Code— <i>See page 8.</i> Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes— <i>See page 10.</i>
Legal Opinion:	Validity and tax opinion to be provided by Foley & Lardner LLP— <i>See page C-1.</i>
2024 Annual Report:	This Official Statement incorporates by reference, and makes updates and additions to, Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 20, 2024— <i>See page 11 and APPENDIX A.</i>
Bidding Requirements:	A bid must be for all of the Bonds. The award will be made at the lowest true-interest-cost rate for the Bonds calculated to the expected delivery date— <i>See Official Notice of Sale.</i>

* Preliminary; subject to change. In addition, each bid must specify whether the principal amount of Bonds payable on a particular date will be a payment at maturity of a serial bond or a mandatory sinking fund payment of a term bond.

OFFICIAL STATEMENT
\$267,080,000*
STATE OF WISCONSIN
GENERAL OBLIGATION BONDS OF 2025, SERIES B
INTRODUCTION

This Official Statement provides information about the \$267,080,000* General Obligation Bonds of 2025, Series B (**Bonds**), which are being issued by the State of Wisconsin (**State**). This Official Statement incorporates by reference, and makes updates and additions to, **Parts I, II, and III** of the State of Wisconsin Continuing Disclosure Annual Report, dated December 20, 2024 (**2024 Annual Report**).

The Bonds are authorized under the Wisconsin Constitution and the Wisconsin Statutes, and are being issued pursuant to 2025 State of Wisconsin Building Commission Resolution 6 adopted on August 6, 2025 (**Resolution**) by the State of Wisconsin Building Commission (**Commission**).

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

The Commission has authorized the Department of Administration to prepare this Official Statement. This Official Statement contains information furnished by the State or obtained from the sources indicated.

THE STATE

The State is located in the Midwest among the northernmost tier of states. The State ranks 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, its financial condition, and its general obligation debt is included as **APPENDIX A**, which incorporates by reference **Parts II and III** of the 2024 Annual Report. **APPENDIX A** also makes updates and additions to Part II of the 2024 Annual Report, including:

- Estimated General Fund condition statement for the 2024-25 fiscal year and estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years, as included in a report provided by the Legislative Fiscal Bureau (**LFB**) on January 29, 2025 (**January 2025 LFB Report**).
- Estimated General Fund condition statement for the 2024-25 fiscal year and estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years, as included in a report provided by the LFB on May 15, 2025 (**May 2025 LFB Report**).
- General Fund information for the 2024-25 fiscal year through June 30, 2025, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the 2025-26 fiscal year, which is presented on a cash basis.
- Information about the enacted budget for the 2025-27 biennium (**2025 Wisconsin Act 15**).

*Preliminary; subject to change.

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

Contact: Capital Finance Office
Attn: Capital Finance Director
Phone: (608) 267-1836
Mail: State of Wisconsin Department of Administration
101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
E-mail: DOACapitalFinanceOffice@wisconsin.gov
Websites: doa.wi.gov/capitalfinance
wisconsinbonds.com

THE BONDS

General

The **front cover of this Official Statement** sets forth the maturity dates, principal amounts, interest rates, and redemption provisions for the Bonds. The 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 The Depository Trust Company, New York, New York (**DTC**), as the securities depository for the Bonds. See **“THE BONDS; Book-Entry-Only Form”**.

The Bonds will be dated their date of delivery (expected to be _____, 2025) and will bear interest from that date, payable on May 1 and November 1 of each year, beginning on November 1, 2025.

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

The Bonds are being issued as fully-registered bonds in principal denominations of \$5,000 or multiples of \$5,000.

Security

The Bonds are direct and general obligations of the State. The Wisconsin Constitution pledges the full faith, credit, and taxing power of the State to make principal and interest payments on general obligations, and requires the Legislature to provide for their payment by appropriation. The Wisconsin Statutes establish, as security for the payment of all debt service on general obligations, a first charge upon all revenues of the State. Further, a sufficient amount of those revenues is irrevocably appropriated for the payment of the principal of, and interest on, general obligations, so that no subsequent legislative action is required to release such revenues. The Bonds are secured on parity with all other outstanding general obligations issued by the State.

Redemption Provisions*

Optional Redemption or Purchase

The Bonds maturing on or after May 1, 2035 may be redeemed on November 1, 2034 or on any date thereafter, in whole or in part in multiples of \$5,000, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the redemption date. The Commission may decide whether to redeem the Bonds, and the Capital Finance Director of the State may direct the amounts and maturities of any Bonds to be redeemed.

* Preliminary; subject to change. In addition, each bid must specify whether the principal amount of Bonds payable on a particular date will be a payment at maturity of a serial bond or a mandatory sinking fund payment of a term bond.

Bonds that are subject to optional redemption may instead be purchased by the State at a purchase price equal to 100% of the principal amount to be purchased, plus accrued interest to the purchase date. Bonds so purchased may be remarketed by the State.

Any such redemption or purchase is conditioned on the receipt by the Paying Agent (as defined below) of sufficient funds to pay the redemption or purchase price.

Mandatory Sinking Fund Redemption

The Bonds maturing on May 1, (**Term Bonds**) are subject to redemption before their maturity date at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the redemption date, from mandatory sinking fund payments that are required to be made in amounts sufficient to redeem, on May 1 of each of the years set forth below, the respective principal amounts of the **Term Bonds** specified below:

Redemption Date <u>(May 1)</u>	Principal <u>Amount</u>
---	--

(a) Stated maturity

Optional redemption (or any purchase by the State in lieu of redemption) of the **Term Bonds** will be applied to reduce the mandatory sinking fund payments established for the **Term Bonds** so redeemed or purchased in such order and manner as the Capital Finance Director will direct.

Selection of Bonds

If less than all the Bonds are to be redeemed or purchased at the option of the State, the particular maturities of the Bonds to be redeemed or purchased will be determined by the Capital Finance Director.

So long as the Bonds are in book-entry-only form, selection of the beneficial owners affected by the redemption or purchase will be made by the securities depository and its participants in accordance with their rules.

Notice of Redemption

So long as the Bonds are in book-entry-only form, notice of any redemption or purchase in lieu of redemption will be sent to the securities depository between 20 and 60 days before the redemption date.

Any notice of redemption (or purchase in lieu of redemption) may provide that the State retains the right to rescind the notice, and the related redemption or purchase, by giving a notice of rescission to the securities depository at any time prior to the scheduled redemption or purchase date.

Interest on any Bond called for redemption will cease to accrue on the redemption date so long as the Bond is paid or money is provided for its payment.

Registration and Payment of Bonds

So long as the Bonds are in book-entry-only form, payment of the principal or purchase price of, and interest on, the Bonds on each payment date will be made by wire transfer to the securities depository or its nominee by the **Paying Agent**—which is the Secretary of Administration.

Ratings

The following ratings have been assigned to the Bonds:

<u>Rating</u>	<u>Rating Agency</u>
	Kroll Bond Rating Agency, LLC
	Moody's Investors Service, Inc.
	S&P Global Ratings

Explanations of what a rating means may only be obtained from the rating agency 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. Any downgrade or withdrawal of a rating may adversely affect the market price of the Bonds. The State may elect not to continue requesting ratings on the Bonds from any particular rating agency or may elect to request ratings on the Bonds from a different rating agency.

Application of Bond Proceeds

The Wisconsin Legislature has established the borrowing purposes and amounts for which public debt may be issued. **APPENDIX B** presents a summary of the borrowing purposes and the amounts both authorized for, and previously attributed to, each borrowing purpose from the proceeds of general obligations (including, in some cases, purchase premium and interest earnings). **APPENDIX B** also presents the borrowing purposes and amounts for which Bond proceeds have been authorized and are expected to be used.

Bond proceeds will be deposited in the State's Capital Improvement Fund and will be spent as the State incurs costs for the various borrowing or issuance purposes. Until spent, the money will be invested by the State of Wisconsin Investment Board.

Book-Entry-Only Form

The Bonds are being initially issued in book-entry-only form. Purchasers of the Bonds will not receive bond certificates but instead will have their ownership in the Bonds 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 a securities depository for the Bonds. Ownership of the 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 Bonds must be made, directly or indirectly, through DTC Participants.

Payment

The State will make all payments of principal or purchase price of, and interest on, the Bonds to DTC. Owners of the Bonds will receive payments through the DTC Participants.

Notices and Voting Rights

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

Redemption or Purchase

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

Discontinued Service

In the event that participation in DTC's book-entry system were to be discontinued without a successor securities depository being appointed, 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 is not responsible for any information available on DTC's website. That information may be subject to change without notice.

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

Redemption and Payment if Bonds Are Not in Book-Entry-Only Form

In the event the Bonds were not in book-entry-only form, how the Bonds are redeemed (or purchased in lieu of redemption) and paid would differ from the descriptions above. Bonds would be selected for redemption or purchase by lot. Notice of any redemption or purchase would be mailed, postage prepaid, between 20 and 60 days before the redemption date, to the registered owners of any Bonds to be redeemed or purchased. Any notice of redemption (or purchase in lieu of redemption) could provide that the State retains the right to rescind the notice, and the related redemption or purchase, by giving a notice of rescission to the affected registered owners at any time prior to the scheduled redemption or purchase date.

Payment of principal or purchase price would be made by check or draft issued upon the presentation and surrender of the Bonds at the principal office of the Paying Agent, as designated by the Commission. Payment of interest due on the Bonds would be made by check or draft mailed to the registered owner shown in the registration book at the close of business on the record date—which is the 15th day (whether or not a business day) of the calendar month before the interest payment date.

OTHER INFORMATION

Limitations on Issuance of General Obligations

General obligations issued by the State are subject to debt limits set forth in the Wisconsin Constitution and the Wisconsin Statutes. There is an annual debt limit of three-quarters of one percent, and a cumulative debt limit of five percent, of the aggregate value of all taxable property in the State. Currently, the annual debt limit is \$6,805,610,378, and the cumulative debt limit is \$45,370,735,850. Funding or refunding obligations are not subject to the annual limit but are accounted for in applying the cumulative debt limit. Accrued interest on any obligation that is not paid during the fiscal year in which it accrues is treated as debt and taken into account for purposes of the debt limitations.

As of July 1, 2025, general obligations of the State were outstanding in the principal amount of \$6,513,622,000. The issuance of the Bonds will not cause the State to exceed its annual debt limit or its cumulative debt limit.

Borrowing Plans

General Obligations

The Bonds will be the fifth series of general obligations to be issued in calendar year 2025. The State has previously issued four series of general obligations in calendar year 2025, including:

- two series of general obligations in the aggregate principal amount of \$343 million for the refunding of general obligations previously issued for general government purposes;
- one series of general obligations in the principal amount of \$454 million for payment of the purchase price and refunding of general obligations previously issued for general governmental purposes; and

- one series of general obligations in the principal amount of \$252 million for general governmental purposes.

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

- Up to \$500 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 on, among other factors, market conditions.
- General obligations for the funding of the State's outstanding general obligation extendible municipal commercial paper notes (**EMCP Notes**), which were outstanding in the aggregate principal amount of \$127 million as of July 1, 2025. The amount and timing of any issuance of general obligations for the funding of the EMCP Notes depend on a decision to fund such obligations with a different form of variable-rate obligations or with bonds bearing fixed interest rates.

Other Obligations – Transportation Revenue Obligations

The State has issued one series of transportation revenue refunding obligations in calendar year 2025, in the principal amount of \$144 million, for the refunding of outstanding transportation revenue bonds. The Commission has authorized up to \$300 million of transportation revenue refunding obligations to refund outstanding transportation revenue bonds. The amount and timing of any issuance of any additional transportation revenue refunding obligations depend on, among other factors, market conditions.

The Commission has authorized up to \$50 million of transportation revenue obligations for the financing of transportation facilities and highway projects. The amount and timing of any sale and issuance of transportation revenue obligations for the financing of transportation facilities and highway projects depend on, among other factors, the timing and amount of expenditures for such projects and market conditions.

Other Obligations – General Fund Annual Appropriation Bonds

The State has not issued any general fund annual appropriation refunding bonds in calendar year 2025. The amount and timing of any issuance of any general fund annual appropriation refunding bonds depend on, among other factors, market conditions.

Other Obligations – Environmental Improvement Fund Revenue Bonds

The State has previously issued one series of environmental improvement fund revenue refunding bonds in the principal amount of \$29 million to refund outstanding environmental improvement fund revenue bonds. The Commission has authorized up to \$121 million of additional environmental improvement fund revenue refunding bonds to refund outstanding environmental improvement fund revenue bonds. The sale and issuance of any additional environmental improvement fund revenue refunding bonds depend on, among other factors, market conditions.

On August 5, 2025, the State sold one series of environmental improvement fund revenue bonds in the principal amount of \$100 million, for the purpose of making loans under the State's Environmental Improvement Fund, for delivery on or about August 21, 2025. The Commission has authorized up to \$50 million (assuming delivery on August 21, 2025 of the environmental improvement fund revenue bonds that were sold on August 5, 2025) of additional environmental improvement fund revenue bonds for the purpose of making loans under the State's Environmental Improvement Fund. The sale and issuance of any additional environmental improvement fund revenue bonds for the purpose of making loans under the State's Environmental Improvement Fund depend on, among other factors, the timing and amount of disbursements from the environmental improvement fund and market conditions.

Other Obligations – Master Lease Certificates of Participation

The State has not issued any master lease certificates of participation in calendar year 2025. The amount and timing of any issuance of master lease certificates of participation depend on, among other factors, originations in the State's master lease program and market conditions.

Underwriting

The Bonds were purchased through competitive bidding on _____, 2025 by the following account
(Underwriters).

The Underwriters paid \$ _____, and their bid resulted in a true-interest-cost rate to the State of ____%.

Reference Information About the Bonds

Information about the Bonds is provided for reference in both the following table and the **table on the front cover** of this Official Statement. The CUSIP number for each maturity has been obtained from a source the State believes to be reliable, but the State is not responsible for the correctness of the CUSIP numbers. The Underwriters have provided the reoffering yields and prices for the Bonds. For each of the 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.

\$267,080,000*

State of Wisconsin

General Obligation Bonds of 2025, Series B

Dated Date: Date of Delivery

First Interest Payment Date: November 1, 2025

Delivery/Settlement Date: On or about _____, 2025

CUSIP (97705M)	Due (May 1)*	Principal Amount*	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date (November 1)*	Call Price*
	2027	\$13,730,000				Not Callable	—
	2028	14,120,000				Not Callable	—
	2029	14,550,000				Not Callable	—
	2030	8,940,000				Not Callable	—
	2031	9,305,000				Not Callable	—
	2032	9,710,000				Not Callable	—
	2033	10,145,000				Not Callable	—
	2034	10,630,000				Not Callable	—
	2035	11,265,000				2034	100%
	2036	164,685,000				2034	100

*Preliminary; subject to change. The Capital Finance Director will most likely, after selection of the winning bid, adjust the principal amount of any or all maturities, or mandatory sinking fund payments, which could change the aggregate par amount of the Bonds. In addition, each bid must specify whether the principal amount of Bonds payable on a particular date will be a payment at maturity of a serial bond or a mandatory sinking fund payment of a term bond.

Legal Investment

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

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

Legal Opinions

Bond Opinion

Legal matters relating to the authorization, issuance, and sale of the Bonds are subject to the approval of Foley & Lardner LLP (**Bond Counsel**). When the Bonds are delivered, Bond Counsel will deliver an approving opinion in substantially the form shown in **APPENDIX C**. If certificated Bonds were issued, then the opinion would be printed on the reverse side of each Bond.

Attorney General

As required by law, the office of the Attorney General will examine a certified copy of all proceedings leading to issuance of the Bonds. When the Bonds are delivered, the Attorney General will deliver an opinion on the regularity and validity of the proceedings with respect to the Bonds. 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 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 Bonds, (2) the validity of the Bonds or any of the proceedings taken with respect to the issuance, sale, execution, or delivery of the Bonds, or (3) the pledge or application of any moneys or security provided for the payment of the Bonds.

If certificated Bonds were issued, then a certificate of the Attorney General would be printed on the reverse side of each Bond.

Other Legal Matters

The State and its officers and employees are defendants in numerous lawsuits. The State does not expect that any pending litigation will be finally determined so as to result individually or in the aggregate in final judgments against the State that would materially affect the State's ability to pay the principal of and interest on the Bonds.

TAX MATTERS

Federal Tax Considerations

Opinion of Bond Counsel

In the opinion of Bond Counsel, as more fully described below, under existing law and assuming continuing compliance by the State with certain tax covenants, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (**Code**), and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals under the Code; however, interest on the Bonds is included in determining the "adjusted financial statement income" of certain corporations on which the federal alternative minimum tax is imposed under the Code.

The foregoing opinion of Bond Counsel is subject to the condition that the State complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be excludable from gross income for federal income tax purposes. The State has covenanted in the Resolution and the Tax Certificate of the State delivered on the date of delivery of the Bonds, as supplemented (**Tax Certificate**) to comply with those requirements.

The scope of the foregoing opinion of Bond Counsel is limited to matters addressed above and no opinion is expressed by Bond Counsel regarding other federal income tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. In rendering such opinions, Bond Counsel further assumes and relies upon (i) without undertaking to verify the same by independent investigation, the accuracy of the representations, statements of intention and reasonable expectation, and certifications of fact of the State with respect to matters affecting the excludability of interest on the Bonds from gross income for federal income tax purposes under the Code; and (ii) continuing compliance by the State with the applicable requirements of the Code as to such tax matters and the procedures, agreements and covenants set forth in the Resolution and the Tax Certificate that must be met subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes.

Bond Counsel has not been engaged or retained to monitor post-issuance compliance. Failure of the State to comply with such requirements may cause the interest on the Bonds to not be excludable from gross income for federal income tax purposes retroactively to the date of issuance of the Bonds irrespective of the date on which such noncompliance occurs or is ascertained.

Bond Counsel's opinions set forth above are based upon current facts and circumstances, and upon existing law and interpretations thereof, as of the date such opinions are delivered and Bond Counsel assumes no affirmative obligation to update, revise or supplement such opinions to reflect any action thereafter taken or not taken or if such facts or circumstances, or laws or interpretations thereof, change after the date of such opinions, including, without limitation, changes that adversely affect the excludability of interest on the Bonds, even if such actions, inactions or changes come to Bond Counsel's attention. Further, such opinions are limited solely to the matters stated therein, and no opinion is to be implied or is intended beyond the opinions expressly stated therein. Moreover, the opinion of Bond Counsel is only an opinion and not a warranty or guaranty of the matters discussed or of a particular result, and is not binding on the Internal Revenue Service (**IRS**) or the courts.

Prospective investors should also be aware that ownership of the Bonds may result in adverse tax consequences under the laws of various states and local jurisdictions. Other than as described below, Bond Counsel expresses no opinion regarding any state or local tax consequences of acquiring, carrying, owning or disposing of the Bonds. Prospective purchasers of the Bonds should consult their tax advisors as to any state and local tax consequences to them of owning the Bonds.

Original Issue Discount Bonds

Under existing law, any original issue discount on the Bonds is excluded from gross income for federal income tax purposes to the same extent, and subject to the same considerations, discussed herein as interest payable on such Bonds. The original issue discount is the excess of the principal amount of a Bond over the issue price of that Bond. The issue price of the Bonds of a given series having a common maturity date and interest rate generally is the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Bonds were first sold. Based on representations from the Underwriters, the State expects the issue price of each maturity of each series of the Bonds to be the Price at Issuance set forth in the table under "**OTHER INFORMATION; Reference Information About the Bonds**".

Original issue discount on tax-exempt obligations accrues on a constant-yield-to-maturity method based on regular compounding. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period and will increase the owner's tax basis in the

obligations. The adjusted tax basis will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of the obligations.

Owners of Bonds with original issue discount should consult their own tax advisors with respect to the federal tax consequences of owning such Bonds, including the computation of accrued original issue discount and the accrual of original issue discount allocable to owners that do not purchase their Bonds in the initial offering at the issue price.

Owners of Bonds with original issue discount should also consult their own tax advisors with respect to the state and local tax consequences of owning such Bonds. Under the applicable provisions governing the determination of state and local taxes, ownership of Bonds with original issue discount may result in a tax liability in the year of accrual, even though there will not be a corresponding cash payment until a later year.

Premium Bonds

Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, such as the Bonds, the interest on which is excluded from gross income for federal income tax purposes.

During each taxable year, an owner of Bonds with amortizable bond premium must reduce his, her, or its tax basis in the Bond by the amount of the amortizable bond premium that is allocable to the portion of that taxable year during which the owner owned the Bond. The adjusted tax basis in a Bond will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, or payment at maturity) of the Bond.

Owners of Bonds purchased at a premium should consult their own tax advisors with respect to the federal tax consequences of owning such Bonds, including computation of their tax basis and the effect of any purchase of Bonds that is not made in the initial offering at the issue price. Owners of such Bonds should also consult their own tax advisors with respect to the state and local tax consequences of owning those Bonds.

Certain Collateral Federal Income Tax Consequences

Prospective purchasers of the Bonds should be aware that ownership of, receipt or accrual of interest on, or disposition of, tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S Corporations with “excess net passive income” and foreign corporations subject to the branch profits tax, individuals eligible to receive the earned income tax credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Bonds. These items do not purport to address all aspects of federal taxation that may be relevant to a particular owner of any Bonds. Bond Counsel has not expressed an opinion regarding the collateral federal income tax consequences that may arise with respect to the Bonds.

State Tax Considerations

General

In addition to the federal income tax consequences described above, potential investors should consider the state income tax consequences of the acquisition, ownership, and disposition of the Bonds. State income tax law may differ substantially from the corresponding federal law, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to the various state tax consequences of an investment in the Bonds.

State of Wisconsin Income and Franchise Taxes

Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes.

Miscellaneous Tax Considerations

Tax legislation or administrative actions by tax authorities and court decisions, at either the federal, state or local level, may adversely affect the tax-exempt status of interest on the Bonds under federal, state or local law or otherwise prevent the beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation (whether currently proposed, proposed in the future or enacted), administrative actions or court decisions could affect the market price or marketability of the Bonds.

It is not possible to predict whether any tax legislation or administrative actions by tax authorities or court decisions having an impact on the federal, state or local income tax treatment of the Bonds may or may not occur and Bond Counsel expresses no view with respect thereto. Prospective purchasers of the Bonds are encouraged to consult their own tax advisors regarding any tax legislation or administrative actions by taxing authorities or court decisions having an impact on the federal, state or local income tax treatment of the Bonds.

No private letter ruling has been or will be sought by the State from the IRS with respect to the Bonds or the property financed or refinanced with proceeds of the Bonds. No assurances can be given as to whether or not the IRS will open an audit of the Bonds to determine whether the interest thereon is includible in gross income for federal income tax purposes or as to whether the IRS would agree with the opinions of Bond Counsel, as described herein. If the IRS opens an audit of the Bonds, under current IRS procedures, the IRS will treat the State as the taxpayer, and the owners of the Bonds may have no right to participate.

The Resolution does not require the State to redeem the Bonds or to pay any additional interest or penalty in the event the interest on the Bonds becomes taxable.

The federal income tax consequences from the purchase, ownership and redemption, sale or other disposition of Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Purchasers of the Bonds at other than their original issuance at the respective prices indicated on the inside cover of this Official Statement should consult their own tax advisors regarding other tax considerations.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE INVESTORS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

CONTINUING DISCLOSURE

The State has made an undertaking to enable brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the 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. In the undertaking, the State has agreed, for the benefit of the beneficial owners of the Bonds, to provide an annual report presenting certain financial information and operating data about the State (**Annual Reports**). The State has agreed to file the Annual Report with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system by December 27th of each year. The State has also agreed to provide to the MSRB notices of the occurrence of certain events specified in the undertaking.

[Part I of the 2024 Annual Report](#), which contains information on the undertaking, including the State's Master Agreement on Continuing Disclosure (Amended and Restated March 1, 2019), the Addendum Describing

Annual Report for General Obligations, and the form of Supplemental Agreement that will apply the Master Agreement and the Addendum to the Bonds, is included by reference as part of this Official Statement.

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

State of Wisconsin Department of Administration
Attn: Capital Finance Office
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 any such failure to the MSRB. In the last five years, the State has not failed to comply in any material respect with the undertaking, or any similar undertaking.

Dated: , 2025

STATE OF WISCONSIN

Governor Tony Evers, Chairperson
State of Wisconsin Building Commission

Kathy K. Blumenfeld, Secretary
State of Wisconsin Department of Administration

Naomi De Mers, Secretary
State of Wisconsin Building Commission

APPENDIX A

CERTAIN INFORMATION ABOUT THE STATE

This Appendix includes by reference information concerning the State of Wisconsin (**State**), contained in [Parts II and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 20, 2024 \(2024 Annual Report\)](#), which can be obtained as described below. This Appendix also makes updates and additions to the information presented in Part II of the 2024 Annual Report, including but not limited to:

- Estimated General Fund condition statement for the 2024-25 fiscal year and estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years, as included in a report provided by the Legislative Fiscal Bureau (**LFB**) on January 29, 2025 (**January 2025 LFB Report**).
- Estimated General Fund condition statement for the 2024-25 fiscal year and estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years, as included in a report provided by the LFB on May 15, 2025 (**May 2025 LFB Report**).
- General Fund information for the 2024-25 fiscal year through June 30, 2025, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the 2025-26 fiscal year, which is presented on a cash basis.
- Information about the enacted budget for the 2025-27 biennium (**2025 Wisconsin Act 15**).

[Part II of the 2024 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 2023-24 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, 2024, 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 2024 Annual Report.

[Part III of the 2024 Annual Report](#) contains information concerning general obligations issued by the State. That part discusses the security provisions for general obligations (including the flow of funds to pay debt service on general obligations) and presents data about the State's outstanding general obligations and the portion of outstanding general obligations that is revenue supported.

The 2024 Annual Report, the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024, the January 2025 LFB Report, and the May 2025 LFB Report were filed with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system. A complete copy

of the May 2025 LFB Report, which includes national economic indicators and their application to the State's General Fund tax revenue estimates, is included at the end of this Appendix. The 2024 Annual Report, the Annual Comprehensive Financial Report, the January 2025 LFB Report, and the May 2025 LFB Report 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 respective addresses:

doa.wi.gov/capitalfinance

wisconsinbonds.com

Copies of the 2024 Annual Report, the January 2025 LFB Report, and the May 2025 LFB 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 website 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 2024 Annual Report. The State is not obligated to update or provide such reports at any time in the future.

After publication and filing of the 2024 Annual Report, certain changes or events have occurred that affect items discussed in the 2024 Annual Report. Listed below, by reference to particular sections of Part II of the 2024 Annual Report, are changes or additions to the information contained in those particular sections. When changes occur, the State may or may not (unless required to do so under the State's undertakings) file notices with the MSRB. However, the State has filed, and expects to continue to file, additional and other voluntary information with the MSRB, some of which may not be listed event notices 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 (August 6, 2025). Any such changes or additions are identified accordingly.

STATE BUDGET; Budget for 2024-25 Fiscal Year (Part II; Pages 36-37). Update with the following information.

January 2025 LFB Report – General Fund Condition Statement

The January 2025 LFB Report includes an updated estimated General Fund condition statement for the 2024-25 fiscal year. The net General Fund balance for the end of the biennium (June 30, 2025) is projected to be \$4.163 billion. This is \$199.7 million higher 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.

May 2025 LFB Report – General Fund Condition Statement

The May 2025 LFB Report includes an updated estimated General Fund condition statement for the 2024-25 fiscal year. The net General Fund balance for the end of the biennium (June 30, 2025) is projected to be \$4.233

billion. This is \$269.9 million higher than the balance that was projected at the time of the enactment of 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, and \$70.2 million higher than the projected balance included in the January 2025 LFB Report.

The following table provides the updated estimated General Fund condition statement for the 2024-25 fiscal year, as included in the May 2025 LFB Report. The table also includes, for comparison, the General Fund condition statement for the 2023-24 fiscal year as included in the Annual Fiscal Report for the 2023-24 fiscal year, the estimated General Fund condition statement for the 2024-25 fiscal year, as included in 2023 Wisconsin Act 19, a report released by LFB dated January 24, 2024 (**January 2024 LFB Report**), a memorandum released by LFB dated May 22, 2024 (**May 2024 LFB Memo**), a report released by the Department of Administration (**DOA**) on November 20, 2024 (**November 2024 DOA Report**), and the January 2025 LFB Report.

ESTIMATED GENERAL FUND CONDITION STATEMENT
2024-25 FISCAL YEAR
(in Millions)

	2023-24 Fiscal Year Annual Fiscal Report	2024-25 Fiscal Year					
		2023 Wisconsin Act 19 ^(a)	January 2024 LFB Report	May 2024 LFB Memo	November 2024 DOA Report	January 2025 LFB Report	May 2025 LFB Report
Revenues							
Opening Balance	\$7,073.2	\$4,346.5	\$3,808.2	\$3,801.0	\$4,622.3	\$4,622.3	\$4,622.3
Prior Year Continuing Balance	81.6						
Taxes	21,329.6	22,013.6	21,772.2	21,682.0	22,012.7	22,252.3	22,274.3
Departmental Revenues							
Tribal Gaming	—	8.9	—	—	18.6	18.6	18.8
Other	859.9	726.5	674.0	674.0	737.0	759.4	767.9
Total Available	\$29,344.4	\$27,095.6	\$26,254.4	\$26,157.0	\$27,390.6	\$27,652.6	\$27,683.3
Appropriations							
Gross Appropriations	\$22,896.8	\$21,040.9	\$21,053.0	\$21,117.0	\$21,112.6	\$21,046.1	\$21,033.8
Sum Sufficient Reestimates	—	—	41.7	—	(72.3)	—	—
Transfers	1,987.0						
Capital Improvement Fund		—	—	—	423.3	423.3	423.3
PFAS Trust Fund		—	—	—	—	—	—
Local Government Fund		1,563.4	1,563.4	1,563.0	1,563.4	1,563.4	1,563.4
Innovation Fund		303.0	303.0	303.0	303.0	303.0	303.0
Transportation Fund							
EV Sales Tax		55.1	55.1	55.0	55.1	55.1	55.1
0.25% Transfer		51.7	51.7	52.0	51.7	51.7	51.7
Other		—	—	—	—	—	—
Compensation Reserves	265.7	397.9	397.9	398.0	397.9	397.9	397.9
Less: Lapses	(427.5)	(384.2)	(468.3)	(468.0)	(443.6)	(455.3)	(482.6)
Net Appropriations	\$24,722.1	\$23,027.8	\$22,997.5	\$23,020.0	\$23,391.1	\$23,385.1	\$23,345.6
Balances							
Gross Balance	\$4,622.3	\$4,067.8	\$3,257.0	\$3,137.0	\$3,999.5	\$4,267.5	\$4,337.7
Less: Req. Statutory Balance	n/a	(105.0)	(105.0)	(105.0)	(105.0)	(105.0)	(105.0)
Net Balance, June 30	\$4,622.3	\$3,962.8	\$3,152.0	\$3,032.0	\$3,894.5	\$4,162.5	\$4,232.7

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

Source: Department of Administration

STATE BUDGET; Estimated General Fund Tax Collections for 2024-25 Fiscal Year (Part II; Pages 37-38). Update with the following information.

January 2025 LFB Report – General Fund Tax Collections

The January 2025 LFB Report also includes updated estimated General Fund tax collections for the 2024-25 fiscal year. The estimated General Fund tax collections are \$22.252 billion for the 2024-25 fiscal year. This amount is \$238.7 million higher than the estimated General Fund tax collections as included in 2023 Wisconsin Act 19.

May 2025 LFB Report – General Fund Tax Collections

The May 2025 LFB Report also includes updated estimated General Fund tax collections for the 2024-25 fiscal year. The estimated General Fund tax collections are \$22.274 billion for the 2024-25 fiscal year. This amount is \$260.7 million higher than the estimated General Fund tax collections as included in 2023 Wisconsin Act 19, and \$22.0 million higher than the estimated General Fund tax collections as included in the January 2025 LFB Report.

The following table provides the updated estimated General Fund tax collections for the 2024-25 fiscal year, as included in the May 2025 LFB Report. The table also includes, for comparison, the General Fund tax collections for the 2023-24 fiscal year as included in the Annual Fiscal Report for the 2023-24 fiscal year, the estimated General Fund tax revenue collections for the 2024-25 fiscal year, as included in 2023 Wisconsin Act 19, the January 2024 LFB Report, the November 2024 DOA Report, and the January 2025 LFB Report.

ESTIMATED GENERAL FUND TAX REVENUE COLLECTIONS
2024-25 FISCAL YEAR^(a)
(in Millions)

	2023-24 Fiscal Year Annual Fiscal Report	2024-25 Fiscal Year				
		2023 Wisconsin Act 19	January 2024 LFB Report	November 2024 DOA Report	January 2025 LFB Report	May 2025 LFB Report
Individual Income	\$9,717.6	\$10,075.8	\$9,910.0	\$10,195.1	\$10,420.0	\$10,420.0
Sales and Use	7,587.5	7,816.9	7,810.0	7,684.0	7,760.0	7,825.0
Corp. Income & Franchise	2,702.1	2,808.2	2,715.0	2,819.5	2,770.0	2,710.0
Public Utility	399.5	370.0	408.0	397.6	384.0	384.0
Excise						
Cigarettes	402.7	405.2	397.0	378.0	371.0	371.0
Tobacco Products	85.7	93.0	90.0	87.7	86.0	86.0
Vapor Products	7.1	8.5	8.8	7.1	7.1	7.1
Liquor & Wine	68.3	71.0	74.0	71.3	73.0	73.0
Beer	8.0	8.0	7.4	8.1	8.2	8.2
Insurance Company	242.6	246.0	232.0	251.3	263.0	275.0
Miscellaneous Taxes	108.5	111.0	120.0	113.0	110.0	115.0
TOTAL	\$21,329.6	\$22,013.6	\$21,772.2	\$22,012.7	\$22,252.3	\$22,274.3

^(a) The May 2024 LFB Memo included the estimated General Fund tax revenue collection of \$21,682 million for the 2024-25 fiscal year, but did not contain a breakdown by the above tax categories.

Source: Department of Administration

STATE BUDGET; Budget for 2025-27 Biennium (Part II; Page 38). Update with the following information.

Executive Budget

As provided for in Wisconsin Statutes, and consistent with past practice, the Legislature approved a submission date for the executive budget for the 2025-27 biennium that is after January 31, 2025. Governor Evers

submitted the executive budget for the 2025-27 biennium on February 18, 2025. The Governor's executive budget bill was introduced in both houses of the Legislature and referred to the Legislative Joint Committee on Finance for review. Both detailed and summary information about the Governor's executive budget for the 2025-27 biennium can be obtained from the following website:

<https://doa.wi.gov/Pages/2025-27%20Executive%20Budget%20UEK.aspx>

The website identified above is for the convenience of the reader only and is not incorporated by reference into this Official Statement.

In addition, LFB has completed an initial review of the Governor's executive budget for the 2025-27 biennium, and released a summary of its review which was filed with the MSRB through its EMMA system and available from the State as provided on page A-2. The summary can also be obtained from the following website:

[https://docs.legis.wisconsin.gov/misc/lfb/
budget/2025_27_biennial_budget/502_summary_of_governor_s_budget_recommendations_march_2025_entire_document.pdf](https://docs.legis.wisconsin.gov/misc/lfb/budget/2025_27_biennial_budget/502_summary_of_governor_s_budget_recommendations_march_2025_entire_document.pdf)

The website identified above is for the convenience of the reader only and is not incorporated by reference into this Official Statement.

Legislative Actions – 2025-27 Biennial Budget

On July 3, 2025, the Legislature approved its version of the 2025-27 biennial budget.

Enacted 2025-27 Biennial Budget

On July 3, 2025, the Governor signed 2025 Wisconsin Act 15 into law, with certain vetoes, which is available at the following website:

<https://docs.legis.wisconsin.gov/2025/related/acts/15.pdf>

The website identified above is for the convenience of the reader only and is not incorporated by reference into this Official Statement.

In addition, the LFB is expected to release a detailed summary of provisions for 2025 Wisconsin Act 15. When released, such summary will be filed with the MSRB through its EMMA system and available from the State as provided on page A-2.

The following table includes the estimated General Fund condition statement for the 2025-26 and 2026-27 fiscal years, as included in the Governor's executive budget for the 2025-27 biennium.

ESTIMATED GENERAL FUND CONDITION STATEMENT
2025-26 and 2026-27 FISCAL YEARS
(in Millions)

	2025-26 Fiscal Year Executive Budget	2026-27 Fiscal Year Executive Budget
Revenues		
Opening Balance	\$4,267.7	\$2,275.2
Taxes	24,515.9	24,604.0
Department Revenues		
Tribal Gaming	—	—
Other	650.2	448.4
Total Available	<u>\$29,433.8</u>	<u>\$27,327.6</u>
Appropriations		
Gross Appropriations	\$25,490.5	\$24,994.3
Compensation Reserves	222.9	352.6
Transfers		
Capital Improvement Fund	—	—
Local Government Fund	1,686.1	1,620.6
Transportation Fund	156.6	166.2
Account	7.1	14.8
Operations Account	18.6	15.3
Less: Lapses	<u>(423.1)</u>	<u>(482.5)</u>
Net Appropriations	\$27,158.6	\$26,681.3
Balances		
Gross Balance	\$2,275.2	\$646.3
Less: Req. Statutory Balance	<u>(110.0)</u>	<u>(115.0)</u>
Net Balance, June 30	\$2,165.2	\$531.3

Source: Department of Administration

STATE BUDGET; Revenue Projections for the 2025-26 and 2026-27 Fiscal Year (Part II; Pages 38-39).
Update with the following information.

January 2025 LFB Report – General Fund Tax Collections

The January 2025 LFB Report also includes estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years. The estimated General Fund tax collections are \$23.012 billion for the 2025-26 fiscal year and \$23.339 billion for the 2026-27 fiscal year. These amounts are \$355.2 million and \$299.5 million, respectively, higher than the estimated General Fund tax collections as included in the November 2024 DOA Report.

May 2025 LFB Report – General Fund Tax Collections

The May 2025 LFB Report also includes estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years. The estimated General Fund tax collections are \$22.691 billion for the 2025-26 fiscal year and \$23.303 billion for the 2026-27 fiscal year. These amounts are \$34.2 million and \$263.5 million, respectively, higher than the estimated General Fund tax collections as included in the November 2024 Report, and \$321 million and \$36 million, respectively, lower than the estimated General Fund tax collections as included in the January 2025 LFB Report.

The following table provides the estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years, as included in the May 2025 LFB Report. The table also includes, for comparison, the General Fund tax collections for the 2025-26 and 2026-27 fiscal years, as included in the November 2024 DOA Report and the January 2025 LFB Report.

ESTIMATED GENERAL FUND TAX REVENUE COLLECTIONS
2025-26 AND 2026-27 FISCAL YEARS
(in Millions)

	2025-26 Fiscal Year			2026-27 Fiscal Year		
	November 2024 DOA Report	January 2025 LFB Report	May 2025 LFB Report	November 2024 DOA Report	January 2025 LFB Report	May 2025 LFB Report
Individual Income	\$10,655.2	\$11,140.0	\$10,830.0	\$10,731.0	\$11,880.0	\$11,820.0
Sales and Use	7,861.6	8,140.0	8,140.0	8,113.5	8,375.0	8,375.0
Corp. Income & Franchise	2,846.5	2,415.0	2,385.0	2,923.2	1,785.0	1,785.0
Public Utility	387.2	404.0	404.0	377.1	394.0	394.0
Excise						
Cigarettes	348.5	348.0	348.0	316.5	326.0	326.0
Tobacco Products	92.4	85.0	85.0	95.5	84.0	84.0
Vapor Products	7.3	7.2	7.2	7.3	7.3	7.3
Liquor & Wine	72.8	74.0	74.0	74.7	76.0	76.0
Beer	8.0	8.2	8.2	8.0	8.1	8.1
Insurance Company	260.7	270.0	285.0	271.1	275.0	294.0
Miscellaneous Taxes	117.0	121.0	125.0	122.0	129.0	134.0
TOTAL	\$22,657.2	\$23,012.4	\$22,691.4	\$23,039.9	\$23,339.4	\$23,303.4

Source: Department of Administration

STATE BUDGET; Impact of Federal Programs (Part II; Pages 44-45). Update with the following information.

The federal One Big Beautiful Bill Act (H.R. 1), enacted on July 4, 2025, introduces significant changes to Medicaid cost-sharing, Supplemental Nutrition Assistance Program (SNAP) administration, and federal tax conformity rules. These changes are projected to impact the State's General Fund beginning in the 2025-26 fiscal year.

In response, the Governor implemented a revised budget plan to mitigate some of the anticipated increases in Medicaid costs. Key components of this plan include enhanced eligibility verification protocols, expanded care management initiatives, and targeted adjustments to provider reimbursement rates intended to control overall Medicaid expenditures.

Despite these measures, Medicaid costs are expected to rise due to capped federal matching rates and new eligibility redetermination requirements. These federal changes impose additional financial obligations on the State's Medicaid program, thereby increasing pressure on the General Fund. Similarly, reductions in federal support for SNAP administration, together with new state liabilities related to benefit overpayments and compliance enforcement, are expected to increase the State's fiscal responsibilities for SNAP.

Additionally, changes to federal tax policy, such as expanded deductions for state and local taxes and exclusions for tip income, might pose a future risk to state tax collections; however, the State is generally not affected by these federal tax policy changes, unless it chooses to break with its general stance of static/fixed conformity and adopt conforming changes. In the past, the State has only undertaken Code updates as the State's own fiscal parameters permit, so any pressures by taxpayers or legislators to update conformity, especially for new temporary provisions, would be limited.

Together, these factors may materially adversely affect General Fund resources. These fiscal pressures are anticipated to grow in future years absent further policy interventions.

There can be no assurance that additional offsetting measures will be enacted or that future federal legislation will not further increase the State's financial obligations. Such developments may constrain the State's budgetary flexibility and reduce the availability of General Fund resources for debt service and other essential expenditures.

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 2024-25 fiscal year. Actual General Fund information for the 2024-25 fiscal year through June 30, 2025, are presented primarily on a cash basis.

The projections and estimates for the 2025-26 fiscal year reflect 2023 Wisconsin Act 19, 2023 Wisconsin Act 102, and the January 2025 LFB Report, but do not reflect the May 2025 LFB Report and 2025 Wisconsin Act 15. 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 tables.

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2024 TO JUNE 30, 2025
(Amounts in Thousands)

	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025
BALANCES ^{(a)(b)}												
Beginning Balance	\$6,656,153	\$6,027,669	\$6,125,103	\$7,220,654	\$7,597,952	\$7,476,375	\$5,935,579	\$7,241,539	\$6,967,112	\$5,432,169	\$6,326,771	\$6,479,518
Ending Balance ^(c)	6,027,669	6,125,103	7,220,654	7,597,952	7,476,375	5,935,579	7,241,539	6,967,112	5,432,169	6,326,771	6,479,518	6,194,075
Lowest Daily Balance ^(c)	5,479,617	5,397,773	5,962,320	6,584,041	7,089,195	4,362,079	5,439,966	6,737,714	5,135,673	4,857,066	5,586,391	4,950,383
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$1,093,534	(\$302,053)	\$1,268,564	\$877,134	\$519,778	\$1,109,418	\$1,338,347	\$402,863	\$507,439	\$1,056,974	\$747,024	\$1,276,168
Sales & Use	789,305	(154,904)	685,877	669,436	663,700	622,072	158,660	560,286	519,920	634,979	636,725	702,794
Corporate Income	118,522	(9,770)	493,705	39,706	78,264	463,372	751,744	6,824	380,343	378,214	112,605	450,947
Public Utility	40	144	131	24,456	189,235	(9)	(8,048)	304	1	893	193,322	706
Excise	51,141	(2,650)	57,634	49,198	50,417	41,030	44,855	38,369	38,660	37,300	44,389	46,077
Insurance	532	2,743	52,760	198	1,785	53,578	2,363	39,322	31,334	65,477	(35,102)	53,793
Miscellaneous	12,742	(2,888)	47,078	3,576	16,395	53,774	17,245	7,888	5,808	7,070	12,301	9,466
Subtotal Tax Receipts	\$2,065,816	(\$469,378)	\$2,605,749	\$1,663,704	\$1,519,574	\$2,343,235	\$2,305,166	\$1,055,856	\$1,483,505	\$2,180,907	\$1,711,264	\$2,539,951
NON-TAX RECEIPTS												
Federal	\$1,443,827	\$1,243,112	\$1,297,017	\$1,026,838	\$1,043,215	\$1,429,903	\$1,300,881	\$1,251,928	\$1,118,229	\$1,091,307	\$1,113,714	\$1,405,725
Other & Transfers	698,297	2,251,959	1,049,827	879,524	515,664	786,500	835,364	1,427,557	1,214,908	1,318,227	767,190	1,151,537
Note Proceeds	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal Non-Tax Receipts	\$2,142,124	\$3,495,071	\$2,346,844	\$1,906,362	\$1,558,879	\$2,216,403	\$2,136,245	\$2,679,485	\$2,333,137	\$2,409,534	\$1,880,904	\$2,557,262
TOTAL RECEIPTS	\$4,207,940	\$3,025,693	\$4,952,593	\$3,570,066	\$3,078,453	\$4,559,638	\$4,441,411	\$3,735,341	\$3,816,642	\$4,590,441	\$3,592,168	\$5,097,213
DISBURSEMENTS												
Local Aids	\$1,389,840	\$283,968	\$1,202,730	\$198,621	\$488,740	\$1,783,533	\$187,845	\$869,367	\$2,180,449	\$89,412	\$637,057	\$2,065,204
Income Maintenance	1,034,043	1,092,296	1,043,472	663,108	1,091,178	1,262,220	1,301,655	1,227,570	1,250,136	1,134,027	1,280,989	1,140,912
Payroll and Related	580,577	494,400	611,138	800,934	633,205	597,951	655,882	642,062	614,471	729,762	704,099	677,501
Tax Refunds	161,164	159,967	153,561	218,586	207,202	314,760	179,355	712,364	714,310	812,129	241,514	197,956
Debt Service	299,921	88	—	191,422	1,178	—	—	1	—	423,873	11,755	—
Miscellaneous	1,370,879	897,540	846,141	1,120,097	778,527	2,141,970	810,714	558,404	592,219	506,636	564,007	1,301,083
TOTAL DISBURSEMENTS	\$4,836,424	\$2,928,259	\$3,857,042	\$3,192,768	\$3,200,030	\$6,100,434	\$3,135,451	\$4,009,768	\$5,351,585	\$3,695,839	\$3,439,421	\$5,382,656

(a) 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 \$600 million to \$2.0 billion for the 2024-25 fiscal year. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds 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 2024-25 fiscal year (based on 2023 Wisconsin Act 19) are approximately \$1.894 billion and \$631 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

PROJECTED GENERAL FUND CASH FLOW; JULY 1, 2025 TO JUNE 30, 2026
(Amounts in Thousands)

	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	January 2026	February 2026	March 2026	April 2026	May 2026	June 2026
BALANCES^{(a)(b)}												
Beginning Balance	\$6,194,075	\$5,295,638	\$6,259,017	\$7,361,598	\$8,012,504	\$5,648,488	\$4,544,752	\$5,886,413	\$5,519,201	\$3,757,974	\$4,731,351	\$4,818,382
Ending Balance ^(c)	5,295,638	6,259,017	7,361,598	8,012,504	5,648,488	4,544,752	5,886,413	5,519,201	3,757,974	4,731,351	4,818,382	2,716,350
Lowest Daily Balance ^(c)	5,101,977	5,196,963	6,071,069	7,102,541	5,274,744	3,830,525	4,544,743	6,467,065	4,702,421	4,887,097	5,488,286	3,812,736
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$797,426	\$284,990	\$1,178,066	\$836,911	\$448,491	\$870,567	\$1,265,566	\$613,237	\$980,934	\$1,492,223	\$803,977	\$1,006,561
Sales & Use	650,562	458,864	606,684	612,950	596,829	514,595	565,308	505,378	480,805	596,296	579,916	638,417
Corporate Income	101,614	31,787	473,552	76,557	80,799	490,525	266,116	38,430	330,971	420,205	84,770	450,780
Public Utility	38	73	2,071	26,452	183,952	449	(1,515)	99	10	2,667	202,273	5,502
Excise	47,655	34,413	45,590	42,843	40,892	39,919	37,541	36,075	31,161	37,848	37,532	44,102
Insurance	334	3,531	50,894	226	2,649	51,359	2,117	30,374	27,576	59,161	(4,967)	52,685
Miscellaneous	14,016	(3,177)	51,786	3,934	18,035	59,152	18,970	8,677	6,389	7,777	13,531	10,415
Subtotal Tax Receipts	\$1,611,645	\$810,481	\$2,408,643	\$1,599,873	\$1,371,647	\$2,026,566	\$2,154,103	\$1,232,270	\$1,857,846	\$2,616,177	\$1,717,032	\$2,208,462
NON-TAX RECEIPTS												
Federal	\$1,449,182	\$1,155,383	\$1,329,300	\$1,080,770	\$1,101,238	\$1,228,543	\$1,164,059	\$1,286,127	\$1,193,822	\$1,068,059	\$1,243,379	\$1,465,834
Other & Transfers	884,261	1,417,098	1,400,681	1,069,430	489,371	1,114,290	1,056,377	1,300,595	1,002,370	1,112,401	798,723	1,250,957
Note Proceeds	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal Non-Tax Receipts	\$2,333,443	\$2,572,481	\$2,729,981	\$2,150,200	\$1,590,609	\$2,342,833	\$2,220,436	\$2,586,722	\$2,196,192	\$2,180,460	\$2,042,102	\$2,716,791
TOTAL RECEIPTS	\$3,945,088	\$3,382,962	\$5,138,624	\$3,750,073	\$2,962,256	\$4,369,399	\$4,374,539	\$3,818,992	\$4,054,038	\$4,796,637	\$3,759,134	\$4,925,253
DISBURSEMENTS												
Local Aids	\$1,508,576	\$29,328	\$1,052,255	\$19,208	\$1,399,354	\$1,775,618	\$194,930	\$854,690	\$2,338,468	(\$8,947)	\$804,557	\$2,784,976
Income Maintenance	1,167,481	1,018,458	1,155,981	1,018,736	1,155,917	1,580,637	1,155,834	1,293,668	1,430,926	1,155,943	1,158,408	1,143,933
Payroll and Related	591,347	580,245	571,860	809,580	630,332	634,561	621,547	631,798	630,695	788,778	626,629	613,508
Tax Refunds	50,925	54,156	30,660	64,407	43,312	190,259	68,907	531,479	670,762	675,228	151,821	105,381
Debt Service	309,991	170	—	204,936	2,792	—	—	170	—	437,638	29,248	—
Miscellaneous	1,215,205	737,226	1,225,287	982,300	2,094,565	1,292,060	991,660	874,399	744,414	774,620	901,440	2,379,487
TOTAL DISBURSEMENTS	\$4,843,525	\$2,419,583	\$4,036,043	\$3,099,167	\$5,326,272	\$5,473,135	\$3,032,878	\$4,186,204	\$5,815,265	\$3,823,260	\$3,672,103	\$7,027,285

- (a) The projections and estimates in this table reflect 2023 Wisconsin Act 19, 2023 Wisconsin Act 102, the January 2025 LFB Report, and the receipt of ARPA federal funds, but do not reflect the May 2025 LFB Report and 2025 Wisconsin Act 15. 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. The anticipated range of these designated funds for the 2025-26 fiscal year is not available and will be included in future disclosures once available. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds 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 2025-26 fiscal year (based on 2025 Wisconsin Act 15) are approximately \$2.042 billion and \$681 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 2021-22 TO 2024-25^(a)
PROJECTED FISCAL YEAR 2025-26
(Amounts in Thousands)

	Actual 2021-22 Fiscal Year	Actual 2022-23 Fiscal Year	Actual 2023-24 Fiscal Year	Actual 2024-25 Fiscal Year	Estimated 2025-26 Fiscal Year
RECEIPTS					
Tax Receipts					
Individual Income	\$12,254,052	\$11,750,439	\$11,839,085	\$9,895,190	\$10,578,949
Sales	7,600,527	7,956,224	8,392,830	6,488,850	6,806,604
Corporate Income	2,936,462	2,749,861	2,856,769	3,264,476	2,846,106
Public Utility	425,920	445,929	461,858	401,175	422,071
Excise	663,646	627,036	602,845	496,420	475,571
Insurance	248,367	254,035	275,638	268,783	275,939
Miscellaneous	—	—	—	190,455	209,505
Total Tax Receipts	\$24,128,974	\$23,783,524	\$24,429,025	\$21,005,349	\$21,614,745
Non-Tax Receipts					
Federal	\$16,491,256	\$15,187,860	\$14,887,886	\$14,765,696	\$14,765,696
Other and Transfers	7,105,946	7,651,149	7,554,829	12,896,554	12,896,554
Total Non-Tax Receipts	\$23,597,202	\$22,839,009	\$22,442,715	\$27,662,250	\$27,662,250
TOTAL RECEIPTS	\$47,726,176	\$46,622,533	\$46,871,740	\$48,667,599	\$49,276,995
DISBURSEMENTS					
Local Aids	\$11,147,436	\$11,265,373	\$12,646,779	\$11,376,766	\$12,753,013
Income Maintenance	12,596,315	13,025,890	13,001,302	13,521,606	14,435,922
Payroll & Related	6,014,346	6,350,183	6,892,707	7,741,982	7,730,880
Tax Refunds	4,195,231	3,446,260	3,308,280	4,072,868	2,637,297
Debt Service	961,923	953,479	957,909	928,238	984,945
Miscellaneous	11,871,707	10,587,954	11,850,298	11,488,217	14,212,663
TOTAL DISBURSEMENTS	\$46,786,958	\$45,629,139	\$48,657,275	\$49,129,677	\$52,754,720
NET CASH FLOW	\$939,218	\$993,394	(\$1,785,535)	(\$462,078)	(\$3,477,725)

^(a) 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. 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 June 30, 2025
(Amounts in Thousands)**

		2024-25 Fiscal Year through June 30, 2025				
	2023-24 Fiscal Year through June 30, 2024 Actual	Actual	Estimate ^(b)	Variance	Adjusted Variance ^(c)	Difference 2024-25 Fiscal Year Actual to 2023-24 Fiscal Year Actual
RECEIPTS						
Tax Receipts						
Individual Income	\$11,839,085	\$9,895,190	\$12,736,783	(\$2,841,593)	(\$2,841,593)	(\$1,943,895)
Sales	8,392,830	6,488,850	8,619,067	(2,130,217)	(2,130,217)	(1,903,980)
Corporate Income	2,856,769	3,264,476	2,994,644	269,832	269,832	407,707
Public Utility	461,858	401,175	465,279	(64,104)	(64,104)	(60,683)
Excise	602,845	496,420	591,270	(94,850)	(94,850)	(106,425)
Insurance	275,638	268,783	285,482	(16,699)	(16,699)	(6,855)
Miscellaneous	—	190,455	—	190,455	190,455	190,455
Total Tax Receipts	\$24,429,025	\$21,005,349	\$25,692,525	(\$4,687,176)	(\$4,687,176)	(\$3,423,676)
Non-Tax Receipts						
Federal	\$14,887,886	\$14,765,696	\$14,804,368	(\$38,672)	(\$38,672)	(\$122,190)
Other and Transfers	7,554,829	12,896,554	7,485,802	5,410,752	5,410,752	5,341,725
Total Non-Tax Receipts	\$22,442,715	\$27,662,250	\$22,290,170	\$5,372,080	\$5,372,080	\$5,219,535
TOTAL RECEIPTS	\$46,871,740	\$48,667,599	\$47,982,695	\$684,904	\$684,904	\$1,795,859
DISBURSEMENTS						
Local Aids	\$12,646,779	\$11,376,766	\$12,318,928	(\$942,162)	(\$942,162)	(\$1,270,013)
Income Maintenance	13,001,302	13,521,606	13,177,545	344,061	344,061	520,304
Payroll & Related	6,892,707	7,741,982	6,763,394	978,588	978,588	849,275
Tax Refunds	3,308,280	4,072,868	3,371,954	700,914	700,914	764,588
Debt Service	957,909	928,238	1,049,777	(121,539)	(121,539)	(29,671)
Miscellaneous	11,850,298	11,488,217	13,206,033	(1,717,816)	(1,717,816)	(362,081)
TOTAL DISBURSEMENTS	\$48,657,275	\$49,129,677	\$49,887,631	(\$757,954)	(\$757,954)	\$472,402

2024-25 FISCAL YEAR VARIANCE YEAR-TO-DATE \$1,442,858 \$1,442,858

- ^(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. Amounts are as of June 30 and are not the final amounts for the fiscal year. Transactions occurring during July, August and September may affect the prior year's final fiscal amounts.
- ^(b) The estimates for the 2024-25 fiscal year reflect 2023 Wisconsin Act 19, the January 2024 LFB Report, and 2023 Wisconsin Act 102. The estimates do not reflect any specific disbursement of remaining ARPA federal funds. The projections and estimates also do not reflect the May 2024 LFB Memo, the November 2024 DOA Report, the January 2025 LFB Report and the May 2025 LFB Memo.
- ^(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, 2023 through June 30, 2025 – Actual
July 1, 2025 through June 30, 2026 – Estimated^(b)
(Amounts in Thousands)

Starting Date		Starting Balance	Receipts	Disbursements
2023	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	3,401,823	4,356,487
	March	7,837,556	3,368,594	5,169,515
	April	6,036,635	5,196,178	3,524,193
	May	7,708,620	3,637,374	4,132,613
	June	7,213,381	4,480,904	5,038,132
	July	6,656,153	4,207,940	4,836,424
	August	6,027,669	3,025,693	2,928,259
	September	6,125,103	4,952,593	3,857,042
	October	7,220,654	3,570,066	3,192,768
	November	7,597,952	3,078,453	3,200,030
	December	7,476,375	4,559,638	6,100,434
2025	January	5,935,579	4,441,411	3,135,451
	February	7,241,539	3,735,341	4,009,768
	March	6,967,112	3,816,642	5,351,585
	April	5,432,169	4,590,441	3,695,839
	May	6,326,771	3,592,168	3,439,421
	June	6,479,518	5,097,213	5,382,656
	July	6,194,075	3,945,088	4,843,525
	August	5,295,638	3,382,962	2,419,583
	September	6,259,017	5,138,624	4,036,043
	October	7,361,598	3,750,073	3,099,167
	November	8,012,504	2,962,256	5,326,272
	December	5,648,488	4,369,399	5,473,135
2026	January	4,544,752	4,374,539	3,032,878
	February	5,886,413	3,818,992	4,186,204
	March	5,519,201	4,054,038	5,815,265
	April	3,757,974	4,796,637	3,823,260
	May	4,731,351	3,759,134	3,672,103
	June	4,818,382	4,925,253	7,027,285

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

(b) The projections and estimates for the 2025-26 fiscal year (cash basis) reflect 2023 Wisconsin Act 19, 2023 Wisconsin Act 102, and the January 2025 LFB Report, but do not reflect the May 2025 LFB Memo and 2025 Wisconsin Act 15.

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, 2023 to June 30, 2025 – Actual
July 31, 2025 to June 30, 2026 – 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 reallocations, 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 \$3.746 billion during November 2020 to a high of \$8.141 billion during March 2025. 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)	2023	2024	2025	2026
January		\$3,444	\$3,380	\$3,380
February		3,549	3,467	3,467
March		3,416	3,384	3,384
April		3,355	4,486	4,486
May		3,344	3,017	3,017
June		3,394	3,120	3,120
July	\$2,534	3,139	3,139	
August	2,732	3,123	3,123	
September	2,889	3,214	3,214	
October	2,908	3,062	3,062	
November	3,134	3,259	3,259	
December	3,352	3,421	3,421	
<u>Available Balances; Includes Balances in the LGIP</u>				
Month (Last Day)	2023	2024	2025	2026
January		\$10,552	\$10,765	\$10,765
February		10,879	11,042	11,042
March		11,168	11,525	11,525
April		10,600	11,931	11,931
May		10,124	10,315	10,315
June		10,233	10,277	10,277
July	\$9,135	10,854	10,854	
August	8,321	9,526	9,526	
September	8,386	9,302	9,302	
October	8,247	8,846	8,846	
November	8,350	8,838	8,838	
December	9,520	10,064	10,064	

(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 the 2025-26 fiscal year (cash basis) reflect 2023 Wisconsin Act 19, 2023 Wisconsin Act 102, and the January 2025 LFB Report, but do not reflect the May 2025 LFB Memo and 2025 Wisconsin Act 15.

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, 2024 to June 30, 2025 compared with previous year

	Annual Fiscal Report Revenues 2023-24 Fiscal Year^(b)	Projected Revenues 2024-25 Fiscal Year^(c)	Recorded Revenues July 1, 2023 to June 30, 2024^(d)	Recorded Revenues July 1, 2024 to June 30, 2025^(e)
Individual Income Tax	\$9,717,600,000	\$10,075,800,000	\$9,914,431,584	\$10,031,271,617
General Sales and Use Tax	7,587,500,000	7,816,900,000	7,587,475,630	7,081,733,454
Corporate Franchise and Income Tax	2,702,100,000	2,808,200,000	2,505,548,523	2,366,392,541
Public Utility Taxes	399,500,000	370,000,000	399,524,969	401,178,331
Excise Taxes	571,800,000	585,700,000	572,118,765	496,600,115
Inheritance Taxes	—	—	—	—
Insurance Company Taxes	242,600,000	246,000,000	242,578,484	268,784,583
Miscellaneous Taxes	108,500,000	111,000,000	151,427,381	414,991,544
SUBTOTAL	\$21,329,600,000	\$22,013,600,000	\$21,373,105,337	\$21,060,952,185
 Federal and Other Inter-Governmental Revenues ^(f)	 \$16,165,711,000	 \$12,761,054,600	 \$16,180,266,158	 \$15,330,458,758
Dedicated and Other Revenues ^(g)	9,499,832,000	9,325,809,200	9,717,727,997	9,661,100,256
 TOTAL	 \$46,995,143,000	 \$44,100,463,800	 \$47,271,099,492	 \$46,052,511,198

- (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 2023-24 fiscal year dated October 15, 2024.
- (c) The estimates in this table for the 2024-25 fiscal year (cash basis) reflect 2023 Wisconsin Act 19, but do not reflect the January 2024 LFB Report, 2023 Wisconsin Act 102, the May 2024 LFB Memo, the November 2024 DOA Report, the January 2025 LFB Report, and the May 2025 LFB Report.
- (d) 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 the 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 2024-25 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, 2024 to June 30, 2025 compared with previous year

	Annual Fiscal Report Expenditures 2023-24 Fiscal Year^(b)	Estimated Appropriations 2024-25 Fiscal Year^(c)	Recorded Expenditures July 1, 2023 to June 30, 2024^(d)	Recorded Expenditures July 1, 2024 to June 30, 2025^(e)
Commerce	\$525,395,000	\$471,530,400	\$677,315,291	\$540,687,187
Education	17,968,778,000	16,524,526,600	18,137,304,063	17,957,954,750
Environmental Resources	457,674,000	204,587,200	454,232,995	541,273,084
Human Relations & Resources	22,356,932,000	19,944,566,600	22,548,397,740	22,342,026,420
General Executive	1,937,331,000	1,385,388,900	2,568,237,404	2,022,423,118
Judicial	172,125,000	167,036,700	172,458,886	170,317,458
Legislative	91,104,000	92,379,400	91,103,341	84,892,484
General Appropriations	3,075,362,000	2,225,161,300	5,068,438,509	4,631,379,771
TOTAL	\$46,584,701,000	\$41,015,177,100	\$49,717,488,228	\$48,290,954,273

(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 2023-24 fiscal year, dated October 15, 2024.

(c) The appropriations included in this table reflect 2023 Wisconsin Act 19, but do not reflect the January 2024 LFB Report, 2023 Wisconsin Act 102, the May 2024 LFB Memo, the November 2024 DOA Report, the January 2025 LFB Report, and the May 2025 LFB Report.

(d) The amounts shown are 2023-24 fiscal year expenditures as recorded by all State agencies.

(e) The amounts shown are 2024-25 fiscal year expenditures as recorded by all State agencies.

Source: Department of Administration

State Obligations; Employee Pension Funds (Part II; Pages 71-73). Updated with the following information and revised table.

Annual annuity adjustments for the remainder of calendar year 2024 were announced by the Wisconsin Retirement System (**WRS**) on March 7, 2025 and include an increase of 3.6% for retirees in the WRS Core Retirement Trust, or Core Fund, and an increase of 15.0% for retirees in the WRS Variable Retirement Trust, or Variable Fund. The following table includes the Core Fund and Variable Fund annuity adjustments granted during the previous 10 years.

**WISCONSIN RETIREMENT SYSTEM
SUMMARY OF ANNUITY ADJUSTMENTS**

Year	Core Fund	Variable Fund
2016	0.5%	(5.0)%
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)
2024	3.6	15.0
2025	2.3	15.0

Source: Department of Employee Trust Funds

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

Table II-39
UNEMPLOYMENT RATE COMPARISON^{(a)(b)}
2020 to 2025

	2025		2024		2023		2022		2021		2020	
	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.
January	3.6	4.4	3.0	4.1	2.9	3.9	3.5	4.4	5.0	6.8	3.6	4.0
February	3.8	4.5	3.5	4.2	3.2	3.9	3.6	4.1	5.2	6.6	3.5	3.8
March	3.7	4.2	3.5	3.9	3.0	3.6	3.4	3.8	4.9	6.2	3.9	4.5
April	3.2	3.9	2.9	3.5	2.6	3.1	2.8	3.3	4.2	5.7	14.0	14.4
May	3.3	4.0	2.8	3.7	2.7	3.4	2.6	3.4	3.8	5.5	10.6	13.0
June	3.2	4.4	3.3	4.3	3.3	3.8	3.2	3.8	4.4	6.1	9.0	11.2
July			3.2	4.5	3.0	3.8	3.0	3.8	3.9	5.7	7.9	10.5
August			2.9	4.4	3.1	3.9	2.9	3.8	3.6	5.3	6.1	8.5
September			2.5	3.9	2.6	3.6	2.4	3.3	2.9	4.6	5.3	7.7
October			2.5	3.9	2.4	3.6	2.2	3.4	2.5	4.3	4.5	6.6
November			2.7	4.0	2.4	3.5	2.2	3.4	2.4	3.9	4.4	6.4
December			2.9	3.8	2.5	3.5	2.2	3.3	2.5	3.7	4.6	6.5
Annual Average			3.0	4.0	2.8	3.6	2.8	3.7	3.8	5.4	6.5	8.1

^(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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State of Wisconsin

May 15, 2025

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

Dear Representative Born and Senator Marklein:

On January 29, 2025, this office distributed its estimates of general fund revenues and expenditures for the 2024-25 fiscal year and tax collection projections for each year of the next biennium. Recently, tax collection data for April, 2025, became available and S&P Global Market Intelligence (S&P Global) released its May, 2025, forecast of the national economy.

Based upon our review of the collections data and the new economic forecast, we believe that tax collections will be higher than the January 29 report by \$22.0 million in 2024-25, and lower by \$321.0 million in 2025-26 and \$36.0 million in 2026-27. The three-year reduction is \$335.0 million, or -0.49%.

2024-25

In addition to the \$22.0 million in increased tax collections, it is estimated that departmental revenues will be \$8.7 million above the January 29 projection and net appropriations will be \$39.5 million below the earlier estimates.

The net result of these estimates is that the projected gross balance in the general fund will be \$4,337.7 million, which is \$70.2 million above the January projection of \$4,267.5 million.

The general fund condition statement for 2024-25, which incorporates the information of this report, is shown in Table 1.

TABLE 1**Estimated 2024-25 General Fund Condition Statement**

	<u>2024-25</u>
Revenues	
Opening Balance, July 1	\$4,622,291,000
Taxes	22,274,300,000
Departmental Revenues	
Tribal Gaming	18,848,800
Other	<u>767,894,500</u>
Total Available	\$27,683,334,300
Appropriations, Transfers, and Reserves	
Gross Appropriations	\$21,033,786,400
Transfers to:	
Building Program	423,300,000
Local Government Fund	1,563,380,000
Innovation Fund	303,000,000
Transportation Fund:	
EV Sales Tax	55,100,000
0.25% Transfer	51,700,000
Compensation Reserves	397,930,000
Less Lapses	<u>-482,552,100</u>
Net Appropriations	\$23,345,644,300
Balances	
Gross Balance	\$4,337,690,000
Less Required Statutory Balance	<u>-105,000,000</u>
Net Balance, June 30	\$4,232,690,000

General Fund Tax Collections

S&P Global's May, 2025, economic forecast projects weaker economic growth than the January forecast, which was used in preparing the earlier tax revenue estimates. Nominal and real (inflation-adjusted) gross domestic product (GDP), personal income, and sales of light vehicles are expected to be lower in 2025 through 2027, compared to the January forecast. Inflation, as measured by the consumer price index (CPI), is expected to grow at a faster rate in 2025, but at lower rates in 2026 and 2027, compared to the January forecast. Similarly, nominal personal consumption expenditures (PCE) are expected to be higher in 2025, but lower in 2026 and 2027, compared to the January forecast. The Attachment outlines the May, 2025, economic forecast by S&P Global, as well as changes to the forecast since January, for 2025 through 2027.

The May forecast is based on the following key assumptions. First, the federal debt ceiling is

assumed to be raised or suspended prior to the exhaustion of "extraordinary measures," which Treasury has undertaken since January 1, 2025, to meet its obligations, and a federal government shutdown is avoided. The forecast assumes the federal government will enact the following changes to federal tax law: (a) the personal income tax provisions of the Tax Cuts and Jobs Act of 2017 are extended into (and beyond) 2026; (b) some tip and overtime pay is excluded from income; and (c) the corporate income tax rate is lowered from 21% to 15% for corporations that produce domestically. Unspent pandemic-era funds and monies authorized under the Infrastructure Investment and Jobs Act are expected to mitigate pressures on state and local governments to reduce spending. Net international immigration is assumed to be 500,000 lower per year (equal to 0.15% of the U.S. Population) than immigration levels estimated by the U.S. Census Bureau over the next four years. The Federal Reserve is expected to maintain the federal funds rate at its current level (4.25%-4.50%) until December, 2025, then begin reducing rates to a range of 2.75%-3.00% by the end of 2026. Growth of real, trade-weighted foreign GDP is expected to slow from 2.0% in 2024 to 1.6% in 2025, before rising to 1.9% in 2026 and 2.2% through 2029, and foreign measures of inflation are expected to ease from 3.2% in 2024 to 2.5% in 2025 and 2.4% in 2026.

The S&P Global forecast also incorporates the following assumptions regarding tariffs into its May forecast. In addition to Section 232 tariffs (related to national security) of 25% already in place for imports of automobiles, aluminum, and steel, new Section 232 tariffs on copper, lumber, semiconductors, pharmaceuticals, and critical materials ranging from 10% to 25% are assumed to become effective in the fourth quarter of 2025. Tariffs currently imposed under the International Emergency Economic Powers Act that are tied to the flow of fentanyl and immigration are expected to remain at 20% for China, but are assumed to decrease from 25% on Canada and Mexico to 12% by early 2026. Reciprocal tariffs of 10% on most other countries are expected to remain at 10% through the forecast period; however, the current 125% tariff rate on imports from China is expected to decrease to 17% by late 2025. Relative to the January forecast, tariffs were generally imposed at a faster and higher rate over the last four months than was previously assumed.

The 90-day pause to reciprocal tariffs on China was announced after the May forecast was released and is not included in the forecast. The pause is expected to lower inflation and improve growth over the next 90 days. However, it is unknown what rate the reciprocal tariffs on China will be after the pause, relative to the 17% rate assumed by S&P Global at the end of 2025.

Overall, year-to-date collections for 2024-25 are slightly above the estimates of general fund tax collections distributed by this office on January 29, 2025. However, the weaker forecast is expected to result in lower revenues over the 2025-27 biennium. Table 2 shows the revised general fund tax collection estimates for 2024-25 and the two years of the next biennium. It should be noted that these revenue estimates reflect current state and federal law, and do not incorporate any of the tax law changes proposed by the Governor in his 2025-27 budget recommendations.

TABLE 2**Projected General Fund Tax Collections Under Current Law
(\$ in Millions)**

	<u>2023-25 Biennium</u>		<u>2025-27 Biennium</u>	
	2023-24	2024-25	2025-26	2026-27
	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
Individual Income	\$9,717.6	\$10,420.0	\$10,830.0	\$11,820.0
General Sales & Use	7,587.5	7,825.0	8,140.0	8,375.0
Corporate Income/Franchise	2,702.1	2,710.0	2,385.0	1,785.0
Public Utility	399.5	384.0	404.0	394.0
Excise				
Cigarette	402.7	371.0	348.0	326.0
Tobacco Products	85.7	86.0	85.0	84.0
Vapor Products	7.1	7.1	7.2	7.3
Liquor and Wine	68.3	73.0	74.0	76.0
Beer	8.0	8.2	8.2	8.1
Insurance Company	242.6	275.0	285.0	294.0
Miscellaneous Taxes	<u>108.5</u>	<u>115.0</u>	<u>125.0</u>	<u>134.0</u>
Total	\$21,329.6	\$22,274.3	\$22,691.4	\$23,303.4
Change from Prior Year		\$944.7	\$417.1	\$612.0
Percent Change		4.4%	1.9%	2.7%

Based on our review of collections data and the economic forecast, general fund taxes will be higher than previous estimates by \$22 million in 2024-25, and lower than the previous estimates by \$321 million in 2025-26 and \$36 million in 2026-27. The three-year decrease is \$335 million, or 0.49%, reflecting a lower forecast for individual income taxes (\$370 million) and corporate income/franchise taxes (\$90 million). These reductions are partly offset by an increased forecast over the three-year period for general sales and use taxes (\$65 million), insurance premiums taxes (\$46 million), and miscellaneous taxes (\$14 million). The estimates for utility taxes and excise taxes have not been changed since January.

The estimates shown in Table 2 incorporate the same assumptions used by this office with regards to shifting income and franchise tax collections under current federal law as under the January forecast. Under current law, taxpayers may choose to file at the entity level if the value of their federal deduction for state and local taxes (SALT) exceeds the increased cost of paying the 7.9% pass-through entity (PTE) tax rate (which is higher than the rates and brackets that apply under the individual income tax). Taxpayers who file under the state PTE tax may deduct SALT without limit, whereas individual income tax filers cannot deduct state and local taxes exceeding \$10,000 annually. It is estimated that taxpayers will remit \$925 million under the PTE tax in 2024-25, which is estimated to be \$85 million more than what would have otherwise been paid under the individual income tax (\$840 million).

Under current federal law, the \$10,000 limit on the SALT deduction for individual filers expires after tax year 2025. Although it is possible some taxpayers may continue to file under the PTE tax, it is assumed that current pass-through businesses would lack an economic incentive to file under the PTE tax and, instead, would file under the state individual income tax beginning in tax year 2026. Expiration of the federal SALT deduction limit is estimated to reduce income and franchise tax revenues by \$25 million in 2025-26 and \$85 million in 2026-27, comprised of increased individual income tax revenues of \$250 million in 2025-26 and \$840 million in 2026-27 and lower corporate income/franchise tax revenues of \$275 million in 2025-26 and \$925 million in 2026-27. Future changes to federal tax law may change this estimated effect by an unknown amount.

Individual Income Taxes. Based on year-to-date collections, estimated individual income tax collections in 2024-25 are unchanged from the January estimate of \$10,420 million. The high level of capital gains realizations anticipated for tax year 2024 appears to have materialized in 2024-25 collections to date. It was previously assumed that such realizations would remain elevated (albeit lower) in tax year 2025 (affecting 2025-26 collections) and continue to decline in 2026. However, given recent volatility in the stock market, this assumption has since been revised. Additionally, the May forecast predicts slower near-term growth in wages and salaries than had been projected in January (a lower growth rate in 2025-26, partly offset by a higher growth rate in 2026-27). These are the primary factors contributing to lower estimated revenues than previously forecast. Total income tax revenues are estimated at \$10,830 million in 2025-26 and \$11,820 million in 2026-27, reflecting growth of 3.9% in 2025-26 and 9.1% in 2026-27. The 9.1% growth rate in 2026-27 is largely a result of the assumed shift in PTE revenues being reported under the individual income tax, rather than the corporate income/franchise tax. Relative to the January estimates, the revised estimates are lower by \$310 million (2.8%) in 2025-26 and \$60 million (0.5%) in 2026-27.

General Sales and Use Tax. State sales and use tax revenues are estimated at \$7,825 million in 2024-25, which represents growth of 3.1% over the prior year and an increase of \$65 million relative to the January estimate. Sales tax revenues are estimated at \$8,140 million in 2025-26 and \$8,375 million in 2026-27, unchanged from January, reflecting growth of 4.0% and 2.9%, respectively.

The May forecast for taxable PCE in 2024-25 is 1.2 percentage points higher than in the January forecast, which has contributed to the increase in estimated sales tax revenues for fiscal year 2024-25, relative to January. In addition, the January estimates anticipated that a large sales tax refund would be claimed and distributed in 2024-25, which is now estimated to be claimed in 2025-26. Although the estimate for 2025-26 remains unchanged relative to January, the estimate now reflects growth that is lower by 0.9 percentage points, due to a lower forecast of taxable PCE growth in 2025-26 and the anticipated refund payment shifting to that year.

Corporate Income/Franchise Tax. Corporate income/franchise tax revenues are now projected to be \$2,710 million in 2024-25, \$2,385 million in 2025-26, and \$1,785 million in 2026-27. Compared to the previous estimates, the reestimates represent decreased revenues of \$60 million in 2024-25 and \$30 million in 2025-26, but no change in 2026-27 (-\$90 million total). Collections are weaker than anticipated in the January forecast, but are essentially the same as last year through April, with weakness in estimated payments year-to-date offset by growth in final payments. The weakness in year-to-date collections is consistent with S&P Global's reduced forecast for economic profits in 2025. The forecast for economic profits has improved for 2026, resulting in a smaller decrease in estimated collections for 2025-26 and no change to the previous estimate for 2026-27.

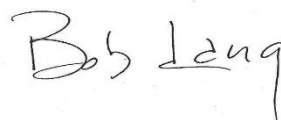
As stated above, it is assumed that the expiration of the \$10,000 limit for deductions of state and local taxes under current federal law will cause pass-through entity filers to elect to pay tax under the individual income tax rather than the corporate income/franchise tax, causing collections under the corporate income/franchise tax to substantially decrease after tax year 2025 by an estimated \$275 million in 2025-26 and \$925 million in 2026-27. This assumption accounts for most of the 12.0% decline in year-over-year estimated corporate collections in 2025-26 and the 25.2% estimated decrease in 2026-27.

Insurance Premiums Taxes. Insurance premiums taxes are now projected to be \$275 million in 2024-25, \$285 million in 2025-26, and \$294 million in 2026-27. Compared to the previous estimates, the revised estimates represent increases in insurance premiums tax revenues of \$12 million in 2024-25, \$15 million in 2025-26, and \$19 million in 2026-27. The new estimates are increased to reflect year-to-date collections. Since January, 2025, collections have increase by 13.8% over the same period in the previous year, indicating that growth in premiums did not slow in 2025 as anticipated.

Miscellaneous Taxes. Miscellaneous tax revenues are estimated at \$115 million in 2024-25, \$125 million in 2025-26, and \$134 million in 2026-27, with revenues increasing 6.0% in 2024-25, 8.7% in 2025-26, and 7.2% in 2026-27. The estimates have increased \$5 million in 2024-25, \$4 million in 2025-26, and \$5 million in 2026-27, relative to the January estimates. The real estate transfer fee makes up the majority of miscellaneous taxes and is the reason for the increased estimates. Real estate transfer fee collections since December, 2024, have been stronger than previously anticipated. Similarly, the May forecast would indicate continued collection strength through the remainder of 2024-25, led by a projected increase in the sales volume of existing houses compared to January. These factors have increased the overall forecast of miscellaneous tax revenues.

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

Sincerely,

A handwritten signature in black ink that reads "Bob Lang". The signature is written in a cursive, slightly informal style.

Robert Wm. Lang
Director

RWL/lb

cc: Members, Wisconsin Legislature

ATTACHMENT

Summary of National Economic Indicators S&P Global Market Intelligence Baseline Forecast May, 2025, and January, 2025 (\$ in Billions)

	January, 2025			May, 2025			Difference from January		
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Nominal Gross Domestic Product	\$30,657.2	\$32,208.7	\$33,415.0	\$30,643.3	\$32,005.7	\$33,173.3	-\$13.9	-\$203.0	-\$241.7
% Change	5.1%	5.1%	3.7%	5.0%	4.4%	3.6%	-0.1%	-0.6%	-0.1%
Real Gross Domestic Product	\$23,757.0	\$24,161.6	\$24,557.9	\$23,618.0	\$24,008.1	\$24,402.8	-\$139.0	-\$153.6	-\$155.0
% Change	2.0%	1.7%	1.6%	1.3%	1.7%	1.6%	-0.6%	-0.1%	0.0%
Consumer Prices (Percent Change)	2.9%	3.3%	2.2%	3.4%	2.9%	2.2%	0.5%	-0.4%	-0.1%
Personal Income	\$25,965.9	\$27,401.8	\$28,722.3	\$25,787.8	\$27,043.2	\$28,425.6	-\$178.0	-\$358.5	-\$296.7
% Change	5.1%	5.5%	4.8%	4.6%	4.9%	5.1%	-0.6%	-0.7%	0.3%
Nominal PCE	\$20,836.8	\$21,851.4	\$22,785.6	\$20,954.1	\$21,799.2	\$22,643.1	\$117.2	-\$52.2	-\$142.6
% Change	5.2%	4.9%	4.3%	5.7%	4.0%	3.9%	0.5%	-0.8%	-0.4%
Economic Profits	\$3,752.8	\$3,633.9	\$3,698.6	\$3,605.6	\$3,688.1	\$3,694.4	-\$147.2	\$54.2	-\$4.2
% Change	-0.7%	-3.2%	1.8%	-5.8%	2.3%	0.2%	-5.1%	5.5%	-1.6%
Unemployment Rate	4.4%	4.7%	4.8%	4.4%	4.9%	5.0%	-0.1%	0.2%	0.2%
Total Nonfarm Employment (Millions)	160.0	159.8	159.7	159.5	159.9	160.2	-0.4	0.1	0.6
% Change	0.9%	-0.1%	-0.1%	1.0%	0.2%	0.2%	0.1%	0.3%	0.3%
Light Vehicle Sales (Millions of Units)	16.18	16.39	16.56	15.48	14.97	15.56	-0.70	-1.42	-1.00
% Change	2.4%	1.3%	1.1%	-2.0%	-3.3%	4.0%	-4.5%	-4.6%	2.9%
Sales of New and Existing Homes (Millions of Units)	4.956	5.515	5.703	4.973	5.474	5.643	0.017	-0.041	-0.060
% Change	4.7%	11.3%	3.4%	4.7%	10.1%	3.1%	0.0%	-1.2%	-0.3%
Housing Starts (Millions of Units)	1.307	1.261	1.257	1.385	1.342	1.324	0.078	0.081	0.068
% Change	-3.0%	-3.5%	-0.4%	1.3%	-3.1%	-1.3%	4.3%	0.4%	-0.9%

APPENDIX B

GENERAL OBLIGATION ISSUANCE STATUS REPORT

July 1, 2025

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund^(a)		G.O. Bonds of 2025, Series B^(b)	Total Authorized Unissued Debt
			Interest Earnings	Premium		
University of Wisconsin; academic facilities	\$4,512,216,100	\$2,936,322,908	\$16,703,572	\$182,180,554	\$100,000,000	\$1,277,009,066
University of Wisconsin; self-amortizing facilities	3,813,924,500	2,835,288,139	5,434,317	143,790,326	54,272,120	775,139,598
Natural resources; Warren Knowles-Gaylord Nelson stewardship 2000 program	1,178,850,000	1,017,481,720	1,441,093	50,928,263	8,764,748	100,234,176
Natural resources; municipal clean drinking water grants	9,800,000	9,518,744	141,818	—	—	139,438
Clean water fund program	659,783,200	655,062,282	—	4,641,114	—	79,804
Safe drinking water loan program	74,950,000	69,215,472	123	2,183,403	—	3,551,002
Natural resources; nonpoint source grants	94,310,400	93,954,702	190,049	165,649	—	—
Natural resources; nonpoint source	57,050,000	43,521,594	45,607	4,605,294	1,496,168	7,381,337
Natural resources; environmental repair	57,000,000	52,962,122	203,607	883,312	—	2,950,959
Natural resources; urban nonpoint source cost- sharing	61,600,000	55,676,641	182,825	3,507,635	—	2,232,899
Natural resources; contaminated sediment removal	40,000,000	33,392,678	104,860	2,438,427	—	4,064,035
Natural resources; environmental segregated fund supported administrative facilities	19,969,200	16,565,360	5,347	1,379,195	347,404	1,671,894
Natural resources; segregated revenue- supported dam safety projects	6,600,000	6,571,582	623	27,795	—	—
Natural resources; pollution abatement and sewage collection facilities, ORAP funding	145,060,325	145,010,325	50,000	—	—	—
Natural resources; pollution abatement and sewage collection facilities	893,493,400	874,927,239	18,513,077	—	—	53,084
Natural resources; pollution abatement and sewage collection facilities; combined sewer overflow	200,600,000	194,312,599	6,287,401	—	—	—
Natural resources; recreation projects	56,055,000	56,053,994	1,006	—	—	—
Natural resources; local parks land acquisition and development	2,490,000	2,447,741	42,259	—	—	—
Natural resources; recreation development	48,846,200	25,465,361	146,205	356,099	3,095,327	19,783,208
Natural resources; land acquisition	45,608,600	45,116,929	491,671	—	—	—

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund ^(a)		G.O. Bonds of 2025, Series B ^(b)	Total Authorized Unissued Debt
			Interest Earnings	Premium		
Natural resources; Wisconsin natural areas heritage program	\$2,500,000	\$2,445,793	\$17,174	—	—	\$37,033
Natural resources; segregated revenue-supported facilities	226,093,600	118,767,841	155,668	\$8,256,692	\$8,405,140	90,508,259
Natural resources; general fund supported administrative facilities	16,514,100	15,276,158	21,754	815,228	—	400,960
Natural resources; Ice Age Trail	750,000	750,000	—	—	—	—
Natural resources; dam safety projects	39,500,000	24,857,502	218,206	2,139,571	198,578	12,086,143
Natural resources; segregated revenue-supported land acquisition	2,500,000	2,500,000	—	—	—	—
Natural resources; Warren Knowles-Gaylord Nelson stewardship program	231,000,000	229,300,484	1,306,901	144,011	—	248,604
Transportation; administrative facilities	8,890,400	8,759,479	33,943	—	—	96,978
Transportation; accelerated bridge improvements	46,849,800	46,849,800	—	—	—	—
Transportation; major interstate bridge construction	624,800,000	262,320,149	5,408	37,688,380	—	324,786,063
Transportation; rail passenger route development	89,000,000	73,336,497	11,790	2,929,745	1,317,318	11,404,650
Transportation; accelerated highway improvements	185,000,000	185,000,000	—	—	—	—
Transportation; connecting highway improvements	15,000,000	15,000,000	—	—	—	—
Transportation; federally aided highway facilities	10,000,000	10,000,000	—	—	—	—
Transportation; highway projects	41,000,000	41,000,000	—	—	—	—
Transportation; major highway and rehabilitation projects	565,480,400	565,480,400	—	—	—	—
Transportation; southeast rehabilitation projects, southeast megaprojects, and high-cost bridge projects	1,453,550,000	1,308,024,063	3,504,553	113,297,872	9,036,000	19,687,512
Transportation; state highway rehabilitation projects, southeast megaprojects	820,063,700	781,605,306	1,182,898	37,275,497	—	—
Transportation; major highway projects	100,000,000	98,948,179	6	1,051,814	—	1
Transportation; state highway rehabilitation, certain projects	141,000,000	134,924,101	45	6,075,854	—	—
Transportation; major highway and rehabilitation projects subject to joint committee on finance approval	305,227,664	261,535,522	145,989	43,546,154	—	—

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund ^(a)		G.O. Bonds of 2025, Series B ^(b)	Total Authorized Unissued Debt
			Interest Earnings	Premium		
Transportation; design-build projects	\$112,500,000	\$17,714,991	\$8,114	\$2,276,895	—	\$92,500,000
Transportation; southeast Wisconsin freeway megaprojects subject to contingency	437,571,300	207,663,014	94,291	33,177,914	—	196,636,081
Transportation; harbor improvements	167,300,000	141,678,115	350,623	13,433,309	\$27,000	11,810,953
Transportation; rail acquisitions and improvements and intermodal freight facilities	300,300,000	231,672,567	373,765	25,590,522	4,667,000	37,996,146
Transportation; local roads for job preservation, state funds	2,000,000	2,000,000	—	—	—	—
Corrections; correctional facilities	1,074,515,800	925,566,408	11,766,207	20,023,155	3,634,421	113,525,609
Corrections; self-amortizing facilities and equipment	2,116,300	2,115,438	99	—	—	763
Corrections; juvenile correctional facilities	199,192,200	34,340,978	162,298	748,422	2,913,071	161,027,431
Secured residential care centers for children and youth	80,000,000	37,697,645	230,351	5,309,963	4,832,576	31,929,465
Health services; mental health and secure treatment facilities	512,113,500	293,483,708	2,233,242	17,899,520	—	198,497,030
Agriculture; soil and water	82,075,000	75,632,879	55,883	5,107,321	428,713	850,204
Agriculture; conservation reserve enhancement ..	28,000,000	21,496,419	15,180	1,080,504	25,899	5,381,998
Administration; Black Point Estate	1,600,000	1,598,655	445	—	—	900
Administration; energy conservation projects; capital improvement fund	320,000,000	189,030,434	144,344	13,994,980	—	116,830,242
Building commission; previous lease rental authority	143,071,600	143,068,654	—	—	—	2,946
Building commission; refunding tax-supported general obligation debt	2,102,086,430	2,102,086,530	—	—	—	—
Building commission; refunding self-amortizing general obligation debt	272,863,033	272,863,033	—	—	—	—
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before June 30, 2005	250,000,000	250,000,000	—	—	—	—
Building commission; refunding tax-supported and self-amortizing general obligation debt before July 1, 2011	474,000,000	473,651,084	—	—	—	348,916
Building commission; refunding tax-supported and self-amortizing general obligation debt before July 1, 2013	264,200,000	263,420,000	—	—	—	\$780,000
Building commission; refunding tax-supported and self-amortizing general obligation debt	12,835,000,000	9,506,646,046	—	—	—	3,328,353,954

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund ^(a)		G.O. Bonds of 2025, Series B ^(b)	Total Authorized Unissued Debt
			Interest Earnings	Premium		
Building commission; housing state departments and agencies	\$1,061,732,200	\$792,781,672	\$2,494,086	\$44,101,572	\$15,000,000	207,354,870
Building commission; 1 West Wilson Street parking ramp	15,100,000	14,805,521	294,479	—	—	—
Building commission; project contingencies	47,961,200	47,519,700	64,991	227,408	9,062	140,039
Building commission; capital equipment acquisition	125,660,000	123,961,256	740,327	343,697	—	614,720
Building commission; discount sale of debt	90,000,000	73,492,486	—	—	—	16,507,514
Building commission; discount sale of debt (higher education bonds)	100,000,000	99,988,833 ^(c)	—	—	—	11,167
Building commission; other public purposes	3,352,594,900	2,968,941,103	12,881,086	136,537,276	25,001,227	209,234,208
Medical College of Wisconsin, Inc.; basic science education and health information technology facilities	10,000,000	10,000,000	—	—	—	—
Norskedalen Nature and Heritage Center	1,048,300	—	—	—	—	1,048,300
Bond Health Center	1,000,000	983,307	10	16,682	—	1
Lac du Flambeau Indian Tribal Cultural Center ..	250,000	210,495	1	39,504	—	—
Dane County; livestock facilities	9,000,000	7,577,838	28	1,422,134	—	—
K I Convention Center	2,000,000	1,725,394	83	274,522	—	1
HR Academy, Inc.	1,500,000	1,500,000	—	—	—	—
Medical College of Wisconsin, Inc.; biomedical research and technology incubator; cancer research facility	45,000,000	33,909,754	16	926,706	9,657,968	505,556
AIDS Resource Center of Wisconsin, Inc.	800,000	800,000	—	—	—	—
Bradley Center Sports and Entertainment Corporation	5,000,000	4,869,946	—	130,053	—	1
Medical College of Wisconsin, Inc.; community medical education facilities	7,384,300	6,492,766	3,054	785,486	—	102,994
Family justice center	10,625,000	9,109,385	49	1,515,566	—	—
Marquette University; dental clinic and education facility	25,000,000	23,942,671	822	1,056,507	—	—
Civil War exhibit at the Kenosha Public Museum	500,000	500,000	—	—	—	—
AIDS Network, Inc.	300,000	300,000	—	—	—	—
Wisconsin Maritime Center of Excellence	5,000,000	4,383,263	64	616,673	—	—
Milwaukee Police Athletic League; youth activities center	1,000,000	1,000,000	—	—	—	—

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund ^(a)		G.O. Bonds of 2025, Series B ^(b)	Total Authorized Unissued Debt
			Interest Earnings	Premium		
Hmong cultural center	\$250,000	\$250,000	—	—	—	—
Children's research institute	10,000,000	10,000,000	—	—	—	—
Domestic Abuse Intervention Services, Inc.	560,000	476,628	\$45	\$83,327	—	—
Carroll University	3,000,000	2,393,935	49	403,127	—	\$202,889
Wisconsin Agriculture Education Center, Inc.	5,000,000	4,522,862	49	477,090	—	—
Eau Claire Confluence Arts, Inc.	15,000,000	13,462,195	38	1,537,766	—	1
Psychiatric and behavioral health treatment beds; Marathon County	5,000,000	4,492,343	35	507,623	—	—
Administration; school educational technology infrastructure financial assistance	71,911,300	71,480,216	431,066	—	—	18
Myrick Hixon EcoPark, Inc.	500,000	500,000	—	—	—	—
Madison Children's Museum	250,000	250,000	—	—	—	—
Administration; public library educational technology infrastructure financial assistance ..	269,000	268,918	42	—	—	40
La Crosse Center	5,000,000	4,104,366	73	895,560	—	1
St. Ann Center for Intergenerational Care, Inc.; Bucyrus Campus	5,000,000	4,245,324	51	754,625	—	—
Brown County innovation center	5,000,000	4,243,415	30	756,555	—	—
Beyond Vision; VisABILITY Center	5,000,000	4,681,064	19	318,917	—	—
Building Commission; projects	25,000,000	8,967,968	45,418	945,902	\$2,308,156	12,732,556
Center	15,000,000	13,701,388	—	1,295,419	—	3,193
Medical College of Wisconsin eye institute	10,000,000	—	—	—	—	10,000,000
Museum of nature and culture	40,000,000	8,110,426	31,132	1,139,505	15,000,000	15,718,937
Educational communications board; educational communications facilities	24,169,000	24,112,683	38,515	11,925	—	5,877
Grand Opera House in Oshkosh	500,000	500,000	—	—	—	—
Aldo Leopold climate change classroom and interactive laboratory	500,000	485,000	8	14,992	—	—
Historical society; self-amortizing facilities	1,029,300	1,029,156	3,896	—	—	—
Historical society; historic records	26,650,000	22,951,919	137	3,169,487	—	\$528,457
Historical society; historic sites	17,912,800	11,441,087	19,181	641,746	—	5,810,786
Historical society; museum facility	74,384,400	10,054,536	48,924	807,894	3,500,000	59,973,046
Historical society; Wisconsin history center	16,000,000	8,642,568	457	1,360,780	—	5,996,195
Public instruction; state school, state center and library facilities	37,350,600	11,845,469	32,509	467,826	1,214,084	23,790,712

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund ^(a)		G.O. Bonds of 2025, Series B ^(b)	Total Authorized Unissued Debt
			Interest Earnings	Premium		
Military affairs; armories and military facilities ..	\$96,195,100	\$53,306,750	\$362,417	\$3,197,090	\$6,348,363	\$32,980,480
Veterans affairs; veterans facilities	75,845,200	14,252,283	64,990	682,057	3,417,704	57,428,166
Veterans affairs; self-amortizing mortgage loans	2,122,542,395	2,122,542,395	—	—	—	—
Veterans affairs; refunding bonds	1,015,000,000	761,594,245	—	—	—	253,405,755
Veterans affairs; self-amortizing facilities	185,881,100	54,044,114	10,177	6,094,465	3,281,953	122,450,391
State fair park board; board facilities	32,776,100	14,769,363	1	—	—	18,006,736
State fair park board; housing facilities	11,000,000	10,999,985	15	—	—	—
State fair park board; self-amortizing facilities	70,037,100	56,023,516	44,827	460,909	5,000,000	8,507,848
Total	<u>\$45,511,401,047</u>	<u>\$36,112,517,511</u>	<u>\$89,637,834</u>	<u>\$1,002,968,762</u>	<u>\$293,200,000</u>	<u>\$8,013,080,796</u>

^(a) Amounts previously credited to the Capital Improvement Fund (which include interest earnings and may include sale proceeds representing purchase premium) reduce issuance authority by the same amount.

^(b) Preliminary; subject to change. Amounts include aggregate of par amount of Bonds issued and purchase premium expected to be received from the sale of the Bonds and credited to the Capital Improvement Fund.

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

Source: Department of Administration

APPENDIX C

EXPECTED FORM OF BOND COUNSEL OPINION

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

(Letterhead of Foley & Lardner LLP)

State of Wisconsin Building Commission
101 East Wilson Street, 7th Floor
Madison, Wisconsin 53703

\$267,080,000*
STATE OF WISCONSIN
GENERAL OBLIGATION BONDS OF 2025, SERIES B

We have acted as bond counsel in connection with the issuance by the State of Wisconsin (**State**) of its \$267,080,000* General Obligation Bonds of 2025, Series B, dated the date hereof (**Bonds**). The Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes, and are being issued pursuant to 2025 State of Wisconsin Building Commission Resolution 6 adopted on August 6, 2025 (**Resolution**) by the State of Wisconsin Building Commission (**Commission**).

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

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

1. The Bonds are valid and binding general obligations of the State.
2. The Resolution has been duly adopted by the Commission is a valid and binding obligation of the State, enforceable upon the State as provided in the Resolution.
3. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of the principal of, and premium, if any, and interest on, the Bonds as the Bonds mature and become due. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for such purpose.
4. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (**Code**) and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals under the Code; however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations on which the federal alternative minimum tax is imposed under the Code. The State must continuously comply with all requirements of the Code that must be satisfied after the Bonds are issued for interest on the Bonds to be, or continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The State has agreed to do so. A failure to comply may cause interest on the Bonds to be included in gross income for federal income tax purposes, in some cases retroactively to the date the Bonds were issued irrespective of the date on which such noncompliance occurs or is ascertained. We express no opinion as to other federal tax law consequences regarding the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

*Preliminary; subject to change.

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

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement dated _____, 2025 or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion as to those matters (except only the matters set forth as our opinion in the Official Statement).

The opinions set forth in this letter are based upon current facts and circumstances, and upon existing law and interpretations thereof, as of the date of this letter and we assume no affirmative obligation to update, revise or supplement such opinions to reflect any action thereafter taken or not taken or if such facts or circumstances, or laws or interpretations thereof, change after the date of such opinions, including, without limitation, changes that adversely affect the excludability of interest on the Bonds, even if such actions, inactions or changes come to our attention. Further, such opinions are limited solely to the matters stated therein, and no opinion is to be implied or is intended beyond the opinions expressly stated herein. In acting as bond counsel, we have established an attorney-client relationship solely with the State.

Very truly yours,

Foley & Lardner LLP

