

New Issue

This Official Statement provides information about the 2026 Bonds. Some of the information appears on this cover page for ready reference. A prospective investor should read the entire Official Statement to make an informed investment decision.

\$125,070,000*

STATE OF WISCONSIN

\$87,795,000* TRANSPORTATION REVENUE BONDS, 2026 SERIES A

\$37,275,000* TRANSPORTATION REVENUE REFUNDING BONDS, 2026 SERIES 1

Dated: Date of Delivery

Due: As shown on the inside front cover

Ratings

Kroll Bond Rating Agency, LLC
S&P Global Ratings

Tax Matters Interest on the 2026 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the 2026 Bonds is taken into account in determining “adjusted financial statement income” for purposes of computing the federal alternative minimum tax imposed on certain corporations—See page 15.

Interest on the 2026 Bonds is not exempt from current State of Wisconsin income or franchise taxes—See page 17.

Redemption* The 2026 Bonds maturing on or after July 1, are subject to optional redemption at par on July 1, or any date thereafter—See page 4.

The Bonds maturing on July 1, are subject to mandatory sinking fund redemption at par—See page 5.

Security The Bonds have a first claim on vehicle registration fees (which are a substantial portion of pledged Program Income) and other vehicle registration-related fees including, but not limited to, vehicle title transaction fees, registration and title counter service fees, and personalized license plate issuance and renewal fees—See page 7.

Priority The 2026 Bonds are issued on a parity with the Prior Bonds, which are outstanding as of April 1, 2026 in the amount of \$1,223,630,000, and any additional parity Bonds issued by the State pursuant to the General Resolution.

Purpose Proceeds of the 2026 Series A Bonds will be used to finance certain State transportation facilities and highway projects and to pay costs of issuance. Proceeds of the 2026 Series 1 Bonds will be used to current refund (including by purchasing Tendered Bonds pursuant to the Invitation) certain Outstanding Bonds and to pay costs of issuance—See page 2.

Interest Payment Dates January 1 and July 1, commencing January 1, 2027.

Closing/Settlement On or about , 2026.

Denominations Multiples of \$5,000.

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

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

Bond Counsel Quarles & Brady LLP—See page 15.

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

2025 Annual Report This Official Statement incorporates by reference, and makes updates and additions to, Parts I, II, and V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 19, 2025—See page 17, APPENDIX A, and APPENDIX B.

The prices and yields listed on the inside front cover were determined on , 2026 at negotiated sale.

BofA Securities

Jefferies

BAIRD

Goldman Sachs & Co. LLC

RBC Capital Markets

, 2026

*Preliminary; subject to change.

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

\$125,070,000*

STATE OF WISCONSIN

\$87,795,000* TRANSPORTATION REVENUE BONDS, 2026 SERIES A

CUSIP (977123)	Due (July 1)*	Principal Amount*	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date (July 1)*	Call Price*
	2028	\$2,945,000					
	2029	\$3,090,000					
	2030	3,245,000					
	2031	3,410,000					
	2032	3,580,000					
	2033	3,760,000					
	2034	3,945,000					
	2035	4,145,000					
	2036	4,350,000					
	2037	55,325,000					

\$37,275,000* TRANSPORTATION REVENUE REFUNDING BONDS, 2026 SERIES 1

CUSIP (977123)	Due (July 1)*	Principal Amount*	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date (July 1)*	Call Price*
	2027						
	2028						
	2029						
	2030						
	2031						
	2032						
	2033						
	2034						
	2035						
	2036						
	2037						
	2038						
	2040						
	2041						

* Preliminary; subject to change.

This document is the State’s official statement about the offering of the 2026 Bonds; that is, it is the only document the State has authorized for providing information about the 2026 Bonds. This document is not an offer or solicitation for the 2026 Bonds, and no unlawful offer, solicitation, or sale may occur through the use of this document or otherwise. This document is not a contract, and it provides no investment advice. Prospective investors should consult their advisors and legal counsel with questions about this document, the 2026 Bonds, and anything else related to the offering.

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

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

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

No dealer, broker, sales representative, or other person has been authorized to give any information or to make any representations about the 2026 Bonds other than what is in this document. The information and expressions of opinion in this document may change without notice. Neither the delivery of this document nor any sale of the 2026 Bonds implies that there has been no change in the other matters contained in this document since its date. Material referred to in this document is not part of this document unless expressly included.

The 2026 Bonds will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity shall have passed upon the accuracy or adequacy of this Official Statement.

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STATE OFFICIALS PARTICIPATING IN ISSUANCE AND SALE OF THE 2026 BONDS

BUILDING COMMISSION MEMBERS*

Voting Members

Governor Tony Evers, Chairperson
Representative Rob Swearingen, Vice Chairperson
Senator André Jacque
Senator Mary Felzkowski
Senator Brad Pfaff
Representative Jill Billings
Representative Robert Wittke
Ms. Barb Worcester, Citizen Member

Term of Office Expires

January 4, 2027
January 4, 2027
January 4, 2027
January 3, 2029
January 3, 2029
January 4, 2027
January 4, 2027
At the pleasure of the Governor

Nonvoting, Advisory Member

Mr. Kevin Trinastic, State Ranking Architect
Department of Administration

—

Building Commission Secretary

Ms. Naomi De Mers, Administrator
Division of Facilities Development
Department of Administration

At the pleasure of the Building
Commission and the Secretary of
Administration

OTHER PARTICIPANTS

Mr. Joshua L. Kaul
State Attorney General
Ms. Kathy K. Blumenfeld, Secretary
Department of Administration
Ms. Kristina Boardman, Secretary
Department of Transportation

January 4, 2027

At the pleasure of the Governor

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 2026 BONDS

Selected information is presented on this page for the convenience of the readers. To make an informed decision regarding the 2026 Bonds, a prospective investor should read this entire Official Statement.

Principal Amount and Description:	\$87,795,000* State of Wisconsin Transportation Revenue Bonds, 2026 Series A \$37,275,000* State of Wisconsin Transportation Revenue Refunding Bonds, 2026 Series 1
Denominations:	Multiples of \$5,000.
Date of Issue:	On or about , 2026.
Interest Payment:	January 1 and July 1, commencing January 1, 2027.
Maturities:	2026 Series A Bonds; July 1, 2028-37*— See inside front cover. 2026 Series 1 Bonds; July 1, 2027-38 and 2040-41*— See inside front cover.
Record Date:	December 15 or June 15.
Redemption*:	<i>Optional At Par</i> —The 2026 Bonds maturing on or after July 1, are subject to optional redemption at par (100%) on any date on or after July 1, — See page 4. <i>Sinking Fund</i> —The Bonds maturing on July 1, are subject to mandatory sinking fund redemption at par— See page 5.
Form:	Book-entry-only— See page 5.
Paying Agent:	All payments of principal and interest on the 2026 Bonds will be made by The Bank of New York Mellon Trust Company, N.A., or its successor. All payments will be made to The Depository Trust Company, which will distribute payments as described herein.
Authority for Issuance:	The 2026 Bonds are issued under Chapter 18 and Section 84.59 of the Wisconsin Statutes.
Purpose:	Proceeds of the 2026 Series A Bonds will be used to finance certain State transportation facilities and highway projects, and to pay costs of issuance. Proceeds of the 2026 Series 1 Bonds will be used to current refund (including by purchasing Tendered Bonds pursuant to the Invitation) certain Outstanding Bonds, and to pay costs of issuance.
Security:	The Bonds are revenue obligations having a first claim on vehicle registration fees (which are a substantial portion of pledged Program Income) and on other vehicle registration-related fees including, but not limited to, vehicle title transaction fees, registration and title counter service fees, and personalized license plate issuance and renewal fees— See page 7.
Priority and Additional Bonds:	The 2026 Bonds are issued on a parity with the Prior Bonds and any additional parity Bonds issued by the State pursuant to the General Resolution. As of April 1, 2026, \$1,223,630,000 of Prior Bonds were Outstanding. The State may, if certain conditions are met, issue additional transportation revenue obligations on parity with the Prior Bonds and the 2026 Bonds— See page 7.
Legality of Investment:	State law provides that the 2026 Bonds are legal investments for all banks and bankers, trust companies, savings banks and institutions, savings and loan associations, credit unions, investment companies, insurance companies, insurance associations, and other persons carrying on a banking or insurance business; for all personal representatives, guardians, trustees, and other fiduciaries; and for the State, the State investment board and all public officers, municipal corporations, political subdivisions, and public bodies.
Tax Matters:	Interest on the 2026 Bonds is, for federal income tax purposes, excludable from gross income and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is taken into account in determining “adjusted financial statement income” for purposes of computing the federal alternative minimum tax imposed on certain corporations— See page 15. Interest on the 2026 Bonds is not exempt from State of Wisconsin income or franchise taxes— See page 17.
Legal Opinion:	Validity and tax opinions on the 2026 Bonds to be provided by Quarles & Brady LLP— See APPENDIX C.

2025 Annual Report: This Official Statement incorporates by reference, and makes updates and additions to, Parts I, II, and V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 19, 2025—*See page 17, APPENDIX A, and APPENDIX B.*

* Preliminary; subject to change.

OFFICIAL STATEMENT

\$125,070,000*

STATE OF WISCONSIN

\$87,795,000* TRANSPORTATION REVENUE BONDS, 2026 SERIES A

\$37,275,000* TRANSPORTATION REVENUE REFUNDING BONDS, 2026 SERIES 1

INTRODUCTION

This Official Statement sets forth information concerning the \$87,795,000* State of Wisconsin Transportation Revenue Bonds, 2026 Series A (**2026 Series A Bonds**), \$37,275,000* State of Wisconsin Transportation Revenue Refunding Bonds, 2026 Series 1 (**2026 Series 1 Bonds**) (collectively, the 2026 Series A Bonds and 2026 Series 1 Bonds are called the **2026 Bonds**), issued by the State of Wisconsin (**State**). This Official Statement includes by reference, and makes updates and additions to, Parts I, II, and V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 19, 2025 (**2025 Annual Report**).

The 2026 Bonds are revenue obligations issued for the State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations Program (**Program**), authorized by Subchapter II of Chapter 18 of the Wisconsin Statutes, as amended (**Revenue Obligations Act**) and Section 84.59 of the Wisconsin Statutes (**Act**), and issued pursuant to a General Resolution adopted by the State of Wisconsin Building Commission (**Commission**) on June 26, 1986, as supplemented on March 19, 1998, August 9, 2000, and October 15, 2003 (**General Resolution**), and series resolutions adopted by the Commission on May 7, 2025, August 6, 2025, and February 4, 2026 (collectively, **Series Resolution**) (collectively, with the General Resolution, the **Resolutions**).

The 2026 Bonds, the Prior Bonds, and any additional parity Bonds (as such terms are defined herein) issued by the State pursuant to the General Resolution, are secured by a first lien pledge of Program Income. Program Income (as defined herein) includes vehicle registration fees authorized under Section 341.25 of the Wisconsin Statutes and certain other vehicle registration-related fees. See “SECURITY FOR THE BONDS”.

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

In connection with the issuance and sale of the 2026 Bonds, the Commission has authorized the preparation of this Official Statement. This Official Statement describes the terms of, and security for, the 2026 Bonds. Copies of the Resolutions, the Revenue Obligations Act and the Act are available from the Commission. All capitalized terms used in this Official Statement and not otherwise defined shall have the meanings assigned in the Resolutions. Certain documents are expressly incorporated into this Official Statement by reference, however, all other web sites listed in this Official Statement are provided for informational purposes only and are not incorporated by reference into this Official Statement.

THE DEPARTMENT OF TRANSPORTATION

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

* Preliminary; subject to change.

Information concerning the DOT is included as [APPENDIX A](#) to this Official Statement, which includes by reference Part V of the 2025 Annual Report. [APPENDIX A](#) also makes certain updates and additions to Part V of the 2025 Annual Report, including:

- Estimated revenue coverage for fiscal years 2025-26 through and including 2029-30.
- Actual year-to-date Program Income.

THE STATE

The State is located in the Midwest among the northernmost tier of states. The State ranks 21st among the states in population and 25th in land area. Wisconsin attained statehood in 1848, its capital is Madison, and its largest and most populous city is Milwaukee.

Information concerning the State and its financial condition is included as [APPENDIX B](#), which includes by reference Part II of the 2025 Annual Report. [APPENDIX B](#) also makes updates and additions to Part II of the 2025 Annual Report, including but not limited to:

- Estimated General Fund condition statement 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 15, 2026 (**January 2026 LFB Report**).
- General Fund information for the 2025-26 fiscal year through March 31, 2026, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the remainder of the 2025-26 fiscal year and the 2026-27 fiscal year, which is presented on a cash basis.

Requests for additional public information about the State, the DOT, or the Program may be directed to:

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

PLAN OF FINANCE

General

The Legislature has authorized the issuance of revenue obligations to finance the costs of State transportation facilities and highway projects (**Projects**) and to refund Outstanding Bonds previously issued for that purpose.

2026 Series A Bonds

The 2026 Series A Bonds are being issued to finance certain Projects and to pay for costs of issuance.

2026 Series 1 Bonds

The 2026 Series 1 Bonds are being issued for the current refunding of Outstanding Bonds previously issued to finance or refinance Projects by (i) purchasing certain maturities of such bonds, or portions thereof (**Purchased Bonds**), which have been validly tendered by their owners pursuant to the State's Invitation to Tender Bonds on the date of issuance of the 2026 Series 1 Bonds (**Settlement Date**) and (ii) optionally redeeming on July 1, 2026, certain Outstanding Bonds that are not Purchased Bonds (**Current Refunded Bonds**) (collectively, the Purchased Bonds and Current Refunded Bonds are called the **Refunded Bonds**), and to pay for costs of issuance.

APPENDIX D identifies and provides information about the Refunded Bonds.

Invitation to Tender Bonds

On April 21, 2026, the State released an Invitation to Tender Bonds (**Invitation**), inviting holders of certain maturities of outstanding Prior Bonds (**Invited Bonds**) to tender Invited Bonds for purchase by the State on the terms and conditions set forth in the Invitation. The purpose of the Invitation is to give the State the opportunity to retire the Invited Bonds on the Settlement Date.

Pursuant to the Invitation, the owners of the Invited Bonds may tender their Invited Bonds (**Tendered Bonds**) for cash and, subject to the conditions set forth in the Invitation, the State expects to purchase some or all of the Tendered Bonds at the purchase prices and on the other terms set forth in the Invitation, as supplemented or amended via pricing notice or otherwise. Any Purchased Bonds will be canceled on the Settlement Date and will no longer be deemed outstanding. Funds to pay the purchase price of the Purchased Bonds, and to pay the costs of the Invitation, are expected to be provided from the proceeds of the 2026 Series 1 Bonds, and from funds on deposit with the Trustee.

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

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

Current Refundings

2026 Series 1 Bonds

Upon delivery of the 2026 Series 1 Bonds, a portion of the proceeds of the 2026 Series 1 Bonds (net costs of issuance) will be deposited into the debt service accounts held with the Trustee. Such proceeds of the 2026 Series 1 Bonds will be used to pay (i) the purchase price of the Purchased Bonds on the Settlement Date and (ii) the redemption price of the Current Refunded Bonds on July 1, 2026.

To provide for the redemption price of the Current Refunded Bonds, proceeds will be used to purchase direct obligations of, and obligations guaranteed by, the United States of America (**Government Obligations**). These Government Obligations, together with the interest to be earned and beginning cash deposit, will be sufficient to redeem or pay the principal of the Current Refunded Bonds on their July 1, 2026 redemption date.

In addition, funds in the debt service accounts held by the Trustee will be used to pay (i) the accrued interest on the Purchased Bonds to the Settlement Date and (ii) the interest due on the Current Refunded Bonds on July 1, 2026. The funds in the debt service accounts currently held by the Trustee are sufficient to pay the accrued interest on the Purchased Bonds to the Settlement Date and taking into account the Redemption Fund Deposit Day beginning April 1, 2026, it is expected that there will be sufficient funds in the debt service accounts held by the Trustee to pay interest due on the Current Refunded Bonds on July 1, 2026.

APPENDIX D identifies and provides information about the Purchased Bonds and Current Refunded Bonds.

Sources and Applications

It is expected that the proceeds of the 2026 Bonds will be applied as follows:

Sources	2026 Series A Bonds	2026 Series 1 Bonds	Total
Principal Amount	\$	\$	\$
Original Issue Premium/Discount			
Funds on Deposit with Trustee			
TOTAL SOURCES	\$	\$	\$
Uses			
Deposit to Program Account to Pay Project Costs	\$	\$	\$
Deposit to Debt Service Account for Purchased Bonds			
Deposit to Debt Service Account for Current Refunded Bonds			
Deposit to Program Account to Pay Costs of Issuance			
Underwriters' Discount			
TOTAL USES	\$	\$	\$

THE 2026 BONDS

General

The 2026 Bonds are issued under the General Resolution. The [inside front cover of this Official Statement](#) sets forth the maturity dates, principal amounts, interest rates, and other information for the 2026 Bonds.

The 2026 Bonds are being issued in book-entry-only form, so the registered owner will be a securities depository or its nominee. The Commission has appointed, as the securities depository for the 2026 Bonds, The Depository Trust Company, New York, New York (**DTC**). See [“THE 2026 BONDS; Book-Entry-Only Form”](#).

The 2026 Bonds will be dated their date of delivery (expected to be _____, 2026) and will bear interest from that date payable on January 1 and July 1 of each year, beginning on January 1, 2027.

Interest on the 2026 Bonds will be computed on the basis of a 30-day month and a 360-day year. So long as such 2026 Bonds are in book-entry-only form, payments of principal and interest for each 2026 Bonds will be paid to the securities depository.

The 2026 Bonds are issued as fully-registered bonds without coupons in the principal denominations of \$5,000 or any multiples thereof.

The Bank of New York Mellon Trust Company, N.A., or its successor, is the trustee for the 2026 Bonds (**Trustee**). In addition, the Trustee is the registrar (**Registrar**) and paying agent (**Paying Agent**) for the 2026 Bonds.

Optional Redemption at Par*

The 2026 Bonds maturing on or after July 1, _____ are subject to optional redemption, at the option of the Commission, on July 1, _____ or any date after that date, in whole or in part in integral multiples of \$5,000, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the date of redemption.

In the event of partial redemption, the Commission shall direct the series, amounts and maturity or maturities of the 2026 Bonds to be redeemed.

* Preliminary; subject to change.

Mandatory Sinking Fund Redemption*

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

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

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

Selection of 2026 Bonds for Redemption

The 2026 Bonds shall be called for redemption in multiples of \$5,000 and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000, and such bonds may be selected for redemption in part. If the 2026 Bonds are in book-entry form and less than all of a particular maturity are to be redeemed, selection of the ownership interests of the 2026 Bonds affected thereby shall be made solely by DTC and the DTC Participants in accordance with their then prevailing rules. If the 2026 Bonds are in certificated form and less than all of a particular maturity are to be redeemed, selection shall be by lot.

Notice of Redemption

So long as the 2026 Bonds are in book-entry form, a notice of the redemption of any 2026 Bonds shall be sent to the securities depository not less than 30 days or more than 60 days prior to the date of redemption.

Interest on any 2026 Bond so called for prior redemption shall cease to accrue on the redemption date provided payment thereof has been duly made or provided for.

Ratings

The following ratings have been assigned to the 2026 Bonds:

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

Any explanation of what a rating means may only be obtained from the rating organization giving the rating. A securities rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time. No one can offer any assurance that a rating will be maintained for any period of time. Any downgrade or withdrawal of a rating may adversely affect the market price of the 2026 Bonds and the Outstanding Bonds. The State may elect not to continue requesting ratings on the 2026 Bonds and the Outstanding Bonds from any particular rating organization or may elect to request ratings on the 2026 Bonds and the Outstanding Bonds from a different rating organization.

Book-Entry-Only Form

The 2026 Bonds are being initially issued in book-entry-only form. Purchasers of the 2026 Bonds will not receive bond certificates but instead will have their ownership recorded in the book-entry system.

Bond certificates are to be issued and registered in the name of a nominee of DTC, which acts as securities depository for the 2026 Bonds. Ownership of the 2026 Bonds by the purchasers is shown in the records of

* Preliminary; subject to change.

brokers and other organizations participating in the DTC book-entry system (**DTC Participants**). All transfers of ownership in the 2026 Bonds must be made, directly or indirectly, through DTC Participants.

Payment

The Trustee will make all payments of principal of, interest on, and any redemption premium on the 2026 Bonds to DTC. Owners of the 2026 Bonds will receive payments through the DTC Participants.

Notices and Voting Rights

The State and Trustee will provide notices and other communications about the 2026 Bonds to DTC. Owners of the 2026 Bonds will receive any notices or communications through the DTC Participants. In any situation involving voting rights, DTC will not vote but rather will give a proxy through the DTC Participants.

Redemption

If less than all of the 2026 Bonds of a given maturity or Sinking Fund Installment are being redeemed, DTC's practice is to determine by lottery the amount of the 2026 Bonds to be redeemed from each DTC Participant.

Discontinued Service

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

Further Information

Further information concerning DTC and DTC's book-entry system is available at www.dtcc.com. The State and Trustee are not responsible for any information available on DTC's web site. That information may be subject to change without notice.

The State and Trustee are not responsible for a failure by DTC or any DTC Participant to transfer payments or notices to the owners of the 2026 Bonds or to follow the procedures established by DTC for its book-entry system.

Provisions Upon Discontinuance of Book-Entry-Only System

In the event the 2026 Bonds were not in book-entry-only form, how the 2026 Bonds are paid, redeemed, and transferred would differ as described below.

Payment

Payment of principal would be made by check or draft issued upon presentation and surrender of the 2026 Bonds at the office of the Paying Agent. Payment of interest due on the 2026 Bonds would be made by check or draft mailed to the registered owner shown in the registration books on the Record Date, which is the 15th day of the month (whether or not a business day) preceding the Interest Payment Date.

Redemption

If less than all of a particular maturity of the 2026 Bonds is to be redeemed, selection for redemption would be by lot. Any notice of the redemption of any 2026 Bonds would be mailed not less than 30 days prior to the date of redemption to the registered owners of any 2026 Bonds to be redeemed. Interest on any 2026 Bond called for redemption would cease to accrue on the redemption date so long as the 2026 Bond was paid or money was on deposit with the Registrar or Paying Agent for its payment.

Transfer

Any 2026 Bond would be transferred by the person in whose name it is registered, in person or by his duly authorized legal representative, upon surrender of the 2026 Bonds to the Registrar for cancellation, together with a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any 2026 Bond is surrendered for transfer, the Registrar shall deliver 2026 Bonds in like aggregate principal amount, interest rate, and maturity. The Registrar may require the 2026 Bondholder requesting the transfer to pay any tax, fee or

other governmental charge required to be paid with respect to the transfer and may charge a sum sufficient to pay the cost of preparing such 2026 Bond. The Registrar shall not be obliged to make any transfer or exchange of such 2026 Bonds:

- (1) after the 15th day of the month preceding an Interest Payment Date for such 2026 Bond,
- (2) during the 15 days preceding the date of the mailing of a notice of redemption of such 2026 Bonds selected for redemption, or
- (3) after such 2026 Bond has been called for redemption.

SECURITY FOR THE BONDS

General

Information concerning the State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations Program (**Program**), security for the Bonds (as defined herein), sources of payment, vehicles subject to registration, past and projected vehicle registration fees, past and projected other vehicle registration-related fees, registration fee collection procedures, the Reserve Fund, additional Bonds, and the DOT is included as [APPENDIX A](#), which includes by reference Part V of the 2025 Annual Report. [APPENDIX A](#) also includes certain updates to Part V of the 2025 Annual Report.

Prior Bonds

The Legislature has authorized the issuance of \$4.540 billion of transportation revenue obligations to finance the costs of Projects, excluding transportation revenue obligations issued to refund Outstanding Bonds and Notes, and approximately \$281 million of legislative authority currently remains unissued, and does not reflect the sale and issuance of the 2026 Series A Bonds.

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

	<u>Dated Date</u>
Transportation Revenue Bonds, 2017 Series 1 (2017 Series 1 Bonds)	5/31/2017
Transportation Revenue Refunding Bonds, 2017 Series 2 (2017 Series 2 Bonds)	12/21/2017
Transportation Revenue Bonds, 2019 Series A (2019 Series A Bonds)	4/4/2019
Transportation Revenue Refunding Bonds, 2020 Series 1 (Taxable) (2020 Series 1 Bonds)	7/30/2020
Transportation Revenue Bonds, 2021 Series A (2021 Series A Bonds)	3/31/2021
Transportation Revenue Refunding Bonds, 2021 Series 1 (Taxable) (2021 Series 1 Bonds)	8/12/2021
Transportation Revenue Bonds, 2023 Series A (2023 Series A Bonds)	4/6/2023
Transportation Revenue Refunding Bonds, 2023 Series 1 (2023 Series 1 Bonds)	4/6/2023
Transportation Revenue Refunding Bonds, 2024 Series 1 (2024 Series 1 Bonds)	4/2/2024
Transportation Revenue Refunding Bonds, 2024 Series 2 (2024 Series 2 Bonds)	4/9/2024
Transportation Revenue Refunding Bonds, 2025 Series 1 (2025 Series 1 Bonds)	4/3/2025

These Outstanding Bonds (collectively, **Prior Bonds**), and the 2026 Bonds, together with any future additional Bonds issued by the State pursuant to the General Resolution, are referred to collectively as the **Bonds**. As of April 1, 2026, the amount of outstanding Prior Bonds was \$1,223,630,000.

The 2026 Bonds are issued on a parity with each other and the Prior Bonds and any future additional parity Bonds issued by the State pursuant to the General Resolution. See “[RISK FACTORS](#)”.

The State has previously issued various series of Transportation Revenue Commercial Paper Notes (collectively, **Notes**). As of April 1, 2026, there are no Outstanding Notes, but the State may issue additional Notes in the future. Such Notes would be issued pursuant to the General Resolution and pursuant to Series Resolutions that provide that the payment of the Notes by the State from Program Income is junior and subordinate to the Bonds.

The Commission expects to authorize the issuance of additional Bonds to pay for the funding of any such Notes. If and when issued, the additional Bonds issued to fund any Notes may be on a parity with the Prior Bonds, the 2026 Bonds, and any additional parity Bonds issued by the State pursuant to the provisions and conditions of the General Resolution.

Security

The Bonds are revenue obligations of the State payable solely from the Redemption Fund created by the General Resolution. The 2026 Bonds, the Prior Bonds, and any additional parity Bonds issued by the State pursuant to the General Resolution, are secured by a first lien pledge of Program Income (as defined below), and the funds created by the General Resolution pledged to the payment of interest, principal, and Redemption Price on the Bonds. The Bonds are not general obligations of the State.

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

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

Other Registration-Related Fees include many types of fees that are enumerated in the Wisconsin Statutes, however, many of the Other Registration-Related Fees result in insignificant or sporadic annual revenues. Given this insignificant and sporadic nature, the State is currently providing continuing disclosure on some, but not all, Other Registration-Related Fees. These specific Other Registration-Related Fees include vehicle title transaction fees, registration and title counter service fees, and personalized license plate issuance and renewal fees. [See APPENDIX A.](#)

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

Flow of Funds

Program Income is collected by the Trustee, or the DOT as agent of the Trustee, continuously throughout the entire fiscal year, and deposited as received outside the State Treasury in an account with the Trustee defined as the **Redemption Fund**. Program Income deposited into the Redemption Fund is not subject to legislative appropriation. Program Income is further defined to include all the interest earned or gain realized from the investment of the Redemption Fund. Program Income received by the Trustee in the Redemption Fund is to be used for the following purposes and in the following order of priority:

- (1) to pay interest on all Outstanding Bonds,
- (2) to pay the principal or Redemption Price of all Outstanding Bonds,
- (3) to maintain the Debt Service Reserve Requirement, if any, in the Reserve Fund,
- (4) to pay, from the Program Expense Fund, direct administrative expenses (**Program Expenses**) of the State's program of financing Projects, and
- (5) to pay, from the Subordinated Debt Service Fund, principal of and interest on any Notes and any other obligations issued on a parity with the Notes.

Starting on the date a series of Bonds is issued and also on each Redemption Fund Deposit Day (the 1st day of January, April, July, and October), all Program Income is deposited into the Redemption Fund and then into the

funds and accounts established under, and in the order of priority and amounts required by, the General Resolution. Program Income received by the Trustee in the Redemption Fund is used in the above order.

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

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

State Pledge and Agreement

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

Reserve Fund

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

The State pursuant to each Series Resolution specifies the Debt Service Reserve Requirement, if any, for each Series of Bonds. The individual Debt Service Reserve Requirement for each Series of the Outstanding Bonds are combined to determine the aggregate Debt Service Reserve Requirement for the Reserve Fund. If all of the Bonds of a Series cease to be Outstanding, then the aggregate Debt Service Reserve Requirement is reduced by the Debt Service Reserve Requirement attributable to that Series of Bonds. Since 2003, the State has not specified a Debt Service Reserve Requirement for any Series of Bonds that have been issued. The State will continue this practice in connection with the issuance of the 2026 Bonds. Accordingly, the Debt Service Reserve Requirement for the 2026 Bonds is \$0.00. Furthermore, the State does not currently expect to specify a Debt Service Reserve Requirement for any future Series of additional Bonds; however, the State reserves the right to change its practice and no representation is made as to the amount of the Debt Service Reserve Requirement that the State may specify for any future Series of additional Bonds.

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

Additional Bonds

The General Resolution authorizes the issuance of additional Bonds for the purpose of paying the costs of Projects, funding reserves, paying costs of issuance, and refunding Outstanding Bonds. The issuance of transportation revenue obligations to finance the costs of Projects beyond the remaining legislative authorized amount requires additional legislative authorization; over the past ten years such additional legislative

authorization has been provided biennially as part of the State's biennial budget process, with the 2023-25 biennial budget being the only budget over the past ten years where such additional legislative authorization was not provided. [See "SECURITY FOR THE BONDS; Prior Bonds"](#). The executive budget for the 2025-27 biennium includes additional legislative authorization of \$319 million for the Transportation Revenue Bond Program. [See APPENDIX A](#).

In addition, except in the case of additional Bonds issued to refund Outstanding Bonds (such as the 2026 Series 1 Bonds), additional Bonds may be issued only if Program Income for any 12 consecutive calendar months of the preceding 18 calendar months was at least equal to 2.25 times the maximum aggregate Principal and Interest Requirement in any Bond Year for all Outstanding Bonds. The General Resolution defines **Outstanding Bonds**, as of any particular date, as all Bonds previously delivered and expected to be delivered (such as the 2026 Bonds), except (1) any Bond canceled by the Trustee, or proven to the satisfaction of the Trustee to have been canceled by the Registrar, (2) any Bond deemed to have been defeased pursuant to the General Resolution, and (3) any Bond in lieu of or in substitution for which another Bond shall have been delivered pursuant to the requirements of the General Resolution or any Series Resolution.

SUMMARY OF THE GENERAL RESOLUTION

A summary of certain provisions of the General Resolution is included as [APPENDIX A](#), which includes by reference Part V of the 2025 Annual Report.

RISK FACTORS

Revenue Obligations

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

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

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

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

Parity Debt

The 2026 Bonds are issued pursuant to the General Resolution on parity with the Prior Bonds and any other obligations to be issued on parity with the 2026 Bonds.

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

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

Impact of General Economic Factors

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

Industry Demand Factors

The number of motor vehicle registrations, title transactions and related fee-generating activities depend in large part on demand for and use of automobiles, trucks and other motor vehicles in the State. In addition to adverse general economic factors, longer term trends in automobile, truck and other motor vehicle demand could be adversely affected by various factors, including but not limited to increased reliance on alternative methods to trucking for business and industrial transport, increased reliance on public transportation, or other alternative transportation options, stagnation in or lack of acceptance of new motor vehicle product offerings, demographic changes in the driving age population.

Registration Fee Collection Procedures

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

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

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

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

Future Changes in Law

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

Tax Matters

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

BORROWING PROGRAM

The 2026 Bonds will be the first two series of transportation revenue obligations to be issued in calendar year 2026.

Assuming the issuance of the 2026 Series A Bonds, approximately \$87* million of authorization of the Commission will remain for additional transportation revenue obligations for the financing of Projects. The amount and timing of any issuance and sale of additional transportation revenue obligations for the financing of Projects depend on the bond funded expenditures for such Projects and additional legislative authorization to fund these Projects.

Assuming the issuance of the 2026 Series 1 Bonds, approximately \$263* million of authorization of the Commission will remain for additional transportation revenue refunding obligations to refund outstanding transportation revenue bonds. The Commission likely will be asked to authorize the issuance of additional transportation revenue refunding obligations. The amount and timing of any additional issuance of transportation revenue refunding bonds depend, among other factors, on market conditions.

Other Obligations - General Obligations

The State has issued one series of general obligations for general governmental purposes in the principal amount of \$475 million in calendar year 2026. The State has also issued one series of general obligation refunding bonds in the principal amount of \$334 million in calendar year 2026, for payment of the purchase or redemption price and refunding of general obligations previously issued for general government purposes. The State has also sold one series of general obligation refunding bonds in the principal amount of \$128 million in calendar year 2026, for the refunding of general obligations previously issued for general government purposes, with delivery expected on or about February 2, 2027.

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

- Up to \$538 million of additional general obligations for the refunding of general obligation bonds previously issued for general governmental purposes (\$38 million of which will expire on May 7, 2026). The amount and timing of any sale and issuance of any additional general obligations for refunding purposes depend, among other factors, on market conditions.
- General obligations for the funding of the State's outstanding general obligation extendible municipal commercial paper notes (**EMCP Notes**), which were outstanding in the aggregate principal amount of \$127 million as of April 1, 2026. The amount and timing of any issuance of general obligations for the funding of the EMCP Notes depend on a decision by the State to fund such obligations with a different form of variable-rate obligations or with bonds bearing fixed interest rates.

The Commission likely will be asked to authorize the issuance of additional general obligations for general governmental purposes in calendar year 2026. The amount and timing of any sale and issuance of any general obligations for general governmental purposes depend on disbursements from the State Capital Improvement Fund for authorized purposes.

*Preliminary; subject to change.

Other Obligations – General Fund Annual Appropriation Bonds

The State has not issued any general fund annual appropriation refunding bonds in calendar year 2026. The amount and timing of any issuance of any general fund annual appropriation refunding bonds depend, among other factors, on market conditions.

Other Obligations – Master Lease Certificates of Participation

The State has not issued any master lease certificates of participation in calendar year 2026. The amount and timing of any issuance of master lease certificates of participation depend, among other factors, on originations in the State's master lease program and market conditions.

Other Obligations – Environmental Improvement Fund Revenue Bonds

The State has not issued any environmental improvement fund revenue bonds in calendar year 2026. The Commission has an outstanding authorization of up to \$200 million of environmental improvement fund revenue bonds for the purpose of making loans under the State's Environmental Improvement Fund (\$50 million of which will expire on May 7, 2026). The sale and issuance of any environmental improvement fund revenue bonds depends on, among other factors, the timing and amount of disbursements from the environmental improvement fund and market conditions.

UNDERWRITING

The 2026 Bonds are being purchased by the **Underwriters**, for which BofA Securities, Inc. is acting as the **Representative**.

- The Underwriters have agreed, subject to certain conditions, to purchase the 2026 Series A Bonds from the State at an aggregate purchase price, not including accrued interest, of \$, reflecting an original issue premium/discount of \$ and less an underwriters' discount of \$.
- The Underwriters have agreed, subject to certain conditions, to purchase the 2026 Series 1 Bonds from the State at an aggregate purchase price, not including accrued interest, of \$, reflecting an original issue premium/discount of \$ and less an underwriters' discount of \$.

The Purchased Bonds are being tendered under the terms of the Invitation through BofA Securities, Inc. and Jefferies LLC, as Dealer Managers (**Dealer Managers**). For their services as Dealer Managers, the Dealer Managers will be compensated (**Dealer Manager Fee**) in an amount equal to a percentage of the aggregate principal amount of the Purchased Bonds. The Dealer Manager Fee is expected to be paid from proceeds of the 2026 Series 1 Bonds.

The Underwriters have agreed to reoffer the 2026 Bonds at the public offering prices or yields set forth on the inside front cover. The 2026 Bonds may be offered and sold to certain dealers (including dealers depositing such 2026 Bonds into investment trusts) at prices lower than such public offering prices, and such prices may be changed, from time to time, by the Underwriters. The Underwriters' obligations are subject to certain conditions, and they will be obligated to purchase all 2026 Bonds if any 2026 Bonds are purchased.

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

The Underwriters and their affiliates include full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the course of their various business activities, the Underwriters and their affiliates, officers, directors, and employees may purchase, sell, or hold investments and other financial

instruments for their own accounts and for the accounts of their customers. Such investment and trading activities may involve assets, securities, or other instruments of the State (directly, as collateral securing other obligations, or otherwise) or of others that have relationships with the State. The Underwriters and their affiliates may also communicate independent investment recommendations, market color, or trading ideas and may publish or express independent research views in respect of any such assets, securities, or instruments and may at any time hold, or recommend to clients that they should acquire, long or short positions in such assets, securities, or instruments.

If an Underwriter or its affiliate is an owner of Refunded Bonds, that Underwriter or affiliate would receive a portion of the proceeds from the issuance of the 2026 Bonds in connection with the purchase or redemption of those Refunded Bonds.

Certain legal matters will be passed upon for the Underwriters by their counsel, Chapman and Cutler LLP.

Special Consideration for Bondholders with respect to 2026 Series 1 Bonds

The State has advised the Representative that any holder of the Invited Bonds who tenders any Invited Bonds in the Tender Offer, and whose tender of such Invited Bonds is accepted by the State, and who submits an order to purchase 2026 Series 1 Bonds will, subject to the following two sentences, receive special consideration of allocation for a like maturity of the 2026 Series 1 Bonds up to the principal amount of Invited Bonds that such bondholder is tendering and that is accepted by the State. The Underwriters may accept orders outside of the State's instructed special consideration at the direction of the State. Accounts may be asked to provide additional information to the Underwriters and/or the State. Accounts that do not disclose and have their tender instructions verified by the Underwriters prior to submitting an order will not receive special consideration.

CUSIP NUMBERS, REOFFERING YIELDS, PRICES, AND OTHER INFORMATION

Information about the 2026 Bonds is provided for reference in the [table on the inside front cover](#) of this Official Statement. CUSIP numbers have been assigned to these issues by CUSIP Global Services. The CUSIP number for each maturity has been obtained from a source the State believes to be reliable, but the CUSIP numbers are subject to change after issuance of the 2026 Bonds, and neither the State nor the Underwriters are responsible for the correctness of the CUSIP numbers. The Underwriters have provided the reoffering yields and prices for the 2026 Bonds. For each of the 2026 Bonds subject to optional redemption, the yield at issuance shown is the lower of the yield to the first optional call date or the yield to the nominal maturity date.

LEGALITY FOR INVESTMENT

State law provides that the 2026 Bonds are legal investments for the following:

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

PENDING LITIGATION

The State and its officers and employees are defendants in numerous lawsuits. It is not expected that the pending litigation will be finally determined so as to result individually or in the aggregate in a final judgment against the State which would materially affect the payment of interest on, principal of, or Redemption Price of the 2026 Bonds.

As required by law, the office of the Attorney General will examine a certified copy of all proceedings leading to issuance of the 2026 Bonds. The Attorney General will deliver an opinion on the regularity and validity of the proceedings. The Attorney General's opinion will also state that there is no action, suit, or proceeding, either pending or threatened in writing, known to the Attorney General, restraining or enjoining the issuance, sale, execution, or delivery of the 2026 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 2026 Bonds, (2) the validity of the 2026 Bonds or any proceedings or authority by which the same have been issued, sold, executed and delivered, or (3) the pledge or application of any moneys or security provided for the payment of the 2026 Bonds, the existence of the DOT or its power to charge and collect Registration Fees and Other Registration-Related Fees and pledge them for the payment of the 2026 Bonds.

In the event certificated 2026 Bonds are issued, the certificate of the Attorney General will be printed on the reverse side of each 2026 Bonds.

LEGALITY

All legal matters incident to the authorization, issuance, and delivery of the 2026 Bonds are subject to the opinions of Quarles & Brady LLP (**Bond Counsel**), whose approving opinions, substantially in the forms shown in [APPENDIX C](#), will be delivered on the date of issue of the 2026 Bonds. In the event certificated 2026 Bonds are issued, the related opinion will be printed on the reverse side of each 2026 Bond.

Quarles & Brady LLP has also been retained by the State to serve as Disclosure Counsel to the State with respect to the 2026 Bonds. Although, as counsel to the State, Quarles & Brady LLP has assisted the State with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the 2026 Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the 2026 Bonds for any investor.

TAX MATTERS

The following is a summary of certain United States federal income tax consequences resulting from the beneficial ownership of 2026 Bonds by certain persons. This summary does not consider all the possible federal income tax consequences of the purchase, ownership, or disposition of the 2026 Bonds and is not intended to reflect the individual tax position of any beneficial owner.

Tax Exemption

Bond Counsel will deliver legal opinions with respect to the exclusion from gross income for federal income tax purposes applicable to the interest on the 2026 Bonds under existing law substantially in the forms as set forth in [APPENDIX C](#).

Prospective purchasers of the 2026 Bonds should be aware that ownership of the 2026 Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the 2026 Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time, legislation is proposed and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the 2026 Bonds. It cannot be predicted whether or in what form any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the 2026 Bonds may be enacted. Prospective purchasers of the 2026 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Original Issue Discount

To the extent that the initial public offering price of certain of the 2026 Bonds is less than the principal amount payable at maturity, such 2026 Bonds (**Discounted Bonds**) will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (**issue price**). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

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

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

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

Original Issue Premium

To the extent that the initial offering price of certain of the 2026 Bonds are more than the principal amount payable at maturity, such 2026 Bonds (**Premium 2026 Bonds**) will be considered to have bond premium.

Any Premium 2026 Bond purchased in the initial offering at the issue price will have “amortizable bond premium” within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium 2026 Bond is calculated on a daily basis from the issue date of such Premium 2026 Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight

line interpolation between the compounding dates). An owner of a Premium 2026 Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium 2026 Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium 2026 Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the owner held such Premium 2026 Bond. The adjusted tax basis in a Premium 2026 Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium 2026 Bond.

Owners of Premium 2026 Bonds who did not purchase such Premium 2026 Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium 2026 Bonds. Owners of Premium 2026 Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium 2026 Bonds.

State Tax Considerations

The interest on the 2026 Bonds is not exempt from current Wisconsin income or franchise taxes.

MUNICIPAL ADVISOR

Public Resources Advisory Group, Inc. (**Municipal Advisor**) has been retained by the State to perform professional services in the capacity of municipal advisor in connection with certain aspects of the issuance of the 2026 Bonds. The Municipal Advisor is a registered municipal advisor with the SEC and the MSRB. The Municipal Advisor has provided financial advisor services and advice on the Invitation, the plan of refunding, and the structure of the 2026 Bonds. The Municipal Advisor also reviewed certain legal and disclosure documents, including this Official Statement, for financial matters, but the Municipal Advisor makes no representation, warranty, or guarantee regarding the accuracy or completeness of the information in this Official Statement. The Municipal Advisor also has reviewed the pricing of the 2026 Bonds by the Underwriters. The Municipal Advisor will receive compensation contingent upon the sale and delivery of each series of the 2026 Bonds.

CONTINUING DISCLOSURE

The State has made an undertaking to enable brokers, dealers, and municipal securities dealers, in connection with their participation in the offerings of the 2026 Bonds, to comply with Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934 (**Rule 15c2-12**). In the undertaking, the State has agreed for the benefit of the beneficial owners of the 2026 Bonds, to provide an annual report presenting certain financial information and operating data about the State (**Annual Reports**). By December 27 of each year, the State will send the report to the MSRB through its EMMA. The State will also provide to the MSRB through its EMMA system notices of the occurrence of certain events specified in the undertaking.

[Part I of the 2025 Annual Report](#), which contains information on the undertaking including the State's Master Agreement on Continuing Disclosure (Amended and Restated March 1, 2019) and the Addendum Describing Annual Report for Transportation Revenue Bonds, is included by reference as part of this Official Statement.

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

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

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

Dated: , 2026

STATE OF WISCONSIN

Governor Tony Evers, Chairperson
State of Wisconsin Building Commission

Naomi De Mers, Secretary
State of Wisconsin Building Commission

Kristina Boardman, Secretary
State of Wisconsin Department of Transportation

APPENDIX A

INFORMATION ABOUT THE TRANSPORTATION REVENUE BOND PROGRAM

This Appendix includes by reference information concerning the State of Wisconsin Transportation Revenue Bond Program, contained in [Part V of the State of Wisconsin Continuing Disclosure Annual Report, dated December 19, 2025 \(2025 Annual Report\)](#), which can be obtained as described below. This Appendix also makes certain updates and additions to the information presented in Part V of the 2025 Annual Report, including:

- Estimated revenue coverage for fiscal years 2025-26 through and including 2029-30.
- Actual year-to-date Program Income.

[Part V of the 2025 Annual Report](#) contains information concerning the Transportation Revenue Bond Program, security for the Bonds, sources of payment, vehicle registration fees, other vehicle registration-related fees, registration fee collection procedures, the Reserve Fund, additional Bonds, the Wisconsin Department of Transportation (**DOT**), and a summary of the General Resolution. Part V of the 2025 Annual Report also includes the independent auditor's reports and audited statements of cash receipts and disbursements for the years ended June 30, 2025 and June 30, 2024 for the Transportation Revenue Obligation Program.

The 2025 Annual Report has been filed with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system and is also available from the part of the Capital Finance Office web site called "Official Disclosure for Bonds, Notes, and Other Securities Issued by the State of Wisconsin". The Capital Finance Office website and the State's investor relations website is located at the following addresses:

doa.wi.gov/capitalfinance
wisconsinbonds.com

Copies of the 2025 Annual Report may also be obtained from:

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

After publication and filing of the 2025 Annual Report, certain changes or events have occurred that affect items discussed in the 2025 Annual Report. Certain of these changes or events are described in the body of this Official Statement. Listed below by reference to particular sections of Part V of the 2025 Annual Report, are other changes or additions to the discussion contained in those particular sections. When such changes occur, the State may or may not file notices with the MSRB. However, the State has filed, and expects to continue to file, informational notices with the MSRB, some of which may be notices that are not required to be filed under the State's undertakings.

This Official Statement may include changes or additions that were released after the date of the Preliminary Official Statement (April 21, 2026). Any such change or addition is identified accordingly.

Registration Fees—Table V-3; Debt Service of Outstanding Transportation Revenue Bonds and Estimated Revenue Coverage (Page 147). Replace with the following updated table:

The table on the following page shows the forecasted coverage of annual debt service due on the Outstanding Bonds following the issuance of the 2026 Bonds, based on the DOT’s estimate of total Program Income for fiscal years 2025-26 through and including 2029-30. There have been no updates to the DOT’s estimated Program Income for fiscal years 2025-26 through and including 2029-30 since release of the 2025 Annual Report. There can be no assurance that the estimated vehicle registration and other vehicle registration-related fees will be realized in the amounts shown.

**ESTIMATED DEBT SERVICE ON THE 2026 BONDS
AND ESTIMATED REVENUE COVERAGE FOR OUTSTANDING BONDS^{(a)(b)(c)*}**

Maturity (July 1)	Estimated Program Income ^{(a)(b)}			2026 Bonds*			Total Outstanding Bonds ^{(a)(b)}			
	Estimated Registration Fees (Millions)	Estimated Other Registration- Related Fees (Millions)	Total Program Income (Millions)	Principal	Interest	Debt Service	Total Principal	Total Interest	Total Debt Service	Coverage Ratio
2026	\$713.64	\$297.20	\$1,010.84				111,340,000	57,894,580	\$169,234,580	5.97x
2027	712.93	326.62	1,039.55				130,880,000	50,883,459	181,763,459	5.72
2028	731.77	302.91	1,034.67				119,455,000	44,533,175	163,988,175	6.31
2029	725.81	305.79	1,031.60				126,260,000	38,767,246	165,027,246	6.25
2030	736.36	306.65	1,043.01				114,850,000	32,642,797	147,492,797	7.07
2031							106,840,000	27,077,409	133,917,409	
2032							96,075,000	22,017,979	118,092,979	
2033							86,480,000	17,746,345	104,226,345	
2034							74,265,000	14,215,640	88,480,640	
2035							49,640,000	11,374,925	61,014,925	
2036							54,080,000	9,185,432	63,265,432	
2037							33,560,000	7,072,985	40,632,985	
2038							28,480,000	5,504,850	33,984,850	
2039							29,805,000	4,181,150	33,986,150	
2040							19,755,000	2,795,200	22,550,200	
2041							20,600,000	1,950,850	22,550,850	
2042							10,375,000	1,063,250	11,438,250	
2043							10,890,000	544,500	11,434,500	
							<u>\$1,223,630,000</u>	<u>\$349,451,772</u>	<u>\$1,573,081,772</u>	

(a) The estimated Program Income for fiscal years 2025-26 and 2026-27 reflect revenue projections completed by DOT and the Legislative Fiscal Bureau in Spring 2025 in anticipation of the 2025-27 biennial budget. Revenue projections for fiscal years 2025-26 and 2026-27 utilized forecast indices that were formulated with data available in February 2025. The estimated Program Income for fiscal years 2027-28 through and including 2029-30 reflect revenue projections completed by DOT in Fall 2025. Revenue projections for fiscal years 2027-28 through and including 2029-30 utilized forecast indices that were formulated with data available in September 2025. Due to a continued high degree of economic uncertainty in recent years, the estimated Program Income for fiscal years 2027-28 through and including 2029-30 will be re-evaluated periodically See ["REGISTRATION FEES; Estimated Future Registration Fees"](#) and ["OTHER REGISTRATION-RELATED FEES; Actual and Estimated Other Registration-Related Fees"](#) in the 2025 Annual Report for discussion of updates. Excludes interest earnings.

(b) Assumes that no additional Bonds will be issued and continuation of current Registration Fees and Other Registration-Related Fees. Estimates of Program Income and coverage beyond the 2029-30 fiscal year are not currently available.

(c) Does not reflect issuance of the 2026 Bonds.

*Preliminary; subject to change.

Source: DOT

Registration Fees—Table V-7; Actual Year-to-Date Registration and Other Registration-Related Fees
(Page 150). Update with the following information.

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

Fiscal Year	Non-IRP Fees	Pledged IRP Fees	Estimated Certain Other Reg Related Fees Other Fees^(b)	Total	% Change
2017	\$356.4	\$58.9	\$79.8	\$495.1	
2018	368.2	62.2	80.1	510.5	3.1
2019	365.7	63.9	78.6	508.2	(0.5)
2020 ^(c)	401.2	83.7	134.4	619.3	21.9
2021 ^(c)	414.7	82.5	170.2	667.4	7.8
2022 ^(c)	422.6	79.0	160.2	661.8	(0.8)
2023 ^(c)	422.0	70.7	154.2	646.9	(2.3)
2024 ^{(c)(d)}	426.2	65.7	161.1	653.0	0.9
2025 ^{(c)(d)}	432.0	75.5	165.5	673.0	3.1
2026 ^{(c)(d)(e)(f)}	458.3	70.6	188.7	717.6	6.6

(a) Includes Registration Fees (Non-IRP Fees and Pledged IRP Fees) and certain Other Registration-Related Fees for the first seven months of the current and previous seven fiscal years. Fiscal year totals of such fees are included in [Tables V-6](#) and [V-9](#), respectively, of the 2025 Annual Report.

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

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

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

(e) 2025 Wisconsin Act 15 increased the Registration Fees for most weight classes of trucks by 10%, effective October 1, 2025.

(f) Pledged IRP Fees include an estimated portion due to not all contributing reports having been received.

Source: DOT

APPENDIX B

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 19, 2025 \(2025 Annual Report\)](#), which can be obtained as described below. This Appendix also makes updates and additions to the information presented in Part II of the 2025 Annual Report, including but not limited to:

- Estimated General Fund condition statement 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 15, 2026 (**January 2026 LFB Report**).
- General Fund information for the 2025-26 fiscal year through March 31, 2026, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the remainder of the 2025-26 fiscal year and the 2026-27 fiscal year, which is presented on a cash basis.

[Part II of the 2025 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 2024-25 fiscal year and summary of 2025-27 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, 2025, 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 2025 Annual Report.

[Part III of the 2025 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 2025 Annual Report, the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025, and the January 2026 LFB Report were filed with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system. A complete copy of the January 2026 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 2025 Annual Report, the Annual Comprehensive Financial Report, and the January 2026 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 2025 Annual Report may also be obtained from:

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

The State has independently provided periodic reports on General Fund financial information. These reports are not required by any of the State's undertakings to provide information concerning the State's debt 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 2025 Annual Report. The State is not obligated to provide such reports at any time in the future.

After publication and filing of the 2025 Annual Report, certain changes or events have occurred that affect items discussed in the 2025 Annual Report. Listed below, by reference to particular sections of Part II of the 2025 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 (April 21, 2026). Any such changes or additions are identified accordingly.

STATE BUDGET; Budget for 2025-27 Biennium (Part II; Pages 37-38). Update with the following information.

January 2026 LFB Report – General Fund Condition Statement

The January 2026 LFB Report includes an updated estimated General Fund condition statement for the 2025-26 and 2026-27 fiscal years. The net General Fund balance for the end of the biennium (June 30, 2027) is projected to be \$2.374 billion. This is \$1.529 billion higher than the balance that was projected at the time of the enactment of the 2025-27 biennial budget (**2025 Wisconsin Act 15**), as adjusted to incorporate the fiscal year 2024-25 ending balance as shown in the State's Annual Fiscal Report for fiscal year 2024-25, subsequent law changes, and automatically adopted provisions of the federal One Big Beautiful Bill Act (**OBBBA**).

The following table provides the estimated General Fund condition statement for the 2025-26 and 2026-27 fiscal years, as included in the January 2026 LFB Report. The table also includes, for comparison, the estimated General Fund condition statement for the 2025-26 and 2026-27 fiscal years, as included in 2025 Wisconsin Act 15.

ESTIMATED GENERAL FUND CONDITION STATEMENTS
2025-26 AND 2026-27 FISCAL YEARS^(a)
(in Millions)

	2025-26 Fiscal Year		2026-27 Fiscal Year	
	2025 Wisconsin Act 15 ^(b)	January 2026 LFB Report	2025 Wisconsin Act 15 ^(b)	January 2026 LFB Report
Revenues				
Opening Balance	\$4,605.6	\$4,605.6	\$2,179.1	\$3,003.6
Taxes	21,944.4	22,685.7	22,616.7	23,242.5
Department Revenues				
Tribal Gaming	12.2	12.2	14.9	14.0
Other	661.0	708.3	512.8	570.6
Total Available	<u>\$27,223.2</u>	<u>\$28,011.7</u>	<u>\$25,323.6</u>	<u>\$26,830.7</u>
Appropriations				
Gross Appropriations	\$22,720.3	\$22,734.8	\$22,970.9	\$23,006.3
Compensation Reserves	159.9	159.9	225.8	225.8
Transfers				
Building Program	326.5	326.5	—	—
Local Government Fund	1,587.0	1,587.0	1,622.8	1,622.8
Transportation Fund	662.9	662.9	85.0	85.0
Veterans Homes	5.1	5.1	—	—
Mental Health Institutional	15.8	15.8	—	—
Less: Lapses	(433.5)	(484.0)	(540.4)	(597.7)
Net Appropriations	<u>\$25,044.1</u>	<u>\$25,008.1</u>	<u>\$24,364.1</u>	<u>\$24,342.2</u>
Balances				
Gross Balance	\$2,179.1	\$3,003.6	\$959.5	\$2,488.5
Less: Req. Statutory Balance	(110.0)	(110.0)	(115.0)	(115.0)
Net Balance, June 30	<u>\$2,069.1</u>	<u>\$2,893.6</u>	<u>\$844.5</u>	<u>\$2,373.5</u>

^(a) Numbers may not sum to total due to rounding.

^(b) Adjusted to reflect the fiscal year 2024-25 ending balance as shown in the Annual Fiscal Report for fiscal year 2024-25, subsequent law changes, and automatically adopted provisions of the OBBBA.

Source: Department of Administration (DOA)

STATE BUDGET; Estimated General Fund Tax Collections for 2025-27 Biennium (Part II; Pages 38-39).
Update with the following information.

January 2026 LFB Report – General Fund Tax Collections

The January 2026 LFB Report also includes updated estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years. The estimated General Fund tax collections are \$22.686 billion for the 2025-26 fiscal year and \$23.243 billion for the 2026-27 fiscal year. These amounts are \$741 million and \$626 million, respectively, higher than the estimated General Fund tax collections as included in 2025 Wisconsin Act 15, as adjusted to reflect subsequent law changes and automatically adopted provisions of the OBBBA.

The following tables provide the updated estimated General Fund tax collections for the 2025-26 and 2026-27 fiscal years, as included in the January 2026 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 a statutorily required report released by DOA on November 20, 2024 (**November 2024 DOA Report**), a report released by LFB dated January

29, 2025 (**January 2025 LFB Report**), in a report released by LFB dated May 15, 2025 (**May 2025 LFB Report**), and in 2025 Wisconsin Act 15.

ESTIMATED GENERAL FUND TAX REVENUE COLLECTIONS
2025-26 FISCAL YEAR
(in Millions)

	November 2024 DOA Report	January 2025 LFB Report	May 2025 LFB Report	2025 Wisconsin Act 15^(a)	January 2026 LFB Report
Individual Income	\$10,655.2	\$11,140.0	\$10,830.0	\$9,874.3	\$10,330.0
Sales and Use	7,861.6	8,140.0	8,140.0	8,083.3	8,083.3
Corporate Income & Franchise	2,846.5	2,415.0	2,385.0	2,650.6	2,935.0
Public Utility	387.2	404.0	404.0	404.0	412.0
Excise					
Cigarettes	348.5	348.0	348.0	348.0	348.0
Tobacco Products	92.4	85.0	85.0	85.0	78.0
Vapor Products	7.3	7.2	7.2	7.2	5.5
Liquor & Wine	72.8	74.0	74.0	74.0	76.0
Beer	8.0	8.2	8.2	8.2	7.9
Insurance Company	260.7	270.0	285.0	285.0	276.0
Miscellaneous Taxes	117.0	121.0	125.0	124.8	134.0
TOTAL	\$22,657.2	\$23,012.4	\$22,691.4	\$21,944.4	\$22,685.7

^(a) Adjusted to reflect subsequent law changes and automatically adopted provisions of the OBBBA.

Source: DOA

ESTIMATED GENERAL FUND TAX REVENUE COLLECTIONS
2026-27 FISCAL YEAR
(in Millions)

	November 2024 DOA Report	January 2025 LFB Report	May 2025 LFB Report	2025 Wisconsin Act 15^(a)	January 2026 LFB Report
Individual Income	\$10,731.0	\$11,880.0	\$11,820.0	\$10,353.1	\$10,665.0
Sales and Use	8,113.5	8,375.0	8,375.0	8,249.3	8,249.3
Corporate Income & Franchise	2,923.2	1,785.0	1,785.0	2,691.1	3,000.0
Public Utility	377.1	394.0	394.0	394.0	401.0
Excise					
Cigarettes	316.5	326.0	326.0	326.0	322.0
Tobacco Products	95.5	84.0	84.0	84.0	76.0
Vapor Products	7.3	7.3	7.3	7.3	6.4
Liquor & Wine	74.7	76.0	76.0	76.0	80.0
Beer	8.0	8.1	8.1	8.1	7.8
Insurance Company	271.1	275.0	294.0	294.0	291.0
Miscellaneous Taxes	122.0	129.0	134.0	133.8	144.0
TOTAL	\$23,039.9	\$23,339.4	\$23,303.4	\$22,616.7	\$23,242.5

^(a) Adjusted to reflect subsequent law changes and automatically adopted provisions of the OBBBA.

Source: DOA

GENERAL FUND INFORMATION; General Fund Cash Flow (Part II; Pages 47-59). The following tables provide updates and additions to various tables containing General Fund information for the 2025-26 fiscal year. Actual General Fund information for the 2025-26 fiscal year through March 31, 2026, and projections for the remainder of the 2025-26 fiscal year and the 2026-27 fiscal year, are presented primarily on a cash basis.

The projections and estimates for the 2025-26 fiscal year reflect 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Report. The projections and estimates for the 2026-27 fiscal year reflect 2025 Wisconsin Act 15 and the January 2026 LFB Report. The comparison of monthly General Fund information that is presented on a cash basis has many inherent problems. Unforeseen events or variations from underlying assumptions may cause a decrease or increase in receipts and disbursements from those projected for any specific month. The following tables may show negative balances on a cash basis. The State can have a negative cash balance at the end of a fiscal year.

The Wisconsin Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds to the General Fund in an amount up to 9% of the general-purpose revenue appropriations then in effect and may also temporarily reallocate for a period of up to 30 days an additional amount up to 3% of the general-purpose revenue appropriations then in effect.

If the amount available for temporary reallocation to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate and defer certain payments.

Table II-11; General Fund Cash Flow (Part II; Page 50). Replace with the following updated tables.

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2025 TO MARCH 31, 2026
PROJECTED GENERAL FUND CASH FLOW; APRIL 1, 2026 TO JUNE 30, 2026^{(a)(b)}
(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	\$5,100,999	\$5,188,695	\$6,295,100	\$6,755,920	\$5,409,219	\$5,396,118	\$6,354,442	\$5,711,029	\$4,581,793	\$5,639,682	\$5,745,734
Ending Balance ^(c)	5,100,999	5,188,695	6,295,100	6,755,920	5,409,219	5,396,118	6,354,442	5,711,029	4,581,793	5,639,682	5,745,734	3,797,775
Lowest Daily Balance ^(c)	4,818,695	4,354,040	4,948,894	5,709,948	4,985,157	3,823,309	4,725,242	5,711,029	3,882,274	4,342,906	5,063,365	3,522,096
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$899,748	(\$20,576)	\$1,368,222	\$881,129	\$626,709	\$1,169,820	\$1,158,056	\$289,634	\$670,247	\$1,492,223	\$803,977	\$1,006,561
Sales & Use	826,281	(148,991)	724,908	703,875	677,253	636,034	762,156	577,928	585,349	591,342	575,099	633,114
Corporate Income	93,011	(8,918)	550,223	74,886	29,842	606,853	136,754	23,595	430,680	424,173	85,571	455,036
Public Utility	—	270	186	14,192	206,204	(11,645)	20	796	14	2,667	202,273	5,502
Excise	49,774	2,740	47,670	48,559	43,213	41,629	44,187	36,823	33,724	37,848	37,532	44,102
Insurance	424	2,248	52,943	1,843	2,164	55,104	2,125	22,128	68,457	59,723	(5,014)	53,186
Miscellaneous	11,353	(81)	11,207	10,364	10,780	9,303	9,918	7,537	6,292	7,685	13,371	10,291
Subtotal Tax Receipts	\$1,880,591	(\$173,308)	\$2,755,359	\$1,734,848	\$1,596,165	\$2,507,098	\$2,113,216	\$958,441	\$1,794,763	\$2,615,661	\$1,712,809	\$2,207,792
NON-TAX RECEIPTS												
Federal	\$1,235,822	\$1,363,890	\$1,458,348	\$821,102	\$875,142	\$1,268,705	\$943,508	\$1,448,037	\$1,879,196	\$1,112,145	\$1,294,703	\$1,526,341
Other & Transfers	439,062	2,051,170	1,003,905	1,369,148	689,122	845,802	956,041	1,602,618	1,475,034	1,234,994	886,746	1,388,819
Note Proceeds	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal Non-Tax Receipts	\$1,674,884	\$3,415,060	\$2,462,253	\$2,190,250	\$1,564,264	\$2,114,507	\$1,899,549	\$3,050,655	\$3,354,230	\$2,347,139	\$2,181,449	\$2,915,160
TOTAL RECEIPTS	\$3,555,475	\$3,241,752	\$5,217,612	\$3,925,098	\$3,160,429	\$4,621,605	\$4,012,765	\$4,009,096	\$5,148,993	\$4,962,800	\$3,894,258	\$5,122,952
DISBURSEMENTS												
Local Aids	\$1,249,704	\$187,423	\$1,185,133	\$107,518	\$531,676	\$1,621,753	\$233,277	\$903,362	\$2,165,094	(\$97,155)	\$738,401	\$2,674,716
Income Maintenance	1,329,333	1,162,317	1,123,205	1,242,920	1,153,904	1,350,297	1,214,217	1,423,779	1,958,946	1,155,943	1,158,408	1,143,933
Payroll and Related	476,310	632,759	582,568	861,552	609,271	552,517	679,166	604,082	668,386	841,570	679,420	666,300
Tax Refunds	92,213	190,394	172,898	288,753	167,704	340,276	172,401	873,710	901,797	795,639	285,189	243,422
Debt Service	310,001	—	—	193,678	1,712	—	—	—	—	437,638	29,248	—
Miscellaneous	1,190,990	981,163	1,047,403	769,857	2,042,863	769,863	755,380	847,576	584,006	771,276	897,540	2,342,540
TOTAL DISBURSEMENTS	\$4,648,551	\$3,154,056	\$4,111,207	\$3,464,278	\$4,507,130	\$4,634,706	\$3,054,441	\$4,652,509	\$6,278,229	\$3,904,911	\$3,788,206	\$7,070,911

(a) The projections and estimates in this table reflect 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Report. Temporary reallocations of cash are not included.

(b) The General Fund cash balances presented in this schedule are not based on GAAP. The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the UW System. 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 in the balance of these designated funds for the 2025-26 fiscal year is not available and will be included in future State 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 \$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: DOA

PROJECTED GENERAL FUND CASH FLOW; JULY 1, 2026 TO JUNE 30, 2027^{(a)(b)}
(Amounts in Thousands)

	July 2026	August 2026	September 2026	October 2026	November 2026	December 2026	January 2027	February 2027	March 2027	April 2027	May 2027	June 2027
BALANCES^{(a)(b)}												
Beginning Balance	\$3,797,775	\$2,560,295	\$4,054,827	\$4,714,240	\$5,160,845	\$2,804,681	\$1,938,328	\$3,246,993	\$2,777,321	\$1,160,385	\$2,132,861	\$1,967,990
Ending Balance ^(c)	2,560,295	4,054,827	4,714,240	5,160,845	2,804,681	1,938,328	3,246,993	2,777,321	1,160,385	2,132,861	1,967,990	1,366,542
Lowest Daily Balance ^(c)	2,263,222	2,560,295	3,773,289	4,518,829	2,529,281	1,325,245	1,839,344	2,394,881	701,512	1,028,805	1,585,657	850,848
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$826,228	\$365,147	\$1,056,584	\$633,425	\$855,017	\$739,879	\$1,239,790	\$554,609	\$888,337	\$1,459,198	\$539,451	\$1,241,288
Sales & Use	739,749	350,404	683,558	685,827	661,247	575,343	627,843	555,638	529,071	640,892	632,713	702,546
Corporate Income	93,669	23,836	507,392	76,113	54,744	516,970	263,925	31,691	346,203	410,512	92,017	456,781
Public Utility	25	96	1,265	21,712	176,454	(1,778)	(1,463)	123	4	1,467	190,516	5,234
Excise	46,492	26,187	44,961	42,790	39,973	39,344	37,218	36,001	30,955	35,702	37,103	44,118
Insurance	315	3,325	53,205	549	2,640	53,871	2,410	34,876	30,121	63,375	(13,089)	54,845
Miscellaneous	9,223	(1,136)	22,311	5,336	10,402	24,145	10,398	6,039	4,446	5,413	9,417	7,249
Subtotal Tax Receipts	\$1,715,701	\$767,859	\$2,369,276	\$1,465,752	\$1,800,477	\$1,947,774	\$2,180,121	\$1,218,977	\$1,829,137	\$2,616,559	\$1,488,128	\$2,512,061
NON-TAX RECEIPTS												
Federal	\$1,448,080	\$1,409,130	\$1,446,587	\$1,047,068	\$1,101,180	\$1,367,286	\$1,217,829	\$1,333,809	\$1,230,695	\$1,203,758	\$1,238,294	\$1,532,219
Other & Transfers	654,806	1,841,806	1,191,749	1,219,759	522,203	1,003,385	1,013,499	1,378,036	1,128,332	1,282,876	832,169	1,209,657
Note Proceeds	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal Non-Tax Receipts	\$2,102,886	\$3,250,936	\$2,638,336	\$2,266,827	\$1,623,383	\$2,370,671	\$2,231,328	\$2,711,845	\$2,359,027	\$2,486,634	\$2,070,463	\$2,741,876
TOTAL RECEIPTS	\$3,818,587	\$4,018,795	\$5,007,612	\$3,732,579	\$3,423,860	\$4,318,445	\$4,411,449	\$3,930,822	\$4,188,164	\$5,103,193	\$3,558,591	\$5,253,937
DISBURSEMENTS												
Local Aids	\$1,483,945	(\$36,655)	\$1,091,025	(\$3,279)	\$1,371,783	\$1,480,414	\$131,290	\$818,996	\$2,025,797	(\$46,022)	\$756,948	\$2,372,075
Income Maintenance	1,175,904	1,017,582	1,171,319	1,017,958	1,176,569	1,574,590	1,155,281	1,308,981	1,430,285	1,155,140	1,171,648	1,148,049
Payroll and Related	638,157	612,466	677,622	906,221	668,710	669,080	656,754	660,840	687,940	893,483	681,098	633,685
Tax Refunds	275,303	209,730	188,742	225,449	199,565	361,088	225,362	843,754	963,235	993,149	324,681	292,699
Debt Service	252,488	—	—	226,356	2,288	—	—	—	—	449,975	15,747	—
Miscellaneous	1,230,270	721,140	1,219,491	913,269	2,361,109	1,099,626	934,097	767,923	697,843	684,992	773,340	1,408,877
TOTAL DISBURSEMENTS	\$5,056,067	\$2,524,263	\$4,348,199	\$3,285,974	\$5,780,024	\$5,184,798	\$3,102,784	\$4,400,494	\$5,805,100	\$4,130,717	\$3,723,462	\$5,855,385

- (a) The projections and estimates in this table reflect 2025 Wisconsin Act 15 and January 2026 LFB Report. Temporary reallocations of cash are not included.
- (b) The General Fund cash balances presented in this schedule are not based on GAAP. The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the UW System. 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 in the balance of these designated funds for the 2026-27 fiscal year is not available and will be included in future State 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 2026-27 fiscal year (based on 2025 Wisconsin Act 15) are \$2.066 billion and \$689 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: DOA

Table II-12; Historical General Fund Cash Flow (Part II; Page 51). Replace with the following updated table.

HISTORICAL GENERAL FUND CASH FLOW
ACTUAL FISCAL YEARS 2021-22 TO 2024-25^(a)
ACTUAL AND PROJECTED FISCAL YEAR 2025-26^(b)
(Amounts in Thousands)

	Actual 2021-22 Fiscal Year	Actual 2022-23 Fiscal Year	Actual 2023-24 Fiscal Year	Actual 2024-25 Fiscal Year	2025-26 Fiscal Year TD Actual through Mar-26; Estimated Apr-26 through Jun-26
RECEIPTS					
Tax Receipts					
Individual Income	\$12,254,052	\$11,750,439	\$11,839,085	\$9,895,190	\$10,345,750
Sales	7,600,527	7,956,224	8,392,830	6,488,850	7,144,348
Corporate Income	2,936,462	2,749,861	2,856,769	3,264,476	2,901,706
Public Utility	425,920	445,929	461,858	401,175	420,479
Excise	663,646	627,036	602,845	496,420	467,801
Insurance	248,367	254,035	275,638	268,783	315,331
Miscellaneous	—	—	—	190,455	108,020
Total Tax Receipts	\$24,128,974	\$23,783,524	\$24,429,025	\$21,005,349	\$21,703,435
Non-Tax Receipts					
Federal	\$16,491,256	\$15,187,860	\$14,887,886	\$14,765,696	\$15,226,939
Other and Transfers	7,105,946	7,651,149	7,554,829	12,896,554	13,942,461
Total Non-Tax Receipts	\$23,597,202	\$22,839,009	\$22,442,715	\$27,662,250	\$29,169,400
TOTAL RECEIPTS	\$47,726,176	\$46,622,533	\$46,871,740	\$48,667,599	\$50,872,835
DISBURSEMENTS					
Local Aids	\$11,147,436	\$11,265,373	\$12,646,779	\$11,376,766	\$11,500,902
Income Maintenance	12,596,315	13,025,890	13,001,302	13,521,606	15,417,202
Payroll & Related	6,014,346	6,350,183	6,892,707	7,741,982	7,853,901
Tax Refunds	4,195,231	3,446,260	3,308,280	4,072,868	4,524,396
Debt Service	961,923	953,479	957,909	928,238	972,277
Miscellaneous	11,871,707	10,587,954	11,850,298	11,488,217	13,000,457
TOTAL DISBURSEMENTS	\$46,786,958	\$45,629,139	\$48,657,275	\$49,129,677	\$53,269,135
NET CASH FLOW	\$939,218	\$993,394	(\$1,785,535)	(\$462,078)	(\$2,396,300)

^(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.

^(b) The projections and estimates in this table reflect 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Report.

Source: DOA

Table II-13; General Fund Cash Receipts and Disbursements Year-to-Date Compared to Estimates and Previous Fiscal Year (Part II; Page 53). 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 March 31, 2026
(Amounts in Thousands)**

		2025-26 Fiscal Year through March 31, 2026				
	2024-25 Fiscal Year through March 31, 2025 Actual	Actual	Estimate ^(b)	Variance	Adjusted Variance ^(c)	Difference 2025-26 Fiscal Year Actual to 2024-25 Fiscal Year Actual
RECEIPTS						
Tax Receipts						
Individual Income	\$6,815,024	\$7,042,989	\$7,276,188	(\$233,199)	(\$233,199)	\$227,965
Sales	4,514,352	5,344,793	4,950,508	394,285	394,285	830,441
Corporate Income	2,322,710	1,936,926	1,908,202	28,724	28,724	(385,784)
Public Utility	206,254	210,037	211,629	(1,592)	(1,592)	3,783
Excise	368,654	348,319	356,089	(7,770)	(7,770)	(20,335)
Insurance	184,615	207,436	170,665	36,771	36,771	22,821
Miscellaneous	161,618	76,673	175,673	(99,000)	(99,000)	(84,945)
Total Tax Receipts	\$14,573,227	\$15,167,173	\$15,048,954	\$118,219	\$118,219	\$593,946
Non-Tax Receipts						
Federal	\$11,154,950	\$11,293,750	\$11,442,000	(\$148,250)	(\$148,250)	\$138,800
Other and Transfers	9,659,600	10,431,902	10,807,265	(375,363)	(375,363)	772,302
Total Non-Tax Receipts	\$20,814,550	\$21,725,652	\$22,249,265	(\$523,613)	(\$523,613)	\$911,102
TOTAL RECEIPTS	\$35,387,777	\$36,892,825	\$37,298,219	(\$405,394)	(\$405,394)	\$1,505,048
DISBURSEMENTS						
Local Aids	\$8,542,122	\$8,184,940	\$8,400,607	(\$215,667)	(\$215,667)	(\$357,182)
Income Maintenance	9,965,678	11,958,918	10,977,638	981,280	981,280	1,993,240
Payroll & Related	5,630,620	5,666,611	6,177,092	(510,481)	(510,481)	35,991
Tax Refunds	2,821,269	3,200,146	2,862,067	338,079	338,079	378,877
Debt Service	492,610	505,391	518,059	(12,668)	(12,668)	12,781
Miscellaneous	9,159,462	8,989,101	10,120,145	(1,131,044)	(1,131,044)	(170,361)
TOTAL DISBURSEMENTS	\$36,611,761	\$38,505,107	\$39,055,608	(\$550,501)	(\$550,501)	\$1,893,346
2025-26 FISCAL YEAR VARIANCE YEAR-TO-DATE				\$145,107	\$145,107	

^(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 projections and estimates for the 2025-26 fiscal year reflect 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Report.

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

Source: DOA

Table II-14; General Fund Monthly Cash Position (Part II; Page 54). Replace with the following updated table.

GENERAL FUND MONTHLY CASH POSITION^(a)
July 1, 2024 through March 31, 2026 – Actual
April 1, 2026 through June 30, 2027 – Estimated^(b)
(Amounts in Thousands)

Starting Date	Starting Balance	Receipts	Disbursements
2024 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	3,555,475	4,648,551
August	5,100,999	3,241,752	3,154,056
September	5,188,695	5,217,612	4,111,207
October	6,295,100	3,925,098	3,464,278
November	6,755,920	3,160,429	4,507,130
December	5,409,219	4,621,605	4,634,706
2026 January	5,396,118	4,012,765	3,054,441
February	6,354,442	4,009,096	4,652,509
March	5,711,029	5,148,993	6,278,229
April	4,581,793	4,962,800	3,904,911
May	5,639,682	3,894,258	3,788,206
June	5,745,734	5,122,952	7,070,911
July	3,797,775	3,818,587	5,056,067
August	2,560,295	4,018,795	2,524,263
September	4,054,827	5,007,612	4,348,199
October	4,714,240	3,732,579	3,285,974
November	5,160,845	3,423,860	5,780,024
December	2,804,681	4,318,445	5,184,798
2027 January	1,938,328	4,411,449	3,102,784
February	3,246,993	3,930,822	4,400,494
March	2,777,321	4,188,164	5,805,100
April	1,160,385	5,103,193	4,130,717
May	2,132,861	3,558,591	3,723,462
June	1,967,990	5,253,937	5,855,385

(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 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Report. The projections and estimates for the 2026-27 fiscal year (cash basis) reflect 2025 Wisconsin Act 15 and the January 2026 LFB Report.

Source: DOA

Table II-15; Cash Balances in Funds Available for Temporary Reallocation (Part II; Page 55). Replace with the following updated tables.

**CASH BALANCES IN FUNDS AVAILABLE FOR
TEMPORARY REALLOCATION^{(a)(b)}**

July 31, 2023 to March 31, 2026 – Actual

April 30, 2026 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 \$4.256 billion during November 2021 to a high of \$8.596 billion during March 2026. 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	\$3,288
February		3,549	3,467	3,388
March		3,416	3,384	2,918
April		3,355	4,486	2,826
May		3,344	3,017	2,795
June		3,394	3,120	2,762
July	\$2,534	3,139	2,903	
August	2,732	3,123	3,009	
September	2,889	3,214	2,992	
October	2,908	3,062	3,008	
November	3,134	3,259	3,177	
December	3,352	3,421	3,443	

<u>Available Balances; Includes Balances in the LGIP</u>				
Month (Last Day)	2023	2024	2025	2026
January		\$10,552	\$10,765	\$11,120
February		10,879	11,042	11,597
March		11,168	11,525	11,514
April		10,600	11,931	10,613
May		10,124	10,315	10,648
June		10,233	10,277	10,682
July	\$9,135	10,854	11,082	
August	8,321	9,526	9,898	
September	8,386	9,302	9,564	
October	8,247	8,846	9,268	
November	8,350	8,838	9,388	
December	9,520	10,064	10,412	

- (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 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Memo.

Source: DOA

Table II-16; General Fund Recorded Revenues (Part II; Page 57). Replace with the following updated table.

GENERAL FUND RECORDED REVENUES^(a) (Agency-Recorded Basis) July 1, 2025 to March 31, 2026 compared with previous year				
	Annual Fiscal Report Revenues 2024-25 Fiscal Year^(b)	Projected Revenues 2025-26 Fiscal Year^(c)	Recorded Revenues July 1, 2024 to March 31, 2025^(d)	Recorded Revenues July 1, 2025 to March 31, 2026^(e)
Individual Income Tax	\$10,451,100,000	\$10,149,405,000	\$6,919,303,583	\$7,119,735,324
General Sales and Use Tax	7,831,600,000	8,083,295,000	5,107,437,033	5,344,791,434
Corporate Franchise and Income Tax	2,761,700,000	2,391,495,000	1,512,491,560	1,629,665,912
Public Utility Taxes	387,500,000	404,000,000	—	—
Excise Taxes	542,000,000	522,400,000	368,838,144	348,549,952
Inheritance Taxes	—	—	—	—
Insurance Company Taxes	268,800,000	285,000,000	184,765,043	207,454,540
Miscellaneous Taxes	120,200,000	124,850,000	291,185,406	323,818,706
SUBTOTAL	\$22,362,900,000	\$21,960,445,000	\$14,384,020,768	\$14,974,015,868
Federal and Other Inter-Governmental Revenues ^(f)	\$15,714,650,000	\$15,401,429,600	\$11,747,060,626	\$12,171,058,576
Dedicated and Other Revenues ^(g)	10,070,203,000	10,167,612,500	7,716,886,481	7,411,774,286
TOTAL	\$48,147,753,000	\$47,529,487,100	\$33,847,967,874	\$34,556,848,731

(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 2024-25 fiscal year dated October 15, 2025.

(c) The estimates in this table for the 2025-26 fiscal year (cash basis) reflect 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Report.

(d) 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.

(e) The amounts shown are the 2025-26 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: DOA

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, 2025 to March 31, 2026 compared with previous year

	Annual Fiscal Report Expenditures 2024-25 Fiscal Year^(b)	Estimated Appropriations 2025-26 Fiscal Year^(c)	Recorded Expenditures July 1, 2024 to March 31, 2025^(d)	Recorded Expenditures July 1, 2025 to March 31, 2026^(e)
Commerce	\$632,655,000	\$509,163,900	\$463,428,474	\$478,662,050
Education	18,055,299,000	17,999,158,100	13,626,681,478	12,843,222,119
Environmental Resources	464,133,000	473,115,400	351,172,075	326,000,424
Human Relations & Resources	22,916,567,000	23,240,359,100	16,896,844,309	18,333,315,434
General Executive	2,020,705,000	1,424,844,800	1,360,911,404	1,331,011,140
Judicial	175,715,000	185,280,000	131,095,717	146,187,136
Legislative	91,474,000	100,746,100	59,746,286	64,142,477
General Appropriations	2,242,107,000	296,893,800	3,646,551,420	3,471,485,584
TOTAL	\$46,598,655,000	\$44,229,561,200	\$36,536,431,163	\$36,994,026,364

(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 2024-25 fiscal year, dated October 15, 2025.

(c) The appropriations included in this table reflect 2025 Wisconsin Act 15, but do not reflect the January 2026 LFB Report.

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

(e) The amounts shown are 2025-26 fiscal year expenditures as recorded by all State agencies.

Source: DOA

State Obligations; Employee Pension Funds (Part II; Pages 73-75). Updated with the following information and revised table.

Annual annuity adjustments for the remainder of calendar year 2026 were announced by the Wisconsin Retirement System (WRS) on March 6, 2026 and include an increase of 2.1% for retirees in the WRS Core Retirement Trust, or Core Fund, and an increase of 18.0% 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
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
2026	2.1	18.0

Source: Department of Employee Trust Funds

Table II-39; Unemployment Rate Comparison (Part II; Page 95). Replace with the following updated table.

Table II-39
UNEMPLOYMENT RATE COMPARISON^{(a)(b)}
2021 to 2026

	2026		2025		2024		2023		2022		2021	
	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.
January	3.9	4.7	3.6	4.4	3.0	4.1	2.9	3.9	3.5	4.4	5.0	6.8
February	4.3	4.7	3.8	4.5	3.5	4.2	3.2	3.9	3.6	4.1	5.2	6.6
March		4.3	3.7	4.2	3.5	3.9	3.0	3.6	3.4	3.8	4.9	6.2
April			3.2	3.9	2.9	3.5	2.6	3.1	2.8	3.3	4.2	5.7
May			3.3	4.0	2.8	3.7	2.7	3.4	2.6	3.4	3.8	5.5
June			3.2	4.4	3.3	4.3	3.3	3.8	3.2	3.8	4.4	6.1
July			3.2	4.6	3.2	4.5	3.0	3.8	3.0	3.8	3.9	5.7
August			3.2	4.5	2.9	4.4	3.1	3.9	2.9	3.8	3.6	5.3
September			2.7	4.3	2.5	3.9	2.6	3.6	2.4	3.3	2.9	4.6
October			— ^(c)	— ^(c)	2.5	3.9	2.4	3.6	2.2	3.4	2.5	4.3
November			2.7	4.3	2.7	4.0	2.4	3.5	2.2	3.4	2.4	3.9
December			3.0	4.1	2.9	3.8	2.5	3.5	2.2	3.3	2.5	3.7
Annual Average			3.2	4.3	3.0	4.0	2.8	3.6	2.8	3.6	3.8	5.3

^(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).

^(c) Information not available due to the federal government shutdown.

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

Legislative Fiscal Bureau

Robert Wm. Lang, Director

One East Main, Suite 301 • Madison, WI 53703
Email: Fiscal.Bureau@legis.wisconsin.gov
Telephone: (608) 266-3847 • Fax: (608) 267-6873



State of Wisconsin

January 15, 2026

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

Dear Senator Marklein and Representative Born:

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

Based upon our analysis, we project the closing, net general fund balance at the end of this biennium (June 30, 2027) to be \$2,373.5 million. This is \$1,529.0 million above the net balance that was projected at the time of enactment of the 2025-27 biennial budget, as modified to: (1) incorporate the 2024-25 ending balance (2025-26 opening balance) as shown in the Annual Fiscal Report; (2) include the fiscal effect of all legislation enacted to date in the current legislative session (2025 Acts 1 to 82); and (3) include the estimated fiscal effects of the following general fund tax law changes that were automatically adopted by, or altered estimated tax collections for, the state after enactment of the federal P.L. 119-21, the One Big Beautiful Bill Act (OBBBA): (a) the credit percentage for the child and dependent care expense credit; (b) Section 179 expensing provisions; (c) the federal limit for itemized deductions of state and local taxes; (d) reporting requirements for de minimus payments by third-party settlement organizations; (e) health savings accounts; (f) the qualified small business stock exclusion; (g) eligible expenses made from college savings accounts; (h) eligible rollovers to ABLE accounts from college savings accounts; and (i) the repeal of the deduction for energy efficient buildings.

The \$1,529.0 million is the net result of: (1) an increase of \$1,367.1 million in estimated tax collections; (2) an increase of \$104.0 million in departmental revenues (non-tax receipts deposited in the general fund); (3) an increase of \$49.9 million in sum sufficient appropriations; and (4) an increase of \$107.8 million in the amounts that are estimated to lapse (revert) to the general fund.

The following table reflects the 2025-27 general fund condition statement, which incorporates our revenue and expenditure projections.

TABLE 1
2025-27 General Fund Condition Statement

	<u>2025-26</u>	<u>2026-27</u>
Revenues		
Opening Balance, July 1	\$4,605,574,000	\$3,003,603,500
Taxes	22,685,700,000	23,242,500,000
Departmental Revenues		
Tribal Gaming	12,176,500	13,992,700
Other	<u>708,250,200</u>	<u>570,562,400</u>
Total	\$28,011,700,700	\$26,830,658,600
Appropriations, Transfers, and Reserves		
Gross Appropriations	\$22,734,799,500	\$23,006,347,100
Transfers to:		
Building Program	326,500,000	0
Local Government Fund	1,587,022,700	1,622,776,600
Transportation Fund:		
EV Sales Tax	28,038,500	28,470,600
0.25% Transfer	54,901,100	56,517,700
Other	580,000,000	0
Mental Health Institutes	15,800,000	0
Veterans Homes	5,100,000	0
Compensation Reserves	159,891,200	225,809,500
Less Lapses	<u>-483,955,800</u>	<u>-597,745,300</u>
Net Appropriations	\$25,008,097,200	\$24,342,176,200
Balances		
Gross Balance	\$3,003,603,500	\$2,488,482,400
Less Required Statutory	<u>-110,000,000</u>	<u>-115,000,000</u>
Net Balance	\$2,893,603,500	\$2,373,482,400

Medical Assistance

According to the December, 2025, quarterly report prepared by the Department of Health Services, the biennial GPR appropriation for the Medical Assistance (MA) program is currently projected to end the 2025-27 biennium with a deficit of \$213.2 million. Some utilization and enrollment factors are slightly below budget estimates, and some are slightly above, but on balance the Department anticipates a deficit. This amount is relatively small in relation to the total GPR budget for the program (approximately 2.2%), and could change over the next 18 months as actual enrollment and program costs vary from current estimates.

Additionally, preliminary federal guidance from the Centers for Medicare and Medicaid (CMS) has created some uncertainty about the allowability of changes to Wisconsin's hospital assessment and access payments as authorized under 2025 Act 15. Specifically, Act 15 increased the amount to be collected as part of the hospital assessment and subsequently used to: (a) increase payments to hospitals; and (b) offset GPR funding for the Medical Assistance program in the 2025-27 biennium. In the event that this increase is disallowed by CMS, the result would be both a reduction of MA trust fund revenues available to offset GPR costs for the program as a whole, and an increase in GPR expenditures for hospital payments, for a total GPR shortfall of \$396 million annually (\$792 million in the 2025-27 biennium). CMS indicated that this matter will be addressed through formal rule making procedures, and thus will be subject to provisions of notice and public comment. Pending additional information from the federal government, the allowability of the Act 15 changes is not currently known.

Because of the uncertainty of the fiscal impact of the MA items mentioned above, neither is reflected in the general fund condition statement shown in Table 1.

Review of the National Economy in 2025

This office prepared revenue estimates for the 2025-27 biennium in January, 2025, based on the January, 2025, S&P Global Market Intelligence (S&P Global) forecast for the U.S. economy. S&P Global anticipated that the U.S. would experience below-potential real gross domestic product (GDP) growth of 2.0%. The forecast predicted that the odds of an economic slowdown without causing a recession remained favorable, despite policies under the Trump Administration that were generally expected to increase inflation, slow the pace of monetary policy easing, and contribute to a stronger dollar and tighter financial conditions.

The January, 2025, S&P Global forecast was based on the following assumptions. First, it expected that Treasury would undertake "extraordinary measures" to meet its debt obligations, and the debt ceiling would be increased without a government shutdown. It also assumed that: (a) the individual income tax provisions in the 2017 Tax Cuts and Jobs Act (TCJA) would be extended; (b) some tip and overtime pay would be excluded from federal income taxation; (c) the corporate tax rate would be reduced from 21% to 15% on domestic production; and (d) Medicare and Social Security benefits would continue to be paid. Second, it was assumed that, although state and local budgets had returned to deficit, unspent pandemic-era stimulus funds and ongoing Infrastructure Investment & Jobs Act funds would mitigate pressures to reduce state and local spending. Third, the forecast predicted that net international migration would be reduced by 500,000 per year through 2028, relative to current Census projections. Fourth, S&P Global anticipated that the Federal Reserve would reduce the federal funds rate by 25 basis points in March and June of 2025, before pausing until the third quarter of 2026. Fifth, the forecast assumed a universal tariff rate of 10%, with a 30% tariff on imports from China. Finally, growth in real, trade-weighted foreign GDP was expected to remain unchanged at 2.0% in 2025, while the foreign consumer price index (CPI) was expected to slow to 2.5% in 2025.

S&P Global's January, 2025, forecast also included an optimistic and pessimistic scenario. The optimistic forecast scenario was that lower tariffs and fewer and slower deportations would lead to less retaliation by trading partners and faster population growth. As a result, compared to the

baseline forecast, the optimistic scenario predicted lower CPI, elevated business fixed investment, higher real personal consumption expenditures (PCE), and higher growth in real GDP. The downside risk to the forecast was that higher tariffs and stricter immigration policy would have a more negative impact on economic output, financial conditions, and business fixed investment, with these factors contributing to higher inflation, an elevated unemployment rate, slower real GDP growth, and a delayed easing of monetary policy.

In May, this office reviewed additional tax collection data and S&P Global's May, 2025, economic forecast. The estimates were revised upward slightly in 2024-25, due to strength in year-to-date collections, but downward in the 2025-27 biennium. The May revisions also incorporated S&P Global's May forecast for the U.S. economy, which generally reflected expectations of weaker economic growth in 2025, relative to the January, 2025, forecast. The forecast for real GDP growth was decreased accordingly, from 2.0% to 1.3% in 2025. Housing starts in 2025 were revised up, from -3.0% to 1.3% growth over 2024, while light vehicle sales growth was revised down, from 2.4% to -2.0%. Forecasted 2025 growth was also revised in May to reflect changes to the following indicators: (a) consumer prices, which were up 0.5 percentage points; (b) personal income (down 0.5 percentage points); (c) economic profits (down 5.1 percentage points); and (d) nominal consumer spending (up 0.5 percentage points).

Several key assumptions in the May forecast differed from those of the January forecast. S&P Global's May forecast included a new assumption of 255,000 federal layoffs through October, 2025. It was assumed that federal funds rate cuts would be delayed, relative to January assumptions, until December, 2025, at which point it was anticipated that the Federal Reserve would reduce the federal funds rate by 25 basis points at three consecutive meetings through March, 2026, then would continue reducing the rate at every other meeting through 2026. The May forecast included new Section 232 tariffs (tariffs on products deemed a threat to national security) on copper, lumber, semiconductors, pharmaceuticals, and critical minerals, ranging from 10% to 25%, effective in the fourth quarter of 2025. In addition, the forecast included International Emergency Economic Powers Act (IEEPA) tariffs tied to fentanyl flows and immigration on imports from China (20%), Canada (25%), and Mexico (25%); the latter two were expected to decrease to 12% by early 2026. The universal tariff on imports from China, which was at 125% at the time of the May forecast (much higher than the 30% rate assumed in January), was expected to decrease to 17% by late 2025.

S&P Global now estimates that nominal GDP grew 5.1% in 2025, 0.1 percentage point higher than the May, 2025, forecast of 5.0%. S&P Global estimated that real GDP grew by 2.2% in 2025, exceeding its May expectation by 0.9 percentage points due to lower inflation than anticipated in May and by 0.2 percentage points compared to the January, 2025, projections.

Changing tariff policies created uncertainty throughout 2025. On February 1, 2025, President Trump issued a number of executive orders to impose new IEEPA tariffs on imports from Canada (25% generally and 10% on energy products), Mexico (25%), and China (10%), effective February 4, 2025. On February 3, a 30-day pause on tariff increases for imports from Canada and Mexico was announced, causing such tariffs to take effect on March 4. In early March, the President amended his previous executive orders to: (a) increase the tariff on China to 20% (effective retroactively to February 4); (b) exempt from tariffs any United States-Mexico-Canada Agreement (USMCA)-qualifying goods from Canada and Mexico; and (c) lower tariffs from 25% to 10% for any non-

qualifying potash from Canada or Mexico. A 10% baseline tariff took effect for most countries on April 5, 2025, with various country-specific tariffs that were set to take effect on April 9, including a 34% tariff (increased to 84% on April 8 and 125% on April 9) on China. All country-specific tariffs except those on China were paused for 90 days (until July 9), then later extended until August 1 and again to August 7, after an adjustment was made to the rates for each country. In May, the 125% tariff on goods from China was lowered to 10% for 90 days, until August 12, 2025 (and later extended to November), at which point the tariff increased to 34%. A July 30, 2025, executive order imposed a 40% IEEPA tariff on Brazil, in addition to the 10% reciprocal tariff previously announced. The 25% IEEPA tariff on goods from Canada was increased to 35% in August, and a new IEEPA tariff of 25% was imposed on imports from India.

Various expansions, additions, and increases to Section 232 tariffs were also made in 2025. In mid-February, a proclamation extended the existing 25% tariff on steel to all countries (certain countries were previously exempt) and increased the 10% tariff on aluminum to 25%, effective March 12, 2025. A March 26 proclamation imposed a 25% tariff on automobiles and certain auto parts, set to take effect on April 3 and May 3, respectively, with exemptions for USMCA-compliant parts. In early June, the tariffs on steel and aluminum were increased from 25% to 50%, except for the United Kingdom, which remained at 25%. Later that month, the 50% tariff was extended to steel derivative products. A new 50% tariff on semi-finished copper and intensive copper derivatives took effect on August 1. Various Section 232 tariffs on imports of timber and lumber products took effect in October, 2025, and a 25% tariff (later decreased to 15%) on imports from all countries of medium- and heavy-duty vehicles and parts, as well as a 10% tariff on buses, took effect in November. With all of the tariffs imposed throughout the year, S&P Global now estimates an effective tariff rate of 11.84% in the fourth quarter of 2025, much lower than projected in May (20.54%). For the year, S&P estimates a four-quarter average tariff rate of 8.59% (compared to 16.87% in the May forecast).

S&P Global's May assumption regarding net international migration, which remains unchanged, was that net international migration would be reduced by 0.5 million per year, relative to the current Census projections, for the four years of the current administration due to increased enforcement of immigration laws. On December 10, 2025, the Department of Homeland Security reported that more than 605,000 individuals had been deported since January 20, 2025. An additional 1.9 million individuals voluntarily self-deported in 2025, resulting in a total of 2.5 million individuals leaving the country. In November, 2025, the Federal Reserve estimated that net international migration into the country would be around 0.5 million people in 2025, down from 2.2 million in 2024.

The Federal Reserve held the target for the federal funds rate at a range of 4.25% to 4.50% until September, 2025, at which point the rate was reduced by 25 basis points. The rate was lowered two more times in 2025, in October and December, ending the year at a range of 3.50% to 3.75%. These reductions were delayed compared to January, 2025, expectations, but accelerated compared to the May, 2025, forecast. In addition, the Federal Reserve made the decision in October to cease its reduction of its holdings of Treasury securities and agency debt on December 1, 2025. At its December meeting, the Federal Open Market Committee determined that reserve balances had fallen to sufficient levels and stated that it would, on an ongoing basis, initiate purchases of shorter-term Treasury securities as needed to maintain a similar level of reserves.

The monthly average 30-year, conventional, fixed mortgage rate slowly eased as the year progressed, declining from 6.96% in January, 2025, to 6.19% by December, 2025. While mortgage rates ended the year at a lower level than projected in May, the average rate for the year (6.59%) was consistent with the May forecast. S&P Global estimates that the average price of existing homes increased 1.6% in 2025, while the price of a 1996-style home increased 3.1%. Existing house sales remained unchanged, while sales of new homes declined 0.4%, compared to 2024. Single-family housing starts declined 7.4% in 2025, a result S&P Global attributes to reduced immigration and higher tariffs. According to S&P Global, in November, 2025, the real mortgage payment on a median-priced home was 66% higher than in January, 2020.

The stock market remained surprisingly strong in 2025, with growth in artificial intelligence a major driver. The S&P 500 and Dow Jones Industrial Average increased 16.4% and 13.0%, respectively, over the year, building on the significant market strength seen in 2023 and 2024. Household equities increased 13.9% in 2025, exceeding January (1.3%) and May (-6.1%) expectations.

The growth in artificial intelligence applications, which are energy-intensive, has prompted significant investment in data centers. S&P Global reports that, in the first 11 months of 2025, U.S. investment in data centers totaled more than \$61 billion, following just under \$61 billion of investment in 2024. A Harvard economist found that, in the first half of 2025, 92% of GDP growth was due to investment in information processing equipment & software. If such investments were excluded from the calculation, first half GDP would have grown at just a 0.1% annual rate. S&P Global now estimates that investment in information processing equipment increased 22.6% in 2025, after increasing 7.3% in 2024.

Inflation continued to ease in 2025, although it remained above the Federal Reserve's long-range target of 2% (as it has since 2021). CPI declined slightly from 3.0% growth in 2024 to 2.7% growth in 2025 (0.6 percentage points lower than previously forecasted). Food prices increased at a similar rate to overall CPI (2.9%), while commodity and energy prices grew only 0.7% and 0.1%, respectively. Core CPI (which excludes food and energy prices) increased 2.9%, driven by a 3.6% increase in prices for nonenergy services. The average price of a new vehicle increased slightly, from \$46,100 in 2024 to \$46,600 in 2025.

The labor market continued to soften in 2025, with the national unemployment rate slowly rising as the year progressed, increasing from 4.0% in January, 2025, to 4.4% in December, 2025. The national unemployment rate averaged 4.3% in 2025, 0.1 percentage point lower than anticipated in May. The Wisconsin unemployment rate remained unchanged from December, 2024, at 3.1% as of November, 2025.

According to S&P Global, the U.S. economy has entered into a "low-hire, low-fire" environment. As such, the percentage of unemployed persons who have been unemployed for 27 weeks or longer rose from 21.1% in January, 2025, to 26.0% in December, 2025. For the 12-month period from December, 2024, to November, 2025, total layoffs increased 2.8% over the prior 12-month period. While layoffs did increase, there were no major spikes in layoffs throughout the year. U.S. personal income increased 4.8% and wage and salary disbursements increased 4.4% in 2025, exceeding May, 2025, estimates by 0.2 and 0.3 percentage points, respectively.

In early 2025, the Trump Administration provided federal employees with the option to resign with pay until September 30, 2025, through a deferred resignation program. Employees who chose this option effectively quit their jobs in February, 2025, and stopped working, but still received pay and remained on federal payrolls until October. In addition to the deferred resignation program, the federal government conducted layoffs throughout the year. Over the year, these measures reduced overall federal employment by an estimated 317,000 employees (offset by approximately 68,000 newly-hired federal employees), representing a net decrease in federal employment of 8.3% over December, 2024, levels. However, major federal job losses were offset by net job gains over the last 12 months (December 2024 to December 2025) of 885,800 in the private sector (with 709,000 of the increase due to gains in private education and health services jobs). From December, 2024, to December, 2025, total nonfarm payrolls increased by 584,000, while federal employment declined by 274,000. Overall, the four-quarter average of U.S. nonfarm payrolls is estimated to have increased 1.8% from 2024 to 2025, just 0.1 percentage point less than previously anticipated, while Wisconsin nonfarm payrolls decreased 0.1% between December, 2024, and November, 2025.

Many factors, including rising unemployment rates and concerns about job security, persistent inflation and price levels, high interest rates, and concerns over tariffs and the potential impact on prices have weighed on consumer sentiment. The University of Michigan's consumer sentiment index fell from 74.0 in December, 2024, to 51.0 in November, 2025, its lowest level since June of 2022. Consumer sentiment increased slightly to 52.9 in December, 2025.

Despite low consumer sentiment levels, nominal consumer spending grew 5.3% in 2025 (2.6 percentage points higher than CPI growth). Consumer spending was the primary driver of the economy, contributing 1.80 percentage points to real GDP growth. However, data suggest that spending strength, despite broader economic concerns, has primarily increased among the wealthiest households, while lower-income consumers have begun to decrease spending.

On July 4, 2025, President Trump signed the OBBBA into law. The bill extends and/or makes permanent many of the TCJA individual and business tax provisions, including the rates and brackets of the 2017 individual tax cuts, consistent with previous forecast assumptions. The bill also provides tax exclusions for overtime pay and tips, and temporarily increases the deduction limit for state and local taxes from \$10,000 to \$40,000 for five years. The limit will revert to \$10,000 beginning in tax year 2030. S&P Global had anticipated that the bill would include tax relief on tip income and overtime pay, although the actual relief provided was smaller than previously assumed. Corporate marginal tax rate reductions previously assumed by S&P Global did not occur. The OBBBA makes several changes to Medicaid eligibility, enrollment, and payment policies, with varying effective dates, and applicable to different populations. On net, the bill increases direct federal spending, rather than reducing it (as previously assumed by S&P Global).

On October 1, 2025, the federal government entered a government shutdown after the U.S. Congress failed to pass a budget for the 2026 fiscal year (October 1, 2025, to September 30, 2026). This marked the first shutdown since the 2018-19 federal fiscal year. On November 12, President Trump signed legislation ending the shutdown after 43 days and funding the federal government until January 30, 2026. Certain agencies and programs, including the Department of Agriculture, Military Construction, Veterans Affairs, the Food and Drug Administration, and the legislative branch, were funded through September of 2026. S&P Global estimates that the direct impact of the

shutdown was a 0.8 percentage point decline in GDP growth in the fourth quarter, although it forecasts that this decline will be offset by a corresponding increase in the first quarter of 2026.

National Economic Forecast

Under the January, 2026, forecast, S&P Global predicts moderate real GDP growth of 2.3% in 2026 and 1.9% in 2027. Despite recent increases in unemployment rate levels, S&P Global's forecast does not project a recession. However, the forecast projects that inflation will persist long enough to keep Federal Reserve actions paused through June, 2026. The Attachment outlines the January, 2026, economic forecast by S&P Global, as well as changes to the forecast since May, 2025, for 2025 through 2027.

The 2026 forecast is based on the following key assumptions. First, the forecast incorporates the direct effects of the partial government shutdown that ended on November 12, 2025, as well as the provisions of the OBBBA. Second, states generally remain fiscally sound despite most of the pandemic-era funds having been spent, although the forecast assumes that states will take on a larger share of the provision of Medicaid benefits in response to reduced federal grants. Third, the forecast assumes a reduction in net international migration by 500,000 per year for the four years of the current administration, relative to current Census estimates. Fourth, S&P Global anticipates that the Federal Reserve will pause its reduction of the federal funds rate until June of 2026, then reduce the rate twice to reach S&P Global's estimate of the long-run "neutral" range of 3.00% to 3.25% in September, 2026. Fifth, the forecast assumes a new Section 232 tariff of 10% on critical minerals will take effect in the first quarter of 2027, and that previously announced tariffs on furniture and cabinetry and semiconductors will no longer take effect. Current IEEPA tariffs tied to fentanyl flows and immigration on imports from China (10%), Canada (35%) and Mexico (25%), as well as reciprocal tariffs announced in August of 2025, remain in place, although the forecast expects that the rates on Canada and Mexico will decrease to 15% by mid-2026. Finally, it assumes that growth in real, trade-weighted foreign GDP will slow to 2.0% and growth in foreign CPI inflation will fall to 2.2% in 2026. S&P Global assumes that foreign sovereign bond yields average 3.0% from 2025 through 2027.

Consumer Prices. CPI slowed to 2.7% in 2025, down from 3.0% in 2024. Core CPI, which excludes food and energy prices, exceeded overall CPI, growing 2.9% in 2025 (1.0 percentage point lower than predicted in May). S&P Global expects growth in CPI to slow to 2.5% in 2026, before increasing to 2.8% in 2027, due, in part, to a slowdown and subsequent recovery of energy prices in 2026 (0.1%) and 2027 (4.5%), respectively. S&P Global also notes that the price impacts of tariffs have been slow to materialize, contributing to the forecast of lower inflation in 2026 and higher inflation in 2027. Core CPI growth is estimated at 2.7% in 2026 and 2027.

The price of Brent crude oil is expected to ease from \$69 in 2025 to \$59 in 2026 and \$64 in 2027. Shortly after S&P Global released its January, 2026, forecast, the U.S. carried out a military operation in Venezuela and removed President Nicolás Maduro. In addition, a partial blockade of Venezuelan oil exports has been in place since December 11, 2025. Even if this blockade were lifted, S&P Global projects that the increase in crude-oil supply would not significantly impact overall oil prices.

Personal Consumption. Nominal PCE grew 5.3% in 2025, which is 0.4 percentage points less than previously forecast, with growth in spending on services (6.0%) outpacing spending on goods (3.9%). As a result, the shift by consumers from spending on goods to services continued, with purchases of services making up 68.9% of all PCE, 0.3 percentage points higher than estimated in May, in 2025 (compared to 68.5% in 2024). The forecast projects that consumer spending will continue to shift towards services, with purchases of services making up 69.7% of all PCE, 0.4 percentage points higher than estimated in May, by 2027. Real (inflation-adjusted) PCE is expected to slow from 2.7% in 2025 to 2.6% in 2026 and 1.9% in 2027.

S&P Global anticipates that nominal PCE growth will remain at 5.3% in 2026 and slow to 4.5% in 2027, as the softening of the labor market prompts more caution from consumers. Sales of consumer items generally subject to the state sales tax (such as most durable goods, clothing, restaurant meals, accommodations, and certain services) grew by an estimated 5.6% in 2025, and are forecast to grow by 2.6% in 2026 and 3.2% in 2027 (after accounting for the new exemption of residential energy from sales tax).

Employment. The national unemployment rate averaged 4.3% over 2025, lower than previous projections (in January and May, 2025) by 0.1 percentage point. S&P Global projects that the unemployment rate will rise to 4.7% in 2026, then ease slightly to 4.6% in 2027. Average annual nonfarm payrolls grew 0.9% in 2025 (0.1 percentage point lower than previously forecast), and are expected to remain relatively flat through the forecast period, growing just 0.5% in both 2026 and 2027. S&P Global estimates that the U.S. labor force participation rate declined slightly to 62.4% in 2025, and expects that the rate will be unchanged in 2026, before declining to 62.2% in 2027.

Personal Income. Personal income grew 4.8% in 2025, faster than expected in the May forecast (4.6%), but less than projected in January (5.1%). Wage and salary disbursements grew 4.4% in 2025 (compared to 4.1% forecast in May, 2025), and are projected to continue increasing 4.8% in 2026 and 5.8% in 2027. Personal income is expected to grow slightly faster, increasing 5.3% in 2026 and 5.9% in 2027.

Real disposable income grew at a slower pace compared to 2024 (2.9%), up 1.7% in 2025. S&P Global anticipates that growth in real disposable income will increase to 3.3% in 2026 and 3.1% in 2027. The personal savings rate, as a percentage of disposable income, declined from 5.5% in 2024 to 4.6% in 2025, but is expected to increase to 5.2% in 2026 and 6.3% in 2027. Real household net worth increased 3.5% in 2025 and is expected to increase 1.0% in 2026, before declining 2.4% in 2027, driven by a projected decrease in equities (-7.3%).

Monetary Policy. As mentioned, the Federal Reserve decreased the federal funds rate three times in 2025, to a range of 3.50% to 3.75%. In addition, the Federal Reserve reduced its holdings of agency debt, mortgage-backed securities, and Treasuries by \$321.4 billion in 2025, to approximately \$6.6 trillion, but decided to cease further reductions beginning on December 1, 2025.

Going forward, it is anticipated that the Federal Reserve will pause its easing cycle until June of 2026, at which point it will reduce the federal funds rate twice, to S&P Global's estimated

long-run "neutral" range of 3.00% to 3.25% in September, 2026. In 2025, the average 30-year fixed mortgage rate was 6.59%, down 0.14 percentage points from 2024. In response to further Federal Reserve rate reductions, mortgage rates are expected to decline to 6.01% in 2026 and 5.83% in 2027.

Housing. Housing starts declined 1.9% in 2025, in contrast to projections of 1.3% growth in May, 2025, driven by a 7.4% decline in single-family housing starts. Multi-family housing starts grew 13.8% in 2025. Growth in house prices slowed in 2025, with the average price of existing houses increasing 1.6% and the average price for new houses increasing just 0.6%. Sales of existing houses declined less than 0.1 percentage point in 2025, reaching its lowest point since the start of the data series in 1999, while sales of new houses declined 0.4%.

Going forward, S&P Global estimates a continued decline in housing starts in 2026 (-2.6%) and a slight increase in 2027 (0.3%). Sales of new and existing homes are expected to increase 9.0% in 2026 and 6.7% in 2027, as lower mortgage rates and easing prices make housing more affordable. The average price of existing homes is expected to grow 3.1% in 2026 and 3.4% in 2027, while the average price of new homes is projected to increase just 0.6% in 2026 and 2.7% in 2027.

Business Investment. S&P Global estimates that nominal nonresidential fixed investment grew 5.2% in 2025, 0.4 percentage points lower than the May estimate of 5.6%. Growth in 2025 was led by investment in equipment (9.9%), particularly information processing equipment (22.6%), and intellectual property products (6.6%). Inventories increased by an estimated \$35.1 billion in 2025 (from quarter four of 2024 to quarter four of 2025), down from the \$65.9 billion increase estimated in May, 2025. Going forward, S&P Global anticipates inventories will continue to increase another \$17.9 billion in 2026 and \$79.7 billion in 2027.

Growth in nominal nonresidential fixed investment is projected to slow to 3.0% in 2026 and 2.6% in 2027, reflecting a continued decline in spending on manufacturing structures (-9.3% in 2026 and -21.2% in 2027) and a slowing of growth in intellectual property products (5.0% in 2026 and 2.7% in 2027).

International Trade. In contrast with May predictions, growth in nominal exports (3.4%) slightly exceeded growth in imports (3.0%) in 2025. Imports grew 2.4 percentage points slower than previously anticipated, while exports grew 1.4 percentage points faster. However, in real dollar terms, growth in imports (2.7%) still exceeded growth in exports (1.8%). Therefore, net exports subtracted 0.18 percentage points from real GDP growth in 2025. As a result of increased tariffs in 2025, taxes on production and imports increased 98%, from \$185.1 billion in 2024 to \$365.6 billion in 2025. The forecast anticipates that federal tariff revenues will increase federal tax revenues further in 2026 and 2027, to \$568.9 billion and \$566.0 billion, respectively.

Over the remainder of the forecast period, S&P Global predicts that some domestic demand will be redirected to domestic producers due to the higher cost of imports. Therefore, growth in nominal exports (4.1% in 2026 and 5.9% in 2027) is expected to exceed growth in nominal imports (-0.8% in 2026 and 3.8% in 2027), improving the balance of trade by 18.5% in 2026 and 5.9% in 2027. Net exports are expected to contribute 0.29 percentage points to real GDP growth in 2026

and subtract 0.02 in 2027.

Corporate Profits. Corporate before-tax book profits remained unchanged in 2025 (compared to 2024), and are forecast to increase 3.8% in 2026 and 0.3% in 2027. Economic profits, which are adjusted for inventory valuation and capital consumption at current cost (and are not affected by federal tax laws), grew 6.5% in 2025 (12.3 percentage points more than predicted in May). S&P Global forecasts that economic profits will increase 4.1% in 2026 and remain stable in 2027. The current forecast assumes that the effective federal corporate tax rate for all industries was 14.2% in 2025, and will increase to 14.3% in 2026 and 14.5% in 2027.

Fiscal Policy. The annual federal budget deficit is estimated to have declined from \$1,816.8 billion in 2024 to \$1,775.4 billion in 2025. Going forward, the forecast expects the annual deficit to increase to \$1,802.1 billion in 2026 and \$1,853.3 billion in 2027. As a result, the federal deficit is expected to increase from \$36.9 trillion (equal to 120% of U.S. GDP) in 2025 to \$41.6 trillion (123% of GDP) in 2027. S&P Global estimates that spending by the federal government subtracted 0.04 percentage points from real GDP growth in 2025, but will contribute 0.16 percentage points in 2026 and 0.02 percentage points in 2027. State and local government spending contributed 0.27 percentage points to GDP growth in 2025, and is projected to contribute another 0.1 percentage point in 2026 and 0.03 percentage points in 2027.

Alternate Scenarios. S&P Global's January, 2026, forecast also includes an optimistic scenario and a pessimistic scenario. Under the optimistic scenario, S&P Global assigns a 30% probability that the U.S. will implement lower tariffs and experience less retaliation by trading partners than assumed in the baseline forecast. In response, the Federal Reserve continues the current easing cycle at a faster pace than in the baseline, reducing the federal funds rate three times in 2026, versus two reductions in the baseline, and bringing the funds rate target range to 2.75 to 3.00% in June of 2026, 25 basis points below the baseline range. The unemployment rate briefly peaks at 4.7%, as in the baseline forecast, but remains 0.2 percentage points below the base, on average. Under the optimistic scenario, fewer and slower deportations boost population growth compared to the baseline, increasing real PCE by 0.7 and 0.5 percentage points in 2026 and 2027, respectively. The combination of lower tariffs and faster population growth increases economic output and financial conditions, which contributes to elevated business fixed investment. The optimistic scenario assumes that lower tariffs will lead to faster moderation in inflation in 2026, with CPI at 2.4% in 2026 (0.1 percentage point lower than the baseline). However, economic strength and labor market tightness bring CPI 0.3 percentage points higher than the baseline in 2027, with growth of 3.1%. Real GDP grows 2.9% in 2026 and 2.2% in 2027 (0.7 and 0.3 percentage points higher than the baseline, respectively).

Under the pessimistic scenario, to which S&P assigns a 20% probability, higher tariffs and a more noticeable retaliation by trading partners cause higher near-term inflation (2.7%) than assumed in the baseline. Higher tariffs, paired with slower population growth as a result of stricter immigration policy, have a more negative impact on economic output, financial conditions, and business fixed investment, compared to the baseline forecast. These factors push the economy into a two-quarter recession starting in early 2026. As such, real GDP grows 1.4 and 1.5 percentage points slower than the baseline in 2026 and 2027, respectively. Under the pessimistic scenario, the unemployment rate rises to 6.7% by mid-2028, exceeding the peak in the baseline forecast by 2.0

percentage points. The elevated unemployment rate causes inflation to fall below the baseline forecast in mid-2027. In response to economic weakness, this scenario predicts that the Federal Reserve aggressively cuts the federal funds rate in 2026, bringing the rate to a range of 2.00% to 2.25% by September, 2026. Normalization of the rates towards the baseline does not begin until September, 2029.

General Fund Taxes

Table 2 shows general fund tax revenue estimates for 2025-26 and 2026-27. The previous estimates are the general fund tax estimates included in 2025 Act 15, adjusted to reflect subsequent law changes and automatically adopted provisions of the OBBBA.

TABLE 2
Projected General Fund Tax Collections
(\$ in Millions)

	2024-25 <u>Actual</u>	<u>Previous Estimates</u>		<u>Revised Estimates</u> <u>January, 2026</u>	
		<u>2025-26</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2026-27</u>
Individual Income	\$10,451.1	\$9,874.3	\$10,353.1	\$10,330.0	\$10,665.0
General Sales and Use	7,831.6	8,083.3	8,249.3	8,083.3	8,249.3
Corporate Income/Franchise	2,761.7	2,650.6	2,691.1	2,935.0	3,000.0
Public Utility	387.5	404.0	394.0	412.0	401.0
Excise					
Cigarette	369.6	348.0	326.0	348.0	322.0
Tobacco Products	83.0	85.0	84.0	78.0	76.0
Vapor Products	8.1	7.2	7.3	5.5	6.4
Liquor and Wine	72.9	74.0	76.0	76.0	80.0
Beer	8.4	8.2	8.1	7.9	7.8
Insurance Company	268.8	285.0	294.0	276.0	291.0
Miscellaneous Taxes	<u>120.2</u>	<u>124.8</u>	<u>133.8</u>	<u>134.0</u>	<u>144.0</u>
Total	\$22,362.9	\$21,944.4	\$22,616.7	\$22,685.7	\$23,242.5
Change from Prior Year		-\$418.5	\$672.3	\$322.8	\$556.8
Percent Change		-1.9%	3.1%	1.4%	2.5%

In total, these amounts are \$1,367.1 million higher than the previous estimates. The percentage difference is 3.1% higher. Nearly all of the increase (99.5%) is attributed to higher projections for individual income taxes and corporate income/franchise taxes, which are \$767.6 million and \$593.3 million higher than the previous forecast, respectively. The remaining \$6.2 million increase is comprised of increased estimates for miscellaneous taxes and utility taxes, offset by lower estimates for excise taxes and insurance premiums taxes. The estimates for sales and use taxes have not been changed.

Individual Income Tax. Total individual income tax collections were \$10,451.1 million in

2024-25, an increase of 7.5% over the prior year. Actual revenues in 2024-25 were \$31.1 million (0.3%) above this office's previous estimates. Based on preliminary collections information through December, 2025, total year-to-date collections for 2025-26 are higher by 6.8% (\$318.0 million) than such receipts during the same time period one year ago. Withholding collections, which are 5.7% (\$244.5 million) higher than the same period in 2024-25, and estimated payments, which are 20.3% (\$73.5 million) higher than the same period in 2024-25, are the main reasons for this growth.

Over the remainder of 2025-26, total individual income tax revenues are projected to decline by 7.6% relative to the same time period in 2024-25. The main factor contributing to this decline is the impact of the income tax reductions automatically adopted following enactment of the OBBBA and the following reductions contained in 2025 Act 15: (a) expanding the second bracket (4.40% rate) to cover additional taxable income that had been subject to the 5.30% rate; (b) creating an exclusion for up to \$24,000 (\$48,000 married-joint) of retirement income for filers aged 67 or older; and (c) increasing the maximum adoption expenses deduction from \$5,000 to \$15,000. The Act 15 changes took effect beginning in tax year 2025, and are estimated to reduce collections by \$700 million in 2025-26. The majority of this fiscal effect is expected to result in increased refunds over the remainder of the fiscal year, as taxpayers file their returns by April, 2026.

Total collections for 2025-26 are estimated at \$10,330 million, which is \$455.7 million (4.6%) higher than the previous estimates. One factor that is expected to help revenues over the rest of 2025-26 is the projected high level of capital gains realizations for tax year 2025. [Realizations for tax year 2026 are also expected to be significant, though not as high as tax years 2024 or 2025]. Additionally, the year-to-date withholding growth for 2025-26 (5.7%) is higher than had been anticipated.

Total individual income tax revenues for 2026-27 are projected to increase by 3.2% year-over-year, to a total of \$10,665 million. Relative to the previous estimates, these figures are higher by \$311.9 million (3.0%). Major contributing factors to this increase include an improved forecast for wages and salaries, which impacts withholding collections, and a higher forecast for capital gains.

General Sales and Use Tax. State sales and use tax revenues totaled \$7,831.6 million in 2024-25, which was an increase of 3.2% over the prior year. Sales tax revenues are estimated at \$8,083.3 million in 2025-26 and \$8,249.3 million in 2026-27, constituting annual growth of 3.2% in 2025-26 and 2.1% in 2026-27. These estimates are unchanged from prior estimates. Year-to-date sales tax collections through December are up \$143.9 million (4.4%) over the same period in the previous year. However, adjusting for previously enacted law changes and other one-time effects to collections, year-to-date growth is up 5.3%. State sales tax collections are expected to grow 2.4% for the remaining months of 2025-26. The estimate accounts for various sales tax exemptions enacted during the 2025-27 biennium, including the exemption for residential energy sold during the months of May through October, as well as certain refund payments anticipated to be made over the remainder of the biennium.

Corporate Income/Franchise Taxes. Corporate profits and year-to-date collections in 2025-26 have been far stronger than previously forecast. Economic profits, which are adjusted for inventory valuation and capital consumption at current cost (and thus not affected by federal tax laws), grew by 6.5% in 2025 (which is 12.3 percentage points more than forecasted in May). Given the strength in corporate profits, year-to-date collections have increased 10.4% compared to the

previous year, with estimated payments (7.4%) and collections from partnerships under the pass-through entity tax (43.5%) particularly strong. Based on the updated forecast and year-to-date collections, corporate income/franchise tax revenues are now projected to be \$2,935 million in 2025-26. This estimate is \$284.4 million (10.7%) higher than the previous forecast and reflects growth of 6.3% over prior year collections (\$2,761.7 million in 2024-25).

S&P Global forecasts that economic profits will increase 4.1% in 2026 and remain unchanged in 2027. Based on the updated forecast and the increased estimate for 2025-26, corporate income/franchise tax revenues are now estimated to be \$3,000 million in 2026-27, representing 2.2% growth over the prior year. This is an increase of \$308.9 million (11.5%) compared to previous estimates. Note that the forecast also reflects recent changes to federal tax law under OBBBA that are automatically adopted or impact collections for purposes of state tax law (such as deductions for Section 179 expenses and changes to the \$10,000 limit for deductions of state and local taxes).

Public Utility Taxes. Revenue from public utility taxes totaled \$387.5 million in 2024-25, \$3.5 million higher than previously estimated, and is estimated at \$412.0 million in 2025-26 and \$401.0 million in 2026-27. Year-over-year, these amounts represent an increase of 6.3% in 2025-26 and a decrease of 2.7% in 2026-27. Declining tax collections in 2026-27 are primarily attributed to the phase-in of the personal property tax exemption for telephone companies enacted under 2023 Act 140.

Relative to the previous estimates, these estimates reflect an increase of \$8.0 million in 2025-26 and \$7.0 million in 2026-27. The higher overall utility tax estimates are primarily attributable to increased estimates for gross receipts taxes on private light, heat, and power companies. Estimates of growth in sales by Wisconsin power companies of natural gas in 2025 and electricity in 2026 have improved since the previous forecast, increasing estimates of tax revenue for both 2025-26 and 2026-27.

Excise Taxes. General fund excise taxes are imposed on cigarettes, liquor (including wine and hard cider), other tobacco products, vapor products, and beer. Total excise tax revenues in 2024-25 were \$542.0 million, of which \$369.6 million (68.2%) was from the excise tax on cigarettes. Total excise taxes declined 5.2% in 2024-25, driven by declines of 8.2% and 3.2% in cigarette and tobacco products tax revenues, respectively. Total excise tax revenues are estimated to decrease by 4.9% to \$515.4 million in 2025-26 and by 4.5% to \$492.2 million in 2026-27. Compared to the previous estimates, these amounts are lower by \$7.0 million in 2025-26 and \$9.2 million in 2026-27.

Tobacco products tax revenues are the primary reason for this revision and are estimated at \$78.0 million in 2025-26 and \$76.0 million in 2026-27, constituting annual revenue declines of 6.0% and 2.6%, respectively. These estimates are lower than previously forecast by \$7.0 million in 2025-26 and \$8.0 million in 2026-27. These revisions are largely due to lower than anticipated year-to-date growth in sales of tobacco (-8.5%), and a persistent downward trend in annual revenues.

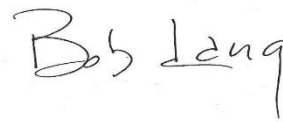
Insurance Premiums Taxes. Insurance premiums taxes were \$268.8 million in 2024-25, which is \$6.2 million lower than previously estimated. Revenues are now projected to be \$276.0 million in

2025-26, and \$291.0 million in 2026-27, reflecting growth of 2.7% and 5.4%, respectively. Compared to the previous estimates, these estimates represent decreases in insurance premiums tax revenues of \$9.0 million in 2025-26 and \$3.0 million in 2026-27. The new estimates are decreased to reflect lower actual collections than estimated for 2024-25 and lower than anticipated year-to-date collections (1.8% growth).

Miscellaneous Taxes. Miscellaneous taxes include the real estate transfer fee (RETF), municipal and circuit court-related fees, a small amount from the occupational tax on coal, and certain other fees and taxes. Miscellaneous tax revenues were \$120.2 million in 2024-25, of which 87.8% was generated from the RETF. Total miscellaneous tax collections in 2024-25 represented an increase of 10.8% from the prior fiscal year. Miscellaneous tax revenues are estimated at \$134.0 million in 2025-26 and \$144.0 million in 2026-27, which is higher than the previous estimate by \$9.2 million in 2025-26 and \$10.2 million in 2026-27. The revised estimates primarily reflect strong year-to-date growth in adjusted collections of the RETF (24.9%).

This office will continue to monitor state revenues and expenditures and new economic forecasts, and notify you and your colleagues of any future 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/ml

cc: Members, Wisconsin Legislature

ATTACHMENT

Summary of National Economic Indicators S&P Global Market Intelligence Baseline Forecast January, 2026, and May, 2025 (\$ in Billions)

	May, 2025			January, 2026			Difference from May		
	<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	\$30,643.3	\$32,005.7	\$33,173.3	\$30,778.5	\$32,380.7	\$33,831.7	\$135.2	\$375.0	\$658.4
% Change	5.0%	4.4%	3.6%	5.1%	5.2%	4.5%	0.1%	0.8%	0.8%
Real Gross Domestic Product	\$23,618.0	\$24,008.1	\$24,402.8	\$23,863.2	\$24,420.5	\$24,889.9	\$245.1	\$412.5	\$487.0
% Change	1.3%	1.7%	1.6%	2.2%	2.3%	1.9%	0.8%	0.7%	0.3%
Consumer Price Index (% Change)	3.4%	2.9%	2.2%	2.7%	2.5%	2.8%	-0.7%	-0.4%	0.6%
Personal Income	\$25,787.8	\$27,043.2	\$28,425.6	\$26,094.8	\$27,464.9	\$29,084.6	\$307.0	\$421.7	\$659.0
% Change	4.6%	4.9%	5.1%	4.8%	5.3%	5.9%	0.2%	0.4%	0.8%
Nominal PCE	\$20,954.1	\$21,799.2	\$22,643.1	\$20,957.0	\$22,062.6	\$23,045.0	\$2.9	\$263.3	\$402.0
% Change	5.7%	4.0%	3.9%	5.3%	5.3%	4.5%	-0.4%	1.2%	0.6%
Economic Profits	\$3,605.6	\$3,688.1	\$3,694.4	\$4,048.1	\$4,214.4	\$4,214.6	\$442.5	\$526.3	\$520.2
% Change	-5.8%	2.3%	0.2%	6.5%	4.1%	0.0%	12.3%	1.8%	-0.2%
Unemployment Rate (Percent)	4.4%	4.9%	5.0%	4.3%	4.7%	4.6%	-0.1%	-0.2%	-0.4%
Total Nonfarm Employment (Millions)	159.5	159.9	160.2	159.4	160.2	161.1	-0.1	0.3	0.8
% Change	1.0%	0.2%	0.2%	0.9%	0.5%	0.5%	-0.1%	0.2%	0.3%
Light Vehicle Sales (Million of Units)	15.48	14.97	15.56	16.13	15.79	15.98	0.65	0.82	0.42
% Change	-2.0%	-3.3%	4.0%	1.7%	-2.1%	1.2%	3.7%	1.2%	-2.7%
Sales of New and Existing Homes (Millions of Units)	4.973	5.474	5.643	4.747	5.175	5.523	-0.226	-0.299	-0.120
% Change	4.7%	10.1%	3.1%	-0.1%	9.0%	6.7%	-4.8%	-1.0%	3.6%
Housing Starts (Millions)	1.385	1.342	1.324	1.344	1.309	1.312	-0.041	-0.033	-0.012
% Change	1.3%	-3.1%	-1.3%	-1.9%	-2.6%	0.3%	-3.2%	0.5%	1.6%

APPENDIX C

FORMS OF BOND COUNSEL OPINIONS

Upon delivery of each series of 2026 Bonds, Quarles & Brady, LLP, Milwaukee, Wisconsin expects to deliver to the State a legal opinion in substantially the following forms:

[Letterhead of Quarles & Brady LLP]

, 2026

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

RE: \$87,795,000* State of Wisconsin (**State**)
Transportation Revenue Bonds, 2026 Series A
dated , 2026 (**2026 Series A Bonds**)

We have acted as bond counsel to the State in connection with the issuance of the 2026 Series A Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion, including a certified copy of the transcript of proceedings of record of the State of Wisconsin Building Commission (the **Commission**) preliminary to and in connection with the issuance of the 2026 Series A Bonds.

The 2026 Series A Bonds have been authorized and issued pursuant to Subchapter II of Chapter 18 (**Revenue Obligations Act**) and Section 84.59 (the **Act**) of the Wisconsin Statutes as now in force; the resolution of the Commission adopted June 26, 1986, entitled "1986 State of Wisconsin Building Commission Resolution 9, State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations General Resolution" (the "General Resolution"), as amended and supplemented by certain resolutions of the Commission adopted March 19, 1998, August 9, 2000, and October 15, 2003 (collectively, the "Amending Resolutions"); and resolutions of the Commission adopted August 6, 2025 and February 4, 2026, and the determinations of the Capital Finance Director made thereunder in the report to the Commission, dated , 2026 (collectively, the "Series Resolution") (hereafter, the General Resolution, as amended by the Amending Resolutions, shall be referred to as the "General Resolution" and the General Resolution and the Series Resolution shall be referred to collectively as the "Resolutions").

The 2026 Series A Bonds are issued on a parity with certain outstanding transportation revenue bonds (the "Prior Bonds"). The 2026 Series A Bonds are issued to finance transportation facilities and major highway projects.

Pursuant to the Revenue Obligations Act, the Act and the General Resolution, the State, acting through the Commission, is authorized to issue transportation revenue bonds in addition to, but on a parity with the Prior Bonds and the 2026 Series A Bonds.

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

We have examined a sample of the 2026 Series A Bonds and find the same to be in proper form.

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

*Preliminary; subject to change.

- (1) The State has valid right and lawful authority to finance transportation facilities and major highway projects by the adoption of the Resolutions, to perform its obligations under the terms and conditions of the Resolutions, and to issue the 2026 Series A Bonds.
- (2) The Resolutions have been duly and lawfully adopted by the Commission, are in full force and effect, and constitute valid and binding obligations of the State enforceable upon the State in accordance with their terms.
- (3) The 2026 Series A Bonds are valid and binding revenue bonds of the State secured by a pledge in the manner and to the extent set forth in the General Resolution and are entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Resolution on a parity with the Prior Bonds. The General Resolution creates the valid pledge which it purports to create of the Program Income (as defined in the General Resolution) and of monies and securities on deposit in any of the Funds (as defined in the General Resolution) established under the General Resolution, including the investments, if any, thereof, subject to the application thereof to the purposes and on the conditions permitted by the General Resolution.
- (4) The 2026 Series A Bonds have been lawfully authorized and issued in accordance with the Constitution and statutes of the State, including the Revenue Obligations Act and the Act and in accordance with the Resolutions.
- (5) The 2026 Series A Bonds do not constitute a debt or grant or loan of credit of the State, and the State shall not be generally liable thereon, nor shall the 2026 Series A Bonds be payable out of any funds other than those provided therefor pursuant to the Resolutions and the Act. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal or the interest on the 2026 Series A Bonds.
- (6) The interest on the 2026 Series A Bonds (including any original issue discount properly allocable to the owners thereof) is excludable for federal income tax purposes from the gross income of the owners of the 2026 Series A Bonds. The interest on the 2026 Series A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the 2026 Series A Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the 2026 Series A Bonds in order for interest on the 2026 Series A Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the 2026 Series A Bonds to be included in gross income retroactively to the date of issuance of the 2026 Series A Bonds. The State has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the State comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the 2026 Series A Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the 2026 Series A Bonds. Further, we express no opinion regarding tax consequences arising with respect to the 2026 Series A Bonds other than as expressly set forth herein.

Except as expressly set forth in (3) above regarding the priority of the 2026 Series A Bonds with respect to other obligations of the State under the Act, we express no opinion regarding the perfection or priority of the lien on Program Income or other Funds established under the General Resolution.

The rights of the owners of the 2026 Series A Bonds and the enforceability of the 2026 Series A Bonds and the Resolutions may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditor's rights and may be also subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

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

QUARLES & BRADY LLP

[Letterhead of Quarles & Brady LLP]

, 2026

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

RE: \$37,275,000* State of Wisconsin (**State**)
Transportation Revenue Refunding Bonds, 2026 Series 1
dated , 2026 (**2026 Series 1 Bonds**)

We have acted as bond counsel to the State in connection with the issuance of the 2026 Series 1 Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion, including a certified copy of the transcript of proceedings of record of the State of Wisconsin Building Commission (the **Commission**) preliminary to and in connection with the issuance of the 2026 Series 1 Bonds.

The 2026 Series 1 Bonds have been authorized and issued pursuant to Subchapter II of Chapter 18 (**Revenue Obligations Act**) and Section 84.59 (the **Act**) of the Wisconsin Statutes as now in force; the resolution of the Commission adopted June 26, 1986, entitled "1986 State of Wisconsin Building Commission Resolution 9, State of Wisconsin Transportation Facilities and Highway Projects Revenue Obligations General Resolution" (the "General Resolution"), as amended and supplemented by certain resolutions of the Commission adopted March 19, 1998, August 9, 2000, and October 15, 2003 (collectively, the "Amending Resolutions"); and a resolution of the Commission adopted May 7, 2025, and the determinations of the Capital Finance Director made thereunder in the report to the Commission, dated , 2026 (collectively, the "Series Resolution") (hereafter, the General Resolution, as amended by the Amending Resolutions, shall be referred to as the "General Resolution" and the General Resolution and the Series Resolution shall be referred to collectively as the "Resolutions").

The 2026 Series 1 Bonds are issued on a parity with certain outstanding transportation revenue bonds (the "Prior Bonds"). The 2026 Series 1 Bonds are issued to pay the costs of refunding certain outstanding Prior Bonds.

Pursuant to the Revenue Obligations Act, the Act and the General Resolution, the State, acting through the Commission, is authorized to issue transportation revenue bonds in addition to, but on a parity with the Prior Bonds and the 2026 Series 1 Bonds.

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

We have examined a sample of the 2026 Series 1 Bonds and find the same to be in proper form.

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

- (1) The State has valid right and lawful authority to finance transportation facilities and major highway projects by the adoption of the Resolutions, to perform its obligations under the terms and conditions of the Resolutions, and to issue the 2026 Series 1 Bonds.
- (2) The Resolutions have been duly and lawfully adopted by the Commission, are in full force and effect, and constitute valid and binding obligations of the State enforceable upon the State in accordance with their terms.

*Preliminary; subject to change.

- (3) The 2026 Series 1 Bonds are valid and binding revenue bonds of the State secured by a pledge in the manner and to the extent set forth in the General Resolution and are entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Resolution on a parity with the Prior Bonds. The General Resolution creates the valid pledge which it purports to create of the Program Income (as defined in the General Resolution) and of monies and securities on deposit in any of the Funds (as defined in the General Resolution) established under the General Resolution, including the investments, if any, thereof, subject to the application thereof to the purposes and on the conditions permitted by the General Resolution.
- (4) The 2026 Series 1 Bonds have been lawfully authorized and issued in accordance with the Constitution and statutes of the State, including the Revenue Obligations Act and the Act and in accordance with the Resolutions.
- (5) The 2026 Series 1 Bonds do not constitute a debt or grant or loan of credit of the State, and the State shall not be generally liable thereon, nor shall the 2026 Series 1 Bonds be payable out of any funds other than those provided therefor pursuant to the Resolutions and the Act. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal or the interest on the 2026 Series 1 Bonds.
- (6) The interest on the 2026 Series 1 Bonds (including any original issue discount properly allocable to the owners thereof) is excludable for federal income tax purposes from the gross income of the owners of the 2026 Series 1 Bonds. The interest on the 2026 Series 1 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the 2026 Series 1 Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the 2026 Series 1 Bonds in order for interest on the 2026 Series 1 Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the 2026 Series 1 Bonds to be included in gross income retroactively to the date of issuance of the 2026 Series 1 Bonds. The State has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the State comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the 2026 Series 1 Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the 2026 Series 1 Bonds. Further, we express no opinion regarding tax consequences arising with respect to the 2026 Series 1 Bonds other than as expressly set forth herein.

Except as expressly set forth in (3) above regarding the priority of the 2026 Series 1 Bonds with respect to other obligations of the State under the Act, we express no opinion regarding the perfection or priority of the lien on Program Income or other Funds established under the General Resolution.

The rights of the owners of the 2026 Series 1 Bonds and the enforceability of the 2026 Series 1 Bonds and the Resolutions may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditor's rights and may be also subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

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

QUARLES & BRADY LLP

APPENDIX D

OUTSTANDING BONDS REFUNDED BY THE 2026 SERIES 1 BONDS*

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

Current Refunded Bonds

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

*Preliminary; subject to change.

